



2023/24  
**ANNUAL**  
*Report*



**traditional affairs**

Department:  
Traditional Affairs  
**REPUBLIC OF SOUTH AFRICA**



DEPARTMENT OF TRADITIONAL AFFAIRS  
VOTE NO. 15

ANNUAL REPORT  
2023/2024 FINANCIAL YEAR



**traditional affairs**

Department:  
Traditional Affairs  
**REPUBLIC OF SOUTH AFRICA**



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**PART**

# A

**GENERAL INFORMATION**

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# 1. DEPARTMENT GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

<b>AFS</b>	Annual Financial Statements
<b>AGSA</b>	Auditor-General of South Africa
<b>APP</b>	Annual Performance Plan
<b>BAS</b>	Basic Accounting System
<b>CFS</b>	Corporate and Financial Services
<b>CFO</b>	Chief Financial Officer
<b>CGF</b>	Corporate Governance Framework
<b>CIA</b>	Customary Initiation Act
<b>CoGTA</b>	Cooperative Governance and Traditional Affairs
<b>CONTRALESA</b>	Congress of Traditional Leaders of South Africa
<b>CRLRC</b>	Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities
<b>CSD</b>	Central Supplier Database
<b>CTLDC</b>	Commission on Traditional Leadership Disputes and Claims
<b>CWP</b>	Community Works Programme
<b>DALRRD</b>	Department of Agriculture Land Reform and Rural Development
<b>DDM</b>	District Development Model
<b>DM</b>	District Municipality
<b>GBVF</b>	Gender Based Violence and Femicide
<b>HOD</b>	Head of Department
<b>IDP</b>	Integrated Development Plan
<b>IMTT</b>	Inter-Ministerial Task Team
<b>ISC</b>	Institutional Support and Coordination
<b>LHTKL</b>	Local House(s) of Traditional and Khoi-San Leaders
<b>MANCO</b>	Management Committee
<b>MRM</b>	Moral Regeneration Movement
<b>MEC</b>	Member of Executive Council
<b>MTSF</b>	Medium Term Expenditure Framework
<b>NHTKL</b>	National House of Traditional and Khoi-San Leaders
<b>NIOC</b>	National Initiation Oversight Committee
<b>OR Tambo</b>	Oliver Reginald Tambo District Municipality
<b>PFMA</b>	Public Finance Management Act
<b>PHTKL</b>	Provincial House(s) of Traditional and Khoi-San Leaders
<b>PICC</b>	Provincial Initiation Coordinating Committee
<b>PWD</b>	Persons/ People with Disabilities
<b>RPL</b>	Research, Policy and Legislation
<b>SAPS</b>	South African Police Service
<b>SMME</b>	Small Medium Micro Enterprise
<b>SMS</b>	Senior Management Service
<b>SP</b>	Strategic Plan
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act
<b>TC</b>	Traditional Council
<b>TKLA</b>	Traditional and Khoi-San Leadership Act



### 3. FOREWORD BY THE MINISTER



**Minister  
Velenkosini Hlabisa, MP**

This annual report comes at a time when we had just commenced with the seventh administration under the Government of National Unity, commonly referred to as the GNU. The GNU is a culmination of a voluntary association of political parties that participated in the 2024 elections and received seats in the national and provincial legislatures to represent the electorate that voted for the different parties and to cooperate with one another within the GNU arrangement, also at the Executive level.

The GNU has reached consensus on the basic minimum programme of priorities for the seventh administration and three of the key priorities are as follows:

- Firstly, to drive inclusive growth and job creation;
- Secondly, to reduce poverty and tackle the high cost of living; and
- Thirdly, to build a capable, ethical and developmental state.

These are the priorities that we have adopted as a collective under the GNU and we will implement them during this term of office.

Guided by the mandate of the portfolio, we have organised ourselves as Ministers, towards sharing responsibility through delegated functions to Deputy Ministers (DM) of the CoGTA portfolio. This, we did with the concurrence and approval by the Presidency, guided by the appointment of DMs with Dr Masemola focusing on cooperative governance and Prince: Burns-Ncamashe on traditional affairs.

As a Cooperative Governance and Traditional Affairs portfolio, we continue to remain guided by the District Development Model (DDM), as an approach for service delivery and development, to drive the above three priorities of government, in this seventh administration. The DDM is an integrated planning model for cooperative governance which seeks to ensure integrated, district-based service delivery approach aimed at fast-tracking service delivery, at a district space.

We recently successfully concluded the first Presidential DDM Imbizo in this seventh administration, that took place in the Gauteng, Ekurhuleni, on Friday, 23 August 2024, in Tsakani. The aim of these izimbizos is to assess service delivery and the availability of enabling infrastructure, evaluating levels of coordination across all spheres of government and interacting with communities over the challenges they face, including targeted engagements with traditional leaders represented by Houses, at national, provincial and local spheres of government as well as those in the form of traditional councils, as it was the case in Gauteng.

The President together with members of his cabinet engaged directly with the communities and stakeholders, addressing their concerns and mapping solutions that will enable integrated service delivery. Traditional Leaders have been part of these engagements and were afforded the opportunity

to meet and greet to engage with the President and Ministers as part and parcel of build-up activities to the izimbizos. The engagements with traditional leaders afforded Ministers an opportunity to reflect on progress made towards resolving issues that have been raised by traditional leaders as well as appreciating the persistent challenges that needed to be addressed.

The next Presidential DDM Imbizo will be held in KwaZulu Natal Province during the month of November 2024. Similarly, the approach towards engaging with Royalty will continue and the new Cabinet will have the opportunity to engage and get to appreciate the issues that the sector is seized with, which would require their attention, especially those consolidated under the Inter-Ministerial Task Team (IMTT) for Traditional Leadership.

We commenced with our work within the CoGTA portfolio with a focused programme of engagement with various key stakeholders, firstly to meet and greet, but also to focus on common issues that require our attention. Amongst the key stakeholders engaged, we met with the following:

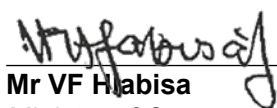
- Chairperson of the NHTKL: Kgosi Seatlholo, Rapulana! and his Executive Committee on 8 August 2024.
- Our Majesties, Kings/ Queens on 30 August 2024.
- Extended Chairpersons Forum comprising twenty-three members of the NHTKL and Chairpersons and Deputy Chairpersons of the NHTKL on 6 September 2024
- Chairperson of the National Initiation Oversight Committee (NIOC) and the Eastern Cape Provincial Initiation Coordinating Committee (PICC), Inkosi V Mahlangu, Ndzundza Fene and Inkosi Gwazinamba Matanzima, Madiba!, respectively, on 11 September 2024.

We are forging ahead with our programme of engagement and we will soon be meeting and engaging further with:

- The National Initiation Oversight Committee (NIOC) for a meet and greet and to focus on resolving challenges pertaining to the cultural practice of initiation.
- Commission on Khoi-San Matters (CKSM) on accelerating the recognition of the Khoi-San communities and leaders
- Our Kings/ Queens as a follow-up to the meeting held on 30 August 2024 to concretise issues raised and to arrive at a focused programme of action for the Majesties as well as a concrete structure, the Kings/Queen Forum to enable them to have a platform of engagement.
- The IMTT Workstreams to take stock of progress on the IMTT Programme of Action, prior to the convening of the Political IMTT presided over by the Deputy President.

In conclusion, I wish to thank Deputy Minister Prince: Zolile Burns-Ncamashe, Deputy Minister Namane Dickson Masemola, the Director General, Mr Mashwahle Diphofa and his team of officials for their support in the work of the Department and the portfolio. Lastly, I wish to congratulate the Department for obtaining unqualified audit opinion for the year 2023/24. The Department has commenced working on a programme to improve on its audit outcome during the next period of reporting.

I thank you.



Mr VF Hlabisa

Minister of Cooperative Governance and Traditional Affairs

## 4. DEPUTY MINISTER STATEMENT



**Deputy Minister**  
**Prince Z Burns-Ncamashe, MP**

It gives me great pleasure to present the Annual Performance Report of the Department of Traditional Affairs for the financial year 2023/24. This is an opportunity that is presented annually during which we account to the electorate on our delivery. We have seamlessly transitioned from the sixth to the seventh administration and we are well on course and geared towards implementing the priorities of this term of office.

Whilst awaiting the finalisation of the Medium Term Development Plan (MTDP), the Government of National Unity (GNU), reached consensus on the implementation of the three strategic priorities over the five year period. These priorities are:

- Firstly, to drive inclusive growth and job creation.
- Secondly, to reduce poverty and tackle the high cost of living.
- Thirdly, to build a capable, ethical and developmental state.

These will be the focus of our delivery and all our efforts will be geared towards achieving the priorities in order to be more focused and impactful.

During the 2023/24 financial year of implementation, we continued to pay a focused attention on the work of the Inter-Ministerial Task Team (IMTT) on traditional leadership and progress that has been made thus far to attend to issues that have been raised by traditional leaders with Government over time. The Ministry moved swiftly to brief the Minister for Cooperative Governance and Traditional Affairs (CoGTA) on the IMTT work in support of the Deputy President (DP), Honourable Paul Mashatile who is leading the political IMTT. This was necessary to ensure that the Ministry is able to carry out its roles and responsibilities as encapsulated in the terms of reference of the IMTT.

The IMTT programme that lies ahead encompass individual engagements with the five (5) workstreams to ensure the fast tracking of the resolutions of the issues that have prolonged since raised with government by traditional leaders over time. The following workstreams will be engaged with a view to ensure that within a short period of time, low hanging fruits and urgent actionable areas are executed:

- **Workstream 1:** Advancing land ownership, tenure rights and fast-tracking socio-economic development of rural communities, led by the Minister for Land Reform and Rural Development.
- **Workstream 2:** Building institutional capacity and ensuring support to traditional leaders, led by the Minister for Finance.
- **Workstream 3:** Promoting unity, social cohesion and nation building in rural communities, led by the Minister for Sport, Arts and Culture.

- **Workstream 4:** Advancing infrastructure investment and skills development in rural communities, led by the Minister for Public Works and Infrastructure.
- **Workstream 5:** Fast-tracking the finalisation of policy, legislative and constitutional matters, led by the Minister for Justice and Constitutional Development.

The invest rural master plan is the new path that traditional leaders have taken to develop and grow their communities. The master plan requires of us to seek innovative and sustainable solutions to the unique challenges that rural communities face, for therein lies the key to inclusive growth and development.

I equally would like to draw attention to the Eastern Seaboard Development (ESD) programme - a beacon of progress, development, and inclusivity that spans the beautiful coastal line between OR Tambo and Harry Gwala. This initiative marks the embodiment of our collective efforts towards the betterment of our people and the regions they reside in. At the heart of this growth, our traditional leaders have played a significant role. Their wisdom, foresight, and unwavering dedication have been instrumental in driving the development within our rural communities, particularly within the Eastern Cape and Kwa Zulu Natal. By availing land for bankable projects and infrastructure development, they have breathed life into our collective visions, further enriching the tapestry of our shared heritage and future.

The Department of Traditional Affairs, together with the National House of Traditional and Khoi-San Leaders, the Provincial Houses, and the Local Houses, have formed the backbone of these operations. For instance, traditional leaders in the identified communities have pledged land parcels to attract investments opportunities to improve the lives of their people. Our synergistic collaboration has paved the way for initiatives that have the potential to alter the socio-economic landscape of our rural areas. This would not have been possible without the voice of our communities, their hopes, dreams, and aspirations, guiding our steps. Consultations with our communities have been, and will always remain, a cornerstone of our development strategy.

Our trajectory for a better tomorrow is through the District Development Model (DDM). The participation and involvement of traditional leaders in the DDM is significant so as to bring to the forefront, the views and aspirations of communities they live in. It is important that Local Houses of Traditional and Khoi-San Leaders and Traditional Councils are capacitated and coordinated to participate in the DDM activities including the development of One Plans. This will ensure ownership of plans and development by the collective in a municipal space. The Department will thus continue to facilitate and coordinate the participation of the institution in the DDM. In an attempt to institutionalise the DDM, the department developed guidelines on the participation of traditional leaders in these processes. This has enabled Local Houses of Traditional and Khoi-San leaders, working with district municipalities, to ensure provision of integrated service delivery in traditional communities.

We are pleased to report progress in so far as the establishment of the Kings/Queens Forum is concerned. The Department of Traditional Affairs has during the last few months of the sixth administration, visited all great places in the Country with a view to pay courtesy visit to the Majesties but also to prepare them for the inauguration of the President post the 2024 national and provincial elections held on 29 May 2024. During these visits and engagements, the Majesties raised the issue of the establishment of the Forum as a matter of urgency.

To this end, I am delighted to indicate that the establishment of the forum is getting traction. On 30 August 2024, the Minister for CoGTA, Honourable VF Hlabisa requested to meet and greet with Kings/Queens as his first engagement but also to note initial and pressing matters of concern to the Majesties. As at this point, a follow-up full-fledged meeting with the Majesties is planned for end of November 2024. This pending meeting will be seized with the organisation and structuring of the forum and will culminate in concrete resolutions on how the forum will operate.

On the issue of Traditional Leaders' capacitation, most get into their position without being inducted. It is well noted that some royal families are dysfunctional and thus unable to properly raise a potential

successor. It is therefore, the responsibility of government to take young royals as the future for the development of rural communities. In this regard, the young royals in KwaZulu-Natal and Limpopo have agreed to continue engaging and getting themselves educated to lead their communities knowing exactly where they are heading to. It is upon us to ensure that young royals are capacitated to face the challenges of this country and their communities. One of the critical milestones of the Traditional Affairs sector is the contribution to social cohesion and nation building through the statutory recognition of the Khoi-San communities, leaders and communities provided for in the Traditional and Khoi-San Leadership Act of 2019. To unlock the recognition of Khoi-San communities, leaders and structures, the Minister established the Commission on Khoi-San Matters (CKSM) as part of implementation of the Act. The Commission is tasked to receive applications for the recognition of Khoi-San communities, branches and leaders, investigate the applications received and make recommendations to the Minister on the possible recognition of Khoi-San communities, branches and leaders. This work is currently underway.

To date, the Commission has received 105 applications. Most of the applications received are not compliant with the provisions of the TKLA. Subsequently, the Commission has commenced with investigations with the applicant members who have submitted applications to the Commission on behalf of their communities. These investigations are aimed at assisting applicants in understanding the application requirements and completing the application forms in full, immediately address any questions and enquiries related to the application process and strengthen communication channels between the Khoi-San communities and the Commission.

Once applications are compliant with the TKLA, the Commission will conduct field research and make necessary recommendations to the Minister. During this first year of the seventh administration, I will be engaging regularly with the CKSM, to assist to fast track the long awaited recognition of the Khoi-San communities and leaders. They can't wait any longer. As we all know, customary initiation is a rite of passage from youth to adulthood. Unfortunately, the practice of initiation amongst traditional communities, and more specifically male initiation, is still faced with different challenges which have resulted in many young men being maimed or losing their lives. Challenges experienced by the practice require our collective wisdom and resolve. The National Development Plan ("NDP") puts it better that *"active citizenry requires showing inspirational leadership at all levels of society, in particular, parents, leaders of the community and public figures should demonstrate leadership qualities that include, amongst others, the capacity to manage change and drive a "new" agenda"*. Traditional Leaders are expected to show leadership on this matter.

The Customary Initiation Act, enacted a little over a year ago, has brought about a *"new"* agenda and our challenge remains that of driving our country's agenda of **social cohesion and nation building** through safe customary initiation practices, this is possible through our collective efforts. This is because government alone cannot address the current challenges of customary initiation. Now that government has a national legislation regulating customary initiation and providing norms and standards for the governance of initiation schools in the country, we will dedicate our efforts to effective implementation of this Act. Our main priority is therefore to speed up and strengthen implementation of the Act.

Despite that the Act is still in its infancy stage, as part of its implementation, the Minister established the National Initiation Oversight Committee (NIOC) in November 2022 for a five-year term and all the nine provincial counterparts have also established their PICCs. The following key areas of focus will define our work during this seventh administration going forward:

- Increased arrests and prosecution rates for the offences provided for in section 33 of the Act as a deterrent;
- Joint Operations of law enforcement agencies with PICCs in Hotspot Districts during each initiation season;
- Relevant role players in the Act (principals of customary initiation schools, traditional surgeons, parents, caregivers, etc.) are held legally accountable in the case of the death of an initiate and other contraventions of the Act;

- Traditional leaders/traditional councils perform their statutory functions and support the PICCs as provided by the Act; and
- PICCs are adequately resourced (have financial and human resources) and supported by relevant role players listed in the Act to perform their statutory functions provided for in the Act.

The NIOC together with the PICCs remain committed to ensuring that the initiation schools, principals of the schools, traditional surgeons, caregivers, guardians and parents comply with the Act and work with government to realise our aspirations of *zero illegal schools, initiation deaths, abuse, injuries and initiation criminality*. This is in line with NIOC's slogan of **"Preserving Lives, Promoting Custom"**. The COGTA Ministry is making a call to all South Africans to pull together and continue to fight for the restoration of this esteemed customary practice to realise these aspirations. Let all of us adopt the DDM approach of facilitating integrated planning, delivery and monitoring of our interventions to have safe initiation practices and eliminate all forms of criminality happening in the name of the practice.

The Department is almost halfway to finalise its organisational structure that is fit for purpose to respond to the challenges facing the sector. The Department is currently operating with an organizational structure that was approved in 2010 and which is not aligned to the mandate of the department. With the enactment of the Traditional & Khoi-San Leadership Act, 2019 and the Customary Initiation Act, 2021, the mandate of the department was extended. The Department is currently in the process of reviewing the organizational structure to align it to its mandate.

The challenge the department is facing is the organizational structure was never fully funded and thus not able to respond to the challenges of today. With the establishment of the Commission on Khoi-San matters (CKSM) and the National Initiation Oversight Committee (NIOC), the department had to reprioritize its budget for appointment of the Commissioners including the appointment of support staff for both the CKSM and NIOC. The size, complexity and dynamics within the institution requires a new orientation of the Department strengthened by additional financial and human capacity in order to deliver on its mandate.

We have noted the Constitutional Court judgement on the Traditional and Khoi-San Leadership Act delivered on 30 May 2023 against Parliament. To mitigate the dire consequences that the judgement may have on the sector if the order is not implemented, discussions are underway between the Ministry and Parliament to ensure that the Constitution Court judgement is implemented within the timeframes set by the court. It should however be noted that the Constitution Court order declaring the Act invalid has been suspended for 24 months, the Act remains valid until 29 May 2025 and should therefore continue to be implemented. As a consequence, we continue with the implementation of the Act.

In conclusion, I would like to thank the staff of the Department, led by the Director General and his team of officials in dedicating their efforts to serve the traditional affairs sector. With the sterling leadership of our Minister, we shall indeed achieve our outcomes and become more impactful. The support, cordiality and collegiality with the National House of Traditional and Khoi-San Leaders especially the Chairperson, Kgosi Seatlholo and his Deputy Nkosi Langa Mavuso is always appreciated and together we shall change the lives of our rural communities for the better.

Let me take this opportunity to thank all our stakeholders, our partners and our oversight structures for supporting us and strengthening our course of transforming the institution of traditional leadership to evolve towards socio economic development of traditional communities.



**Prince: Zolile Burns-Ncamashe, MP**  
Deputy Minister



## 5. REPORT OF THE ACCOUNTING OFFICER



**Accounting Officer**  
**Mr Mashwahle Diphofa**

This 2023/24 Annual Performance Report has been prepared in compliance with the Public Finance Management Act, which provides that the Accounting Officer of the Department must prepare financial statements for each financial year in accordance with generally recognized accounting practice and must submit within five months of the end of a financial year to the relevant treasury and, in the case of a department or trading entity, also to the executive authority responsible for that department or trading entity, an annual report on the activities of that department, trading entity or constitutional institution during that financial year.

Further, the report has been prepared in line with the guidelines issued by National Treasury for ease of preparation. This report give an account of the performance of the Department, covering the six main parts, namely, the general information about the Department, Departmental Performance, Governance, Human Resources Management, PFMA Compliance Report and Financial Information. The report further highlights the strides the Department has made during the year under review, in pursuing a mission of contributing towards building a transformed community-oriented institution of traditional leadership.

During the financial year under review, the Department achieved 85% of its annual APP targets and the following milestones have been recorded as such:

- In terms of the targets that were set at the beginning of the financial year and as per our Annual Performance Plan for 2023/24, the Department achieved eighty-nine (89) percent of the actions in the organisational performance information compliance management plan and ninety-six (96%) percent of those in the corporate and financial management compliance management plan. These compliance plans document all compliance requirements of the Department as per the compliance framework.
- The Department has realised its commitment to train 60% of the employees of the Department on new training interventions. This target was set in response to the need to ensure that Government employees are continuously capacitated on new training interventions based on needs analyses in order to respond to emerging challenges facing Government and the Department in particular. The ultimate objective is to improve employee knowledge, skills and competency levels to achieve department's objectives.
- The Department had committed to constitute traditional councils and the target for the year under review was two-hundred (200) traditional councils so that they could have a legal standing. Once the constitution of traditional councils is finalised, the kingship/queenship and principal traditional councils would follow and be legally constituted. The purpose of this output is therefore to ensure that there is full compliance with the TKLA provisions on the constitution of traditional councils and the formula thereof by relevant provinces when constituting councils. Efforts have been made in this regard to constitute councils, however, due to the very contested issue of the formula, this target was not achieved.

However, good progress has been made with the consultations, approval and gazetting of the formula paving the way for the reconstitution process. This work is currently underway and progress is at different stages in Provinces.

- As a good practice, the Department has identified the issue of processing applications for new traditional leadership as a priority but also as a service delivery issue of responding to the public on time and following the Batho Pele principles. The Department receives new kingship/queenship applications which should be processed in terms of the relevant sections of the TKLA. In this regard, the target set for the financial year was to ensure that seventy-five percent applications for traditional leadership recognition are finalised within six months of receipt. This implied convening meetings with the applicants per province to ensure that relevant documents are submitted with the applications and that the applications are finalised and the applicants are informed of the outcome of their application within the turn-around times stipulated in the Standard Operating Procedure. This target has been met with hundred percent of all applications processed within six months as pledged.
- The Department is inundated with traditional leadership disputes and claims, many of which are recurring and instituted differently every time they are lodged. These disputes have to be resolved in order to bring about the much needed social cohesion in traditional communities. As a result, a target of twenty percent (20%) was set on the percentage of received traditional leadership disputes resolved. The Department has recorded hundred percent of the resolution of traditional leadership disputes that were lodged.
- As another key output, the Department, has planned to reduce illegal customary initiation school during the financial year in question at a set reduction percentage of twenty percent (20%). This output involved reducing the number of illegal customary initiation schools through conducting awareness campaigns in partnership with provinces, the National Initiation Oversight Committee and Provincial Initiation Coordinating Committees, The Campaign Plan involved to making members of the public aware of the provisions of the Customary Initiation Act, registered schools in their areas and encouraging them to report illegal schools to law enforcement agencies and facilitating the closing of illegal customary initiation schools by SAPS, Provinces and Provincial Initiation Oversight Committees.
- The next output related to Traditional and Khoi-San leadership availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative. The target set was fifty percent (50%) of Traditional Councils in the four (4) Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative. This target was not achieved but a lot of ground has been covered by consulting structures of traditional leaders within the ESD region. The target is being carried to the 2024/25 financial year.
- Another key output of the Department related to traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals, targeted at ten (10) communities. This target was met and work carried out to date provided the basis for further engagement between the Department and all the role players within the space of mining.
- We also focused our efforts on the provision of tools of trade for members of the National and Provincial Houses of Traditional and Khoi-San Leaders as per the draft Hand book for Traditional and Khoi-San Leaders as well as those traditional leaders participating in Municipal councils as enabled by the Municipal Structures Act. This covered three outputs in the APP. The significance of this output is to ensure that Houses are able to carry out their legislated mandates enabled by the tools of trade in terms of the 2013 approved framework for minimum norms and standards for the provision of tools of trade and the draft Handbook for Traditional Leaders.

Lastly, the Department has achieved important milestones during the period under review. For instance, during the year under review, the Department continued to support the Presidency to oversee and convene the IMTT meetings to address a number of consolidated issues that have been raised by

traditional leaders with Government over time. I have to credit the employees of the Department who worked tirelessly, with their counterparts in the Office of the Deputy President and other Departments to ensure that the Department maintains its standard of performance.

### Overview of the financial results of the Department

Departmental receipts	2023/2024			2022/2023		
	Estimate	Actual Amount Collected	(Over)/ Under Collec-tion	Estimate	Actual Amount Collected	(Over)/ Under Collec-tion
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	54	211	187	52	51	1
<b>Total</b>	<b>54</b>	<b>211</b>	<b>187</b>	<b>52</b>	<b>51</b>	<b>1</b>

Revenue is derived mainly from parking fees and for the period under review there was notable increase in revenue collection mainly due to R187,000.00 recoverable revenue recovered from the Department of Public Enterprise.

#### • Programme Expenditure

Programme Name	2023/2024			2022/2023		
	Final Appropri-ation	Actual Expendi-ture	(Over)/ Under Expendi-ture	Final Appropri-ation	Actual Expendi-ture	(Over)/ Under Expendi-ture
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	69 249	68 806	(443)	60 565	59 456	1 109
Research, Policy and Legislation	31 817	26 102	5 715	27 891	25 781	2 2110
Institutional Support and Coordination	92 055	91 905	150	91 687	89 215	2 472
<b>Total</b>	<b>193 121</b>	<b>186 813</b>	<b>6 308</b>	<b>180 143</b>	<b>174 452</b>	<b>5 691</b>

The table above depicts overall under expenditure of R6,3 million and the bulk is on Compensation of Employees attributed to cost containment measures imposed by National Treasury on filling of vacant funded positions.

#### Virements/Roll Overs

- Approval was granted by the National Treasury for the Department to implement virements in line with the provisions of section 43 of the PFMA. Savings were utilised to defray excess expenditure under another main division.
- The Department did not apply for Roll-Overs

A description of the reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.

- The department reported the Unauthorised, Irregular, Fruitless and Wasteful expenditure which are still under assessment during the financial year under review. Once the assessment is completed, the amounts disclosed under Note 19 will be subjected to evaluations as per MSC guidelines.

The amount of R2,252 million previously misclassified during 2014/15 financial year, as Unauthorised expenditure was corrected and reclassified as Receivables against National Treasury.

### The strategic focus over the short to medium term period

The future plans of the Department from the 2023/2024 financial year extending to the next years of the MTSF are as follows;

- a) Implementation of the District Development Model (DDM);
- b) Implementation of and monitoring compliance with the Traditional and Khoi-San Leadership Act.

The implementation of the TKLA will include among others:

- ✓ Supporting the functioning of the Commission on Khoi-San Matters;
  - ✓ Development of Regulations for identified sections of the TKLA
  - ✓ Coordinating relevant provincial government departments towards the legal constitution of all statutory structures of traditional and Khoi-San leadership; and
  - ✓ Setting up institutional mechanisms for TKLA implementation and compliance monitoring.
- c) Reduction in initiation related deaths, injuries, kidnappings/abductions and amputations through among others, implementation of the Customary Initiation Act, 2021, and establishment of CIA statutory structures, i.e., the National Initiation Oversight Committee and Provincial Initiation Coordinating Committees;
  - d) Facilitating the implementation of Socio-Economic Development projects in Traditional Communi-ties;
  - e) Facilitating capacity building initiatives for the institution of traditional and khoi-san leadership
  - f) Once approved, oversee the implementation of the Handbook on Traditional Leadership (tools of trade, guidelines on the provision and utilisation of budget allocations for kingships and queenships, coronation and funeral policies for kings and queens).

- **Public Private Partnerships**

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

- **Discontinued key activities / activities to be discontinued.**

- ✓ There were no discontinued key activities reported for the period under review.

- **New or proposed key activities**

- ✓ The Department did not have new proposed or proposed key activities

- **Supply chain management**

- ✓ There were no unsolicited bid proposals concluded for the year under review.
- ✓ Systems are in place to detect and prevent irregular expenditure.
- ✓ Challenges experienced within SCM relates to inadequate human capacity, however, funds have been reprioritised for additional human capacity.

- **Gifts and Donations received in kind from non-related parties**

Permission was granted for five (5) officials to accept gifts with an estimated value exceeding R350.00 each by the delegated authority in line with Regulation 13(h) of the Public Service Regulation, 2016.

- **Exemptions and deviations received from the National Treasury**
  - ✓ The Department did not apply for exemption and deviations from the National Treasury during the period under review.
- **Events after the reporting date**
  - ✓ At the time of reporting, there were no material events (adjusting and non-adjusting), favourable and unfavourable affecting the department that had an impact on the Annual Financial Statements.
- **Other**
  - ✓ None
- **Acknowledgement/s or Appreciation**

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

### Conclusion

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



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**Mr Mashwahle Diphofa**  
*Accounting Officer*  
Department of Traditional Affairs

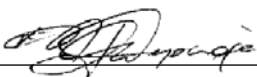
## 6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

Yours faithfully



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**Mr Mashwahle Diphofa**

*Accounting Officer*

Department of Traditional Affairs

## 7. STRATEGIC OVERVIEW

### Vision

A community development-oriented institution of traditional leadership.

### Mission

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

### Values

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

## 8. LEGISLATIVE AND OTHER MANDATES

NO	LEGISLATION	DESCRIPTION
1	Constitution of South Africa	<p>The Department’s mandate includes overseeing a full range of tasks inherent in dealing with all issues of traditional affairs; and it is informed by the following legislative framework:</p> <p>The work of the Department is informed by Chapter 1 of the Constitution dealing with the founding provisions as follows;</p> <p>“The official languages of the Republic are Sepedi, Sesotho, Setswana, siSwati, Tshivenda, Xitsonga, Afrikaans, English, isiNdebele, isiXhosa and isiZulu. Recognising the historically diminished use and status of the indigenous languages of our people, the state must take practical and positive measures to elevate the status and advance the use of these languages.</p> <p>6(3)(b) Municipalities must take into account the language usage and preferences of their residents. 6(3)(a) The national government and provincial governments may use any particular official languages for the purposes of government, taking into account usage, practicality, expense, regional circumstances and the balance of the needs and preferences of the population as a whole or in the province concerned; but the national government and each provincial government must use at least two official languages.</p> <p>6(4). The national government and provincial governments, by legislative and other measures, must regulate and monitor their use of official languages. Without detracting from the provisions of subsection (2), all official languages must enjoy parity of esteem and must be treated equitably.</p> <p>6(5). A Pan South African Language Board established by national legislation must (a) promote, and create conditions for, the development and use of (i) all official languages; (ii) the Khoi, Nama and San languages; and (iii). Sign language; and (b) promote and ensure respect for (i) all languages commonly used by communities in South Africa, including German, Greek, Gujarati, Hindi, Portuguese, Tamil, Telegu and Urdu; and (ii) Arabic, Hebrew, Sanskrit and other languages used for religious purposes in South Africa.</p> <p>Chapter 2: Bill of Rights</p> <p>Section 15 (3)(a) Freedom of religion, belief and opinion</p> <p>3(a). This section does not prevent legislation recognizing (i). marriages concluded under any tradition, or a system of religious, personal or family law; or (ii) systems of personal and family law under any tradition, or adhered to by persons professing a particular religion. (b) Recognition in terms of paragraph (a) must be consistent with this section and the other provisions of the Constitution.</p>
		Section 31 of the Constitution: Cultural, religious and linguistic communities



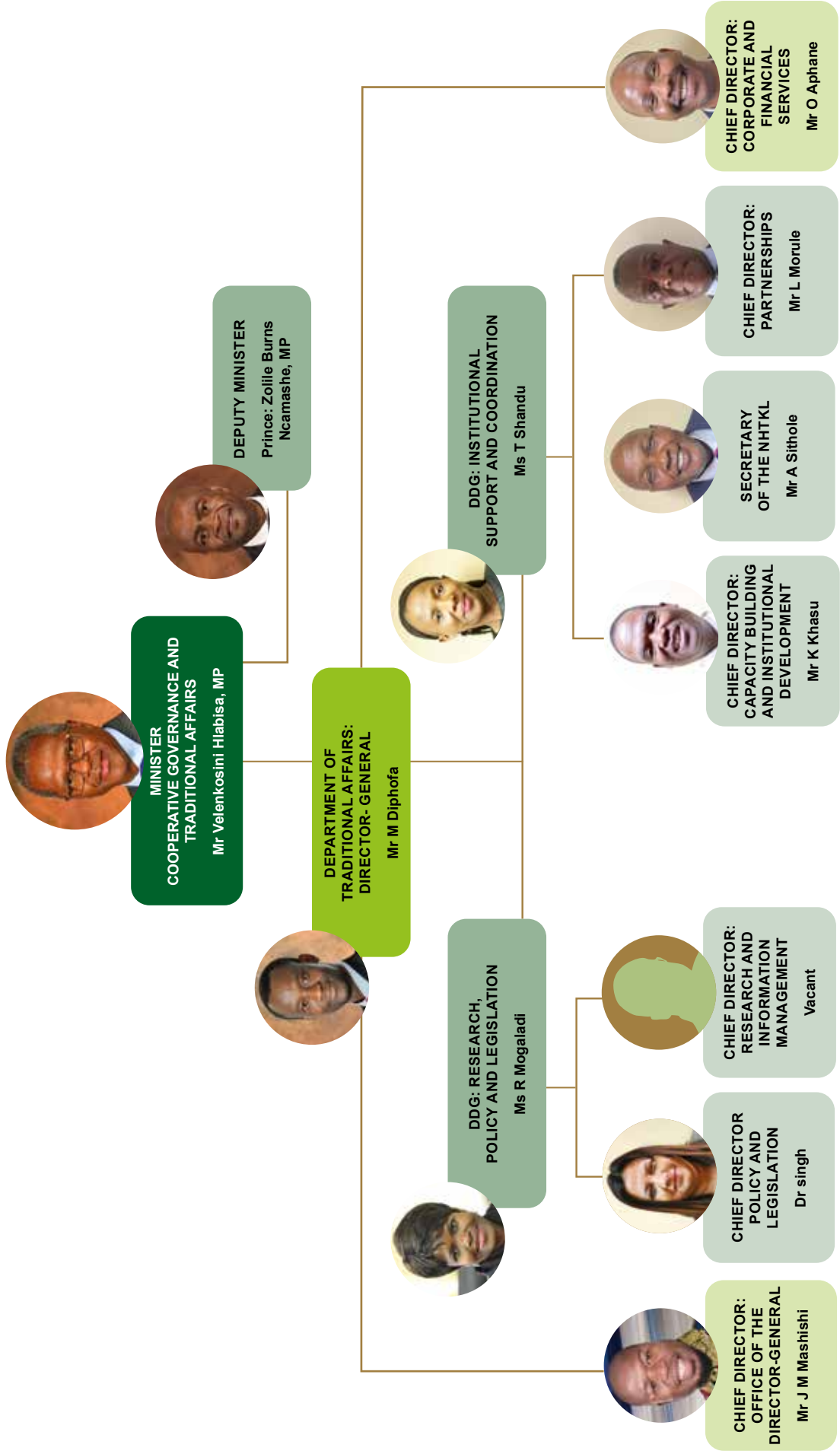
NO	LEGISLATION	DESCRIPTION
		<p>1. Persons belonging to a cultural, religious or linguistic community may not be denied the right, with other members of that community –(a) to enjoy their culture, practice their religion and use their language; and (b) to form, join and maintain cultural, religious and linguistic associations and other organs of civil society. 2. The rights in subsection (1) may not be exercised in a manner inconsistent with any provision of the Bill of Rights.</p> <p>The work of the Department is also informed by Chapter 7 of the Constitution on Local Government, Section 151(3) which stipulate that “a municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation as provided in the constitution”.</p> <p>Chapter 8: The courts include any other court established or recognised in terms of an Act of Parliament, including any court of a status similar to either the High Court of South Africa or the Magistrates’ Courts.</p> <p>The work of the Department is further informed by Chapter 12 of the Constitution, relevant policies, the legislation administered by the Department, national policies and laws relating to the public service as a whole, and those pieces of legislation that promote constitutional goals such as equality and accountability.</p> <p>The Department’s mandate is particularly derived from Section 211 of the Constitution of the Republic of South Africa, 1996, which states that “the institution, status and role of traditional leadership, according to customary law, are recognized, subject to the Constitution. A traditional authority that observes a system of customary law may function subject to any applicable legislation and customs, which includes amendments to, or repeal of, that legislation or those customs. The courts must apply customary law when that law is applicable, subject to the Constitution and any legislation that specifically deals with customary law”.</p> <p>The Department’s mandate is also derived from Section 212 of the Constitution which stipulates that “national legislation may provide for a role for traditional leadership as an institution at local level on matters affecting local communities. To deal with matters relating to traditional leadership, the role of traditional leaders, customary law and the customs of communities observing a system of customary law. National or provincial legislation may provide for the establishment of houses of traditional leaders; and national legislation may establish a council of traditional leaders”.</p> <p>The Department’s mandate is also informed by Part A of Schedule 4 of the Constitution, which states that “indigenous law, customary law and traditional leadership are both functional areas of concurrent national and provincial legislative competence,</p>

NO	LEGISLATION	DESCRIPTION
		<p>In addition, the Department's mandate is informed by Section 31 of the Constitution on Cultural, Religious and Linguistic Communities, which states that "persons belonging to a cultural, religious or linguistic community may not be denied the right, with other members of that community to enjoy their culture, practice their religion and use their language; to form, join or maintain cultural, religious and linguistic associations and other organs of civil society. It further states that the rights in this section may not be exercised in a manner inconsistent with any provision of the Bill of Rights".</p>
2	<p>Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) (TKLA)</p>	<p>The TKLA was assented to on 20 November 2019 and published in the Government Gazette on 28 November 2019 as Act No. 3 of 2019.</p> <p>The TKLA consolidates the existing legislation (the TLGFA and the National House Act) and subsequently will repeal those laws. It also addresses shortcomings that were identified during the implementation of those two pieces of legislation. Of historic value is that the TKLA, for the first time ever, makes provision for the statutory recognition of Khoi-San communities and leaders. For this purpose, a Commission on Khoi-San Matters must be established which Commission will operate at national level.</p> <p>The TKLA also provides an enabling provision for the Department to monitor the implementation of this new law.</p> <p>Schedule 4 of the Constitution: Functional areas of concurrent national and provincial legislative competence: Traditional leadership, subject to Chapter 12 of the Constitution.</p>
3	<p>Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act 19 of 2002)</p>	<p>This Act provides for the promotion and protection of the rights of cultural, religious and Linguistic Communities, inclusive of traditional communities, Khoi and San and Interfaith.</p>
4	<p>Local Government: Municipal Structures Act (Act 117 of 1998)</p>	<p>The Municipal Structures Act in section 81 lays down the procedure for the participation of traditional councils through their leaders in the proceedings of municipal councils.</p>
5	<p>Local Government: Municipal Systems Act (Act 32 of 2000)</p>	<p>The Municipal Systems Act in sections 16, 17, 29, 42 and 76 provide a role for traditional councils and traditional leaders in development including consultation of traditional councils in the compilation of integrated development plans (IDPs). This includes consultation in development and service delivery initiatives in traditional areas. The specific sections provide as follows:</p> <ol style="list-style-type: none"> <li>a) Sections 4(2)(c), 16 and 17: public participation to include traditional leaders and their councils.</li> <li>b) Section 29: involvement of traditional councils in the compilation of integrated development plans.</li> <li>c) Section 42: involvement of community to include traditional communities in the development, implementation and review of a municipality's performance management system.</li> <li>d) Section 76: entering into service delivery agreements between municipalities and the traditional councils for the performance of certain services by the traditional councils.</li> </ol>

NO	LEGISLATION	DESCRIPTION
6	Interim Protection of Land Rights Act (IPLRA) (Act 31 of 1996)	Provides for the temporary protection of certain rights to and interests in land which are not otherwise adequately protected by law; and to other matters.
7	Spatial Planning and Land Use Management Act (SPLUMA) (Act 16 of 2013).	SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa. SPLUMA is a framework law, which means that the law provides broad principles for a set of provincial laws that will regulate planning. SPLUMA also provides clarity on how planning law interacts with other laws and policies.
8	Extension of Security of Tenure Act, 1997 (Act No. 62 of 1997)	To provide for measures with State assistance to facilitate long-term security of land tenure; to regulate the conditions of residence on certain land; to regulate the conditions on and circumstances under which the right of persons to reside on land may be terminated; and to regulate the conditions and circumstances under which persons, whose right of residence has been terminated, may be evicted from land; and to provide for matters connected therewith.
9	Customary Initiation Act, 2021 (Act No. 2 of 2021)	The objectives of the CIA are: <ol style="list-style-type: none"> <li>1. To protect, promote and regulate initiation and for this purpose to-</li> <li>2. provide acceptable norms and standards; and</li> <li>3. provide for structures at national and provincial levels with a view to ensure that initiation takes place in a controlled and safe environment.</li> <li>4. To provide for the protection of life and the prevention of any abuse.</li> <li>5. To provide clarity on the various responsibilities, roles and functions of the key role-players in customary initiation.</li> <li>6. To make provision for the effective regulation of initiation schools.</li> </ol>
10	Traditional Courts Act, 2022 (Act No.9 of 2022)	To provide a uniform legislative framework for the structure and functioning of traditional courts, in line with constitutional imperatives and values; and to provide for matters connected therewith. The new Act is not yet in operation. The date of commencement must still be determined by the President by proclamation in the gazette.
INTERNATIONAL, CONTINENTAL AND REGIONAL INSTRUMENTS		
11	UN Sustainable Development Goals	<ul style="list-style-type: none"> <li>• <b>Goal 1:</b> End poverty in all its forms everywhere</li> <li>• <b>Goal 2:</b> End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</li> <li>• <b>Goal 5:</b> Achieve gender equality and empower all women and girls.</li> <li>• <b>Goal 10:</b> Reduce inequality within and among countries.</li> <li>• <b>Goal 11:</b> Make cities and human settlements inclusive, safe, resilient and sustainable.</li> <li>• <b>Goal 13:</b> Take urgent action to combat climate change and its impacts.</li> </ul>

NO	LEGISLATION	DESCRIPTION
		<ul style="list-style-type: none"> <li>• <b>Goal 15:</b> Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</li> <li>• <b>Goal 17:</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development</li> </ul>
		<ul style="list-style-type: none"> <li>• <b>Goal 15:</b> Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</li> <li>• <b>Goal 17:</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development</li> </ul>
12	African Union Agenda 2063	<ul style="list-style-type: none"> <li>• An integrated continent, politically united Africa</li> <li>• An Integrated Continent Politically united and based on the ideals of Pan Africanism and the vision of African Renaissance</li> <li>• A Peaceful and Secure Africa</li> <li>• Africa with a Strong Cultural Identity Common Heritage, Values and Ethics</li> <li>• An Africa Whose Development is people driven, relying on the potential offered by African People, especially its Women and Youth, and caring for Children.</li> </ul>
NATIONAL PLANS		
13	National Development Plan	<p>Chapter 6: An integrated and inclusive rural economy</p> <p>Chapter 13: Building a capable and developmental state.</p> <p>Chapter 15: Transforming society and uniting the country.</p> <p>Chapter 8: Transforming Human Settlements</p>
14	MTSF	<p>Priority 1: A capable, ethical and developmental state</p> <p>Priority 2: Economic transformation and job creation</p> <p>Priority 5: Spatial integration, human settlements and local government</p> <p>Priority 6: Social cohesion and safer communities</p>

# 9. ORGANISATIONAL STRUCTURE



## 10. ENTITIES REPORTING TO THE MINISTER

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

### a. Structures within the department

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

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



**PART**

# **B**

**PERFORMANCE INFORMATION**

# 1. AUDITOR–GENERAL’S REPORT: PREDETERMINED OBJECTIVES

The AGSA 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 116 of the Report of the Auditor-General, published as Part F: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service Delivery Environment

- **Commentary on services delivered directly to the public.**

Many of the challenges of customary initiation are as a result of members of the public and other role players not being aware of the existence of the Customary Initiation Act (Act No. 2 of 2021) (CIA) and stakeholders not being aware of their statutory functions and responsibilities prescribed by the Act. The Department together with the NIOC conducted the CIA Awareness Campaign to communities in the OR Tambo District, which is a hotspot District for initiation fatalities. In this regard, the campaign targeted parents, potential initiates, members of the community, school going children, traditional leaders, etc. The purpose of the campaign was to educate members of the public, promoting compliance with the Act and ensuring that all role players comply with the Act.

- **Challenges encountered by the department when providing the relevant services, and the corrective steps to be taken in dealing with such challenges**

Despite the coming into effect of the Customary Initiation Act (Act No. 2 of 2021) in 2021, the customary initiation sector continues to experience a variety of challenges, namely initiation fatalities, injuries, illegal customary initiation schools and criminal activities within the sector. To address these challenges, the National Initiation Oversight Committee and Provincial Initiation Coordinating Committees continue to promote safe initiation practices whilst the Department will continue to monitor compliance with the Act. PICCs are critical statutory structures at provincial level to ensure that these challenges are addressed in the respective provinces. However, in the first quarter of the financial year under review, only five out of nine PICCs were established. However, due to the monitoring of compliance with the Act, by the end of the financial year, eight out of the nine PICCs were established, which contributed to the decrease in illegal initiation schools.

The other challenge related to implementation of legislation within the traditional affairs sector during the reporting period was that most of the traditional councils in the country did not have a legal standing because they could not be constituted in terms of the law. To address this challenge, during the year under review, a formula for determining the number of members of traditional councils was published in a government gazette as prescribed by the law to enable the commencement of the legal constitution of TCs. To this effect, 84 traditional councils were constituted and the constitution of the other TCs will continue in the next financial year.



## 2.2 Service Delivery Improvement Plan

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

### Main services and standards

Main services	Beneficiaries	Current/Actual standard of service	Desired standard of service	Actual achievement
Resolution of kingships and queenships' disputes and claims	Traditional leadership, Royal Families and communities	Process received applications for kingships/queenships recognition on an annual basis in compliance with the approved SOP for processing of kingships/queenships applications	Annually process 75% of received applications for kingships/queenships recognition processed within six months of receipt	75% of received applications for kingships/queenships recognition were processed within six months of receipt during the 2023/2024 FY
		Processing of received traditional leadership succession disputes and claims on an annual basis in compliance with the approved SOP for processing of traditional leadership succession disputes and claims	Processing 20% of received traditional leadership succession disputes and claims on an annual basis in compliance with the SOP for processing of traditional leadership succession disputes and claims	20% of received traditional leadership succession disputes and claims during the 2023/2024 FY were processed in compliance with the SOP for processing of traditional leadership succession disputes and claims
		The Department has in place a system to manage and respond to enquiries on traditional leadership disputes and claims efficiently	The Department has in place a system to record, manage and respond to enquiries on traditional leadership disputes and claims efficiently	During the 2023/2024 FY the Department had developed and obtained approval of an SOP for processing of traditional leadership disputes and claims which serves as a system for the recording, management and responding to enquiries on traditional leadership disputes and claims efficiently

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

Current/actual arrangements	Desired arrangements	Actual achievements
Meetings/ sessions with affected applicants for kingships/ queenships recognition	Sessions/meetings with applicants for kingships/queenships recognition to take them through the application processes and requirements thereof prescribed by the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019)	Meetings were held with all the applicants for kingship/queenship recognition to take them through the application processes and requirements thereof prescribed by the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019)
No engagement sessions with relevant provinces on disputes and claims received by the DTA before responding to the disputants/ claimants	engagement sessions with relevant provinces on disputes and claims received by the DTA before responding to the disputants/ claimants	DTA held engagement sessions with relevant provinces on disputes and claims received by the DTA during the 2023/2024 before responding to the disputants/ claimants
No meetings held with relevant provincial departments to get information on traditional leadership succession disputes below kingship/queenship received by the DTA	Meetings held with relevant provincial departments to monitor processing of each traditional leadership succession dispute below kingship/queenship received by the DTA	Meetings were held with relevant provincial departments to monitor processing of all the traditional leadership succession dispute below kingship/queenship received by the DTA during the 2023/2024 FY

**Service delivery information tool**

Current/actual information tools	Desired information tools	Actual achievements
Applicants for kingship/queenship application are taken through the qualification criteria for kingship/ queenship recognition prescribed by the TKLA	TKLA Qualification criteria for kingship/queenship application for recognition	All applicants were provided with and taken through the TKLA Qualification criteria for kingship/queenship application for recognition
Provinces not providing information on the traditional leadership disputes and claims received by the DTA below kingship/queenship	Provinces providing information on the on the traditional leadership disputes and claims received by the DTA below kingship/queenship	All the relevant provinces provided information on the the traditional leadership disputes and claims below kingship/queenship received by the DTA during the 2023/2024 FY

**Complaints mechanism**

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
When an applicant for kingship/ queenship recognition is aggrieved by the results or outcome of their application, they can approach the courts	When an applicant for kingship/ queenship recognition is aggrieved by the results or outcome of their application, they can write to the DTA to understand the reasons for the outcome and may re-apply if necessary	Some applicants for kingship/ queenship recognition who were not satisfied with the results or outcome of their application, approached the DTA to understand the reasons for the outcome and decided not to re-apply because they agreed with the reasons provided by the Department.
When a disputant or claimant is aggrieved by the DTA response, they were referred to the provisions of the law that disputes below kingship/queenship is the mandate of the relevant Premier/ Provincial Government.	When a disputant or claimant is aggrieved by the DTA response, they were referred to the provisions of the law that disputes below kingship/queenship is the mandate of the relevant Premier/ Provincial Government.	When a disputant or claimant is aggrieved by the DTA response, they were referred to the provisions of the law that disputes below kingship/queenship is the mandate of the relevant Premier/ Provincial Government.

## 2.3 Organisational environment

The Department has continued to perform fairly well and has achieved most of its set targets. However there was persistent pressure to deliver more despite the capacity challenges experienced. The capacity of the Department in terms of human and financial resources remains a critical challenge.. The Department has commenced with the review of the organisational structure and is also pursuing various means to address the resource constrains faced.

On 6 March 2023, the President announced changes to Cabinet which saw the appointment of the current Minister and Deputy Ministers for Cooperative Governance and Traditional Affairs portfolio.

At implementation level, the District Development Model (DDM) remains a key area of emphasis for the whole of Government, including the Department of Traditional Affairs. The facilitation and coordination of participation of traditional leaders in the DDM activities remains an area of focus, including their involvement the series of Presidential DDM *Izimbizo* coordinated by COGTA..

The Traditional and Khoi-San Leadership Act (TKLA) and the Customary Initiation Act (CIA) were proclaimed by the President implementation commenced in recent years.

## 2.4 Key policy developments and legislative changes

The Constitutional Court judgement on the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) of 29 May 2023 that declared the TKLA unconstitutional due to what the Court found to be inadequate parliamentary public participation processes. This has affected some of the projects of the Department in respect of implementation of the Act, such as the TKLA regulations to address the traditional leadership succession disputes which is one of the key challenges within the traditional affairs sector.

The Traditional Courts Act, 2022 was enacted by the President on 16 September 2023 and became Act 9 of 2022. The Act provides a uniform legislative framework for the structure and functioning of traditional courts, in line with constitutional imperatives and values; and to provide for matters connected therewith. The new Act is not yet in operation. The date of commencement must still be determined by the President by proclamation in the gazette.

### 3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department's programmes contribute to a number of Chapters in the National Development Plan

- Chapter 6: An integrated and inclusive rural economy
- Chapter 13: Building a capable and developmental state
- Chapter 15: Transforming society and uniting the country
- Chapter 8: Transforming human Settlements.

In order to implement the NDP, Government has introduced the NDP Implementation plan and the MTSF 2020-2025. The Department contributes to the implementation of the following MTSF Priorities;

- Priority 1: A capable, ethical and developmental state
- Priority 2: Economic transformation and job creation
- Priority 5: Spatial integration, human settlements and local government
- Priority 6: Social cohesion and safer communities

The Department contributes to priority 5 of the MTSF relating to Spatial Integration, Human Settlements and Local Government. The Department's MTSF target is 200 000 additional hectares of land availed for the agrarian revolution programme with the annual targets being 50 000 hectares of land availed for a period of five years of the MTSF. During the financial year 2020/21, DTA facilitated the pledging of land parcels by Traditional Leaders through the National House of Traditional Khoi-San Leaders for the agrarian revolution programme. A total of one million five hundred and sixty-nine thousand and fifty two (1,569 952 million) hectares of land that have been pledged by traditional leaders for agrarian revolution programme surpassing the 200 000 hectares of the set MTSF target. Efforts are being pursued by relevant Departments to ensure the productive use of the pledged land.

#### Impact Statement

Sustainable Livelihoods for Traditional Communities

The impact sought over time, is to realise improved livelihoods for traditional communities, which requires the whole sector approach towards the implementation of the outcomes as well as the implementation of sector indicators for traditional affairs.

The Department has the following five outcomes:

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

**Progress made towards the achievement of the 5-year targets:**

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
1	Effective governance of the Department	Number of unqualified audit outcomes over the MTSF period	5	For the seventh consecutive year, the Department obtained a clean audit (an unqualified audit opinion without matters of emphasis) on both performance information and financial management performance for the 2022/23 financial year. If the Department gets a clean audit for the 2023/24 financial year, this would be for the eighth consecutive year.
2	Safe initiation practices	% of initiation schools complying with the Customary Initiation Act (CIA) Provisions	75%	98% of the initiation schools (83 267 out of 84 969) were compliant with the Customary Initiation Act (CIA) since its commencement to the 2023/2024 in respect of the registration of the schools with the PICCs and not being conducted during school terms for school going age children.
3	Functional institution of traditional and Khoi-San leadership	Number of provinces implementing (and complying with) the Handbook for Traditional Leadership	9	<p>The Handbook is not yet approved, however, the following work was done towards achievement of the indicator.</p> <p>The first draft of the Handbook was developed in 2019. From the 2019/20 to 2023/2024 financial years, the Handbook was consulted upon with many stakeholders, namely, MINMEC, National Treasury, Technical MINMEC, Department of Public Works and Infrastructure and South African Police Services, the National House of Traditional and Khoi-San Leaders and the Traditional Leaders Chairpersons Forum). The Handbook was revised several times based on the inputs from different stakeholders, which resulted in version 23 of the Handbook being produced during the 2022/2023 financial year and version 24 thereof being produced in the 2023/2024 financial year.</p> <p>Even though the Handbook is still a draft, the Department monitored implementation of version 23 of the Handbook during the 2023/2024 FY. Eight (8) out of nine (9) Provinces are implementing the Handbook to varying degrees. The Western Cape is the only Province not implementing the Handbook because the Province does not as yet have recognized traditional and Khoi-San leaders.</p>
4		% of local houses of traditional and Khoi-San leaders performing their roles and functions as provided for in the Framework on roles and functions of Traditional Leaders	75%	There are 32 Local Houses of Traditional Leaders (LHTKL) in 8 Provinces with traditional leadership. The new Traditional and Khoi-San Leadership Act (TKLA) provides for the roles and functions of LHTKL. The enactment of the Act provided an enabling provision for the performance of roles and functions by LHTKL in terms of section 50 and section 81 of the Municipal Structures Act of the TKLA. The Department will monitor and support the LHTKL to ensure the performance of their roles and functions as provided for by the TKLA.

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
4		% of local houses of traditional and Khoi-San leaders performing their roles and functions as provided for in the Framework on roles and functions of Traditional Leaders	75%	<p>Section 81 of the Municipal Structures Act provides for the participation of the Local Houses in municipal affairs.</p> <p>The Department monitored and supported the LHTKLs to ensure the performance of their roles and functions as provided by the TKLA and the MSA.</p> <p>The Department monitored the functionality of the Local Houses and found that about seventy-two (72%) stands between functional and functional to risk whereas twenty-eight percent (28%) at risk. The Department supported the provinces during the development of Intervention Plans as a contribution towards a functional institution of traditional leadership so as to improve the functionality of TCS.</p>
5		% of traditional and Khoi-San Councils constituted in compliance with the TKLA provisions	75%	<p>9% of traditional councils (84 out of 984) were constituted in compliance with the TKLA. On page 25 you said 84 were constituted. Let's be consistent.</p> <p>The reasons for this performance on the indicator is that traditional leadership halted the process of constitution of TCs and that the Commission on Khoi-San Matters is still in the process of investigating and researching applications for recognition of Khoi-San communities and leaders. However, the following activities were finalised to facilitate the constitution of TCs:</p> <ul style="list-style-type: none"> <li>• First Formula for determining the number of members of TCs was gazetted. After the traditional leaders rejected the first formula, the formula was reviewed to address their concerns on the formula resulting in a new formula being developed and gazetted.</li> <li>• After the publication of the new formula, 84 out of 984 traditional councils were constituted</li> </ul>
6		Number of Traditional Leaders trained through new programmes	829	<p>Furthermore, a draft formula for determining the number of members of Khoi-San councils was drafted and approved by the Minister for publication in a government gazette.</p> <p>A total of 851 attendees consisting of traditional leaders, headman and headwomen including women structures of traditional leadership were trained on GBVF and CIA during the 2022/23 financial year. In 2023/24 186 members of the traditional leadership and Customary Initiation structures were trained in CIA and 161 traditional leaders and members of traditional councils ere trained in GBVF.</p>

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
				<p>The training was facilitated by the Capacity Building Unit. Further in collaboration with the National School of Government (NSG) 109 senior traditional leaders who are members of the provincial houses were trained in the Art of facilitating Socio-Economic Development Program.</p>
7		Percentage of Traditional Councils trained through new programmes	50%	<p>For the 2024/25 financial year, the CIA and traditional leadership structures such as National Initiation Oversight Committee (NIOC), all Provincial Initiation Coordinating Committees (PICCs), and all PHTKLs would continue to be trained on Customary Initiation Act and GBVF. The Art on facilitating the Socio-Economic Development in traditional communities in partnership with National School of Government would continue to be implemented in 2023/24 financial year. The training of houses of traditional leadership and traditional councils will commence during the 2024/2025.</p> <p>The Department of Traditional Affairs will utilise the existing induction manual on TKLA which was developed by Deloitte during 2022/23 to reorientate the newly reconstituted traditional councils on their roles and responsibilities in line with the Traditional and Khoisan Leadership Act No3 of 2019.</p> <p>However, during the 2021/22 financial year a total 441 senior traditional leaders were inducted on TKLA No 3 of 2019 in partnership with Deloitte consulting and LGSETA.</p>
8	Transformed institution of traditional leadership	% of received Khoi-San applications for recognition processed and recommended to the Minister for a decision	75%	<p>0% of the 124 received Khoi-San applications for recognition were processed and recommended to the Minister for a decision.</p> <p>The zero performance on this indicator and target is due to the fact that all the applications received were incomplete and therefore could not be finalised. To address this challenge of incomplete applications, the Commission conducted and finalised 74 applicant members investigations (meetings with individual applicants to assist them to submit the outstanding information and documents on their applications), that is, the Commission convened sessions with 74 of the 124 applicants in this regard.</p>
9	Developed communities in areas of traditional leadership	Number of projects implemented based on a re-modelled Agrarian Revolution Programme	60	<p>The Department, in partnership with the Department of Cooperative Governance (DCoG), worked on the remodeling of the Agrarian Revolution programme during the previous financial year. During Covid19 in 2021/22 the Solidarity Fund through the Presidential Stimulus Package supported traditional communities in various ways including awarding vouchers for different projects.</p>

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
9	Developed communities in areas of traditional leadership	Number of projects implemented based on a re-modelled Agrarian Revolution Programme	60	In partnership with the National House of Traditional and Khoi-San Leaders and Solidarity Fund, over 20 000 households in traditional communities, benefitted from the input vouchers for agricultural projects.
10	Transformed institution of traditional leadership	% of local houses participating in the District Development Model	100%	<p>The Department has profiled all 32 districts and metros with traditional leadership as a key component for the District Development Model (DDM). The Department further developed a Guide to support the participation of traditional leadership in the DDM processes. The Guide dealt with the “how factor” for traditional leadership when participating in the DDM. The Guide deals with the roles of the Traditional Leaders from the various traditional leadership structures. The initiative of the Department sought to facilitate the involvement and participation of the institution in DDM.</p> <p>The Department monitored the participation of the 32 Local Houses of Traditional leaders in the DDM activities during the 2021-2022 financial year. In addition to monitoring the participation of the Local Houses of traditional leaders in the DDM processes, the Department was able to identify challenges hindering effective participation in DDM processes, where such existed, and proposed possible solutions.</p> <p>The Department monitored the participation of the 32 Local Houses of Traditional leaders in the DDM activities during the 2021-2022, 2022-2023 as well as the 2023-2024 financial years. The main challenge identified by the Department hindering effective participation in DDM processes, was the slow or lack of institutionalization of the DDM approach into departmental plans across provinces. Most provinces have not yet institutionalized the DDM approach into their Annual Performance and operational Plans.</p> <p>Thus, provinces were encouraged to ensure that the DDM approach forms part APP and AOP documents. Another challenge identified in some municipalities with coalition governments was the of cooperative relations. While most Traditional Leaders are willing to form part of DDM activities and processes, they rely on receiving invitations to attend such activities. A best practice exists in the case of KZN wherein the Local Houses receive invitations</p> <p>As part of the Eastern Seaboard Development traditional leaders within O.R Tambo, Alfred Nzo, Ugu and Harry Gwala districts, were coordinated to participate in this initiative.</p>



Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
10	Transformed institution of traditional leadership	% of local houses participating in the District Development Model	100%	This has enabled them to be part of the process where they will be identifying programmes and projects for their respective traditional communities in line with the InvestRural Master Plan. As such, traditional leaders, women, youth and People with disabilities in the identified traditional communities, participated in the skills development summit, as part of the implementation of the DDM
11		% of Houses of Traditional Leaders participating in social cohesion programmes (as custodians of culture)	100%	<p>The Department has developed a Social Cohesion Strategy for the traditional leadership during the previous financial year. The task ahead is about capacitating Houses of Traditional Leaders on the Strategy. In addition, the Department developed the Social Cohesion Programme as an effort to assist the houses to implement the strategy. All eight provinces were consulted upon during 2021/22 financial year on the implementation of the programme to obtain buy in towards implementation. Furthermore, during the 2022/23 financial year all eight provinces were engaged towards implementing the Social Cohesion Programme and provinces identified the following five priority projects for implementation. The following projects were identified by provinces as priority projects and were implemented:</p> <ul style="list-style-type: none"> <li>- harmful cultural and religious practices (safe male initiation),</li> <li>- living heritage,</li> <li>- community safety and stability,</li> <li>- community conversations; and</li> <li>- transformation with Traditional Leadership Institutions and Structures.</li> </ul> <p>During the 2022/2023 financial year, the Department monitored all eight provinces on the implementation of the Social Cohesion Programme under the above priority projects. Challenges were identified during the implementation some were addressed in collaboration with other government departments.</p> <p>A number of successes were also identified in some projects and will be shared with provinces as lessons learned. Progress on monitoring the implementation of the priority projects have been made and provinces will continue to implement them in the next financial year. Furthermore, the department developed the Social Cohesion Implementation Monitoring Tool. The tool was utilized to monitor implementation of the projects in 8 provinces except for Western Cape as there are no recognized traditional leaders in the province.</p>

Nr	Outcome	Outcome Indicator	Five-year targets	Progress report
11	Transformed institution of traditional leadership	% of Houses of Traditional Leaders participating in social cohesion programmes (as custodians of culture)	100%	<ul style="list-style-type: none"> <li>- In-order to institutionalize transformation within the sector, the Department coordinated six social cohesion dialogues on tribalism and xenophobia. Dialogues were part of the strategy to create awareness for traditional communities to coexist peacefully in their diversity, for social cohesion and nation building.</li> <li>- The Department has developed the Transformation and Empowerment Programme (TEP) to advance human rights and gender equality.</li> </ul> <p>In partnership with the Department of Sport, Arts and Culture (DSAC), the department facilitated the process of participation of traditional leaders in the National Days programme. This afforded traditional leaders the opportunity to contribute and outline the roles they are playing in promoting social cohesion in their respective traditional communities. In partnership with the Department of Sport, Arts and Culture (DSAC), the department facilitated the process of participation of traditional leaders in the National Days programme. This afforded traditional leaders the opportunity to contribute and outline the roles they are playing in promoting social cohesion in their respective traditional communities.</p>

## 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### Programme 1: Administration

#### Purpose

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

#### Description

The sub-programmes within the Administration Programme are:

#### Department Management (Office of the Director-General)

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

## Corporate and Financial Services.

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

## Internal Audit

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

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

Effective governance of the Department

## Narrative on significant achievements of targets for the outputs and output indicators for the Administration Branch

The Administration branch comprises the Chief Directorate: Office of the Director General, the Chief Directorate: Corporate and Financial Services and the Internal Audit Unit. The Annual Performance Targets were about the compliance management plan that consolidated all the necessary compliance requirements in relation to performance information and corporate and financial services. The successful implementation of the compliance plans ensured that the annual target is achieved. The Branch also had additional targets relating to capacity building or training of sixty percent of Department's employees as well as GBVF interventions by the traditional leadership sector meant to fight the pandemic. All these targets have been achieved.

The Department obtained an unqualified audit opinion for the 2022/23 financial year. Should the Department obtain an unqualified audit opinion in 2023/24 financial year, the Department would be on course to achieve its outcome of effective governance of the Department and would be in the eighth year of consecutive clean audit.

Overall, the staff complement of the Department comprises fifty-six (56%) of women with fifty (50%) appointed at SMS level. Twelve percent (12%) of the Department constitutes youth, with three percent (3%) of persons with disabilities appointed in the department. The department has achieved its target relating to the appointment of women at SMS level.

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

- The Department has in place the Employment Equity Policy, Employment Equity Plan and Disability Management Strategy.
- Hosted the annual Women in SMS management meeting with the Accounting Officer to institutionalise the HOD's 8 principal action plan.

**Table 2.4.4.2:**

Table 2.4.4.2 indicates a report against the originally tabled Annual Performance Plan in the financial year under review.

Programme: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations	
Effective governance of the Department	Performance against Organisational performance Information Compliance Management Plan	% Performance against organisational performance information Compliance Management Plan	80% of actions in the organisational performance information Compliance Management Plan were implemented	85% performance against organisational performance information Compliance Management Plan	85% performance against organisational performance information Compliance Management Plan	<b>Achieved</b> 89% (31 out of 35 actions) of actions in the organisational performance information Compliance Management Plan for the quarter were implemented	The Department over-achieved by 4%	The Department was efficient in executing the target	
	Actions in the Corporate and Financial Management (CFM) Compliance Management Plan implemented	% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan implemented	80% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan were implemented	100% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan were implemented	85% of actions in the Corporate and Financial Management (CFM) Compliance Management Plan were implemented	<b>Achieved</b> 98% (45 out of 46 actions) of actions in the CFM Compliance Management Plan were implemented	The Department over-achieved by 13%	The Department was efficient in executing the target	
	Improved competences of DTA employees	% of DTA employees trained through various interventions	-	-	60%	<b>Achieved</b> 60% (61 out of 101 employees) of DTA employees were trained through various interventions	N/A	None	

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
<b>Transformed institutional traditional and Khoi-San leadership</b>	Reports on anti GBVF Interventions within the Traditional Affairs sector developed	Number of reports on anti GBVF Interventions within the Traditional Affairs sector developed	-	2	1 report on anti GBVF Interventions within the Traditional Affairs sector developed	Achieved 1 report on anti GBVF Interventions within the Traditional Affairs sector was developed	N/A	None

## Programme 2: Research, Policy and Legislation

### Purpose

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

### Description

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

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

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

Outcomes that the Programme Contributes towards

- Safe initiation practices
- Transformed institution of traditional leadership
- Functional institution of traditional and Khoi-San leadership

### The significant achievements of the Branch are:

The TKLA was enacted, and its implementation commenced during the 2021/2022 financial year. The commencement of this Act has paved a way for the legal constitution of statutory structures of traditional and Khoi-San leadership such as houses of traditional and Khoi-San leadership, traditional councils, kingship/queenship councils and principal traditional leadership councils. One of the significant achievements recorded by the programme in respect of implementation of the TKLA in the year under review was the reconstitution of the 2022-2027 local, provincial and houses of traditional and Khoi-San leaders. In this regard all provincial houses and 29 of the 32 local houses of traditional and Khoi-San leaders were reconstituted for the 2022-2027 term.

A major achievement recorded by the programme in respect of implementation of the TKLA and facilitation of the legal constitution of kingship/queenship and principal traditional councils, is the development of a draft formula for determining the number of members of kingship/queenship and principal traditional councils. Similarly, to enable the legal constitution of Khoi-San councils once the Khoi-San leaders and communities are legally recognised, the Department developed a draft formula for determining the number of members of Khoi-San councils. It is envisaged that the formulas will be published in the Gazette during the financial year 2024/25.

Though the target on 200 traditional councils was not achieved, a significant achievement in this regard was recorded during the year under review. Since 2021 to the year under review, no traditional council was legally constituted. Therefore, the other major achievement of the Branch is finalisation of the review of the 2022 formula to enable the legal constitution of traditional councils. In this regard, a revised formula was adopted by traditional leaders and subsequently published in a gazette to enable the constitution of traditional councils. The publication of the revised formula resulted in the legal constitution of 84 traditional councils, and it is envisaged that, now that the formula has been adopted by traditional leadership and published in a government gazette, the other remaining traditional councils will be legally constituted in the next financial year.

The sector is inundated with traditional leadership disputes and claims which have rendered the institution of traditional leadership dysfunctional, instability within communities and high legal fees for government. Another significant achievement of the programme on the implementation of the TKLA, was the development of draft Regulations on Traditional and Khoi-San Leadership Identification and Recognition to among others manage leadership succession disputes.

Another achievement of the programme in respect of facilitating the effective functioning of local houses of traditional and Khoi-San leaders, was the development of draft regulations on section 50 of the TKLA (Local Houses) were developed.

For many decades, there was no regulatory mechanism for customary initiation practices at national government level. This resulted in many challenges experienced from customary initiation practices, such as deaths and injuries of initiates, abductions and commercialisation of the practice. During the 2021/22 financial year, the Customary Initiation Act (Act No. 2 of 2021) was enacted and commenced on 1 September 2021. The Act provides for the establishment of the National Initiation Oversight Committee (NIOC) by the Minister. A major achievement recorded by the programme on the implementation of the Customary Initiation Act during the year under review was the establishment of eight out of nine Provincial Initiation Coordinating Committees (PICCs).

Some of the key statutory functions of the PICCs are the registration of customary initiation schools, monitoring and assessing the general functioning of initiation schools in the province during the initiation period as well as inspection of any initiation school in the province to establish whether such a school meets the requirements set out in this Act or any criteria developed by the relevant PICC. These functions are critical in addressing the number of illegal schools, initiation fatalities and ensuring that those found to be responsible for the deaths and injuries of initiates are arrested. Due to the establishment of the eight out of nine PICCs, the number of illegal customary initiation schools were reduced by 23% during the period under review, which is a significant achievement for the sector.

To prioritise women, the Traditional and Khoi-San Leadership Act provides that at least one third of members of houses of traditional and Khoi-San leaders as well as traditional and Khoi-San leadership councils must be women. In this regard, the Department facilitated that this requirement is met through requesting the provincial houses to include women in their nominations to the National House. The Department will continue to monitor that women representation is realised in the traditional and Khoi-San leadership councils when they are constituted.

Furthermore, to prioritise women, youth and people with disabilities, the published formula for determining the number of members of traditional councils, formula for determining the number of members of kingship/queenship and principal traditional councils and the formula for determining the number of members of Khoi-San councils provide that one third of the members of the councils must be women. The three formulas further provide that the traditional and Khoi-San leaders and communities are encouraged to select and elect women, people with disabilities and youth as members of the traditional and Khoi-San councils.

**Table 2.4.4.2:**

Table 2.4.4.2 indicates a report against the originally tabled Annual Performance Plan in the financial year under review.

Programme 2: Research Policy and Legislation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Functional institution of traditional and Khoi-San Leadership	Traditional councils legally constituted	Number of traditional councils legally constituted	TKLA commenced Formula for determining the number of traditional councils gazetted	Provincial Project Plans on the constitution of traditional councils developed and implementation thereof monitored	200 traditional councils (TCs) legally constituted/ proclaimed	<b>Not Achieved</b> No (Zero) TCs were constituted	200 TCs were not reconstituted	Though Limpopo, Gauteng and Northern Cape started the process they could not publish gazettes of the reconstituted TCs by the end of the reporting period. Provinces could not finalise the constitution of TCs by 31 March 2024 due to delays in traditional leadership taking a final decision on their preferred formula for determining the number of members of traditional councils



Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Applications for new traditional leadership finalised	% of received applications for traditional leadership recognition finalised within six months of receipt	-	-	75 % of received applications for traditional leadership recognition finalised within six months of receipt	<b>Achieved</b> 80% (4 out of 5) applications) of received applications for traditional leadership recognition were finalised within six months of receipt	The Department over-achieved by 5%	The Department was efficient in executing the target
	Received traditional leadership disputes resolved	% of received traditional leadership disputes resolved	-	-	20% of received traditional leadership disputes resolved	<b>Achieved</b> 43% (6 out of the 14 applications) of received traditional leadership disputes and claims were resolved	The Department over-achieved by 23%	The Department was efficient in executing the target
<b>Safe Initiation Practices</b>	Reduction of illegal customary initiation schools	% reduction in the number of illegal customary initiation schools	-	993 illegal schools	20% reduction in the number of illegal customary initiation schools	<b>Achieved</b> 26% reduction in the number of illegal customary initiation schools	The Department over-achieved by 6%	Some of the statutory functions of PICCs is to close and ensure that there are no illegal schools in their provinces and to register customary initiation

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
<b>Safe Initiation Practices</b>	Reduction of illegal customary initiation schools	% reduction in the number of illegal customary initiation schools	-	993 illegal schools	20% reduction in the number of illegal customary initiation schools	<b>Achieved</b> 26% reduction in the number of illegal customary initiation schools	The Department over-achieved by 6%	schools, i.e. for a customary initiation school to be legal, it must have been registered with a PICC. During 2022/2023, North-West and KZN did not have PICCs and therefore all the schools in the two provinces were illegal. During the reporting period, North-West established its PICC which reduced illegal schools.

## Programme 3: Institutional Support and Coordination

### Purpose

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

### Description

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

- **Secretariat of the NHTKL:** To provide secretariat, administrative and research support to the NHTKL. In collaboration with the NHTKL and the Department, the Secretariat provides planning, performance reporting services to the House and assists the House to implement the House Strategic Plans and APPs. The Secretariat also supports the House to comply with financial, planning, performance reporting and corporate governance prescripts.
- **Institutional Development and Capacity Building:** To promote and integrate the role and place of the institution of traditional leadership, including Khoi-San leadership and structures in the South African governance system by establishing collaborative relations between the institution and other governance structures across the three spheres of government.
- **Partnerships:** To promote and integrate the role and place of the institution of traditional leadership, including Khoi-San leadership and structures in the South African governance system by establishing collaborative relations between the institution and other governance structures across the three spheres of government.

### The significant achievements of the ISC Branch are:

The Institution of Traditional and Khoi-San Leadership plays an important role in development initiatives to optimise service delivery and address triple challenges of poverty, inequality and employment in communities under their areas of jurisdiction.

As part of the Eastern Seaboard Development traditional leaders within O.R Tambo, Alfred Nzo, Ugu and Harry Gwala districts, were coordinated to participate in this initiative. This has enabled them to be part of the process where they will be identifying programmes and projects for their respective traditional communities in line with the InvestRural Master Plan. As such, traditional leaders, women, youth and People with disabilities in the identified traditional communities, participated in the skills development summit, as part of the implementation of the DDM.

As part of enhancing partnerships in the implementation of government programmes and projects, the department entered into partnership agreement with various stakeholders including but not limited to:

- a) South African Local Government Association (SALGA)
- b) Department of Forestry, Fisheries and Environment
- c) Department of Agriculture, Land Reform and Rural Development
- d) Department of Sports, Arts and Culture

Training and capacity building is important for traditional leaders to perform their functions effectively and efficiently. Through partnership with LG SETA, Deloitte was engaged to undertake the Reconstitution Advisory Induction and Training (RAIT) of Traditional leaders.

Gender Based Violence and Femicide (GBVF) is second pandemic in the country, which affect women, youth and the elderly in both urban and rural areas. In partnership with the Commission on Gender Equality (CGE), the department embarked on the process of training all Provincial Houses of Traditional Leaders on Gender Based Violence and Femicide (GBVF).

The purpose was to equip them with knowledge and information, to assist affected people in their respective communities.

In addition, as part of capacity building programme, the department capacitated structures of traditional leadership in performing their legislative mandate in relation to Customary Initiation Act (CIA). The intention was to assist traditional leaders, traditional councils, National Initiation Oversight Committee (NIOC) as well as Provincial Initiation Coordinating Committee (PICC) with information and knowledge to assist their respective communities address issues pertaining to customary initiation.

Furthermore, in partnership with the National School of Government (NSG), traditional leaders have been trained on the Art on facilitating the Socio-Economic Development in Traditional Communities. This will assist traditional leaders with knowledge and information in understanding their roles and responsibility in developing their communities.

**Table 2.4.4.2:**  
 Table 2.4.4.2 indicates a report against the originally tabled Annual Performance Plan in the financial year under review.

Programme : Institutional Support and Coordination								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Developed communities in areas of traditional and Khoi-San leadership	Traditional and Khoi-San leadership availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative	% of Traditional Councils in the 4 Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative	8 Provinces monitored on the participation of Local Houses in government development programmes in terms of the DDM	32 LHTKL coordinated to participate in DDM activities	50% of Traditional Councils in the 4 Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative	<b>Not Achieved</b> (0%) no land parcels were availed	-50%	Traditional Leaders could not commit to availing land parcels due to the following: <ul style="list-style-type: none"> <li>• No specific projects for specific land requirements</li> <li>• No clarification on beneficial participation by communities and compensation for their loss of rights on land</li> <li>• Community resolutions are required, which could not be done within the timeline.</li> </ul>

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	**Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
Functional institution of traditional and Khoi-San leadership	Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals	Number of Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals	-	-	10 Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals	<b>Not Achieved</b> 04 Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals were assessed	N/A -6 Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals were not assessed	• The political process required for the Ingonyama Trust Land. Due to capacity constraints, external verification could not be done for the remainder
	Provision of Tools of trade for members of Provincial Houses of Traditional and Khoi-San Leaders as per the draft Handbook for Traditional and Khoi-San Leaders	Number of Provincial Houses of Traditional and Khoi-San Leaders provided with tools of trade as provided for in the draft Handbook for Traditional and Khoi-San Leaders	-	-	7 Provincial Houses of Traditional and Khoi-San Leaders provided with tools of trade as provided for in the draft Handbook for Traditional and Khoi-San Leaders	<b>Achieved</b> 7 Provincial Houses of Traditional and Khoi-San Leaders were provided with tools of trade as provided for in the draft Handbook for Traditional and Khoi-San Leaders	N/A	None

Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	** Actual Achievement 2023/2024	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
	Provision of Tools of trade facilitated for members of the National House of Traditional and Khoi-San Leaders as per the draft Handbook for Traditional and Khoi-San Leaders	Tools of trade for members of NHTKL provided as per the provision of the draft Handbook for Traditional and Khoi-San Leaders	-	-	23 members of the NHTKL provided with tools of trade as per the provision of the draft Handbook for Traditional and Khoi-San Leaders	<b>Achieved</b> 23 members of the NHTKL were provided with tools of trade as per the provision of the draft Handbook for Traditional and Khoi-San Leaders	N/A	None
	Resourced traditional leaders participating in municipal councils	% of traditional leaders in councils afforded with the benefits and the tools of trade	-	-	60% of traditional leaders in councils afforded with the benefits and the tools of trade	<b>Achieved</b> 85% (150 out of 176 members) of traditional leaders in councils were afforded with the tools of trade	The Department over-achieved by 25%	The Department was efficient in executing the target

## Linking performance with budgets

## Programme 1: Administration

## Sub-programme expenditure

Sub-Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	18 818	18 492	(326)	11 018	9 346	1 672
Management of Trad. Affairs	14 811	14 755	56	14 518	13 157	1 361
Corporate Services	31 848	31 787	61	27 237	21 350	5 887
Internal Audit	3 772	3 772	-	3 938	3 792	146
<b>Total</b>	<b>69 249</b>	<b>68 806</b>	<b>(443)</b>	<b>56 711</b>	<b>47 645</b>	<b>9 066</b>

## Programme 2: Research, Policy and Legislation

## Sub-programme expenditure

Sub-Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	16 455	11 322	5 133	13 474	13 364	110
Policy and Legislation	6 842	6 842	-	6 404	4 765	1 639
Research and Info. Management	8 520	7 938	582	8 013	7 652	361
<b>Total</b>	<b>31 817</b>	<b>26 102</b>	<b>5 715</b>	<b>27 891</b>	<b>25 781</b>	<b>2 110</b>

## Programme 3: Institutional Support and Coordination

## Sub-programme expenditure

Sub-Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	3 874	3 874	-	4 610	4 439	171
Institutional Development and Capacity Building	7 849	7 699	150	7 974	7 650	324
Intergovernmental Relations and Partnership	8 750	8 750	-	8 394	7 406	988



Sub-Programme Name	2023/2024			2022/2023		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
National House of Traditional Leaders	24 584	24 584	-	23 891	22 902	989
Commission for the Promotion and Protection of the Rights of Culture, Religious and Linguistic	46 998	46 998	-	46 818	46 818	-
<b>Total</b>	<b>92 055</b>	<b>91 905</b>	<b>150</b>	<b>91 687</b>	<b>89 215</b>	<b>2 472</b>

The Administration Programme has spent R29 661 million translating into 101.5% of the goods and services budget. The programme has overspent by R1,026 million on its allocated budget due to strategic projects such as District Development Model and other flagship projects. The programme has achieved satisfactory performance on its APP and Annual Operational Plan targets.

The Research, Policy and Legislation Programme has spent R5 515 million, translating into 82.9% of the allocated goods and services budget of R6 655 million. The programme has achieved satisfactory performance on its APP and Annual Operational Plan targets.

The Institutional Support and Coordination Programme has spent R13 420 million translating into 100% of the allocated goods and services budget. The programme has achieved satisfactory performance on its APP and Annual Operational Plan targets.

The NHTKL Sub-Programme has spent R10 358 million, translating into 100% of the allocated goods services budget. The sub-programme has achieved satisfactory performance on its APP and Annual Operational Plan targets.

### Strategy to overcome areas of under performance

The target, 200 traditional councils (TCs) legally constituted/ proclaimed was not achieved because the Provinces could not finalise the constitution of the TCs by 31 March 2024 due to delays in traditional leadership final decision on their preferred formula.

The Department plans to obtain a legal opinion on whether the constitution of the remaining TCs may continue, and if so, submit a memo to the Minister for approval of the section 63 Intervention Plan and undertake the following activities, if not close the project:

- a) Develop TKLA section 63 Intervention Plan;
- b) Monitor provinces on the constitution of TCs; and
- c) Develop quarterly progress reports on the constitution of TCs.

The target, 50% of Traditional Councils in the 4 Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative was also not achieved because Traditional Leaders could not commit to availing land parcels due to the following:

- a) No specific projects for specific land requirements;
- b) No clarification on beneficial participation by communities and compensation for their loss of rights on land;
- c) Community resolutions are required, which could not be done within the timeline.

The target will be reprioritised in the new financial year based on the finalisation of the Regional Spatial Development Framework for the Eastern Seaboard Development.

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

### **1. Number of Anti GBVF Intervention/campaigns for traditional leadership**

The goal of this indicator is to increase awareness about Gender-Based Violence and Femicide (GBVF) through campaigns targeting traditional leaders. These leaders play a crucial role in curbing gender-based violence within their communities. Below is a summary of the activities and campaigns held in different provinces:

**Mpumalanga:** The provincial department conducted four anti-GBVF awareness-raising campaigns, one for each quarter. In one of the events, the Provincial House of Traditional and Khoi-San Leaders partnered with the South African Human Rights Commission to conduct an awareness campaign on GBVF. The campaign was attended by the eMakhosikati and committee members of the PHTKL. These events encouraged conversations about human rights and shared experiences.

**Free State:** The provincial department and the Free State Provincial House of Traditional and Khoi-San Leaders conducted four awareness and advocacy campaigns to address gender-based violence and femicide (GBVF) in traditional communities, focusing on engaging traditional leaders to address stereotypes and harmful practices contributing to GBVF, amongst other things.

**Limpopo:** Four GBVF awareness campaigns were implemented, addressing stereotypes and harmful practices related to GBVF and capacity building for traditional leaders conducted by the Capacity Building unit. The a campaign in Polokwane, which was a collaborative effort between the provincial department, Anglo Platinum, and NACOSA. "Ku luma vukanyi" and GBVF Awareness at Bungeni Traditional Council and a community awareness workshop in Polokwane, in collaboration with the Eye of the Nation, SALGA, SAPS, and SANTAGO.

**Northern Cape:** During the 2023/24 financial year, two campaigns were conducted in the Northern Cape province to address gender-based violence and femicide (GBVF). The Northern Cape Provincial House of Traditional and Khoi-San Leaders collaborated with the Office on the Status of Women within the Office of the Premier, and the two events were held at the Batlhaping Ba-Ga Mahura community and Ba-Ga Jantjie Traditional Council, respectively.

**Gauteng:** There are only two TCs in the province, and therefore, only two events were hosted. On 13 December 2023, the province in collaboration with SAPS and the City of Tshwane, and the Traditional Council under Kgosi Kekana hosted a GBVF awareness session and dialogue with the traditional community members, and on December 1, 2023, during the 16-Days of no violence against women, held a campaign in Sokhulumu, in partnership with the provincial department of Health, the City of Tshwane, and the Sokhulumu Traditional Council (led by iKosi Mahlangu).

**Kwa-Zulu Natal:** two programs were implemented in KwaZulu-Natal to create awareness of Gender-Based Violence and Femicide (GBVF) among traditional leaders and to empower them in combating GBVF within their communities at Mbila Traditional Community and Mangwe Buthanani Traditional Community.

**Eastern Cape:** The provincial department planned two (2) Anti-GBVF campaigns for traditional leaders, aiming to empower them to actively combat gender-based violence in their communities. Two activities were held in quarters two and four. The first was at Ngangeqgili TC under Amathole DM which was selected due to high incidents of GBVF related matters as contained in the SAPS and Community Safety reports. The second activity was held during the Women’s month activities at Tholeni Administrative area in Mquma.

**North-West:** the Provincial House of Traditional and Khoi-San Leaders (NW-PHTKL) conducted four GBVF outreach, at Batlhalerwa TC, Tweelage village, Barolong Boo Ratlou Ba-Ga Phoi Traditional Council in Madibogo and in Mabe’s Kraal.

Please note that the Western Cape was exempted from these indicators due to the absence of traditional leaders in the province.

## 2. Number of Traditional Councils supported to perform their functions.

The provinces reported on the number of traditional councils which were supported to perform their functions. A differentiated support program was implemented as determined by each Province according to their capacity.

## 3. Percentage of traditional leadership succession disputes processed.

Provinces reported quarterly on the succession disputes processed against the total number received. The provinces were expected to report on succession disputes that were investigated and report submitted for upward approval. The following table represents the summarised version of the reported indicators:

Focus	Provincial APPs			
		GBVF Awareness intervention	No of Traditional councils supported	% of succession disputes processed
Standardised sector indicators	EC:	2 anti-GBVF interventions conducted	150 TCs supported	none
	FS:	4 anti-GBVF interventions conducted	239 TCs supported	100% of TL succession disputes processed
	GP:	2 anti-GBVF campaigns for Traditional Leadership conducted	2 TCs supported	100% of succession disputes processed
	KZN:	2 anti-GBVF campaigns for Traditional leadership hosted	307 TCs supported	100% of Traditional Leadership succession disputes processed
	LMP:	4 anti-GBVF Intervention/campaigns for traditional leadership	201 TCs supported	100% of traditional leadership succession disputes processed
	MPU:	4 anti-GBVF initiatives conducted	61 TCs supported	100% of traditional leadership succession disputes processed.
	NC:	2 anti-GBVF interventions conducted	8 TCs supported	100% of traditional leadership succession disputes processed.
	NW:	3 anti-GBVF interventions conducted	92 TCs supported	100% of traditional leadership succession disputes processed
	WC	n/a	n/a	n/a

## 5. TRANSFER PAYMENTS

### 5.1. Transfer payments to public entities

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
CRL Commission Rights		46 998		
		<b>46 998</b>		

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

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

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity

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

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred

## 6. CONDITIONAL GRANTS

### 6.1. Conditional grants and earmarked funds paid

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

#### Conditional Grant 1:

Department/ Municipality to whom the grant has been transferred	N/A
Purpose of the grant	N/A
Expected outputs of the grant	N/A
Actual outputs achieved	N/A
Amount per amended DORA	N/A
Amount transferred (R'000)	N/A
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	N/A
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	N/A

#### Conditional Grant 2:

Department/ Municipality to whom the grant has been transferred	N/A
Purpose of the grant	N/A
Expected outputs of the grant	N/A
Actual outputs achieved	N/A
Amount per amended DORA	N/A
Amount transferred (R'000)	N/A
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	N/A
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	N/A

### 6.2. Conditional grants and earmarked funds received

The receiving department should include the following information in the annual report on conditional grants received:

- An overview of grants received, including types and total amount received.
- An indication of the total amount of actual expenditure on all allocations.
- Confirmation that all transfers were deposited into the accredited bank account of the Provincial Treasury.
- An indication of the extent to which the objectives were achieved, with a comparative analysis of provincial performance against targets. Where performance fell short of expectations, outline the reasons and measures taken to improve performance in the coming years if the grant is continuing.
- An overall assessment of compliance with the Act, and an explanation of any measures taken in situations where there was non-compliance

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2023 to 31 March 2024.

**Conditional Grant 3:**

Department who transferred the grant	N/A
Purpose of the grant	N/A
Expected outputs of the grant	N/A
Actual outputs achieved	N/A
Amount per amended DORA	N/A
Amount received (R'000)	N/A
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	N/A

## 7. DONOR FUNDS

### 7.1. Donor Funds Received

Donor assistance includes both cash and in-kind contributions. Reporting on donor assistance is critical as the funding directly contributes to service delivery of the department. The following information should be presented for donor funds. All financial amounts must agree to the amounts disclosed in the annual financial statements.

- The name of the donor
- The amount received in the current reporting period
- The purpose of the donor funding
- Outputs achieved
- Was the funding received in cash or in-kind
- Amount spent from the donor funds
- The monitoring/reporting to the donor
- Reasons for any unspent funds and if the project is complete will the funds be returned to the donor.

#### Donor Fund:

Name of donor	N/A
Full amount of the funding	N/A
Period of the commitment	N/A
Purpose of the funding	N/A
Expected outputs	N/A
Actual outputs achieved	N/A
Amount received (R'000)	N/A
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

## 8. CAPITAL INVESTMENT

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

Provide commentary on the following:

- Progress made on implementing the capital, investment and asset management plan.
- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance)
- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed,
- Plans to close down or down-grade any current facilities,
- Progress made on the maintenance of infrastructure
- Developments relating to the above that are expected to impact on the department's current expenditure.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft
- Measures taken to ensure that the department's asset register remained up-to-date during the period under review
- The current state of the department's capital assets, for example what percentage is in good, fair or bad condition
- Major maintenance projects that have been undertaken during the period under review
- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track

Infrastructure projects	2023/2024			2022/2023		
	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	N/A	N/A	N/A	N/A	N/A	N/A
Existing infrastructure assets	N/A	N/A	N/A	N/A	N/A	N/A
- Upgrades and additions	N/A	N/A	N/A	N/A	N/A	N/A
- Rehabilitation, renovations and refurbishments	N/A	N/A	N/A	N/A	N/A	N/A
- Maintenance and repairs	N/A	N/A	N/A	N/A	N/A	N/A
Infrastructure transfer	N/A	N/A	N/A	N/A	N/A	N/A
- Current	N/A	N/A	N/A	N/A	N/A	N/A
- Capital	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>





**PART**

**GOVERNANCE**

# 1. INTRODUCTION

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

# 2. RISK MANAGEMENT

The Department has developed the risk management policy and strategy and it was approved for the financial year 2020/21 to 2021/22. The risk management implementation plan is reviewed annually. The implementation plan was reviewed and approved in the first quarter of 2023/24 financial year.

The Strategic Risk Assessment for 2023/24 has been conducted and a risk assessment report was approved by the Accounting Officer. New and emerging risks were identified associated to the strategic outcome and annual targets/ performance indicators. The risk register was used to direct the Internal Audit efforts and priorities. This risk assessment is conducted annually for both strategic and operational levels as required by the departmental risk management strategy.

Progress of Branches and Chief-Directorate's risk registers is communicated to various programmes in the Departmental quarterly review meetings (MANCO, Risk Management Committee, and Audit Committee to ensure that risk treatment plans are monitored regularly. The overall risk performance for financial year under review shows a significant improvement and reduction of risk exposure.

The Risk Management Committee was appointed for 2021/22 to 2023/24 financial years. The Committee comprises of programme managers and two external members, one of whom is the Chairperson. Its roles and responsibilities are outlined in Risk Management Committee Charter terms of reference. The Committee was established in accordance with the Public Sector Risk Management Framework to oversee the overall implementation of the system of risk management in the Department and ensuring that risks are managed at the acceptable level. The Committee meet quarterly according to the terms of reference to review the effectiveness of the system of risk management and recommend improvements to the Accounting Officer.

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

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

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

The recommendations of the Audit Committee are discussed in the Risk Management Committee as a standing agenda item. All advice by the Audit Committee are incorporated on the agenda of the Risk Management Committee for monitoring to ensure that they are implemented. The committee independently monitors the effectiveness of the system of risk management.

There is alignment relating to performance on the Annual Performance Planned targets and the implementation of risk treatment plans for the financial year 2023/24, which improved the Department's performance.

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

### 3. FRAUD AND CORRUPTION

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

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

Furthermore, the Department has implemented the Whistle-Blowing Policy which indicates the procedure in reporting fraud and corruption incidents. This policy outlines the process and steps to be taken to reporting incidents of fraud and corruption anonymously. This has been communicated to all employees. Fraud reporting boxes are placed within the building and the hotline number for reporting of instances of possible fraud or corruption is indicated on each box. There were no cases or incidents of fraud that were identified or reported during the period under review.

### 4. MINIMISING CONFLICT OF INTEREST

To minimise potential conflict of interest, the department has an approved policy on "Other Remunerative work in the Public Service" to enhance value systems that guides professional conduct of employees. The policy also serves as a resource to guide employees on processes to follow when applying for permission to undertake other remunerative work outside their employment. The department hosts information sessions on the code of conduct that includes other remunerative work. Employees with Directorship of dormant registered companies are encouraged to seek permission to perform other remunerative work to reduce any potential conflict of interest. Disciplinary action was taken against two (2) employees with potential conflict of interest for non-compliance with Section 30 of the Public Service Act, 1994.

## 5. CODE OF CONDUCT

The Department adheres to and implements the Public Service Code of Conduct. To enforce compliance and to maintain and improve compliance with the code of conduct, on the first day of assumption of duty, employees are taken through the code of conduct and signs a copy of the code that is placed on employee personnel files. In addition, information sessions on the code of conduct were held for all employees in collaboration with the office of the Public Service Commission. Disciplinary action was taken against ten (10) employees for non-compliance with regulation 19, regulation 81(1), 81(3) of the PSR, 2016 and Section 30 of the PSA, 1994.

A gift register is maintained to register all gifts received by employees during the course and scope of their employment. Approval was granted for two (2) employees to accept gifts received at an estimated value exceeding R350 in compliance with Regulation 13(h) of the PSR, 2016. The Department continues to monitor compliance with Section 30 of the Public Service Act, 1994 with regards to employees conducting other remunerative work. Approval was granted to nine (9) employees to perform other remunerative work.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The department has commenced with creating capacity in facilities management and has appointed an Assistant Director dedicated to deal with control risk in relation to occupational health and safety. Furthermore, all general facility management functions will still be performed as a shared services with the Department of Cooperative Governance.

## 7. PORTFOLIO COMMITTEES

Date of the meeting	Subject	Matters raised by the Portfolio Committee	Response to address the matter/actions by the Department
18 April 2023	<p>Engagement on 2023/24 Annual Performance Plans and Strategic Plans of:</p> <ul style="list-style-type: none"> <li>• Department of Cooperative Governance (DCOG);</li> <li>• Municipal Infrastructure Support Agent (MISA);</li> <li>• Department of Traditional Affairs (DTA)</li> </ul>	<p>The Committee requested the DTA to provide it with a list of cases of royal families in disputes of <i>Ubukhosi</i>. The Committee indicated that this will enable it to have a better sense of the disputes on the ground.</p> <p>The Committee highlighted issues surrounding the tools of trade and wanted the Department to indicate what process is underway to formalise the draft Handbook.</p>	<p>The Department collated the requested information and submitted it to the Principals for consideration and approval to submit to Parliament.</p> <p>The Department indicated that during the costing and affordability exercise, it worked with the National Treasury to liaise with provinces so that provinces can indicate what will be the cost implications. Once this is completed, work will have to be done nationally to determine how much provinces can afford as the Department will not be able to provide for the entire spectrum given the constraints faced. The final approval of the Handbook rests on this process.</p> <p>Update: The Department supported by the National Treasury will be convening a Traditional Affairs 10x10 meeting (i.e., a meeting of 9 provincial departments under which Traditional Affairs matters fall plus the DTA and 9 provincial Treasuries plus National Treasury) where issues on funding of the sector, including the Handbook will be discussed going forward.</p>
21 April 2023	Traditional Affairs General Amendment Bill (TAGAB): consideration	<p>No key resolutions were made, but the Committee raised a concern that only two public submissions were received on the Bill and that they did not relate to the content of the Bill. The Committee questioned if this was sufficient for public participation, which they were assured it was by the Committees Content Advisor. The Committee adopted the 2022 Traditional Affairs General Amendment Bill.</p>	<p>No response was required from the Department as the Portfolio Committee Content Advisor provided the necessary clarity</p>

Date of the meeting	Subject	Matters raised by the Portfolio Committee	Response to address the matter/actions by the Department
02 May 2023	Briefing to the Select Committee on CoGTA (Water, Sanitation & Human Settlement) by the DCoG, DTA, MISA on their 2023/24 Annual Performance Plans	<p>The Committee asked the Department whether or not there are systems in place to audit the selling of tribal land. How does the Department ensure accountability in regulating the funds, so that the money benefits the entire municipality and not just individuals?</p> <p>Due to time constraints, the Committee indicated that responses to some of the questions would be requested via a written submission.</p>	<p>The Department responded to the question by providing responses to Parliamentary question 138 for oral reply that was posed to the Minister by a Member of the Select Committee on Cooperative Governance and Traditional Affairs.</p> <p>The Department will await other information requests from the Committee.</p>
11 October 2023 (virtual meeting)	Department of Traditional Affairs Annual Report for the 2022/2023 financial year	<p>The Committee outlined that following the Constitutional Court order as it related to the invalidity of the Traditional and Khoi-San Leadership Act (TKLA), it noted recommendations regarding the processing of the Traditional and Khoi-San Leadership Bill (TKLB) and resolved that it would be monitoring progress in order to ensure that the timeframe of processing the Bill is met.</p>	<p>On 08 February 2024, the Department briefed the meeting of the Governance, State Capacity and Institutional Development Technical Working Group (GSCID) TWG on the Traditional and Khoi-San Leadership Bill, 2024. The GSCID TWG recommended/ supported that the Bill be submitted for consideration by the GSCID Cluster and thereafter be referred to Cabinet for consideration.</p>

Date of the meeting	Subject	Matters raised by the Portfolio Committee	Response to address the matter/actions by the Department
11 October 2023 (virtual meeting)	Department of Traditional Affairs Annual Report for the 2022/2023 financial year	The Committee outlined that following the Constitutional Court order as it related to the invalidity of the Traditional and Khoi-San Leadership Act (TKLA), it noted recommendations regarding the processing of the Traditional and Khoi-San Leadership Bill (TKLB) and resolved that it would be monitoring progress in order to ensure that the timeframe of processing the Bill is met.	On 08 February 2024, the Department briefed the meeting of the Governance, State Capacity and Institutional Development Technical Working Group (GSCID) TWG on the Traditional and Khoi-San Leadership Bill, 2024. The GSCID TWG recommended/ supported that the Bill be submitted for consideration by the GSCID Cluster and thereafter be referred to Cabinet for consideration.

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
On 19 September 2023 the Department briefed the Standing Committee on Public Accounts on an unauthorised expenditure that was incurred during 2014/15 fy	Reports on unauthorised expenditure from the Departments of Cooperative Governance and Traditional Affairs (CoGTA), DPSA, DWS and DCDT	No key resolutions were made. However, it was noted that the National Treasury had previously briefed the Committee on the scope of the unauthorised expenditure of the various departments including CoGTA, and the Committee was aware of the merit(s) of each of the unauthorised expenditure.	No response from the Department was expected. The meeting pointed out that It would not be correct to have the DG of the Department of Traditional Affairs (DTA), who was the former DG of DPSA, respond to the matter in the current meeting. The meeting suggested that the DPSA should be given 30 days to investigate and return with a portfolio of evidence regarding the material circumstances of what took place during the appointments.	No

## 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

## 10. INTERNAL CONTROL UNIT

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

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

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

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

- Quarterly review of performance information against the approved APP;
- Review of Interim and Annual Financial Statements;
- Quarterly review of the Integrated Governance Management Plan (Internal Audit and AGSA findings);
- Quarterly review of Compliance with Departmental Legislation;
- Review Governance processes of the Department;
- Review of Human Resource Management development processes;
- Review of Supply Chain Management processes;
- Review of Transport management processes;
- Review the Implementation of TKLA and CIA; Consulting review on development of APP plans for 2024/25; and
- Assisted AGSA with regulatory audit for 2022/23 (Assets, Leave and Employee verification).

Internal audit reported quarterly to the Audit Committee on its performance against the approved audit plan for 2023/24. Furthermore, it assisted the Department to co-ordinate information in managing key risks through combined assurance.



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

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

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

The Audit Committee met quarterly during the reported financial period as required by their approved charter.

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

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr T Boltman	B-Tech: Internal Audit Post Graduate Diploma: Certified Internal Auditing Professional Designations: Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self Assessment	External	n/a	1 July 2023	n/a	6
Ms NP Lubanga	Postgraduate Diploma: General management Postgraduate Diploma: Internal Auditing Executive Development Program (EDP) BCOMM: Internal Auditing National Diploma in Internal Auditing Master of Business Administration (MBA)	External	n/a	1 July 2023	n/a	6

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms NNJ Sizani	B COMM: Accounting B COMPT HONS/CTA (Certificate in Theory of Accounting) Post Graduate Diploma in Management Senior Secondary Teachers Diploma Professional Designations: Associate General Accountant (AGA) SA Certified Director (Cert. Dir.)	External	n/a	1 July 2023	n/a	6
Ms P Mangoma	B COMPT (bachelor of Accounting Sciences) B.COMM HONS: Auditing	External	n/a	1 February 2024	n/a	1

## 12. AUDIT COMMITTEE REPORT

The Audit Committee (“the Committee”) is established as an independent statutory committee in terms of the PFMA. The committee functions within approved terms of reference and complies with relevant legislation, regulation and governance codes.

The Committee submits this report for the year ended 31 March 2024, as required by the Treasury Regulations 3.1.13 and in terms of section 76(4)(d) of the PFMA.

### 1. AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Committee comprises of four (4) Independent Members and is chaired by Mr. Trevor Boltman. The Committee is required to meet at least four times per annum as per its approved terms of reference. Six (6) meetings were held for the financial year ended 31 March 2024.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr T Boltman (Chairperson)	B-Tech: Internal Audit Post Graduate Diploma: Certified Internal Auditing Professional Designations: Certified Internal Auditor Certified Government Auditing Professional Certification in Control Self Assessment	External	n/a	1 July 2023	n/a	6
Ms NP Lubanga	Postgraduate Diploma: General Management Postgraduate Diploma: Internal Auditing Executive Development Program (EDP) BCOMM: Internal Auditing National Diploma in Internal Auditing Master of Business Administration (MBA)	External	n/a	1 July 2023	n/a	6
Ms NNJ Sizani	B COMM: Accounting B COMPT HONS/CTA (Certificate in Theory of Accounting) Post Graduate Diploma in Management Senior Secondary Teachers Diploma Professional Designations: Associate General Accountant (AGA) SA Certified Director (Cert. Dir.)	External	n/a	1 July 2023	n/a	6
Ms P Mangoma	B COMPT (bachelor of Accounting Sciences) B.COMM HONS: Auditing	External	n/a	1 February 2024	n/a	1

## 2. AUDIT COMMITTEE RESPONSIBILITY

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

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

## 3. THE EFFECTIVENESS OF INTERNAL CONTROL

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

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

## 4. RISK MANAGEMENT

The Strategic Risk Assessment for 2023/24 has been conducted and the Risk Assessment report including the risk register approved by the Accounting Officer. The risk register was used to direct internal audit efforts and priority. Progress on Branch Risk registers are being communicated to various programmes during quarterly review meetings to ensure that risks are being monitored on a regular basis.

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

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

## 5. EFFECTIVENESS OF INTERNAL AUDIT

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

The Committee is responsible for ensuring that the Department's internal audit function is independent and has the necessary resources, skills, standing and authority within the entity

to enable it to discharge its responsibilities effectively. The Internal Auditors have unrestricted access to the Committee.

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

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

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

No.	Auditable Area	Opinion by Internal Audit
1	Review of Performance Management Information (Quarterly and Annually)	Adequate
2	Review of Interim and Annual Financial statements	Adequate
3	Quarterly Review of Integrated Governance Management plan (IGMP)	Inadequate
4	Quarterly compliance review with Legislation	Adequate
5	Review Governance of the Department	Inadequate
6	HR Development processes	Adequate
7	Review of SCM processes	Inadequate
8	Review of Transport Management processes	Inadequate
9	Review the monitoring on Implementation of provisions in legislation (TKLA and CIA)	Adequate
10	Consulting audit on Review of Strategic Planning and Annual Performance Development for 2024/25.	No audit opinion expressed due to the nature of the audit (consulting audit)
11	AGSA regulatory audit (Assets and HR)	No audit opinion expressed by Internal Audit. Assisted AGSA with their audit.
12	Review of Annual report for 2022/23	No audit opinion expressed due to the nature of the review

The audit opinion for the abovementioned audits performed are based on the following criteria:

Opinion	Description
<b>Adequate</b>	Controls in place provide reasonable assurance that the organization’s risks have been managed effectively and that the organization’s goals and objectives will be achieved efficiently and economically.
<b>Needs Improvement</b>	Controls in place provide some assurance that the organization’s risks have been managed however considerable improvement is needed to effectively manage the risk and ensuring that goals and objectives are achieved efficiently and economically.
<b>Not Adequate</b>	Controls in place do not provide reasonable assurance that the organization’s risks have been managed effectively and that the organization’s goals and objectives will be achieved efficiently and economically.

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

No	Area	Opinion
1.	Governance	<p><b>Adequate</b></p> <p>Performance of the department and issues of compliance are monitored through the established governance structures. During the period under review the department achieved 89% of its annual APP targets for 2023/24 as reported to departmental governance structures and the Audit Committee.</p>
2.	Risk Management	<p><b>Needs improvement</b></p> <p>For the period under review the department managed to implement 86% of its risk treatment plans, however there are areas requiring improvement as highlighted in paragraph 2 of this report. These shortcomings are being addressed by the Risk Officer and monitored quarterly by IA through the Integrated Governance Management Plan (IGMP) of the Department.</p>
3.	Controls	<p><b>Needs improvement</b></p> <p>The opinion was determined by the ratings given to the areas audited during the period under review. Refer to paragraph 3 below.</p>
4.	Internal Financial Controls (IFC's)	<p><b>Adequate</b></p> <p>The financial controls were tested during Internal Audit's review of the Annual Financial Statements and through the IGMP.</p>

Management developed an action plan to improve the internal control deficiencies reported by Internal Audit. The AC will monitor the implementation of the action plan throughout the course of the year.

## 6. QUALITY OF MANAGEMENT AND MONTHLY / QUARTERLY REPORTS SUBMITTED IN TERMS OF THE ACT AND THE DIVISION OF REVENUE ACT

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

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

## 7. EVALUATION OF FINANCIAL STATEMENTS

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

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

The review of the Draft Annual Financial Statements and Draft Annual Report for the 2023/2024 Financial Year was done at the Committee's meeting held on 30 May 2024.

## 8. AUDITOR GENERAL SOUTH AFRICA

The Committee, in consultation with the Accounting Officer, agreed to the terms of the Auditor General South Africa's engagement letter, audit strategy and audit fees in respect of the 2023/2024 financial year. The Committee also had in-committee meetings with the Auditor General of South Africa.

The Committee also monitored the implementation of the action plan to address matters arising from the Management Report issued by the Auditor-General South Africa in respect of the 2022/2023 Financial Year and concluded that this plan is adequate as all matters have been adequately resolved.

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

## 9. GENERAL

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

## 10. CONCLUSION

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

Signed on behalf of the Audit Committee by:



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**Chairperson of the Audit Committee**  
Department of Traditional Affairs  
31 July 2024

## 13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	The Department does not issue licences, concessions or other authorisation in respect of economic activity in terms of any law.
Developing and implementing a preferential procurement policy?	YES	The Department has developed and implemented Supply Chain Management Policy which is aligned to all applicable legislation including Preferential Procurement Policy Framework Act. This includes the application of 80/20 and 90/10 preferential point system for all procurement contract above R30,000.00.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	The Department did not have any sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	N/A	The Department did not enter into any Private Partnership during the period under review
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	The Department did not have any award or incentives, grants and investment scheme in support of BBBEE.



A group of young people, likely from an African tribe, are captured in a dynamic dance performance. They are wearing traditional, intricately beaded and feathered clothing. The scene is set in a lush, green field under bright, natural light. The overall mood is energetic and cultural.

**PART**

# D

**HUMAN RESOURCE MANAGEMENT**

# 1. INTRODUCTION

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

## 2. OVERVIEW OF HUMAN RESOURCES

Human resources plays a vital role in the achievement of the departmental goals. The current organisation structure provides for a total of 127 posts. As at March 2024, a total of 109 positions filled including a total of twenty-two (22) appointments additional to the establishment. Following the directive on the “Implementation of control measures aimed at assisting Executive Authorities in managing fiscal sustainability during the process of creating and filling vacant posts in departments” issued by the MPSA, the department was not able to fill all critical funded positions.

The Department has an HR Plan in place for the capacitation of critical areas. The human resource priorities and achievement for the year under review includes the following:

- Reduction of vacancy rate to 10% or below to ensure adequate human resource capacity to achieve departmental goals and objectives. The department’s vacancy rate is at 6.8%.
- Capacitate 60% of employees on various training interventions to improve organisation performance and the target was achieved.
- 100% of designated employees disclosed their financial interest to mitigate against conflict of interest. 97% of disclosed their financial interest on time and disciplinary action was taken against employees for non-compliance.
- The Department achieved its target for appointment of women at SMS level with the status at 50% of women appointed at SMS level.

Workforce is planned in line with the departmental strategic objectives and available budget on compensation of employees. Positions are prioritised in terms of their importance and advertised nationally on the public service vacancy circular and national media to attract a large pool of suitable candidates. The department continues to ensure compliance with the Employment Equity policies and directives to redress the imbalances of the past.

Performance of employees is managed and monitored in terms of the Performance Management Development system policies and directives. For the reporting period 98% of employees entered into performance agreements by 31 May 2023 in line with Regulation 72(2) of the Public Service Regulation, 2016. Disciplinary action was taken against officials for non-compliance. The department implemented performance outcomes of all officials for the 2022/23 financial year by the end of the financial year.

Employee health and wellness risk assessments were conducted quarterly in collaboration with GEMS to assess potential health risks including voluntary HIV and Aids counselling and testing. 69% of employees participated in the wellness screening sessions. The Department is in the process of appointing a wellness service provider to provide support to its employees with regards to health-related matters and counselling services.

Achievements for the reporting period includes the following:

- The department exceeded the 2% target for appointment of persons with disabilities and achieved 3%. This was achieved through targeted recruitment processes. Furthermore, the department achieved the 50% target for appointment of women at SMS level.

- 51% of women are appointed at decision making positions.

The following remains a challenge:

- Misalignment between the organisational structure and the Department's broader mandate and strategy which has an impact on service delivery. Appointments of persons additional to the establishment has a negative impact in institutional memory and continuity of services in cases where an employee's contract terminates. The department is in the process of finalising the review of the organisation structure.
- Youth comprise 12% of the staff compliment with 3% of employees graduating from the youth category.

## 3. HUMAN RESOURCES OVERSIGHT STATISTICS

### 3.1 Personnel related expenditure

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

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

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

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	68 805	38 426	637	0	55.8	769
Research, Policy & Legislation	26 103	21 008	0	0	80.5	840
Institutional Support & Coordination	91 905	31 487	0	0	34.3	543
<b>Total</b>	<b>186 813</b>	<b>90 921</b>	<b>637</b>	<b>0</b>	<b>48.7</b>	<b>834</b>

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

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (level 3-5)	1 435	1.6	6	239
Highly skilled production (levels 6-8)	10 147	11.2	22	461
Highly skilled supervision (levels 9-12)	23 451	25.8	30	782
Senior and Top management (levels 13-16)	43 227	47.5	29	1 491
10 Contract (Levels 1-2)	163	0.2	1	163
11 Contract (Levels 3-5)	2 589	2.8	11	235
12 Contract (Levels 6-8)	57	0.1	0	0
13 Contract (Levels 9-12)	5 239	5.8	5	1 048
14 Contract (Levels >= 13)	1 134	1.2	1	1 134
18 Contract Other	3 480	3.8	4	870
Periodical Remuneration	0	0	0	0
<b>Total</b>	<b>90 922</b>	<b>100</b>	<b>109</b>	<b>834</b>

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	46 924	86.1	426	0.8	490	0.9	897	1.6
Research, Policy & Legislation	21 854	81.5	0	0	764	2.8	328	1.2
Institutional Support & Coordination	12 561	69.4	0	0	227	1.3	378	2.1
<b>Total</b>	<b>81 338</b>	<b>81.8</b>	<b>426</b>	<b>0.4</b>	<b>1 481</b>	<b>1.5</b>	<b>1 603</b>	<b>1.6</b>

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

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	0	0	0	0	0	0	0	0
Skilled (level 3-5)	1 134	77.2	29	2	50	3.4	70.	4.8
Highly skilled production (levels 6-8)	7 705	73.4	172	1.6	460	4.4	771	7.3
Highly skilled supervision (levels 9-12)	20 322	82.7	209	0.9	235	1	501	2
Senior management (level 13-16)	38 932	84.3	0	0	736	1.6	260	0.6
10 Contract (Levels 1-2)	153	93.9	0	0	0	0	0	0
11 Contract (Levels 3-5)	2 536	95.7	16	0.6	0	0	0	0
12 Contract (Levels 6-8)	4	6.8	0	0	0	0	0	0
13 Contract (Levels 9-12)	5 441	95.8	0	0	0	0	0	0
14 Contract (Levels >= 13)	1 134	96.1	0	0	0	0	0	0
18 Contract Other (Commissioners)	3 978	98.8	0	0	0	0	0	0
<b>Total</b>	<b>81 338</b>	<b>81.8</b>	<b>426.00</b>	<b>0.40</b>	<b>1 481</b>	<b>1.5</b>	<b>1 603</b>	<b>1.6</b>

### 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 occupation

The department have identified critical occupations that need to be monitored. The vacancy rate reflects the percentage of posts that are vacant and funded.

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

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	52	47	4.3	11
Research, Policy & Legislation	26	25	0.8	8
Institutional Support & Coordination	39	37	1.7	3
<b>TOTAL</b>	<b>117</b>	<b>109</b>	<b>6.8</b>	<b>22</b>

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

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0	0
Skilled (3-5)	9	6	2.6	0
Highly skilled production (6-8)	24	22	1.7	0
Highly skilled supervision (9-12)	32	30	1.7	0
Senior management (13-16)	30	29	0.8	0
10 Contract (Levels 1-2), Permanent	1	1	0	1
11 Contract (Levels 3-5), Permanent	11	11	0	11
13 Contract (Levels 9-12), Permanent	5	5	0	5
14 Contract (Levels >= 13), Permanent	1	1	0	1
09 Other	4	4	0	4
<b>Total</b>	<b>117</b>	<b>109</b>	<b>6.8</b>	<b>22</b>

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

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	28	26	1.7	3
FINANCE AND ECONOMICS RELATED, Permanent	3	2	0.85	0
FINANCIAL AND RELATED PROFESSIONALS, Permanent	5	5	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	2	1	0.85	0
FOOD SERVICES AIDERS AND WAITERS, Permanent	3	3	0	3
HEAD OF DEPARTMENT/ CHIEF EXECUTIVE OFFICER, Permanent	1	1	0	0
HUMAN RESOURCES CLERKS, Permanent	1	1	0	0
HUMAN RESOURCES RELATED, Permanent	4	4	0	0
LEGAL RELATED, Permanent	1	1	0	0
LOGISTICAL SUPPORT PERSONNEL, Permanent	3	3	0	0
MESSENGERS PORTERS AND DELIVERERS, Permanent	1	1	0	0
MOTOR VEHICLE DRIVERS, Permanent	3	3	0	3
OTHER ADMINISTRATIVE & RELATED CLERKS AND ORGANISERS, Permanent	2	2	0	0
OTHER OCCUPATIONS, Permanent	7	7	0	7
RISK MANAGEMENT AND SECURITY SERVICES, Permanent	1	0	0.85	1
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	25	23	1.7	4
SENIOR MANAGERS, Permanent	27	26	0.85	1
<b>Total</b>	<b>117</b>	<b>109</b>	<b>6.8</b>	<b>22</b>

### 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 2024

Highly skilled supervision	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General	1	1	3.4%	0	0
Salary Level 15	2	2	6.9%	0	0
Salary Level 14	7	7	24.1%	0	0
Salary Level 13	19	18	62.1%	1	3.4%
<b>Total</b>	<b>29</b>	<b>28</b>	<b>96.5%</b>	<b>1</b>	<b>3.4%</b>

Table 3.3.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General	1	1	3%	0	0
Salary Level 15	2	2	7%	0	0
Salary Level 14	7	7	24%	0	0
Salary Level 13	19	19	66%	0	0
<b>Total</b>	<b>29</b>	<b>29</b>	<b>100%</b>	<b>0</b>	<b>0</b>

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

SMS Level	Advertising	Filling of Posts	Number of vacancies per level not filled in 6 months but filled in 12 months
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	
Director-General	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within twelve months
N/A

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

Reasons for vacancies not advertised within six months
N/A

Reasons for vacancies not filled within six months
Post vacated 29 February 2024



### 3.4 Job Evaluation

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

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	8	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	25	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	32	0	0	0	0	0	0
Senior Management Service Band A	19	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band C	2	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
10 Contract (Levels 1-2)	1	0	0	0	0	0	0
11 Contract (Levels 3-5)	11	0	0	0	0	0	0
13 Contract (Levels 9-12)	5	0	0	0	0	0	0
14 Contract Band A	1	0	0	0	0	0	0
Other	4	0	0	0	0	0	0
<b>Total</b>	<b>117</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded.

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

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Employees with a disability</b>	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation.

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

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

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

Salary band	Number of employees at beginning of period-1 April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)	0	0	0	0
Skilled (Levels3-5)	3	5	1	0.93
Highly skilled production (Levels 6-8)	26	1	3	2.80
Highly skilled supervision (Levels 9-12)	26	1	0	0
Senior Management Service Bands A	18	0	0	0
Senior Management Service Bands B	7	0	0	0
Senior Management Service Bands C	2	0	0	0
Senior Management Service Bands D	1	0	0	0
10 Contract (Levels 1-2) Permanent	1	1	0	0
11 Contract (Levels 3-5) Permanent	8	10	4	3.73
12 Contract (Levels 6-8) Permanent	2	0	1	0.93
13 Contract (Levels 9-12) Permanent	6	7	8	7.47
14 Contract Band A Permanent	0	2	1	0.93
09 Other Permanent	7	0	0	0
<b>Total</b>	<b>107</b>	<b>27</b>	<b>18</b>	<b>16.8</b>

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

Critical occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	26	8	8	7.47
FINANCE AND ECONOMICS RELATED Permanent	2	0	0	0
FINANCIAL AND RELATED PROFESSIONALS Permanent	3	0	1	0.93
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	2	2	0	0
FOOD SERVICES AIDERS AND WAITERS Permanent	4	3	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	1	0	0	0
HUMAN RESOURCES CLERKS Permanent	1	0	0	0
HUMAN RESOURCES RELATED Permanent	4	0	0	0
LEGAL RELATED Permanent	1	0	0	0
LIGHT VEHICLE DRIVERS Permanent	2	1	0	0
LOGISTICAL SUPPORT PERSONNEL Permanent	2	0	0	0
MESSENGERS PORTERS AND DELIVERERS Permanent	2	0	0	0
OTHER ADMINISTRATIVE & RELATED CLERKS AND ORGANISERS Permanent	2	0	0	0
OTHER OCCUPATIONS Permanent	7		0	0
RISK MANAGEMENT AND SECURITY SERVICES Permanent	1	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	21	11	8	7.47
SENIOR MANAGERS Permanent	26	2	1	0.93
<b>TOTAL</b>	<b>107</b>	<b>27</b>	<b>18</b>	<b>16.8</b>

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

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

Termination Type	Number	% of Total Resignations
Death	1	5.6%
Resignation	4	22.2%
Expiry of contract	10	55.6%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement	0	0%
Transfer to other Public Service Departments	3	16.7%
Other	0	0%
<b>Total</b>	<b>18</b>	<b>100%</b>
<b>Total number of employees who left as a % of total employment</b>		<b>16.5%</b>

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

Occupation	Employees 1 April 2023	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	26	2	7.7	13	50
FINANCE AND ECONOMICS RELATED	2	0	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	3	0	0	2	66.7
FINANCIAL CLERKS AND CREDIT CONTROLLERS	2	0	0	0	0
FOOD SERVICES AIDS AND WAITERS	3	0	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1		0	0	0
HUMAN RESOURCES CLERKS	1	0	0	0	0
HUMAN RESOURCES RELATED	4	0	0	3	75
LEGAL RELATED	1	0	0	0	0
LIGHT VEHICLE DRIVERS	2	0	0	0	0
LOGISTICAL SUPPORT PERSONNEL	2	0	0	2	100
MESSENGERS PORTERS AND DELIVERERS	2	0	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	2	0	0	0	0
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	1	0	0	1	100
OTHER OCCUPATIONS	7	0	0	0	0
RISK MANAGEMENT AND SECURITY SERVICES	1	0	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	21	1	4.76	12	57.1
SENIOR MANAGERS	26	0	0	20	76.9
<b>TOTAL</b>	<b>107</b>	<b>3</b>	<b>2.8</b>	<b>53</b>	<b>49.5</b>

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

Salary Band	Employees 1 April 2023	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)	0	0	0	0	0
Skilled (Levels3-5)	3	0	0	1	33.3
Highly skilled production (Levels 6-8)	26	1	3.8	13	50
Highly skilled supervision (Levels 9-12)	26	2	7.7	14	53.8
Senior Management (Level 13-16)	28	0	0	25	89.3
10 Contract (Levels 1-2) Permanent	1	0	0	0	0
11 Contract (Levels 3-5) Permanent	8	0	0	0	0
12 Contract (Levels 6-8) Permanent	2	0	0	0	0
13 Contract (Levels 9-12) Permanent	6	0	0	0	0
14 Contract Band A Permanent	0	0	0	0	0
09 Other Permanent	7	0	0	0	0
<b>Total</b>	<b>107</b>	<b>3</b>	<b>2.80</b>	<b>53</b>	<b>49.5</b>

### 3.6 Employment Equity

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	15	2	0	2	12	1	3	0	35
Professionals	16	0	0	1	17	1	0	0	35
Technicians and associate professionals	1	0	0	0	5	0	0	0	6
Clerks	8	0	0	0	18	0	0	0	26
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	4	0	0	0	3	0	0	0	7
<b>Total</b>	<b>44</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>55</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>109</b>
<b>Employees with disabilities</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	2	0	0	0	4
Senior Management	11	0	0	2	9	0	3	0	25
Professionally qualified and experienced specialists and mid-management	16	0	0	1	13	0	0	0	30
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	5	0	0	0	6
Semi-skilled and discretionary decision making	5	0	0	0	15	0	0	0	20
Unskilled and defined decision making	1	0	0	0	0	0	0	0	1
07 Other, Permanent	2	2	0	0	1	1	0	0	6
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally Qualified), Permanent	0	0	0	0	4	1	0	0	5
12 Contract (Semi-Skilled), Permanent	2	0	0	0	3	0	0	0	5
13 Contract (Unskilled), Permanent	3	0	0	0	3	0	0	0	6
<b>Total</b>	<b>44</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>55</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>109</b>



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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	2	0	0	0	3	0	0	0	5
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
09 Contract (Senior Management), Permanent	2	0	0	0	0	0	0	0	2
10 Contract (Professionally qualified), Permanent	1	0	0	0	5	1	0	0	7
12 Contract (Semi-skilled), Permanent	2	0	0	0	3	0	0	0	5
13 Contract (Unskilled), Permanent	3	0	0	0	3	0	0	0	6
<b>Total</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>27</b>
Employees with disabilities	0	0	0	0	1	0	0	0	1

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	2	0	0	0	3
Senior Management	9	0	0	2	8	0	3	0	22
Professionally qualified and experienced specialists and mid-management	10	0	0	1	5	0	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	12	0	0	0	14
Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>28</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>56</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	2	0	0	0	3

Semi-skilled and discretionary decision making	0	0	0	0	1	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally qualified), Permanent	2	1	0	0	4	1	0	0	8
11 Contract (Skilled technical), Permanent	0	0	0	0	1	0	0	0	1
12 Contract (Semi-skilled), Permanent	2	0	0	0	2	0	0	0	4
<b>Total</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>18</b>
<b>Employees with Disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

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

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Verbal warning	0	0	0	0	7	0	0	0	7
Corrective counselling	0	0	0	0	2	0	0	0	2
Written warning	7	0	0	0	4	0	0	0	11
Final written warning	2	0	0	0	0	0	0	0	2
<b>Total</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	1	9	0	3	0	13
Professionals	7	0	0	0	5	1	0	0	13
Technicians and associate professionals	0	0	0	0	1	0	0	0	1
Clerks	3	0	0	0	10	0	0	0	13
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	1	0	0	0	0	0	0	0	1
<b>Total</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>25</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>41</b>
<b>Employees with disabilities</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

### 3.7 Signing of Performance Agreements by SMS Members

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

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General	1	1	1	3%
Salary Level 15	2	2	2	7%
Salary Level 14	7	7	7	24%
Salary Level 13	19	19	18	62%
<b>Total</b>	<b>29</b>	<b>29</b>	<b>28</b>	<b>97%</b>

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

Reasons
Non-compliance

**Notes**

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

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

Reasons
Final written warning

### 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.

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	0	45	0	0	0
Female	0	55	0	0	0
<b>Asian</b>					
Male	0	0	0	0	0
Female	0	3	0	0	0
<b>Coloured</b>					
Male	0	2	0	0	0
Female	0	1	0	0	0
<b>White</b>					
Male	0	3	0	0	0
Female	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>109</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	0	6	0	0	0	0
Highly skilled production (level 6-8)	0	22	0	0	0	0
Highly skilled supervision (level 9-12)	0	30	0	0	0	0
09 Other	0	4	0	0	0	0
10 Contract (Levels 1-2)	0	1	0	0	0	0
11 Contract (Levels 3-5)	0	11	0	0	0	0
13 Contract (Levels 9-12)	0	5	0	0	0	0
<b>Total</b>	<b>0</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
FINANCIAL CLERKS AND CREDIT CONTROLLERS	0	2	0	0	0
HUMAN RESOURCES CLERKS	0	1	0	0	0
MESSENGERS PORTERS AND DELIVERERS	0	1	0	0	0
RISK MANAGEMENT AND SECURITY SERVICES	0	1	0	0	0
FINANCE AND ECONOMICS RELATED	0	1	0	0	0
LOGISTICAL SUPPORT PERSONNEL	0	3	0	0	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	0	2	0	0	0
OTHER OCCUPATIONS	0	7	0	0	0
LEGAL RELATED	0	1	0	0	0
FINANCIAL AND RELATED PROFESSIONALS	0	5	0	0	0
ADMINISTRATIVE RELATED	0	44	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	0	22	0	0	0
HUMAN RESOURCES RELATED	0	5	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	1	0	0	0
SENIOR MANAGERS	0	6	0	0	0
LIGHT VEHICLE DRIVERS	0	3	0	0	0
MOTOR VEHICLE DRIVERS	0	1	0	0	0
FOOD SERVICES AIDS AND WAITERS	0	3	0	0	0
<b>Total</b>	<b>0</b>	<b>109</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	19	0	0	0	0
Band B	0	7	0	0	0	0
Band C	0	2	0	0	0	0
Band D	0	2	0	0	0	0
<b>Total</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 3.9 Foreign Workers

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

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

Salary band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Cost	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
N/A	N/A	N/A	N/A	N/A	N/A	N/A

### 3.10 Leave utilisation

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

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0	0	0	0	0
Skilled (levels 3-5)	15	46.7	3	3.3	5	17
Highly skilled production (levels 6-8)	154	69.5	25	27.8	6	242
Highly skilled supervision (levels 9 -12)	161	72	26	28.9	6	480
Top and Senior management (levels 13-16)	149	88.6	20	22.2	7	741
Contract (Levels 1-2)	13	100	1	1.1	13	9
Contract (Levels 3-5)	34	79.4	5	5.6	7	31
Contract (Levels 6-8)	24	100	1	1.1	24	34
Contract (Levels 9-12)	54	87	8	8.9	7	149
Contract Other	6	100	1	1.1	6	43
<b>Total</b>	<b>610</b>	<b>78.5</b>	<b>90</b>	<b>100</b>	<b>7</b>	<b>1 746</b>



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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0	0	0
Senior management (Levels 13-16)	7	100	1	20	7	43
Contract (Levels 1-2)	15	100	1	20	15	10
Contract (Levels 3-5)	13	100	2	40	7	10
Contract (Levels 6-8)	15	100	1	20	15	21
<b>Total</b>	<b>50</b>	<b>100</b>	<b>5</b>	<b>100</b>	<b>10</b>	<b>85</b>

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

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	62	9	7
Highly skilled production (Levels 6-8)	641	22	29
Highly skilled supervision(Levels 9-12)	738	23	32
Senior management (Levels 13-16)	742	26	29
Contract (Levels 1-2)	8	4	2
Contract (Levels 3-5)	147	9	17
Contract (Levels 6-8)	11	6	2
Contract (Levels 9-12)	110	10	11
Contract (Levels 13-16)	3	3	1
Contract Other	66	17	4
<b>Total</b>	<b>2 528</b>	<b>19</b>	<b>134</b>

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	21
Highly skilled supervision(Levels 9-12)	0	0	0	44
Senior management (Levels 13-16)	0	0	0	26
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31</b>

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

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

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2021/22 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2023/24	0	0	0
Current leave payout on termination of service for 2023/24	306	13	24
<b>Total</b>	<b>306</b>	<b>13</b>	<b>24</b>

### 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	Conduct quarterly employee wellness screening including HIV & Aids counselling and testing

*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.	✓		Ms Lorato Motlhala Director: Human Resource Management
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		Human Resource Management Directorate is responsible for the promotion of health and well-being of employees. The line function does not have a dedicated budget for health and well-being of employees.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	✓		Voluntary health and wellness screening on the following: <ul style="list-style-type: none"> <li>• Body cholesterol levels</li> <li>• Blood pressure (BP) testing</li> <li>• Blood Glucose level</li> <li>• HIV &amp; Aid Counselling and testing</li> <li>• Prostrate cancer screening</li> </ul> In addition, the information sessions on the following were conducted: <ul style="list-style-type: none"> <li>• Financial well-being</li> <li>• Diabetic information session</li> <li>• Sexual harassment in the workplace</li> </ul>
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.	✓		The department had established an Employee Wellness Committee with representatives from various line functions, however the committee is not effective.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		The Department's Employment Equity policy articulates issues on fair labour practices.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		The Department has a policy in place that provides for non-discrimination of persons affected and infected by HIV.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	✓		The department in collaboration with GEMS hosts quarterly voluntary Counselling and Testing on site.
8. Has the department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		<ul style="list-style-type: none"> <li>• Analysis of wellness screening reports</li> <li>• Number of employees attending wellness events</li> <li>• Analysis of leave utilisation</li> </ul>

### 3.12 Labour Relations

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

Total number of Collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

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

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	2	9%
Verbal warning	7	32%
Written warning	11	50%
Final written warning	2	9%
Suspended without pay	0	0
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
<b>Total</b>	<b>22</b>	<b>100%</b>

Total number of Disciplinary hearings finalised	None
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 and 31 March 2024

Total number of Disciplinary hearings finalised	None
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Table 3.12.4 Grievances logged for the period 1 April 2023 and 31 March 2024

Grievances	Number	% of Total
Number of grievances resolved	4	50%
Number of grievances not resolved	4	50%
<b>Total number of grievances lodged</b>	<b>8</b>	<b>50%</b>

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

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	1	100%
<b>Total number of disputes lodged</b>	<b>1</b>	<b>100%</b>

Table 3.12.6 Strike actions for the period 1 April 2023 and 31 March 2024

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

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

Number of people suspended	0
Number of people who's suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

### 3.13 Skills development

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

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

Occupational category	Gender	Number of employees as at 1 April 2023	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	14	0	12	1	13
	Male	15	0	4	1	5
Professionals	Female	19	0	12	0	12
	Male	17	0	12	0	12
Technicians and associate professionals	Female	5	0	6	0	6
	Male	2	0	0	1	1
Clerks	Female	19	0	12	1	13
	Male	9	0	2	0	2
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	3	0	0	0	0
	Male	4	0	3	0	3
Sub Total	Female	<b>60</b>	<b>0</b>	<b>42</b>	<b>2</b>	<b>44</b>
	Male	<b>47</b>	<b>0</b>	<b>21</b>	<b>2</b>	<b>23</b>
<b>Total</b>		<b>107</b>	<b>0</b>	<b>63</b>	<b>4</b>	<b>67</b>

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

Occupational category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	14	0	8	11	19
	Male	15	0	2	2	4
Professionals	Female	19	0	6	0	6
	Male	17	0	7	1	8
Technicians and associate professionals	Female	5	0	2	0	2
	Male	2	0	0	0	0
Clerks	Female	19	0	13	1	14
	Male	9	0	6	0	6
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	3	0	0	0	0
	Male	4	0	2	0	2
Sub Total	Female	60	0	29	12	41
	Male	47	0	17	3	20
<b>Total</b>		<b>107</b>	<b>0</b>	<b>46</b>	<b>15</b>	<b>61</b>

### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

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

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 3.15 Utilisation of Consultants

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

- 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 consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	0	0	0

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

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	0	0	0

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	0	0	0

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	0	0	0

### 3.16 Severance Packages

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

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





**PART**

**5**

**PFMA COMPLIANCE REPORT**

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

## 1.1. Irregular expenditure

### a) Reconciliation of irregular expenditure

Female	2023/2024	2022/2023
	R'000	R'000
Opening balance	0.00	0.00
Adjustment to opening balance	0.00	0.00
Opening balance as restated	0.00	0.00
Add: Irregular expenditure confirmed	0.00	0.00
Less: Irregular expenditure condoned	0.00	0.00
Less: Irregular expenditure not condoned and removed	0.00	0.00
Less: Irregular expenditure recoverable	0.00	0.00
Less: Irregular expenditure not recoverable and written off	0.00	0.00
Closing balance	0.00	0.00

### Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment	23 417	0.00
Irregular expenditure that relates to the prior year and identified in the current year	0.00	0.00
Irregular expenditure for the current year	0.00	0.00
<b>Total</b>	<b>23 417</b>	<b>0.00</b>

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment	23 417	0.00
Irregular expenditure under determination	0.00	0.00
Irregular expenditure under investigation	0.00	0.00
<b>Total</b>	<b>23 417</b>	<b>0.00</b>

### c) Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**e) Details of irregular expenditure recoverable**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**f) Details of irregular expenditure written off (irrecoverable)**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

Additional disclosure relating to Inter-Institutional Arrangements

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

**Description**

N/A

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

Description	2023/2024	2022/2023
	R'000	R'000
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

Include discussion here where deemed relevant.

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

**Disciplinary steps taken**

N/A

Include discussion here where deemed relevant.

## 1.2. Fruitless and wasteful expenditure

### a) Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	262	262
Adjustment to opening balance	9	0.00
Opening balance as restated	0.00	0.00
Add: Fruitless and wasteful expenditure confirmed	0.00	0.00
Less: Fruitless and wasteful expenditure recoverable	0.00	0.00
Less: Fruitless and wasteful expenditure not recoverable and written off	0.00	0.00
<b>Closing balance</b>	<b>271</b>	<b>262</b>

### Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	271	262
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0.00	0.00
Fruitless and wasteful expenditure for the current year	0.00	0.00
<b>Total</b>	<b>271</b>	<b>262</b>

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	9	0.00
Fruitless and wasteful expenditure under determination	0.00	0.00
Fruitless and wasteful expenditure under investigation	262	262
<b>Total</b>	<b>271</b>	<b>262</b>

### c) Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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

**Disciplinary steps taken**

Under Investigation

**Total**

Include discussion here where deemed relevant.

**1.3. Unauthorised expenditure**

**a) Reconciliation of unauthorised expenditure**

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	0.00	2252
Adjustment to opening balance	0.00	0.00
Opening balance as restated	0.00	0.00
Add: unauthorised expenditure confirmed	0.00	0.00
Less: unauthorised expenditure approved with funding	0.00	0.00
Less: unauthorised expenditure approved without funding	0.00	0.00
Less: unauthorised expenditure recoverable	0.00	0.00
Less: unauthorised not recoverable and written off	0.00	0.00
Closing balance	0.00	2252

**Reconciling notes**

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure that was under assessment	0.00	2252
Unauthorised expenditure that relates to the prior year and identified in the current year	0.00	0.00
Unauthorised expenditure for the current year	30	0.00
<b>Total</b>	<b>30</b>	<b>2252</b>

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

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	30	2252
Unauthorised expenditure under determination	0.00	0.00
Unauthorised expenditure under investigation	0.00	0.00
<b>Total</b>	<b>30</b>	<b>2252</b>

This amount was disclosed at the end of 2014/15 financial year, however, National Treasury has confirmed in writing that it was misclassification.

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

### a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	0.00	0.00
Other material losses	0.00	0.00
Less: Recoverable	0.00	0.00
Less: Not recoverable and written off	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

### b) Details of other material losses

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

### c) Other material losses recoverable

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

### d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

Include discussion here where deemed relevant.

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

Description	Number of invoices	Consolidated Value
	R'000	R'000
Valid invoices received	N/A	0.00
Invoices paid within 30 days or agreed period	N/A	0.00
Invoices paid after 30 days or agreed period	N/A	0.00
Invoices older than 30 days or agreed period (unpaid and without dispute)	N/A	0.00
Invoices older than 30 days or agreed period (unpaid and in dispute)	N/A	0.00

## 3. SUPPLY CHAIN MANAGEMENT

### 3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
TRAINING	LEADERSHIP ACADEMY FOR GUARDIANS OF GOVERNANCE	SOLE SUPPLIER	N/A	R 17 306,95
PUBLICATION IN GOVERNMENT GAZETTE	GOVERNMENT PRINTING WORKS	SOLE SUPPLIER	N/A	R 24 967,19
CATERING	PARLIAMENT OF RSA	SOLE SUPPLIER	N/A	R 71 840,00
WOMEN LEADERSHIP SYMPOSIUM	INTELLIGENCE SKILLS TRAINING	SOLE SUPPLIER	N/A	R 89 991,20
<b>Total</b>				<b>R204 105,34</b>

### 3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
N/A						
<b>Total</b>						







PART

## FINANCIAL INFORMATION

**Report of the auditor-general to Parliament on vote no.15:  
Department of Traditional Affairs**

# REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

## Opinion

1. I have audited the financial statements of the Department of Traditional Affairs set out on pages 124 to 159, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, financial statements present fairly, in all material respects, the financial position of the Department of Traditional Affairs as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999(PFMA).

## Context for opinion

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

## Other matters

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

### ***Unaudited supplementary schedules***

7. The supplementary information set out on pages 160 to 168 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on it/ them.

### ***Responsibilities of the accounting officer for the financial statements***

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

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

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

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

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The Accounting Officer is responsible for the preparation of the annual performance report.
13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measures the department’s performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
<b>Programme 2: Research, Policy, and Legislation</b>	40 to 44	To provide research and traditional and Khoi-San leadership institutions and leaders information management systems as well as to develop, implement, monitor and review traditional affairs policies and legislation.
<b>Programme 3: Institutional support and coordination</b>	45 to 49	To promote institutional development and capacity building for the institution of traditional leadership and facilitate partnerships between the institution of traditional leadership and all spheres of government, civil society and private sector.

14. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department’s planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
  - the indicators used for planning and reporting on performance can be linked directly to the department’s mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the department’s performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

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

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

**Other matters**

26. I draw attention to the matters below.

**Achievement of planned targets**

27. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements. This information should be considered in the context of the material findings on the reported performance information.
28. The table that follows provides information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 42 to 48.

**Programme 2: Research, Policy, and Legislation**

<i>Targets achieved: 80%</i>		
<b>Key indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
Number of traditional councils legally constituted	200	0

**Programme 3: Institutional support and coordination**

<i>Targets achieved: 60%</i>		
<b>Key indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
% of Traditional Councils in the 4 Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative	50% of Traditional Councils in the 4 Local Houses of Traditional and Khoi-San Leaders (OR Tambo, Alfred Nzo; Ugu and Harry Gwala) availing land parcels for the implementation of the Invest Rural Master Plan in the Eastern Seaboard Development Initiative	0
Number of Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals	10 Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals.	4 Traditional Mining communities with SLPs that provide procurement, bursaries, learnerships and employment opportunities for historically disadvantaged individuals were assessed

## Material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 2: Research, Policy and Legislation and Programme 3: institutional support and coordination of programmes. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

## Report on compliance with legislation

30. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the Department of Traditional Affairs's compliance with legislation.
31. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
32. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
33. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

## Annual financial statements and annual report

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

## Expenditure management

34. Auditors were unable to obtain sufficient appropriate audit evidence that payments were made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3

## Procurement and contract management

35. I was unable to obtain sufficient appropriate audit evidence that quotations were awarded to suppliers listed below, whose tax matters have been declared by the South African Revenue Services to be in order as required by Treasury Regulation 16A9.1(d).
36. I was unable to obtain sufficient appropriate audit evidence that some contracts and or quotations were awarded in accordance with the legislative requirements.
37. Some of the goods and services of a transaction value above R1000 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22 , paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4.
38. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22.

## Other information in the annual report

40. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
41. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

44. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
45. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
46. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.
47. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.
48. The management did not adequately review and monitor compliance with applicable laws and regulations and did not have sufficient monitoring controls to prevent irregular, fruitless and wasteful expenditure.

AUDITOR - GENERAL

Pretoria  
31 July 2024



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

## Auditor-general's responsibility for the audit

### **Professional judgement and professional scepticism**

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

### **Financial statements**

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

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

### **Communication with those charged with governance**

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

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

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b); PFMA 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act No. 5 of 2000 (PPPFA)	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2



Legislation	Sections or regulations
Preferential Procurement Regulations, 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
The State Information Technology Agency Act No. 88 of 1998 (SITA)	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA Regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c) ; 3.3 (e) ; 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
PFMA SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4(a); 4.4(c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT Instruction Note 03 of 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT Instruction Note 11 of 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
PFMA SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2
	Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM Instruction 08 of 2022/23	Paragraph 3.2 Paragraph 4.3.2 and 4.3.3
Competition Act No 89 of 1998	Section 4(1)(b)(ii)
NT Instruction note 4 of 2015/16	Paragraph 3.4
NT SCM Instruction note 4A of 2016/17	Paragraph 6
NT Instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NT Instruction 05 of 2020/21	Paragraph 4.8; 4.9; 5.1 ; 5.3
Practice notes 7 of 2009/10	Paragraph 4.1.2
Practice notes 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
PFMA SCM Instruction Note 01 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)

Department of Traditional Affairs | Vote: 15  
**APPROPRIATION STATEMENTS**  
*for the year ended 31 March 2024*

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**Department of Traditional Affairs | Vote: 15**  
**APPROPRIATION STATEMENTS**  
 for the year ended 31 March 2024

		Appropriation per programme						2022/23	
		2023/24						Final Budget	Actual Expenditure
Programme	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	%		
1. Programme 1: Admin	63 871	-	5 378	69 249	68 806	443	99.4%	60 565	59 456
2. Programme 2: RPL	34 584	-	(2 767)	31 817	26 102	5 715	82.0%	27 891	25 781
3. Programme 3: ISC	94 666	-	(2 611)	92 055	91 905	150	99.8%	91 687	89 215
<b>Subtotal</b>	<b>193 121</b>	<b>-</b>	<b>-</b>	<b>193 121</b>	<b>186 813</b>	<b>6 308</b>	<b>96.7%</b>	<b>180 143</b>	<b>174 452</b>
<b>Reconciliation with statement of financial performance</b>									
<b>ADD</b>									
Departmental receipts				211					51
<b>Actual amounts per statement of financial performance (Total revenue)</b>				<b>193 332</b>				<b>180 194</b>	
<b>ADD</b>									
Aid assistance									-
<b>Actual amounts per statement of financial performance (Total expenditure)</b>				<b>186 813</b>				<b>174 452</b>	

**Department of Traditional Affairs | Vote: 15**  
**APPROPRIATION STATEMENTS**  
*for the year ended 31 March 2024*

	Appropriation per economic classification									
	2023/24					2022/23				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
<b>Economic classification</b>										
<b>Current payments</b>	141 645	-	943	142 588	137 351	5 237	96.3%	128 748	123 819	
Compensation of employees	97 179	-	(3 183)	93 997	90 921	3 076	96.7%	89 673	86 209	
Goods and services	44 466	-	4 126	48 591	46 430	2 161	95.6%	39 075	37 610	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies</b>	47 326	-	-	47 326	47 325	1	100.0%	46 995	46 986	
Provinces and municipalities	10	(10)	-	-	-	-	-	10	9	
Departmental agencies and accounts	47 000	(2)	-	46 998	46 998	-	99.7%	46 820	46 819	
Households	316	12	-	328	327	1	99.7%	165	158	
<b>Payments for capital assets</b>	4 150	-	(943)	3 207	2 138	1 069	66.7%	4 400	3 647	
Transport equipment	-	-	-	-	-	-	-	2 400	2 367	
Machinery and equipment	3 150	-	-	3 150	2 138	1 012	67.9%	2 000	1 280	
Software and Intangible assets	1 000	-	(943)	57	-	57	0.0%	-	-	
<b>Payments for financial assets</b>										
<b>Total</b>	<b>193 121</b>	<b>-</b>	<b>-</b>	<b>193 121</b>	<b>186 613</b>	<b>6 308</b>	<b>96.7%</b>	<b>180 143</b>	<b>174 452</b>	

**Department of Traditional Affairs | Vote: 15**  
**APPROPRIATION STATEMENTS**  
for the year ended 31 March 2024

		Programme 1: Administration						2022/23	
		2023/24						Final Budget	Actual Expenditure
Sub programme	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	R'000	R'000
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Ministry	11 723	27	7 068	18 818	18 492	326	98.3%	12 426	12 424
2. Management of Traditional Affairs	16 240	(486)	(943)	14 811	14 755	56	99.6%	13 597	13 514
3. Corporate Services	31 041	1 554	(747)	31 848	31 787	61	99.8%	30 552	29 537
4. Internal Audit	4 867	(1 095)	-	3 772	3 772	-	100.0%	3 990	3 981
<b>Total for sub programmes</b>	<b>63 871</b>	<b>-</b>	<b>5 378</b>	<b>69 249</b>	<b>68 806</b>	<b>443</b>	<b>99.4%</b>	<b>60 565</b>	<b>59 456</b>
<b>Economic classification</b>									
<b>Current payments</b>	60 621	-	6 321	66 942	66 618	324	99.5%	56 100	55 747
Compensation of employees	40 324	1	(1 899)	38 426	38 426	-	100.0%	37 267	37 015
Goods and services	20 297	(1)	8 220	28 516	28 192	324	98.9%	18 833	18 732
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	250	-	-	250	250	-	100.0%	65	62
Provinces and municipalities	10	(10)	-	-	-	-	-	10	9
Departmental agencies and accounts	2	(2)	-	-	-	-	-	2	1
Households	238	12	-	250	250	-	100.0%	53	52
<b>Payments for capital assets</b>	3 000	-	(943)	2 057	1 938	119	94.2%	-	-
Transport equipment	-	-	-	-	-	-	-	2 400	2 367
Machinery and equipment	2 000	-	-	2 000	1 938	62	96.9%	2 000	1 280
Intangible assets	1 000	-	(943)	57	-	57	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>63 871</b>	<b>-</b>	<b>5 378</b>	<b>69 249</b>	<b>68 806</b>	<b>443</b>	<b>99.4%</b>	<b>60 565</b>	<b>59 456</b>

**Department of Traditional Affairs | Vote: 15**  
**APPROPRIATION STATEMENTS**  
*for the year ended 31 March 2024*

		2023/24						2022/23	
Programme 2: Research, Policy, and Legislation									
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. Management	17 634	(345)	(834)	16 455	11 322	5 133	68.8%	13 474	13 364
2. Policy and Legislation	8 637	138	(1933)	6 842	6 842	-	100.0%	6 404	4 764
3. Research and Information Management	8 313	207	-	8 520	7 938	582	93.2%	8 013	7 652
<b>Total for sub programmes</b>	<b>34 584</b>	<b>-</b>	<b>(2 767)</b>	<b>31 817</b>	<b>26 102</b>	<b>5 715</b>	<b>82.0%</b>	<b>27 891</b>	<b>25 781</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>33 506</b>	<b>-</b>	<b>(2 767)</b>	<b>30 739</b>	<b>25 826</b>	<b>4 913</b>	<b>84.0%</b>	<b>27 851</b>	<b>25 746</b>
Compensation of employees	24 084	-	-	24 084	21 009	3 076	87.2%	21 754	19 896
Goods and services	9 422	-	(2 767)	6 655	4 818	1 837	72.4%	6 097	5 850
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>78</b>	<b>77</b>	<b>1</b>	<b>98.6%</b>	<b>40</b>	<b>35</b>
Households	78	-	-	78	77	1	98.6%	40	35
<b>Payments for capital assets</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>1 000</b>	<b>200</b>	<b>800</b>	<b>20.0%</b>	<b>-</b>	<b>-</b>
Machinery and equipment	1 000	-	-	1 000	200	800	20.0%	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>34 584</b>	<b>-</b>	<b>(2 767)</b>	<b>31 817</b>	<b>26 102</b>	<b>5 715</b>	<b>82.0%</b>	<b>27 891</b>	<b>25 781</b>

**Department of Traditional Affairs | Vote: 15**  
**APPROPRIATION STATEMENTS**  
*for the year ended 31 March 2024*

Programme 3: Institutional Support and Coordination											
2023/24											2022/23
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure	Final Budget	Actual Expenditure
<b>Sub programme</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
1. Management	4 643	-	(769)	3 874	3 874	-	100.0%	4 610	4 439	4 610	4 439
2. Institutional Development and Capacity Building	8 841	(97)	(895)	7 849	7 699	150	98.1%	7 974	7 650	7 974	7 650
3. Intergovernmental relations and Partnerships	9 345	-	(595)	8 750	8 750	-	100.0%	8 394	7 406	8 394	7 406
4. National House of Traditional Leaders	24 839	97	(352)	24 584	24 854	-	100.0%	23 891	22 902	23 891	22 902
5. Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	46 998	-	-	46 998	46 998	-	100.0%	46 818	46 818	46 818	46 818
6. Disputes and Claims Resolution	-	-	-	-	-	-	-	-	-	-	-
<b>Total for sub programmes</b>	<b>94 666</b>	<b>-</b>	<b>(2 611)</b>	<b>92 055</b>	<b>91 905</b>	<b>150</b>	<b>99.8%</b>	<b>91 687</b>	<b>89 215</b>	<b>91 687</b>	<b>89 215</b>
<b>Economic classification</b>											
<b>Current payments</b>	<b>47 518</b>	<b>-</b>	<b>(2 611)</b>	<b>44 907</b>	<b>44 907</b>	<b>-</b>	<b>100.0%</b>	<b>44 797</b>	<b>42 326</b>	<b>44 797</b>	<b>42 326</b>
Compensation of employees	32 771	-	(1 284)	31 487	31 487	-	100.0%	30 652	29 298	30 652	29 298
Goods and services	29 271	-	(1 327)	28 317	28 317	-	100.0%	27 266	26 437	27 266	26 437
<b>Transfers and subsidies</b>	<b>46 908</b>	<b>-</b>	<b>-</b>	<b>46 998</b>	<b>46 998</b>	<b>-</b>	<b>100.0%</b>	<b>46 890</b>	<b>46 890</b>	<b>46 890</b>	<b>46 890</b>
Departmental agencies and accounts	46 908	-	-	46 998	46 998	-	100.0%	46 890	46 890	46 890	46 890
Households	-	-	-	-	-	-	-	72	71	-	-
<b>Payments for capital assets</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	150	-	-	150	-	150	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>94 666</b>	<b>-</b>	<b>(2 611)</b>	<b>92 055</b>	<b>91 905</b>	<b>150</b>	<b>99.8%</b>	<b>91 687</b>	<b>89 215</b>	<b>91 687</b>	<b>89 215</b>

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE APPROPRIATION STATEMENT**

*for the year ended 31 March 2024*

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

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

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

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

**3. Detail on payments for financial assets**

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

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

**4.1 Per programme**

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Administration	69 249	68 806	443	0.6%
Research, Policy and Legislation	31 817	26 102	5 715	18.0%
Institution, Support and Coordination	92 055	91 905	150	0.2%
<b>Total</b>	<b>193 121</b>	<b>186 813</b>	<b>6 308</b>	<b>2.1%</b>

**4.2 Per economic classification**

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
<b>Current payments</b>	<b>142 588</b>	<b>137 351</b>	<b>5 237</b>	<b>3.7%</b>
Compensation of employees	93 997	90 921	3 076	3.3%
Goods and services	48 591	46 430	2 161	4.4%
<b>Transfers and subsidies</b>	<b>47 326</b>	<b>47 325</b>	<b>1</b>	<b>0.0%</b>
Departmental agencies and accounts	46 998	46 998	-	0.0%
Households	328	327	1	0.3%
<b>Payments for capital assets</b>	<b>3 207</b>	<b>2 138</b>	<b>1 069</b>	<b>33.3%</b>
Machinery and equipment	3 150	2 138	1 012	32.1%
Intangible assets	57	-	57	100.0%
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>193 121</b>	<b>186 813</b>	<b>6 308</b>	<b>3.3%</b>

The underspending on departmental appropriation is mainly on compensation of employees which was due to government implementation of cost-containment measures on filling of vacant positions during the year under review, while delays on procurement of capital assets resulted in underspending on this line item.



**Department of Traditional Affairs | Vote: 15**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 31 March 2024*

		2023/24	2022/23
	Note	R'000	R'000
<b>REVENUE</b>			
Annual appropriation	1	193 121	180 143
Departmental revenue	2	211	51
<b>TOTAL REVENUE</b>		<b>193 332</b>	<b>180 194</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	90 921	86 209
Goods and services	4	46 430	37 610
		<b>137 350</b>	<b>123 819</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	5	47 325	46 986
		<b>47 325</b>	<b>46 986</b>
<b>Expenditure for capital assets</b>			
Tangible assets	6	2 138	3 647
		<b>2 138</b>	<b>3 647</b>
<b>TOTAL EXPENDITURE</b>		<b>186 813</b>	<b>174 452</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>6 519</b>	<b>5 742</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		6 308	5 691
Annual appropriation		6 308	5 691
Departmental revenue and NRF receipts	11	211	51
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>6 519</b>	<b>5 742</b>

Department of Traditional Affairs | Vote: 15  
**STATEMENT OF FINANCIAL POSITION**  
*for the year ended 31 March 2024*

		2023/24	2022/23
	Note	R'000	R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	5 738	5 129
Prepayments and advances	8	2 238	5 071
Receivables	8	467	-
	9	3 033	58
<b>Non-current assets</b>			
Receivables	9	605	594
		605	594
<b>TOTAL ASSETS</b>		<b>6 343</b>	<b>5 723</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	10	6 332	7 964
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	6 302	5 691
Payables	12	4	-
		20	2 273
<b>TOTAL LIABILITIES</b>		<b>6 332</b>	<b>7 964</b>
<b>NET ASSETS</b>		<b>(11)</b>	<b>(2 241)</b>
		2023/24	2022/23
	Note	R'000	R'000
<b>Represented by:</b>			
Recoverable revenue		-	11
Unauthorised expenditure		-	(2 252)
<b>TOTAL</b>		<b>-</b>	<b>(2 241)</b>

**Department of Traditional Affairs | Vote: 15**  
**STATEMENT OF CHANGES IN NET ASSETS**  
*for the year ended 31 March 2024*

	2023/24	2022/23
Note	R'000	R'000
<b>Recoverable revenue</b>		
Opening balance	11	11
Transfers:	-	-
Closing balance	11	11
<b>Unauthorised expenditure</b>		
Opening balance	(2 252)	(2 252)
Amount receivable	2 252	-
<b>TOTAL</b>	<b>(11)</b>	<b>(2 241)</b>

The unauthorised expenditure reported above relates to the amount previously reported, which National Treasury later instructed for derecognition by the department as the amount was wrongly classified. The department has since adjusted the financials (with the amount removed from Unauthorised expenditure back to Exchequer Grant account) and therefore awaiting refund from National Treasury after submission of audited Annual Financial Statements

**Department of Traditional Affairs | Vote: 15**  
**CASH FLOW STATEMENT**  
*for the year ended 31 March 2024*

		2023/24	2022/23
	Note	R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		193 332	180 194
Annual appropriation funds received	1	193 121	180 143
Departmental revenue received	2	211	51
Net (increase)/decrease in net working capital		(3 443)	(1 072)
Surrendered to Revenue Fund		(5 898)	(18 084)
Current payments		(137 350)	(123 819)
Transfers and subsidies paid		(47 325)	(46 986)
<b>Net cash flow available from operating activities</b>	<b>13</b>	<b>(684)</b>	<b>(9 767)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	6	2 138	(3 747)
(Increase)/decrease in non-current receivables	9	(11)	(109)
<b>Net cash flow available from investing activities</b>		<b>(2 149)</b>	<b>(3 756)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		-	-
Increase/(decrease) in non-current payables		-	-
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		(2 833)	(13 523)
Cash and cash equivalents at beginning of period		5 071	18 594
<b>Cash and cash equivalents at end of period</b>	<b>7</b>	<b>2 238</b>	<b>5 071</b>

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2024*

## PART A: ACCOUNTING POLICIES

### Summary of significant accounting policies

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

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

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

#### 1. Basis of preparation

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

#### 2. Going concern

The financial statements have been on a going concern basis.

#### 3. Presentation currency

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

#### 4. Rounding

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

#### 5. Foreign currency translation

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

#### 6. Comparative information

##### 6.1 *Prior period comparative information*

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

##### 6.2 *Current year comparison with budget*

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

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2024*

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## **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.

Appropriated funds are measured at the amounts receivable.

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

### **7.2 Departmental revenue**

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

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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

### **7.3 Accrued departmental revenue**

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

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

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

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

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

## **8. Expenditure**

### **8.1 Compensation of employees**

#### **8.1.1 Salaries and wages**

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

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2024*

**8.1.2 Social contributions**

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

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

**8.2 Other expenditure**

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

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

**8.3 Accruals and payables not recognised**

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

**8.4 Leases****8.4.1 Operating leases**

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

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

**8.4.2 Finance leases**

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

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

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

cost, being the fair value of the asset; or

the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

**9. 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.

CARA Funds are recognised when receivable and measured at the amounts receivable.

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2024*

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.

**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 asset.

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

**14.2 Impairment of financial assets**

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

**15. Payables**

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



**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2024*

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## **16. Capital assets**

### *16.1 Immovable capital assets*

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

### *16.2 Movable capital assets*

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

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

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

Biological assets are subsequently carried at fair value.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

### *16.3 Intangible capital assets*

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

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

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2024*

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

**16.4 Project costs: Work-in-progress**

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

**17. Provisions and contingents**

**17.1 Provisions**

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

**17.2 Contingent liabilities**

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

**17.3 Contingent assets**

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

**17.4 Capital commitments**

Capital commitments are recorded at cost in the notes to the financial statements.

**18. Unauthorised expenditure**

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

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

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

**Department of Traditional Affairs | Vote: 15**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2024*

- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise of

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

#### **19. Fruitless and wasteful expenditure**

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

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

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

#### **20. Irregular expenditure**

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

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

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

#### **21. Changes in accounting policies, estimates and errors**

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

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

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

#### **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.

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**23. Principal-Agent arrangements**

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

**24. Departures from the MCS requirements**

Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.

**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**

Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

**28. Inventories**

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

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

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

**29. Public-Private Partnerships**

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

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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 recorded in the Employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

**31. Transfer of functions**

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

**32. Mergers**

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

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## PART B: EXPLANATORY NOTES

### 1. Annual Appropriation

#### 1.1. Annual Appropriation

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

Programmes	2023/24			2022/23		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriation Received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Admin	69 249	69 249	-	60 565	60 565	-
RPL	31 817	31 817	-	27 891	27 891	-
ISC	92 055	92 055	-	91 687	91 687	-
<b>Total</b>	<b>193 121</b>	<b>193 121</b>	<b>-</b>	<b>180 143</b>	<b>180 143</b>	<b>-</b>

### 2. Departmental revenue

	Note	2023/24	2022/23
		R'000	R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	211	51
Total revenue collected		211	51
Less: Own revenue included in appropriation	19	-	-
<b>Total</b>		<b>211</b>	<b>51</b>

The spike in revenue collection resulted from the recovery of previous expenditure amounting R186 thousand.

#### 2.1. Sales of goods and services other than capital assets

	Note	2023/24	2022/23
		R'000	R'000
Sales of goods and services produced by the department		211	51
Sales by market establishment		25	24
Other sales		186	27
Sales of scrap, waste and other used current goods		-	-
<b>Total</b>	<b>3</b>	<b>211</b>	<b>51</b>

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### 3. Compensation of employees

#### 3.1. Analysis of balance

	Note	2023/24	2022/23
		R'000	R'000
Basic salary		63 357	58 607
Performance award		25	242
Service based		54	54
Compensative/circumstantial		886	508
Other non-pensionable allowances		18 192	18,786
<b>Total</b>		<b>82 514</b>	<b>78 197</b>

#### 3.2. Social contributions

	Note	2023/24	2022/23
		R'000	R'000
<b>Employer contributions</b>			
Pension		6 772	6 408
Medical		1 621	1 592
Bargaining council		13	12
<b>Total</b>		<b>8 406</b>	<b>8 012</b>
<b>Total compensation of employees</b>		<b>90 921</b>	<b>86 209</b>
<b>Average number of employees</b>		<b>108</b>	<b>107</b>

The expenditure on compensation of employees is in line with the cost-living adjustments implemented during the period under review.

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#### 4. Goods and services

		2023/24	2022/23
	Note	R'000	R'000
Administrative fees		2 146	1 348
Advertising		720	71
Minor assets	4.1	95	69
Catering		539	532
Communication		1 190	1 144
Computer services	4.2	225	275
Consultants: Business and advisory services		1 601	1 769
Legal services		6 097	6 481
Contractors		31	10
Audit cost - external	4.3	3 181	2 603
Fleet services		802	668
Consumables	4.4	818	470
Operating leases		466	471
Property payments	4.5	1 997	2 462
Rental and hiring		5	-
Travel and subsistence	4.6	24 110	18 545
Venues and facilities		1 557	-
Training and development		364	373
Other operating expenditure	4.7	486	319
<b>Total</b>		<b>46 430</b>	<b>37 610</b>

The significant increase in this economic classification is as a result of spending on Legal Fees due to Traditional Leadership Disputes Claims where the Department is cited as a respondent. Traveling expenditure also increased as a result of various departmental activities and achievement of annual performance targets. Venues and Facilities recorded significant expenditure, and this is attributed to Traditional Leaders Indaba and the Symposium hosted by the Commission on KhoiSan Matters.



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**4.1. Minor assets**

		2023/24	2022/23
	Note	R'000	R'000
<b>Tangible capital assets</b>		<b>95</b>	<b>69</b>
Machinery and equipment		95	69
<b>Total</b>	<b>4</b>	<b>95</b>	<b>69</b>

**4.2. Computer services**

		2023/24	2022/23
	Note	R'000	R'000
SITA computer services		185	202
External computer service providers		40	73
<b>Total</b>	<b>4</b>	<b>225</b>	<b>275</b>

**4.3. Audit cost - external**

		2023/24	2022/23
	Note	R'000	R'000
Regularity audits		3 181	2 603
<b>Total</b>	<b>4</b>	<b>3 181</b>	<b>2 603</b>

Increase on audit fees is due to inflationary adjustments

**4.4. Consumables**

		2023/24	2022/23
	Note	R'000	R'000
Consumable supplies		407	95
Uniform and Clothing			
Household supplies		270	77
IT consumables		-	18
Other consumables		137	-
Stationery, printing, and office supplies		411	375
<b>Total</b>	<b>4</b>	<b>818</b>	<b>470</b>

Other consumable includes expenditure for the blinds procured for different offices

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**4.5. Property payments**

	Note	2023/24 R'000	2022/23 R'000
Other		1 997	2 462
<b>Total</b>	<b>4</b>	<b>1 997</b>	<b>2 462</b>

The expenditure relates to payments in relation to the provision of security services and cleaning services.

**4.6. Travel and subsistence**

	Note	2023/24 R'000	2022/23 R'000
Local		24 101	18 498
Foreign		9	47
<b>Total</b>	<b>4</b>	<b>24 110</b>	<b>18 545</b>

Increase in expenditure is attributed to achievement of APP targets, symposium for the CKSM and the Opening of the NHTKL.

**4.7. Other operating expenditure**

	Note	2023/24 R'000	2022/23 R'000
Professional bodies, membership and subscription fees		8	46
Other		478	273
<b>Total</b>	<b>4</b>	<b>486</b>	<b>319</b>

**5. Transfers and subsidies**

	Note	2023/24 R'000	2022/23 R'000
Provinces and municipalities		-	9
Departmental agencies and accounts	Annex 1A	46 998	46 819
Households	Annex 1B	327	158
<b>Total</b>		<b>47 325</b>	<b>46 986</b>

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## 6. Expenditure for capital assets

	Note	2023/24	2022/23
		R'000	R'000
Tangible capital assets		2 138	3 647
Machinery and equipment		2 138	3 647
<b>Total</b>		<b>2 138</b>	<b>3 647</b>

The low spending is due to delays with procurement processes due to poor responses by service providers

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

Name of entity	Voted funds	2022/23	Total
		Aid assistance	
	R'000	R'000	R'000
Tangible capital assets	3 647	-	3 647
Machinery and equipment	3 647	-	3 647
<b>Total</b>	<b>3 647</b>	<b>-</b>	<b>3 647</b>

### 6.2. Finance lease expenditure included in Expenditure for capital assets

	Note	2023/24	2022/23
		R'000	R'000
Tangible capital assets		976	953
Machinery and equipment		976	953
<b>Total</b>		<b>976</b>	<b>953</b>

This relates to payments for cellphone contracts for Public Office Bearers

## 7. Cash and cash equivalents

	Note	2023/24	2022/23
		R'000	R'000
Consolidated Paymaster General Account		2 238	5 071
<b>Total</b>		<b>2 238</b>	<b>5 071</b>

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**8. Prepayments and advances**

	Note	2023/24 R'000	2022/23 R'000
Advances paid (Not expensed)	8.1	467	-
<b>Total</b>		<b>467</b>	<b>-</b>
Analysis of Total Prepayments and advances			
Current Prepayments and advances		467	-
<b>Total</b>		<b>467</b>	<b>-</b>

This relates to advance payment to GCIS for awareness campaigns for CIA (both male and female initiation)

**8.1. Advances paid (Not expensed)**

		2023/24				
	Note	Amount as at 1 April 2023 R'000	Less: Amounts expensed in current year R'000	Add / Less: Other R'000	Add Current year advances R'000	Amount as at 31 March 2024 R'000
Public entities		-	-	-	467	467
<b>Total</b>	8	<b>-</b>	<b>-</b>	<b>-</b>	<b>467</b>	<b>467</b>

		2022/23				
	Note	Amount as at 1 April 2022 R'000	Less: Amounts expensed in current year R'000	Add / Less: Other R'000	Add Current year advances R'000	Amount as at 31 March 2023 R'000
Public Entities		36	(36)	-	-	-
<b>Total</b>	8	<b>36</b>	<b>(36)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**9. Receivables**

	Note	2023/24			2022/23		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	9.1	756	-	756	26	-	26
Trade receivables	9.2	-	-	-	-	-	-
Recoverable expenditure	9.3	25	598	623	13	559	572
Staff debt	9.4	-	7	7	19	-	19
Other receivables	9.5	-	-	-	-	35	35
<b>Total</b>		<b>781</b>	<b>605</b>	<b>1 386</b>	<b>58</b>	<b>594</b>	<b>652</b>

**9.1. Claims recoverable**

	Note	2023/24	2022/23
		R'000	R'000
National departments		756	26
<b>Total</b>	<b>9</b>	<b>756</b>	<b>26</b>

**9.2. Recoverable expenditure**

	Note	2023/24	2022/23
		R'000	R'000
Group major categories, but list material items			
Damage and Losses		569	562
Disallowance Miscellaneous		11	3
Sal Reversal		7	7
Overpaid Salary: Debt Account		11	-
Tax Debt		6	-
Debt Account (Damage and Losses)		11	-
<b>Total</b>	<b>9</b>	<b>623</b>	<b>572</b>

**9.3. Staff debt**

	Note	2023/24	2022/23
		R'000	R'000
Overpaid Salary: Debt Account		7	13
Tax Debt		-	6
<b>Total</b>	<b>9</b>	<b>7</b>	<b>19</b>

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**9.4. Other receivables**

	Note	2023/24 R'000	2022/23 R'000
Damage and Losses: Debt Account		-	24
Overpaid Salary: Debt Account		-	11
<b>Total</b>	<b>9</b>	<b>-</b>	<b>35</b>

**10. Voted funds to be surrendered to the Revenue Fund**

	Note	2023/24 R'000	2022/23 R'000
Opening balance		5 691	18 033
Prior period error		-	-
As restated		5 691	18 033
Transferred from statement of financial performance (as restated)		6 308	5 691
Add: Unauthorised expenditure for the current year		-	-
Paid during the year		(5 691)	(18 033)
<b>Closing balance</b>		<b>6 308</b>	<b>5 691</b>

The department spent 96.7% of the funds allocated.

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

	Note	2023/24 R'000	2022/23 R'000
Transferred from statement of financial performance (as restated)		211	51
Paid during the year		207	-51
<b>Closing balance</b>		<b>4</b>	<b>-</b>

**12. Payables – current**

	Note	2023/24 R'000	2022/23 R'000
Clearing accounts	12.1	20	2 273
<b>Total</b>		<b>20</b>	<b>2 273</b>

**12.1. Clearing accounts**

Description	Note	2023/24 R'000	2022/23 R'000
Identify major categories, but list material items			
Sal: Income Tax : CL		20	63
Sal: Medical Aid Fund: CL		-	(2)
Payble: Adv: N/Dept Adv Acc: CL		-	2 212
Payble: Adv: Pub Corp & Priv Ent Adv Acc: CL		-	-
<b>Total</b>	<b>12</b>	<b>20</b>	<b>2 273</b>

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**13. Net cash flow available from operating activities**

	Note	2023/24	2022/23
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		4 352	5 742
Add back non-cash/cash movements not deemed operating activities		(7 203)	(15 509)
(Increase)/decrease in receivables		(723)	167
(Increase)/decrease in prepayments and advances		(467)	36
Increase/(decrease) in payables - current		(2 253)	(1 275)
Expenditure on capital assets		2 138	3 647
Surrenders to Revenue Fund		(5 898)	(18 084)
<b>Net cash flow generated by operating activities</b>		<b>(684)</b>	<b>(9 767)</b>

**14. Reconciliation of cash and cash equivalents for cash flow purposes**

	Note	2023/24	2022/23
		R'000	R'000
Consolidated Paymaster General account		2 238	5 071
<b>Total</b>		<b>2 238</b>	<b>5 071</b>

**15. Contingent liabilities and contingent assets****15.1. Contingent liabilities**

Liable to Nature	Note	2023/24	2022/23
		R'000	R'000
Intergovernmental payables	Annex 1C	1 674	235
Other	Annex 1D	6 940	5 260
<b>Total</b>		<b>8 614</b>	<b>5 495</b>

**15.2. Contingent assets**

Nature of contingent asset	Note	2023/24	2022/23
		R'000	R'000
SITA		-	17
Department of Enterprises		-	140
<b>Total</b>		<b>-</b>	<b>157</b>

**16. Accruals and payables not recognised****16.1. Accruals**

Listed by economic classification	Note	2023/24			2022/23
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		1 788	8	1 796	1 493
Other		44	-	44	
<b>Total</b>		<b>1 832</b>	<b>8</b>	<b>1 840</b>	<b>1 493</b>

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Listed by programme level	Note	2023/24	2022/23
		R'000	R'000
Administration		1 729	8005
Research, Policy and Legislation		16	197
Institutional Support and Coordination		95	491
<b>Total</b>		<b>1 840</b>	<b>1 493</b>

**16.2. Payables not recognised**

Listed by economic classification	Note	2023/24			2022/23
		30 Days	30+ Days	Total	Total
		R'000	R'000	R'000	R'000
Goods and services		3 451	-	3 451	90
Other		-	-	-	230
<b>Total</b>		<b>3 451</b>	<b>-</b>	<b>3 451</b>	<b>320</b>

Listed by programme level	Note	2023/24	2022/23
		R'000	R'000
Administration		2 489	5230
Research, Policy and Legislation		747	23
Institutional Support and Coordination		215	67
<b>Total</b>		<b>3 451</b>	<b>320</b>

**17. Employee benefits**

	Note	2023/24	2022/23
		R'000	R'000
Leave entitlement		4 341	4 126
Service bonus		1 915	1 744
Capped leave		1 799	1 687
Other		-	55
<b>Total</b>		<b>8 055</b>	<b>7 612</b>

**18. Lease commitments**

**18.1. Operating leases**

	2023/24				Total
	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	
	R'000	R'000	R'000	R'000	
Not later than 1 year	-	-	-	62	62
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62</b>	<b>62</b>



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	Specialised military equipment	Land	2022/23		Total
			Buildings and other fixed structures	Machinery and equipment	
	R'000	R'000	R'000	R'000	R'000
Later than 1 year and not later than 5 years	-	-	-	168	168
<b>Total lease commitments</b>	-	-	-	<b>168</b>	<b>168</b>

**18.2. Finance leases \*\***

	Specialised military equipment	Land	2023/24		Total
			Buildings and other fixed structures	Machinery and equipment	
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	1 050	1 050
Later than 1 year and not later than 5 years	-	-	-	118	118
<b>Total lease commitments</b>	-	-	-	<b>1 168</b>	<b>1 168</b>

**19. Unauthorised, Irregular and Fruitless and wasteful expenditure**

	Note	2023/24	2022/23
		R'000	R'000
Unauthorised expenditure		30	-
Irregular expenditure		30,412	-
Fruitless and wasteful expenditure - current year		9	262
<b>Total</b>		<b>23,451</b>	<b>262</b>

During the audit of the current year AFS, the unauthorised expenditure and irregular expenditure amounting to R30 thousand and R23,412 million were detected and reported under assessment, while fruitless expenditure amounting to R9 thousand was identified and recorded under assessment (the amount increased the previous financial year irregular expenditure of R262 thousand still under investigation by internal audit).

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**20. Related party transactions**

Entity	Mandate	Relationship	Amount R'000
CRL Rights Commission	The Commission is a Chapter 9 Constitutional Institution. It Promotes and protect cultural, religious and linguistic rights. The Commission focuses on conflict resolution, research, advocacy and community engagement on conflicts pertaining cultural, religious and linguist rights within communities.	The commission is a Constitutional Institution and receives its budget funding through a transfer payment from the Department.	R0.00
Department of Cooperative Governance (DCoG)	Develop and monitor the implementation of national policy and legislation seeking to transform and strength key institutions and mechanism of governance to fulfil their developmental role.	The relationship is that we report to one Minister and share a Vote. Due to inadequate funding and limited human capacity, DCoG performs some of the corporate functions for DTA.	R0.00
Municipal Infrastructure Support Agency (MISA)	Provide immediate support to Municipalities that are struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to Municipalities and overseeing them.	There were no related party transactions with MISA, however, suffice to state that we share a Minister.	R0.00
Municipal Demarcation Board (MDB)	Is responsible for determining municipal boundaries, declare district management areas, delimit wards for local elections and assess the capacity of municipalities to perform their functions.	There were not related party transactions with MDB, however, suffice to state that we share one Minister	R0.00
South African Local Government Agency (SALGA)	Is an association of municipalities recognised by the organised local government Act (1997) as a representative of organised local government.	There were not related party transactions with SALGA, however, suffice to state that we share one Minister	R0.00

**21. Key management personnel**

	2023/24 R'000	2022/23 R'000
Political office bearers (provide detail below)	2 098	2 096
Officials:		
Level 15 and 16	6 413	6 052
Level 14	12 589	11 981
<b>Total</b>	<b>21 100</b>	<b>20 129</b>

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## 22. Movable Tangible Capital Assets

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

	Opening balance	Value adjustments	2023/24		Closing balance
			Additions	Disposals	
			R'000	R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>14 792</b>	<b>-</b>	<b>1 162</b>	<b>-</b>	<b>15 954</b>
Transport assets	6 546	-	-	-	6 546
Computer equipment	5 177	-	800	-	5 977
Furniture and office equipment	2 363	-	-	-	2 363
Other machinery and equipment	706	-	362	-	1 068
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>14 792</b>	<b>-</b>	<b>1 162</b>	<b>-</b>	<b>15 954</b>

### 22.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Prior period error	2022/23		Closing balance
			Additions	Disposals	
			R'000	R'000	
<b>MACHINERY AND EQUIPMENT</b>	<b>12 100</b>	<b>-</b>	<b>2 692</b>	<b>-</b>	<b>14 792</b>
Transport assets	4 180	-	2 366	-	6 546
Computer equipment	4 863	-	314	-	5 177
Furniture and office equipment	2 363	-	-	-	2 363
Other machinery and equipment	694	-	12	-	706
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>12 100</b>	<b>-</b>	<b>2 692</b>	<b>-</b>	<b>14 792</b>

### 22.2. Minor assets

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

	2023/24					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	2 203	-	2 203
Additions	-	-	-	95	-	95
<b>Total Minor assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 298</b>	<b>-</b>	<b>2 298</b>

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	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	1 137	-	1 137
<b>Total number of minor assets</b>	-	-	-	<b>1 137</b>	-	<b>1 137</b>

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

	2022/23					
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	2 135	-	2 135
Prior period error	-	-	-	-	-	-
Additions	-	-	-	68	-	68
<b>Total Minor assets</b>	-	-	-	<b>2 203</b>	-	<b>2 203</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	1 114	-	1 114
<b>Total number of minor assets</b>	-	-	-	<b>1 114</b>	-	<b>1 114</b>

### 23. Intangible Capital Assets

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

	2023/24			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	166	-	-	166
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>166</b>	<b>-</b>	<b>-</b>	<b>166</b>

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**23.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY**

	2022/23				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	166	-	-	-	166
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>166</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166</b>

## ANNEXURE 1A

### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2023/24				TRANSFER		2022/23	
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000	% of available funds transferred %	Final Budget R'000	Actual transfer R'000
CRL Rights Commission	46 998	-	-	-	46 998	100%	46 818	
46 818								
SABC	-	-	-	-	-	-	2	1
<b>TOTAL</b>	<b>46 998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46 998</b>	<b>100%</b>	<b>46 820</b>	<b>46 819</b>

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## ANNEXURE 1B

### STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation / private enterprise	2023/24						2022/23			
	GRANT ALLOCATION			EXPENDITURE			Final Budget	Actual transfer	R'000	
	Adjusted Budget	Roll overs	Adjust- ments	Total Available	Actual transfer	% of Avail- able funds trans- ferred				Capital
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Public Corporations</b>										
Transfers	-	-	-	-	-	-	-	-	2	1
SABC										
<b>Total</b>	-	-	-	-	-	-	-	-	<b>2</b>	<b>1</b>
<b>Subsidies</b>										
<b>Total</b>									<b>2</b>	<b>1</b>
<b>TOTAL</b>									<b>2</b>	<b>1</b>

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## ANNEXURE 1C

### STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2023/24				EXPENDITURE		2022/23	
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000	% of available funds transferred %	Final Budget R'000	Actual transfer R'000
Transfers								
Leave Gratuity	316	-	11	327	327	100%	165	158
<b>TOTAL</b>	<b>316</b>	<b>-</b>	<b>11</b>	<b>327</b>	<b>327</b>	<b>100%</b>	<b>165</b>	<b>158</b>



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## ANNEXURE 1D

### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

Nature of liability	Opening	Liabilities	Liabilities paid	Liabilities	Closing
	balance 1 April 2023	incurred during the year	/ cancelled / reduced during the year	recoverable (Provide details hereunder)	balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Other					
Legal fees for the claims on Traditional leaders disputes	5 260	11 156	9 476	-	6 940
<b>Subtotal</b>	<b>5 260</b>	<b>11 156</b>	<b>9 476</b>	<b>-</b>	<b>6 940</b>
<b>TOTAL</b>	<b>5 495</b>	<b>21 790</b>	<b>18 792</b>	<b>-</b>	<b>8 493</b>

## ANNEXURE 1E

### CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 * Receipt date up to six (6) working days after year end 4 April 2024 (Interfaced on 08 April 2024) Amount R'000
	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000	
Department							
Department of Monitoring and Evaluation	757	-	-	-	757	-	734
<b>TOTAL</b>	<b>757</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>757</b>	<b>-</b>	<b>734</b>

The department received the refund from Department of Monitoring and Evaluation on 4 April 2024 (thorough payment to DTA Standard Bank account), which was automatically swept and interfaced into PMG account on 08 April 2024. The remaining balance was received on 02 May 2024

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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## ANNEXURE 1F

### INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2023/24 * Payment date up to six (6) working days after year end Amount R'000
	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000	31/03/2024 R'000	31/03/2023 R'000	
<b>DEPARTMENTS</b>							
<b>Current</b>							
Department of Justice and Constitutional Development	835	-	2	-	837	-	-
Department of Cooperative Governance	702	229	-	-	702	229	-
South African Police Services	14	6	-	-	14	6	-
<b>Subtotal</b>	<b>1 551</b>	<b>235</b>	<b>2</b>	<b>-</b>	<b>1 553</b>	<b>235</b>	<b>-</b>
<b>Non-current</b>							
Department of Cooperative Governance	-	-	104	-	104	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>-</b>
<b>Total Departments</b>	<b>1 551</b>	<b>235</b>	<b>106</b>	<b>-</b>	<b>1 657</b>	<b>235</b>	<b>-</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2023*

<b>OTHER GOVERNMENT ENTITIES</b>				
<b>Current</b>				
State Information Technology Agency	17	-	-	17
<b>Total Other Government Entities</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>17</b>
<b>TOTAL INTERGOVERNMENT PAYABLES</b>				
	<b>1 568</b>	<b>235</b>	<b>106</b>	<b>1 674</b>
				<b>235</b>
				<b>-</b>

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## ANNEXURE 1G

### INTER-ENTITY ADVANCES PAID

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/3/2024	31/03/2023	31/3/2024	31/03/2023	31/3/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
<b>NATIONAL DEPARTMENTS</b>						
Government Communication and Information System (GSIS)	467	-	-	-	467	-
<b>TOTAL</b>	<b>467</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>467</b>	<b>-</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
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## ANNEXURE 1H

### ANALYSIS OF PREPAYMENTS AND ADVANCES

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2023	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2024
<b>Advances</b>									
<b>GCIS</b>	Communication	Customary Initiation Awareness Campaign	Public entities	1 000	-	1 000	533	-	467
<b>Total advances</b>				<b>1 000</b>	<b>-</b>	<b>1 000</b>	<b>533</b>	<b>-</b>	<b>467</b>
<b>TOTAL PREPAYMENTS AND ADVANCES</b>				<b>1 000</b>	<b>-</b>	<b>1 000</b>	<b>533</b>	<b>-</b>	<b>467</b>





## **traditional affairs**

Department:  
Traditional Affairs  
**REPUBLIC OF SOUTH AFRICA**

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