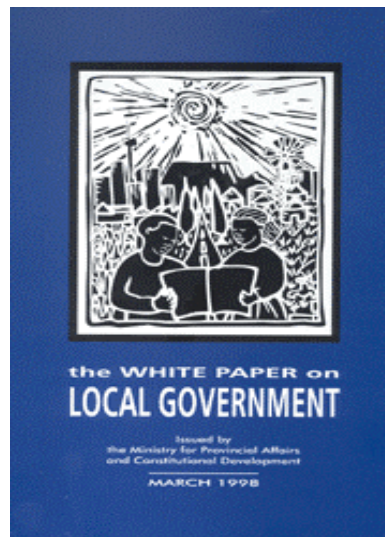


# PROVINCIAL DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING

**ANNUAL REPORT 2000/2001**



# PROVINSIALE DEPARTEMENT VAN BEPLANNING, PLAASLIKE BESTUUR EN BEHUISING

**JAARVERSLAG 2000/2001**

# ANNUAL REPORT 2000/2001

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# **PART ONE**

## **GENERAL INFORMATION**

### **INTRODUCTION**

The Department is responsible for the management of development planning, the furtherance of effective local government and the facilitation of affordable and acceptable housing in the Western Cape.

The Department consists of three line-function components, viz. the chief directorates of Development Planning, Local Government and Housing, with two executive authorities, viz. Minister C.B. Herandien (Housing) and Minister P. Uys (Local Government and Development Planning).

To give effect to the transformation objective of "Rationalising the State", a rationalised organisational establishment was implemented with effect from 1 April 2000. The old establishment was decreased by 329 posts. As part of the provincial transformation process, the Directorate of Provincial Planning was transferred from this Department to the Department of Provincial Administration in September 2000.

In terms of the new management and organisational framework, greater management independence was gained and more responsibilities regarding day-to-day management were placed on the Department.

Continuous emphasis was given to the transformation principles which will be incorporated in departmental policies, procedures and communications. A draft employment equity policy document was finalised and will be consulted on with the unions within the Department. Task teams were appointed to define and develop transformation objectives and to enhance their implementation and monitoring.

Skills development is one of the Department's priorities and in this regard a skills facilitator was appointed to facilitate training programmes and career pathing. An initial skills audit has been done and will be refined to be brought in line with a needs analysis to support the skills development plan.

In anticipation of the Provincial HIV/AIDS policy, the departmental HIV/AIDS policy has not been finalised, but the Department maintains a non-discriminative and supportive approach to HIV/AIDS sufferers.

The rationalised departmental accommodation plan was concluded during the year and all the functions were accommodated in one building for the first time. Prior to this rationalisation the Department was housed in six different buildings within the Cape metropolitan area.

The main focus areas for the Department were effective management and administration of line functions, effective utilisation and training of personnel, the maintaining of discipline and the promotion of sound labour relations, as well as proper utilisation and upkeep of state property.

## **INFORMATION ON THE MINISTRIES AND DEPARTMENT**

### **DEVELOPMENT PLANNING**

The Ministry's and Department's foremost function is to guide, monitor and where applicable resolve upon development matters within the Province in such a way as to optimally achieve sustainable development, i.e. a balance between development and conservation priorities. The interests of the Province's population are uppermost, which is that maximal socio-economic development should be achieved while maintaining and enhancing the unique environment for sustainable use by current and future inhabitants and tourists. To this end the Ministry and Department are involved in forward planning, development management (especially appeals against approval or refusal of applications), the gathering, analysis and distribution of information, the drafting of legislation and regulations and, overarching to all tasks, policy formulation.

The forward planning function of the Ministry and Department have always been an important priority due to the need to be proactive in strategic and land use planning, but is becoming more so as successful development management, particularly in the local sphere, will more and more become plan-dependent. Planning policy needs to be, and are being, provided to address specific development needs in a dynamic planning environment. The proactive or forward planning activities include regional planning, regulating and where necessary drafting or monitoring Integrated Development Planning (IDP's), supporting urban and rural development planning, and providing sector-specific support and inputs, e.g. in regard to Western Cape Housing Development Board matters.

The development management function of the Ministry and Department currently revolves largely around dealing with appeals in respect of land use matters. These should decrease over the next year or two in view of the expanded function of the local sphere, but that does not necessarily imply a decrease in the priority that Province attaches to development management. The Ministry and Department currently play an increasing role of providing guidance and building capacity in regard to development management matters - both to the municipalities and to the client public. Monitoring and providing feedback are found to be increasingly crucial in this regard, and reprioritisation in terms of capacity is currently under way in order to meet this challenge. The implementation of policies in respect of land reform is also being undertaken.

As a crucial support base underpinning the above, the Ministry and Department currently increasingly give priority attention to gathering information, analysing it meaningfully, and making the results available to serve as increased capacity for municipalities, other organs of state and the development and conservation sectors of society. Data tables, statistical reports, statistical data sets and in general the content and capabilities of the GIS (Geographic Information System) play a crucial role in facilitating optimal development of the Province. Particularly the management and maintenance of the GIS is receiving special attention.

The drafting of legislation and regulations has recently received priority attention, e.g. the regulations and other arrangements required for the implementation of the provincial Planning and Development Act, 7 of 1999. In addition, a general role of monitoring and giving guidance, which includes the drafting of model regulations for the purpose of assisting municipalities to meet development management challenges, is being exercised. A further important priority in this regard is the rationalisation of outdated legislation and regulations in order to facilitate meaningful development.

Overarching to all the above functions and principles is the formulation of appropriate policies to meet the challenge of attaining sustainable development. Policy, and particularly dynamic and normative policy, is an essential gauge and guiding principle through which to determine the development most appropriate to the inhabitants of the Province. Various policies are mentioned later; the most fundamental one underpinning all of them is the bioregional planning policy framework, which lays down the three-fold fundamental imperatives of sustainable development for our Province: environmental integrity, economic efficiency and human well-being.

It is the goal of the Ministry and Department to continue utilising this policy statement of imperatives as the basis for all its policy and other work in exercising its role and functions in the best interest of the Province's population, as it has done in the year under review.

## LOCAL GOVERNMENT

The Western Cape Determination of Types of Municipalities Act, 9 of 2000 was submitted to and adopted by the Provincial Parliament. Regarding transformation, notices were issued to establish five bodies to facilitate the transformation processes and 30 notices establishing new municipalities, as demarcated by the Municipal Demarcation Board, were promulgated and amended. The consequences of amalgamation were also thoroughly dealt with in these notices. In total 136 municipalities were abolished and 30 municipalities were established. During the process of transformation, municipal officials and councillors were assisted in managing the new challenges of local government transformation, through the distribution of guiding documents and newsletters.

Communication with municipalities was enhanced through the presence and participation of provincial officials from the Department at local government forums, especially transformation forums.

Regular meetings were held at provincial level with role players in the field of disaster management and fire-fighting, to ensure a pro-active approach towards disasters in the Province. In this respect fire fighting in the Province was enhanced by means of financial support to the Cape Metropolitan Council to keep an additional

fire-fighting helicopter on standby during the summer. Uniform fire-fighting regulations were drafted and submitted for adoption by the 30 municipalities in the province.

Twenty-two management support programmes were instituted at identified municipalities.

Technical and financial support was given to municipalities with the drafting of their Integrated Development Plans (IDP's) and Frameworks.

One hundred and eighty projects worth a combined total of R86 million were approved and co-ordinated by the Department in terms of the Consolidated Municipal Infrastructure Programme (CMIP).

Six projects worth a combined total of R5,1 million were approved and co-ordinated by the Department in terms of Local Economic Development (LED).

Mr Pierre Uys, Provincial Minister of Local Government and Development Planning, visited Chile and Brazil from 25 February to 4 March 2001. The purpose of the visit was to investigate the "municipalisation" of primary health services, to learn from the mistakes made and to exchange views on best practice in this regard. Mr Uys was accompanied, amongst others, by two officials from, respectively, the Department of Planning, Local Government and Housing and the Department of Health.

Regarding legislation and the administration of legislation, continuous assistance was rendered to municipalities and customers who were unhappy with the service and performance of their municipalities. This area of service still requires much improvement.

## HOUSING

The role of the Minister and the Department is to promote and facilitate the provision of affordable housing in the province within the framework of the national and provincial housing policy. In this regard, the Ministry and Department:

- Set provincial housing delivery goals in relation to available funding;
- Formulate provincial policy and legislation for housing, urbanisation and settlement management;
- Implement provincial housing programmes;
- Approve the financing of housing development projects;
- Support municipalities in the performance of their functions pertaining to housing;
- Manage the assets of the Western Cape Housing Development Board (WCHDB)
- Perform the Secretarial functions of the WCHDB;
- Manage the Western Cape Housing Development Fund (Fund); and
- Monitor housing development projects.

## **VISION STATEMENT**

A stable community in a well-developed environment.

## **MISSION STATEMENT**

To promote integrated development planning, effective local government, affordable and acceptable housing and transformed administration.

## **LEGISLATIVE MANDATE**

- ◆ Constitution of the Republic of South Africa, 108 of 1996
- ◆ Constitution of the Western Cape, 1 of 1998
- ◆ Skills Development Act, 97 of 1998

## DEVELOPMENT PLANNING

- ◆ Removal of Restrictions Act, 84 of 1967

- ◆ Less Formal Township Establishment Act, 113 of 1991
- ◆ Land Use Planning Ordinance, 15 of 1985

## LOCAL GOVERNMENT

- ◆ Local Government: Municipal Structures Act, 117 of 1998
- ◆ Local Government: Municipal Systems Act, 32 of 2000
- ◆ Local Government Demarcation Act, 27 of 1998
- ◆ Municipal Ordinance, 20 of 1974
- ◆ Section 10G of the Local Government Transition Act, 209 of 1993(as amended)
- ◆ Regional Services Councils Act, 109 of 1985
- ◆ Local Authorities (Audit) Ordinance, 17 of 1938
- ◆ Property Valuation Ordinance, 148 of 1993
- ◆ Valuation Ordinance, 26 of 1944
- ◆ Local Authorities (Investment of funds) Ordinance, 23 of 1935
- ◆ Civil Protection Act, 67 of 1977
- ◆ Civil Protection Ordinance, 8 of 1977
- ◆ Fire Brigade Services Act, 99 of 1987

## HOUSING

- ◆ Prevention of Illegal Evictions from and Unlawful Occupation of Land Act, 19 of 1998
- ◆ Less Formal Township Establishment Act, 113 of 1991
- ◆ Housing Act, 107 of 1997
- ◆ Rural Areas Act, 9 of 1987
- ◆ Housing Rental Act, 50 of 1999
- ◆ Western Cape Housing Development Act, 6 of 1999

## **PUBLIC ENTITY:**

The **WESTERN CAPE HOUSING DEVELOPMENT BOARD** was established in terms of the Western Cape Housing Development Act, 6 of 1999.

### **The functions of the Board are as follows:**

- ◆ Assist and support the provincial Minister and the Department with the provision of housing and the promotion and facilitation of the integration of housing in the Province with other facets of development, within the framework of the national and provincial housing policy;
- ◆ Consider and approve the financing of any project or programme which is in accordance with any national or provincial housing programme, with money paid into the Provincial Housing Development Fund in accordance with the multi-year programme approved by the provincial Minister;
- ◆ Investigate housing-related issues at the request of the provincial Minister or the Head of Department in order to advise the provincial Minister;
- ◆ Interpret and evaluate national and provincial policy with a view to applying it;
- ◆ Advise the provincial Minister on the granting of approval to municipalities for accreditation in terms of section 16(2) of the Western Cape Housing Development Act, 6 of 1999;
- ◆ Subject to the policy determined by the provincial Minister and in accordance with section 19 of the Western Cape Housing Development Act, 6 of 1999, manage the assets which pass to it in terms of section 6(2) and other assets acquired in terms of paragraph (g) or subsection (2), and dispose of the assets in a manner consistent with sections 14 and 15 of the Housing Act, 107 of 1997; and

- ◆ If requested by the provincial Minister to do so, acquire immovable property.

The Board may -

- ◆ in conjunction with the Head of Department and subject to section 7(2)(a) of the Western Cape Housing Development Act, 6 of 1999 and to procurement legislation, policy and practice that apply in the Province, contract in services that may reasonably be required by the WCHDB to enable it to execute its duties effectively, and the cost of such services must be met by the Head of Department out of money from the Fund;
- ◆ subject to the provisions of any law, and with the approval of the provincial Minister and the provincial Minister responsible for financial matters, raise funds by borrowing from any source in or outside the Republic by agreement or by issuing debentures, bills or stock, and funds so raised must accrue to the Fund; and
- ◆ in conjunction with the Head of Department, acquire immovable property.

**The Head of Department is the Accounting Officer for the Western Cape Housing Development Fund established in terms of the Western Cape Housing Development Act, 1999.**

## **GENERAL COMMENTS: INFORMATION EXTRACTED FROM SYSTEMS**

It should be noted that the Department's human resource management and salary administration information is recorded and processed on the national transversal PERSAL computerised system. The information stored on this system pertains mainly to salary payments and related processes. Expenditure processed within the PERSAL system is programmatically transferred to the national transversal Financial Management System (FMS). However, some transactions in respect of personnel expenditure are processed directly through the FMS, without transferring the information to the PERSAL system. In practice, therefore, a discrepancy may be found between the PERSAL system and the FMS as far as information on personnel expenditure is concerned. Figures reflected in this part are based on PERSAL and FMS information. The variance between the PERSAL expenditure figures and the figures realised and recorded in the FMS system is 7,39%. Therefore the Department verified all salary-related expenditure pertaining to the Senior Management Services (SMS) and the actual FMS expenditure figures were used in the tables.

## PART TWO

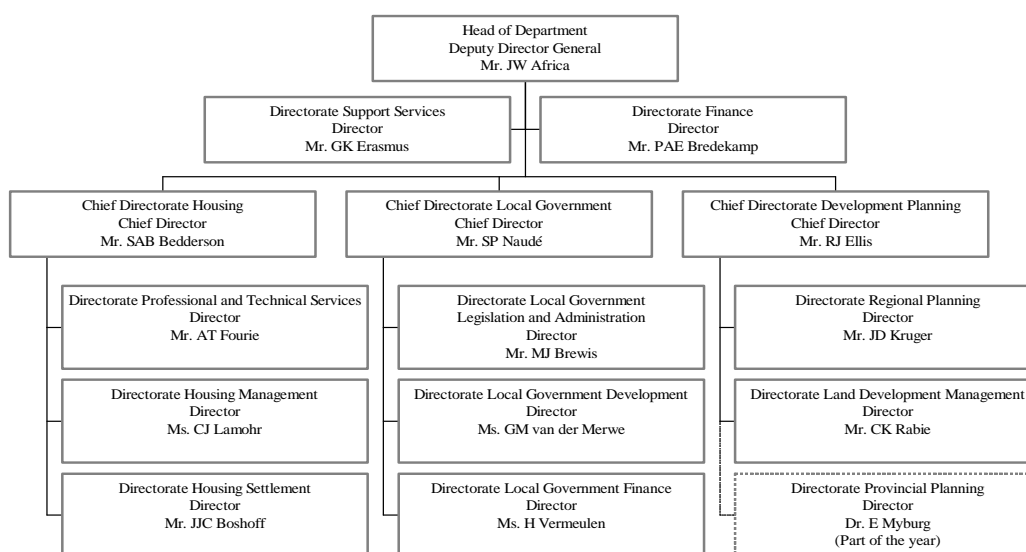
### HUMAN RESOURCES MANAGEMENT

#### PLANNING AND SERVICE DELIVERY

Refer to Parts One and Three, where information on core mandates, objectives and service delivery is provided.

#### ORGANISATION

##### DEPARTMENT'S ORGANISATIONAL STRUCTURE AND APPROVED ESTABLISHMENT



#### DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING

- The facilitation of affordable and acceptable housing
- The promotion of effective Local Government
- The management of development planning
- The rendering of administrative support services to the line functions and provincial Ministers

#### DIRECTORATE SUPPORT SERVICES

- The administering of human resource management
- The administering of general administration matters

#### DIRECTORATE FINANCE

- The application of budget control
- The management of general financial aspects
- The rendering of a departmental finance service

## CHIEF DIRECTORATE HOUSING

- The rendering of professional and technical support services with respect to housing and related development aspects
- The management of housing
- The promotion of housing settlement

## DIRECTORATE PROFESSIONAL AND TECHNICAL SERVICES

- The rendering of an engineering and architectural support service
- The rendering of a building support service
- The rendering of a works inspection support service
- The rendering of an administrative support service with respect to projects

## DIRECTORATE HOUSING MANAGEMENT

- The administering of the national and provincial housing programmes
- The administering and communication of the national and provincial housing policy
- The management of housing administration aspects
- The management of housing development

## DIRECTORATE HOUSING SETTLEMENT

- The promotion of orderly settlement
- The promotion of urban and rural housing development
- The administering of Western Cape Housing Development Board assets
- The rendering of a service in rural areas and on community farms

## CHIEF DIRECTORATE LOCAL GOVERNMENT

- The rendering of legal support to municipalities
- The promotion of development in Local Government
- The rendering of financial support to municipalities

## DIRECTORATE LOCAL GOVERNMENT LEGISLATION AND ADMINISTRATION

- The rendering of a legal service to municipalities
- The rendering of assistance with the administration of laws to municipalities

## DIRECTORATE LOCAL GOVERNMENT DEVELOPMENT

- The management of institutional development
- The co-ordination of risk management and fire prevention
- The monitoring of property valuations and assistance therewith
- Carrying out local government development research
- Monitoring and assistance with IDP and performance management

## DIRECTORATE LOCAL GOVERNMENT FINANCE

- The provision of financial support
- The application of financial control

## CHIEF DIRECTORATE DEVELOPMENT PLANNING

- The execution of regional planning
- The execution of land development management
- The management of relevant information as support for development planning

## DIRECTORATE REGIONAL PLANNING

- Regional planning in the Metropolis, "Klein Karoo", "Sentrale Karoo", Breederivier, Overberg, Southern Cape, Wineland and West Coast districts
- Execution of special regional planning projects

## DIRECTORATE LAND DEVELOPMENT MANAGEMENT

- The execution of land administration
- The execution of land use management

## NUMBER OF EMPLOYEES AND VACANCIES

The tables below illustrate the salary levels and the nature of employment categories on 31 March 2001 that are used in the subsequent tables to illustrate the number of employees and vacant posts in the Department per salary level and nature of employment.

### SALARY LEVELS

Salary Levels	Minimum Notch	Maximum Notch
1	R19 002	R24 369
2	R16 986	R29 067
3	R23 409	R35 013
4	R25 920	R40 224
5	R27 210	R49 674
6	R33 687	R62 853
7	R66 582	R79 338
8	R83 379	R95 784
9	R94 524	R121 035
10	R123 066	R140 811
11	R144 972	R165 207
12	R174 483	R175 605
13*	R348 987	R370 395
14*	R411 066	R442 830
15*	R498 840	R529 446
16*	R642 489	R681 909
Abnormal and Personal	-	-

\*Total remuneration package

### NATURE OF EMPLOYMENT

Nature of Employment	
1	Officer Permanent
2	Officer Permanent (on Probation)
4	Temporary
5	Contract
6	Part Time 5/8
7	Part Time 6/8
16	Political Office Bearers

NUMBER OF EMPLOYEES AND VACANCIES PER NATURE OF EMPLOYMENT ON 31 MARCH 2001								
Salary Levels (see legend)	Nature of Employment (see legend)						Total Personnel	Vacancies
	1	2	4	5	6	7		
1	1	0		0			1	2
2	24	0		0			24	18
3	3	8		4			15	10
4	12	7		1			20	3
5	16	1		0			17	2
6	82	8		0			90	47
7	44	6		0			50	22
8	53	2		0			55	13
9	28	1		0			29	8
10	14	0		0			14	0
11	22	1		0			23	9
12	18	1		0			19	2
13	10	0		0			10	0
14	3	0		0			3	0
15	1	0		0			1	0
16	0	0		0			0	0
Abnormal and Personal								
<b>TOTALS</b>	<b>331</b>	<b>35</b>		<b>5</b>			<b>371</b>	<b>136</b>

#### EMPLOYEES ADDITIONAL TO THE APPROVED ESTABLISHMENT

The following table indicates the number of employees who are employed additional to the approved establishment as on 31 March 2001.

NUMBER OF EMPLOYEES ADDITIONAL TO THE ESTABLISHMENT ON 31 MARCH 2001							
Salary Levels	Nature of Employment						Total Personnel
	1	2	4	5	6	7	
1	10						10
2	182						182
3	13						13
4	6						6
5	2						2
6	21						21
7							
8	1						1
9							
10							
11							
12							
13							
14							
15							
16							
Abnormal and Personal							
<b>TOTALS</b>	<b>235</b>						<b>235</b>

## **JOB EVALUATION**

Job evaluation is dealt with centrally by the Provincial Administration: Western Cape. Due to the diverse nature and magnitude of the Administration, it is of the utmost importance that job evaluation be implemented in a manner that produces consistent credible results and ensures transverse equity, both horizontally and vertically throughout the organisation. In the absence of authoritative national guidelines on the implementation of the nationally prescribed Equate job evaluation system, this system could not be implemented in a manner consistent with the above prerequisites. Implementation of job evaluation in terms of the Equate system was therefore deferred until the necessary national guidelines were in place. Instead, the current approach of organisation and work-study investigations by suitably qualified officials was followed. Proposals resulting in the creation of additional posts had to be submitted to the provincial Cabinet for final approval.

## **REMUNERATION**

### **PERCENTAGE EXPENDITURES**

The percentages of the budget, excluding transfer payments, expenditure on land and buildings and miscellaneous payments, are as follows:

- Total personnel cost: 71,1%
- Administrative expenditure: 9,6 %
- Professional and special services: 14,9%

### **PERSONNEL COSTS**

The following table illustrates the distribution of personnel costs in intervals of R20 000 by race, gender, and occupational category. The occupational categories and racial categories refer to those defined in terms of the Employment Equity Act, 1998. In future reports this table will also reflect the numbers of disabled personnel. These figures are not included in this report due to lack of clarity regarding the definition of the term 'disabled.'

Personnel Costs Intervals	Occupational Categories	African		Coloured		Indian		White		Total
		F	M	F	M	F	M	F	M	
R20 000 to R40 000	Clerks	6	3	23	16			5		53
	Labourers and Related Workers		7	15	189		1		2	214
	Technicians and Associate Professionals			2						2
R40 000 to R60 000	Clerks	3		42	28	1		21	7	102
	Labourers and Related Workers				4					4
	Technicians and Associate Professionals		4	1	13			2	4	24
R60 000 to R80 000	Clerks		2	11	12	1		6	6	38
	Professionals			1				2		3
	Technicians and Associate Professionals		1	3	2			1	4	11
R80 000 to R100 000	Clerks			13	5			3	8	29
	Senior Officials and Managers		2	5	9			2	5	23
	Professionals							3		3
	Technicians and Associate Professionals		1	1	13			2	11	28
R100 000 to R120 000	Professionals							2		2
R120 000 to R140 000	Senior Officials and Managers				2			1	7	10
	Professionals								2	2
	Technicians and Associate Professionals								2	2
R140 000 to R160 000	Senior Officials and Managers				4			4	4	12
	Professionals							2	9	11
R160 000 to R180 000	Technicians and Associate Professionals				1					1
	Senior Officials and Managers				2				5	7
	Professionals	1			1				5	7
R180 000 to R200 000	Professionals			1					2	3
	Technicians and Associate Professionals								1	1
R340 000 to R360 000	Senior Officials and Managers			1	1			2	6	10
R400 000 to R420 000	Senior Officials and Managers				1				2	3
R480 000 to R500 000	Senior Officials and Managers				1					1
<b>TOTALS</b>		<b>10</b>	<b>20</b>	<b>119</b>	<b>304</b>	<b>2</b>	<b>1</b>	<b>56</b>	<b>94</b>	<b>606</b>

## THE RELATIVE COST OF THE SENIOR MANAGEMENT SERVICE (SMS)

The percentage of the total personnel costs that is spent on the SMS (senior managers and senior professionals) is 8,44%.

The percentage of the total personnel costs that is spent on senior managers serving in a

permanent capacity is 8,44%.

## THE RELATIVE COST OF OVERTIME, ALLOWANCES AND BENEFITS

The cost of overtime, allowances and benefits as a percentage of the total personnel costs is illustrated in the table below.

Total Personnel Costs	Overtime		Allowances		Benefits	
	Cost	Percentage	Cost	Percentage	Cost	Percentage
52 466 464	617 762	1,1	282 687	0,5	51 566 015	98,28

(Allowances exclude allowances in respect of SMS members)

## AFFIRMATIVE ACTION, RECRUITMENT, PROMOTION AND TERMINATION OF SERVICES

### PROGRESS MADE IN IMPLEMENTING THE AFFIRMATIVE ACTION PROGRAMME

- The Employment Equity Report was submitted in July 2000.
- The Employment Equity Plan is in the process of consultation with Labour and Employees.
- The Consultative Forum has been established.

### NUMBER OF EMPLOYEES RECRUITED

The number of employees recruited per salary level is illustrated according to race and gender in the following table. Thereafter, the number of employees recruited per occupational category is illustrated according to race and gender.

### EMPLOYEES RECRUITED PER SALARY LEVEL

Salary Level	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
1									
2									
3		1	6	2			2		11
4	3		3	1			1		8
5			2	4				1	7
6	1	1	1	1			3		7
7		1	2	3				1	7
8			2				1	1	4
9		2	1					2	5
10			1				1	1	3
11									
12	1								1
13									
14									
15									
16									
Abnormal and Personal	1	3	12	7			2	2	27
<b>TOTALS</b>	<b>6</b>	<b>8</b>	<b>30</b>	<b>18</b>			<b>10</b>	<b>8</b>	<b>80</b>

## EMPLOYEES RECRUITED PER OCCUPATIONAL CATEGORY

Occupational Categories	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
Legislators, senior officials and managers									
Professionals	1		1	2			3	2	9
Technicians and associate professionals		3	2	1				3	9
Clerks	4	5	27	15			7	3	61
Service and sales workers									
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers									
Elementary occupations	1								1
<b>TOTALS</b>	<b>6</b>	<b>8</b>	<b>30</b>	<b>18</b>			<b>10</b>	<b>8</b>	<b>80</b>

## NUMBER OF EMPLOYEES PROMOTED

The number of employees promoted, per salary level, according to race and gender. The following table is the number of employees promoted per occupational category according to race and gender.

## EMPLOYEES PROMOTED PER SALARY LEVEL

Salary Level*	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
1									
2									
3				1					1
4	1						1		2
5				1			1		2
6			5	3			2	1	11
7		1	6	7	1		1	3	19
8		1	4	2			2		9
9	1	1		8			2		12
10				1				1	2
11				3			2	3	8
12				2				4	6
13				1			2		3
14									
15									
16									
Abnormal and Personal									
<b>TOTALS</b>	<b>2</b>	<b>3</b>	<b>15</b>	<b>29</b>	<b>1</b>		<b>13</b>	<b>12</b>	<b>75</b>

\* Level to which employee was promoted.

## EMPLOYEES PROMOTED PER OCCUPATIONAL CATEGORY

Occupational Categories	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
Legislators, senior officials and managers							2		2
Professionals		1		1				2	4
Technicians and associate professionals	1	2		11			3	6	23
Clerks	1		15	15	1		8	3	43
Service and sales workers				1					1
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers				1					1
Elementary occupations								1	1
<b>TOTALS</b>	<b>2</b>	<b>3</b>	<b>15</b>	<b>29</b>	<b>1</b>		<b>13</b>	<b>12</b>	<b>75</b>

## NUMBER OF EMPLOYEES WHOSE SERVICES TERMINATED

The number of employees whose services terminated per type of termination is illustrated according to race and gender. The number of employees whose services terminated, per salary level and occupational category, according to race and gender are included in the subsequent tables.

## THE NUMBER OF EMPLOYEES WHOSE SERVICES TERMINATED PER TERMINATION TYPE

Termination Type	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
Death		1							1
Resignation				5			2	1	8
Expiry of Contract	1	4	17	10			3	8	43
Operational Requirements			1	2					3
Misconduct				7					7
Ill Health				5			3		8
Retirement	1	1		4				4	10
Severance Package				1					1
Abscondment									
Transfer									
<b>TOTALS</b>	<b>2</b>	<b>6</b>	<b>18</b>	<b>34</b>			<b>8</b>	<b>13</b>	<b>81</b>

**THE NUMBER OF EMPLOYEES WHOSE SERVICES TERMINATED PER SALARY LEVEL**

Salary Level	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
1				6					6
2			1	9					10
3		1							1
4									
5			2	2				1	5
6				2			3	1	6
7				1			2		3
8				1				2	3
9		1						2	3
10									
11				1				1	2
12								1	1
13									
14									
15									
16									
Abnormal and Personal	2	4	15	12			3	5	41
<b>TOTALS</b>	<b>2</b>	<b>6</b>	<b>18</b>	<b>34</b>			<b>8</b>	<b>13</b>	<b>81</b>

**THE NUMBER OF EMPLOYEES WHOSE SERVICES TERMINATED PER OCCUPATIONAL CATEGORY**

Occupational Categories	African		Coloured		Indian		White		Total
	F	M	F	M	F	M	F	M	
Legislators, senior officials and managers									
Professionals				2			2	4	8
Technicians and associate professionals		1		3				5	9
Clerks		4	17	12			6	4	43
Service and sales workers									
Skilled agricultural and fishery workers									
Craft and related trades workers									
Plant and machine operators and assemblers		1		2					3
Elementary occupations	2		1	15					18
<b>TOTALS</b>	<b>2</b>	<b>6</b>	<b>18</b>	<b>34</b>			<b>8</b>	<b>13</b>	<b>81</b>

**THE NUMBER OF FOREIGN APPOINTEES**

Not applicable to the Department.

## PERFORMANCE MANAGEMENT AND SKILLS DEVELOPMENT

### THE NUMBER OF EMPLOYEES WHO RECEIVED PERFORMANCE REWARDS

The following table indicates the number of employees who received performance rewards according to salary level, occupational category, gender and racial distribution.

Salary Level	Occupational Categories	African		Coloured		Indian		White		Total
		F	M	F	M	F	M	F	M	
1										
2	Elementary occupations		1	2	5					8
3	Clerks							1		1
	Plant and machine operators and associates		1							1
4	Clerks			1						1
	Elementary occupations			1					1	2
5	Clerks			2				1		3
	Elementary occupations				1					1
6	Clerks	1		11	2			7	1	22
7	Clerks			2				2		4
	Professionals			2				3		5
8	Clerks			2					1	3
	Professionals							1		1
	Technicians and associate professionals							2		2
9	Professionals								1	1
	Technicians and associate professionals			1					3	4
10	Professionals								1	1
	Technicians and associate professionals								1	1
11	Professionals								1	1
	Technicians and associate professionals								2	2
12	Professionals								7	7
	Technicians and associate professionals				1					1
13	Legislators, senior officials and managers			1				1	7	9
14	Legislators, senior officials and managers				1				2	3
Abnormal and Personal	Technicians and associate professionals				1					1
<b>TOTALS</b>		<b>1</b>	<b>2</b>	<b>25</b>	<b>11</b>			<b>18</b>	<b>28</b>	<b>85</b>

### TRAINING TARGETS

A skills profile was completed for each personnel member. This was done as the first phase of compiling a Workplace Skills Plan for the Department.

The information obtained from the questionnaire is not sufficient to truly reflect the officers' skills and training as required. The Directorate: Support Services has in the interim consulted with the Cape Administrative Academy and a more detailed skills and training profile questionnaire will be consulted on with the relevant trade unions, whereafter it will be distributed to all personnel for completion.

## **DEPARTMENTAL TRAINING BUDGET**

- The total amount allocated for training in the Department for the financial year 2000/2001 was R547 000 (excluding subsistence and travel).
- The actual amount spent on each training target according to the distribution of race, gender and occupation in each grade cannot be submitted at this stage.

## **NUMBER AND TYPE OF TRAINING PROGRAMMES IMPLEMENTED**

The information from the Cape Administrative Academy in respect of internal and external programmes cannot be submitted at this stage.

## **NUMBER AND NATURE OF INCIDENTS OF INJURY, ILLNESS AND DEATH IN THE WORK ENVIRONMENT**

<b>Type of Occurrence</b>	<b>Nature of Incidents</b>	<b>Number</b>
Injury	Limb injuries	24
Illness	None	
Death	None	

## **COLLECTIVE AGREEMENTS**

Collective agreements are concluded on a centralised basis in the Provincial Bargaining Council: Western Cape. Particulars of such agreements entered into during the year under review are reflected in the Annual Report of the Department of Provincial Administration: Western Cape.

## **SICK LEAVE**

In order to effect adjustments to the PERSAL system to provide for the new leave dispensation, all leave functions on the system were deactivated during January and February 2001. As a result it was not possible to record any leave advices on the system during this period. Although the leave functions have been reactivated during March 2001, subsequent backlogs have hampered the production of reliable statistics.

## **PART THREE**

### **PROGRAMME PERFORMANCE**

#### **VOTE: 8: PLANNING, LOCAL GOVERNMENT AND HOUSING**

**Aim:**

To promote integrated development planning, effective local government, affordable and acceptable housing and transformed administration.

**Overview:**

- **Key achievements:**

Seventy percent of the new approved establishment was filled during the year, taking into account representivity. The Department was on schedule with the implementation of the Public Finance Management Act (PFMA), including the appointment of a Chief Financial Officer, and a high priority was placed on capacity building amongst staff. Departmental financial delegation was finalised and implemented. All relevant information on the PFMA and other staff-related matters were communicated to all levels in the Department while gender sensitivity was vigorously promoted.

The managing of land invasions and squatting on vacant land was an on-going process and legally binding agreements were developed and entered into between the Department on behalf of the Western Cape Housing Development Board (WCHDB) and municipalities in the Cape Metropolis for the latter to act as and when necessary, in cases of invasions of land belonging to the WCHDB.

Policies for the transfer of WCHDB housing stock and vacant land were formulated and accepted by the WCHDB. Discussions between the Department and the Municipality of Tygerberg regarding the transfer of all the Delft properties to Tygerberg were initiated and consultants were appointed to deal with the implementation of the recommendations of the Swart Commission of Enquiry regarding approximately 450 properties in Delft.

The Department succeeded in spending its full conditional grant of R341 million for housing, thereby creating 23 505 housing opportunities.

This period also saw an improvement in the debtor system, which is the computerised system for housing debtors. For the first time in history the Department was able to provide its debtors with monthly statements reflecting their financial commitments towards the Department in line with common business practice.

The Department devised a debt collection strategy and concerted efforts are being made to communicate with defaulters to negotiate with them in order to persuade them to settle their debt either by way of cash payments or by entering into agreements to settle it by way of monthly instalments.

Municipalities were supported in the upgrading of bulk infrastructure. The Consolidated Municipal Infrastructure Programme (CMIP) allocation of R86 million was utilised for 180 projects throughout the Western Cape.

The development of a provincial multi-year housing plan was initiated.

The Department is in the process of amending the Western Cape Planning and Development Act, 7 of 1999 and appropriate regulations to ensure alignment with national legislation and the effective implementation thereof.

Continued guidance through personal visits and financial support was given to municipalities with the drafting of their integrated development plans.

Specialist work (requiring specific skills) with regard to *inter alia* bioregional planning and related environmental issues was outsourced and a draft manual in this regard was formulated.

The establishment of a Man-and-Biosphere (MaB) committee was approved in principle by the provincial Cabinet and the Department is embarking on a process to formulate its constitution, role and function. Legislation in this regard will be formulated.

The Western Cape Determination of Types of Municipalities Act, 9 of 2000 was submitted to and adopted by the Provincial Parliament. Regarding transformation, notices were issued to establish bodies to facilitate transformation processes and thirty notices establishing new municipalities as demarcated by the Municipal Demarcation Board were promulgated. The consequences of amalgamation were also thoroughly dealt with in these notices. In total 136 municipalities were dissolved and 30 municipalities established. During the process of local government transformation, municipal officials and councillors were assisted in handling the new challenges through the distribution of guiding documents and newsletters.

Communication with municipalities was enhanced through the presence and participation of provincial officials in local government forums, especially the transformation forums. Regular meetings were held at provincial level with role players in the field of disaster management and fire-fighting to ensure a pro-active approach towards disasters in the province. Twenty-two management support programmes were instituted at identified municipalities. The implementation of pilot performance management programmes at three municipalities to improve their efficiency and effectiveness is being supported by the Province and this instrument will play an important role in giving effect to acceptable municipal service delivery standards and ethos.

As a result of the devastating fires during December 1999-January 2000, the Western Cape Government and the Department of Water Affairs and Forestry separately and collectively investigated and made recommendations to ensure that such a devastation does not re-occur. One hundred and seventy two recommendations were identified from the combined reports and will be implemented in the coming two to three years.

Regarding Municipal Service Partnerships a provincial task team designed a process for the implementation of such partnerships throughout the province. Unfortunately no clarity exists as to the specific role and responsibilities of provinces. The universities of the Western Cape and Free State have been mandated to design and develop a course for Municipal Service Partnerships and during January 2001 the first course aimed at training trainers was presented at the University of the Western Cape. It is expected that the role of this programme will be more substantial during the coming year.

The centralisation of the Information Technology (IT) budgets in the 1998/99 financial year and the resultant cuts in the funds transferred to IT out of the base allocation of the Department resulted in the Department's having to make further cuts in its base allocation to make provision for IT equipment.

- **Key policy developments:**

The Western Cape has unique qualities in terms of its resources. It is favoured as a result of its natural beauty, its attractiveness as a tourist destination, its agricultural potential, its built-up areas, well-managed institutions, social and health facilities, existing infrastructure, its people, etc. These factors attract large numbers of people, which result in tremendous pressure not only on existing towns and development nodes, but also on high-potential agricultural land, natural areas, estuaries and our coastline. In order to ensure that financial growth and development take place in support of the very necessary upliftment, general well-being and human development of all the people of the Western Cape in an orderly, harmonious and sustainable manner, this Department (Chief Directorate: Development Planning) gives direction and guidance to municipalities and other clients of the Department regarding *inter alia* developmental issues. These include policy documents and guidelines regarding the management of our coast, farmworker settlement, development of fringe areas surrounding our towns

and nodes, an urban settlement pattern, sustainable developments through applying, for instance, the methodology of bioregional planning, and other policies regarding pertinent developmental issues.

The Department (Chief Directorate: Local Government) recognises the constitutional integrity of the local government sphere. The Western Cape Determination of Types of Municipalities Act, 9 of 2000, was submitted to and adopted by the Provincial Parliament. Regarding transformation, notices were issued to establish five bodies to facilitate the transformation processes and 30 notices establishing new municipalities as demarcated by the Municipal Demarcation Board, were promulgated and amended. The consequences of amalgamation were also thoroughly dealt with in these notices. In total 136 municipalities were abolished and 30 municipalities established. During the process of transformation, municipal officials and councillors were assisted in managing the new challenges of local government transformation through the distribution of guiding documents and newsletters.

A major policy shift was the change from regulatory administration to co-operative governance. The communication with local government sphere was enhanced through the presence and participation of officials from the Department at local government forums, especially the transformation forums. Regular meetings were held at provincial level with role players in the field of disaster management and fire-fighting to ensure a pro-active approach towards disasters in the province. In this respect fire fighting in the province was enhanced by means of financial support to the Cape Metropolitan Council to keep an additional fire-fighting helicopter on standby during the summer. Uniform fire fighting regulations were drafted and submitted for adoption by the 30 municipalities in the province. Twenty two management support programmes were instituted at identified municipalities. Technical and financial support was given to municipalities with the drafting of their integrated development plans.

During the 2000/2001 financial year the Western Cape Housing Development Board approved the restoration of historical rural settlements as a provincial housing programme. This programme will allow for the upgrading throughout the province of cultural-historic heritage sites located in the rural areas. These include villages such as Wupperthal, Elim, Zoar/Amalienstein, Genadendal, Mamre, Pniel and Witterwater. Although these areas have great tourism potential, they have felt the full negative impact of urbanisation, with the remaining inhabitants facing economic hardship. The upgrading of these dwellings will improve the living conditions of the beneficiaries whilst enabling the occupants to benefit from the tourism market.

Policy was determined by the WCHDB to regulate the transfer of immovable properties to municipalities, including flat complexes.

Policy was determined regarding the sale of non-residential properties by way of public tenders in order to generate income for the provision of low-cost housing units in terms of the Housing Subsidy Scheme.

The Department was faced with an order by the Cape High Court to provide shelter to a group of children and their parents in the "Irene Grootboom" case on the grounds of their constitutional rights in terms of section 28 of the Constitution of the Republic of South Africa, 1996. This order was successfully taken on appeal to the Constitutional Court. The order of the Constitutional Court actually serves as a very important policy directive for all spheres of government insofar as the interpretation and content of the constitutional right to housing is concerned.

## PROGRAMME: 1: ADMINISTRATION

### Aim:

To conduct the overall management of the Department and to ensure an effective and efficient transformed administration.

This programme consists of the following subprogrammes:

#### *Corporate services*

- ◆ Human resource development
- ◆ Personnel management and administration
- ◆ Labour relations
- ◆ General administration and logistical support
- ◆ Record management
- ◆ Procurement administration
- ◆ Financial administration and management
- ◆ Payments owing to redundancy of former Development Board Members (Pensions)

#### *Office of the Provincial Minister of Housing and Leader of the House (also responsible for Corporate Services)*

- ◆ Rendering of advisory, secretarial, administrative and office support services

#### *Office of the Provincial Minister of Local Government and Development Planning*

- ◆ Rendering of advisory, secretarial, administrative and office support services

### Policy developments:

Policy development processes focussed on the following functional areas during the year:

- Application of disciplinary processes within the Department
- Record management system
- Access to information
- Employment equity and affirmative action
- Skills development
- Implementation of the new leave system
- Implementation of the Senior Management Services (SMS)
- Suitable placement of supernumeraries
- Application of the subsidised motor vehicle scheme
- Provisioning of official cellular phones
- Implementation of the Public Finance Management Act, 1 of 1999
- Electronic procurement system

### Outputs and service delivery trends:

Output	Service delivery indicator	Actual performance
Reports <ul style="list-style-type: none"><li>➤ Financial</li><li>➤ Personnel</li><li>➤ Other statistics</li></ul>	Predetermined timeframes and prescribed formats	All reports/statistics were submitted timeously in the prescribed formats
Financial statements	Report of the Auditor-General	An unqualified report was issued by the Auditor-General. The Department had stayed within the budget allocation.

## PROGRAMME: 2: HOUSING

### Aim:

To manage and promote the provision of affordable and acceptable housing and related infrastructure within the Province of the Western Cape.

This programme consists of the following sub-programmes:

#### *Housing Management*

- ◆ Formulation of provincial housing policy, legislation and support to municipalities
- ◆ The promotion and facilitation of housing development projects
- ◆ The provision of housing subsidies to beneficiaries
- ◆ Rendering of administrative functions to the Western Cape Housing Development Board (WCHDB)
- ◆ Financial administration of the Western Cape Housing Development Fund (WCHDF)

#### *Housing Settlement*

- ◆ Management of Western Cape Housing Development Board assets
- ◆ Promotion of integrated rural development
- ◆ Promotion of orderly settlement, the management of settlement and related impact-reducing measures
- ◆ Promotion of integrated urban development
- ◆ Formulation of provincial policy on urbanisation and rural developmen.

#### *Professional and Technical Services*

- ◆ Rendering of an engineering and architectural support service to development bodies
- ◆ Management of maintenance services in respect of engineering infrastructure and Western Cape Housing Development Board property
- ◆ Rendering of a building support service to development bodies
- ◆ Rendering an internal administrative and financial support service to professional and technical staff

### Outputs and service-delivery trends:

Output	Service-delivery indicator	Actual performance
Formulation of provincial housing policy.	The provision of provincial policy to address specific needs within the province.	The WCHDB adopted the upgrading of cultural historic heritage areas as a provincial housing programme.
Promotion of housing.	Expenditure of the conditional grant for housing.  Benchmark: Processing of 22 000 subsidies	A total of 23 505 subsidies were processed.  The conditional grant for housing was fully spent.
Information dissemination and improved communication in respect of housing policy and legislation.	Improved service delivery by officials of municipalities, councillors and the Department.	Ten workshops were held at the following towns: - <ul style="list-style-type: none"> <li>• Beaufort West</li> <li>• Bredasdorp</li> <li>• Cape Town</li> <li>• Ceres</li> <li>• Calitzdorp</li> <li>• George</li> </ul>

		<ul style="list-style-type: none"> <li>• Mooresburg</li> <li>• Mossel Bay ( x2)</li> <li>• Plettenberg Bay</li> </ul> <p>The workshops incorporated all the municipalities throughout the province. A total of 553 municipal officials and councillors attended the workshops, where housing policy was disseminated and instruction given on the various Acts.</p>
Capacity building at local government and provincial levels in respect of housing-related matters.	To build the capacity of municipal and provincial officials and councillors by attendance of courses on and undergoing training in housing-related matters, the prescripts of the various pieces of housing legislation, and housing management.	<p>Formal training courses were held for municipal and provincial officials in respect of the following:</p> <p>Housing policy and management - 51 attendees;</p> <p>Housing development and management - 78 attendees;</p> <p>Project Management for professionals - 46 attendees;</p> <p>Training on the debtor system - 44 attendees;</p> <p>A course specifically intended for the beneficiaries of housing subsidies was also held.</p> <p>Housing training for residents - 25 attendees</p>
Management of the WCHDF.	Efficient and effective financial management.	An acceptable report was received from the Office of the Auditor-General.
Management of the financial and accounting aspects of the WCHDF.	Management of the debtor system and the financial management system.	An acceptable report was received from the Office of the Auditor-General.
Rendering of a secretarial service to the WCHDB.	The effective administration of correspondence, agendas and minutes of the WCHDB meetings as well as submissions to the Board concerning housing development and ancillary matters.	A total of 470 submissions were tabled before the Board, of which 462 were approved.
Monitoring and management of unlawful occupation of land belonging to the WCHDB.	Number of incidents of unlawful occupation.	Agreement with Unicity through which the unlawful occupation of land is monitored and managed, which led to new incidents being limited to a minimum.
To implement the Constitutional Court's directives on access to housing, with special reference to sections 26 and 28 of the Constitution.	<ol style="list-style-type: none"> <li>1. Upgrading and provision of basic services in informal settlements.</li> <li>2. Development of an informal settlement upgrading policy.</li> </ol>	<ol style="list-style-type: none"> <li>1. Temporary facilities (household water and sanitation facilities) in the amount of approximately R1 million have been provided.</li> <li>2. Policy formulation has started and will be finalised during the 2001/02 financial year.</li> </ol>
The implementation of the provisions of the Rental Housing Act, 50 of 1999.	<ol style="list-style-type: none"> <li>1. Establishment of a Rental Housing Tribunal.</li> <li>2. Establishment of a support staff complement for the</li> </ol>	<ol style="list-style-type: none"> <li>1. Advertisements for nominations to serve on the Tribunal were placed, nominations were received and referred to the Minister and the relevant Standing</li> </ol>

	<p>Tribunal.</p> <p>3. The proclamation of a Code of Good Practice and Provincial Regulations.</p>	<p>Committee.</p> <p>2. The work-study was finalised, approved and recommended to be implemented during the 2001/02 financial year.</p> <p>3. Proposals for a Code of Good Practice and Provincial Regulations were published for comments and are being finalised for final publication.</p>
To collect current and arrear debts.	Receipt of payments from debtors	<p>1. Credit Control Strategy has been established.</p> <p>2. Debtors are provided with monthly statements.</p> <p>3. A Debt Collection Strategy was formulated.</p>
Updating of WCHDB property register.	Accuracy and reliability of property register.	<p>1. A study of the residential, commercial and industrial properties in the Metropolis has been completed.</p> <p>2. A consultant was appointed to update the register in respect of properties outside the Metropolis.</p>
To give effect to the provisions of the Housing Act, 107 of 1997 in respect of the transfer of assets of the WCHDB to the municipalities.	The transfer of the Board's assets to municipalities.	Policy has been determined regarding the transfer of assets to municipalities.
Administer the Human Settlement Redevelopment Programme. Provide programme management function on technical as well as administrative and financial issues. Prioritise and evaluate business plans.	Dysfunctionalities in housing delivery are eradicated.	Four projects were approved and commenced during financial year, two of which were completed. Amount spent: R5 202 827 million.
Evaluation of WCHDB projects in terms of engineering services as well as top structures.	Feasible projects are submitted to the WCHDB.	Twenty-seven new subsidy applications were evaluated in terms of engineering as well as architectural issues. Apart from this, consolidation subsidy evaluations for top structures were also submitted.
Monitoring of progress of housing projects.	Quality of top structures and services are of an acceptable standard.	Project inspections were undertaken at 127 projects.
Manage the Integrated Service Land Project (ISLP).	Sustainable integrated housing development in conjunction with the municipalities and sister departments is achieved.	Amount spent on housing and associated infrastructure amounted to R90, 5 million.
Maintain property belonging to the WCHDB.	An acceptable level of service is maintained and claims or complaints from tenants and municipalities are minimised.	Maintenance work at approximately 4000 properties was undertaken within the approved budget of R2, 7 million.
Provide support service to sister departments and municipalities.	Provision of social facilities.	One multi-purpose centre and library completed. An additional two are in the planning and construction phases.

## **PROGRAMME: 3: DEVELOPMENT PLANNING**

### **Aim:**

To support, monitor and regulate development planning in the provincial and local government sphere in promoting and managing the Province of the Western Cape.

This programme consists of the following sub-programmes:

#### ***Administration***

Rendering of management and advisory services to the Chief Directorate and Ministry

#### ***Regional Planning***

- ◆ Support of rural and urban development actions
- ◆ Planning, evaluation and financing of regional planning projects
- ◆ Evaluation of specific matters of development in respect of Western Cape Housing Development Board (WCHDB) applications
- ◆ Regulating, monitoring and supporting integrated development plans on the local sphere of government
- ◆ Outsourcing of relevant town planning matters where insufficient capacity or know-how within the Department exists.

#### ***Information Management***

- ◆ Management of a Provincial Information Service
- ◆ Maintaining a Geographic Information Service

#### ***Land Development Management***

- ◆ Implementing and managing appropriate legislation in respect of planning and development
- ◆ The implementation and management of an appeal mechanism and the processing of appeals
- ◆ The implementation and execution of policies with regard to land reform
- ◆ Capacity building at local government sphere in respect of planning and development

NOTE: During the financial year the sub-programme Provincial Planning was transferred to the Department of Provincial Administration

### **Policy developments:**

- The Farm Worker Settlement Policy was approved by the Provincial Cabinet and published as provincial policy on 1 September 2000.
- The Provincial Bio-regional Planning Framework was completed in October 2000 and one workshop, involving all the municipalities and planning consultants, was held.
- The Department is in the process of converting the Provincial Urbanisation Framework (a technical document completed during August 2000) into a Draft Green Paper on Urbanisation in the Western Cape.
- In November 2000 the Provincial Cabinet approved in principle the Draft Coastal Zone Policy for the Western Cape to be made known. The translation of the document into both Afrikaans and Xhosa has since commenced.

## Outputs and service delivery trends:

Output	Service-delivery indicator	Actual performance
Support of rural and urban development actions.	The number of applications finalised.	A total of 910 applications have been finalised in terms of the relevant legislation.
Planning, evaluation and financing of regional planning projects.	Provision of planning policy to address specific planning needs in a dynamic planning environment.	<p>The Farmworker Settlement Policy was approved by the Provincial Cabinet and published as provincial policy on 1 September 2000.</p> <p>The Bio-regional Planning Framework was completed during October 2000 and presented to municipalities and consultants in the field during February 2001.</p> <p>A draft document was completed during August 2000 to serve as a Draft Green Paper for Urbanisation in the Province.</p> <p>A Draft Coastal Zone Policy for the Western Cape was approved in principle by Cabinet during November 2000 and the translation of the document in both Afrikaans and Xhosa commenced.</p>
Evaluation of specific matters of development in respect of the WCHDB applications.	Provision of continual assistance to the WCHDB on individual applications.	27 WCHDB applications were received by the Chief Directorate for professional planning input and submitted to the WCHDB.
Regulating, monitoring and supporting integrated development frameworks on the third sphere of government.	Provision of professional assistance during Integrated development plan (IDP) processes to all 30 municipalities in order to enable each municipality to compile a Draft IDP.	All municipalities received personal professional assistance during the IDP process. Support included a workshop in February 2001 to prepare all municipalities for the drafting of IDP's for newly demarcated municipalities. Each municipality had prepared a Draft IDP by the end of the financial year.
Financing of external planning actions.	Provision of financial support to the 30 municipalities on the grounds of meritorious applications for the preparation of spatial development plans, bio-regional plans and zoning scheme regulations. Funding also provided for individual projects of merit regarding spatial planning.	An amount of R37 000 was paid to Slangrivier Municipality for the finalisation of a structure plan. Owing to the transformation process the remaining amount of the R2,5 million which was available during this financial year was not paid out to municipalities. This amount was rolled over to the 2001/2002 financial year for the same purposes.
Management of a Provincial Information Service.	<p>The number of non-spatial data tables, statistical reports and media releases to various internal and external clients.</p> <p>The acquisition of statistical data</p>	<p>Supplied 59 electronic tables and 74 statistical reports and releases.</p> <p>Obtained 6 electronic statistical data sets.</p>

	sets to enhance a provincial information service.	
Maintaining a Geographic Information Service.	<p>The number of spatial electronic data and maps provided to various internal and external clients.</p> <p>The acquisition and incorporation of spatial data sets in the GIS to enhance service delivery.</p>	<p>Supplied 10 electronic data sets to 6 customers and 347 maps to 145 requests.</p> <p>Obtained, incorporated and updated 88 spatial data sets.</p>
Implement and manage appropriate legislation in respect of planning and development.	<p>The implementation of the Western Cape Planning and Development Act, 7 of 1999.</p> <p>The repeal of outdated legislation such as the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985), the Removal of Restrictions Act, 84 of 1967 and the Less Formal Township Establishment Act, 113 of 1991.</p>	<p>The Act could not be implemented as the constitutionality of the Act was contested by the Western Cape Local Government Organisation. Further negotiations with the Organisation continued and Senior Planning Council was requested to provide an opinion on the matter. These pieces of legislation could not be repealed before implementing Act 7 of 1999.</p>
The implementation and management of an appeal mechanism and the processing of appeals.	<p>Appointment of members of the Western Cape Planning Review Board.</p> <p>Inaugural meeting of the Board.</p>	<p>Nominations were called for in the press in order for the Board to be constituted. The appointment of members could however not proceed because the Act was put on hold.</p> <p>Meetings of the Board could not proceed without the Board's being properly constituted and the members appointed.</p>
The implementation of policies with regard to land reform.	<p>Registration of townships affords those previously disadvantaged communities an opportunity to access land through the Upgrading of Land Tenure Rights Act, 112 of 1991 and the Less Formal Township Establishments Act, 113 of 1991.</p> <p>Transfer of erven to empower the under-privileged through the provision of basic services.</p>	<p>In accordance with Act 112 of 1991, 293 township registers were opened.</p> <p>In accordance with Act 113 of 1991, 53 township registers were opened.</p> <p>The Transfer of Residential Property initiative thus far has been effected and the following erven have been transferred for the listed projects:</p> <p>Crossroads 325 Mossel Bay 133 Oudtshoorn 652 .</p>
Capacity building at local government level in respect of planning and development.	<p>To build the capacity of municipal officials by attendance of and input at municipal planning forums and meetings and by presentations to municipal officials on planning policies, planning law, land use management and development applications.</p> <p>Training of staff of municipalities with regard to new procedures and provisions of Act 7 of 1999.</p>	<p>Individual municipalities were visited and professional support and guidance given on the drafting of structure plans and spatial development plans. During April 2000 a Road Show was conducted throughout the Western Cape Province and the personnel of all municipalities involved in planning and development were given training on the provisions of the Act. Presentations were made to all the municipalities on bio-regional planning and integrated</p>

		development planning.
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## **PROGRAMME: 4: LOCAL GOVERNMENT SERVICES**

### **Aim:**

To promote, co-ordinate and monitor the establishment, development and regulation of effective, efficient, transparent and sustainable local government.

This programme consists of the following sub-programmes:

### ***Local Government Legislation and Administration***

Rationalisation of local government legislation with due regard to national legislation and assistance to municipalities to function according to relevant legislation

### ***Local Government Development***

Monitoring and support of local government structures, the promotion of pro-active approach to disaster management and fire fighting, monitoring and promotion of the Integrated Development Planning process at municipalities, the rendering of an advisory service and meeting statutory obligations with regard to property valuations and the rendering of advisory services to municipalities on social, financial and constitutional matters

### ***Local Government Finance***

Monitoring and interventive support of financial administration of municipalities, regulation of capital requirements and specific service matters at municipalities and the monitoring of the financial viability of municipalities

### **Policy developments:**

- Recognition of constitutional integrity of the local government sphere
- Change from regulatory administration to co-operative governance

### **Outputs and service-delivery trends:**

<b>Output</b>	<b>Service-delivery indicator</b>	<b>Actual performance</b>
To conduct diagnostic studies at identified municipalities.	Number of diagnostic studies conducted.	Thirteen diagnostic studies were conducted.
To implement management support programmes at identified municipalities.	Number of management support programmes implemented.	Twenty-two management support programmes were implemented.
To provide assistance to municipal tax payers in the settlement of disputes with and complaints about their municipalities.	Number of disputes settled.	Two hundred and seven written disputes of tax payers were settled.
Monitoring the financial viability of the newly established municipalities.	Number of newly established municipalities monitored.	Thirty newly established municipalities were monitored.
To monitor and support municipalities in complying with financial prescripts.	Number of municipalities monitored and supported.	Thirty municipalities were monitored and supported to comply with financial prescripts.
To support municipalities with the implementation of transformation.	Number of successfully restructured municipalities.	Thirty successfully restructured municipalities.
To maintain multidisciplinary and integrated disaster management and fire-fighting structures at provincial and local government	Number of meetings and contingency plans of multidisciplinary and integrated disaster management and fire-	Five District Municipalities and one metropolitan multidisciplinary and integrated disaster management contingency plans

spheres.	fighting structures	were maintained in collaboration with relevant role-players and district structures.
To create infrastructure in terms of the Consolidated Municipal Infrastructure Programme (CMIP).	Number of municipal infrastructure programmes.	One hundred and eighty municipal infrastructure programmes or projects were approved and the implementation co-ordinated.
To monitor and support municipalities with the elections.	Number of municipalities monitored and supported.	One hundred and thirty six municipalities were monitored and supported.
To support municipalities with property valuations.	Number of municipalities supported with property valuations.	Three municipalities were supported.
To monitor the process municipalities followed in drafting Integrated Development Plans.	Number of municipalities monitored.	Thirty municipalities were monitored.
To provide technical assistance to municipalities in drafting Integrated Development Plans and Frameworks.	Number of municipalities assisted technically.	Thirty municipalities were assisted technically at two workshops.
To provide financial assistance to municipalities in drafting Integrated Development Plans and Frameworks.	Number of municipalities assisted financially.	One municipality was assisted financially.

### Transfer payments:

Name of institution	Transfer R'000
Former Dysselsdorp Municipality (financial assistance)	150
Former Grabouw Municipality (financial assistance)	600
Former Ladismith Municipality (financial assistance)	100
Former Calitzdorp Municipality (financial assistance)	100
Former Haarlem Municipality (financial assistance)	50
Former Aurora Municipality (financial assistance)	50
Former Citrusdal Municipality (financial assistance)	90
Former Albertinia Municipality (financial assistance)	80
Former Darling Municipality (financial assistance)	100
Former Touwsrivier Municipality (financial assistance)	50
Former Tulbagh Municipality (financial assistance)	800
Former Ashton Municipality (management support)	365
Former Beaufort-West Municipality (management support)	138
Former Calitzdorp Municipality	116
Former Ceres Municipality (management support)	175
Former Grabouw Municipality (management support)	301
Former Great-Brak Municipality (management support)	200
Former Knysna Municipality (management support)	341
Former Mosselbaai Municipality (management support)	331
Former Oudtshoorn Municipality (management support)	180
Former Plettenberg Bay Municipality (management support)	312
Former Saron Municipality (management support)	27
Former Tulbach Municipality (management support)	22
Former Vredendal Municipality (management support)	194
Former West Coast Peninsula Municipality (management support)	23
Former Worcester Municipality (management support)	1 321
Surf Life-Saving Association of South Africa (financial assistance)	100
Former Cape Metropolitan Council (financial assistance to keep an additional	1 123

fire-fighting helicopter on standby during the summer)	
Former Slangrivier Municipality (IDP: Spatial Planning)	37

**PROGRAMME: 5: RESTRUCTURING**

**Aim:**

To provide for the restructuring of the Department.

## **PART FOUR**

### **WESTERN CAPE PROVINCE DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**ANNUAL FINANCIAL STATEMENTS  
31 MARCH 2001**

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**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND  
HOUSING**

**MANAGEMENT REPORT  
for the year ended 31 MARCH 2001**

Report by the Accounting Officer to the Executive Authority and the Western Cape Provincial Parliament

**1 General review of the state of financial affairs**

1.1 General view

Budget allocation

	R'000
Total	464,684
Administration	14,054
Housing	390,396
Development planning	22,016
Local government services	25,835
Restructuring	12,383

Underspending

	R'000
Total	29,617
Administration	1,674
Housing	11,004
Development planning	8,234
Local government services	7,169
Restructuring	1,536

Reasons for underspending

1. Vacant posts which have not been filled.
2. Justice claims not received in time.
3. Centralizing of stores and certain administrative functions.
4. Late approval of business plans for national conditional grants.
5. The postponement of local government elections.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND  
HOUSING**

**MANAGEMENT REPORT (continued)  
for the year ended 31 MARCH 2001**

6. Phasing out of supernumeraries.

7. Projects not completed on time.

1.2 Spending trends

Graph attached on page 40:

- Indicates total expenditure for 2000/2001 financial year compared to that of 1999/2000

Graph attached on page 41:

- Indicates the spending per programme.

Graphs attached on pages 42 to 47:

- Indicate the spending per standard item per programme and for the vote.

Note: For the purpose of comparison, the conditional grant (R341,466m) in respect of the SA Housing Fund is left out.

1.3 Financial management improvement programme

All staff members were introduced to the new financial legislation by means of information sessions by the Provincial Treasury, distribution of applicable documentation and training sessions in order to ensure that they have a background knowledge of the norms and standards of the Public Finance Management Act (PFMA), the National Treasury Regulations (NTR's) and the Provincial Treasury Directives (PTD's). All newly appointed staff will in future also undergo similar training and personnel will also be nominated for courses presented by the Provincial Treasury. Structured Departmental courses will also be introduced towards the middle of the current financial year.

A Chief Financial Officer (CFO) for the Department was appointed on 1 March 2001 to assist the Accounting Officer in his responsibilities as set out in part 2 of Chapter 5 of the PFMA.

Financial delegations in terms of part 3 of Chapter 5 of the PFMA, as well as in terms of the NTR's and PTD's were prepared and issued on 22 September 2000.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**MANAGEMENT REPORT (continued)  
for the year ended 31 MARCH 2001**

Financial processes and procedures in respect of the Treasury Instructions and the Exchequer Act have been adapted and issued in terms of the PFMA, NTR's and PTD's. As the need arises, new procedures are developed and issued in terms of the new legislation.

**2 Services rendered by the Department**

2.1 Tariff policy

Subsidised motor transport

- Tariffs are determined by the national Department of Transport

Parking fees

- Monthly parking fees for officials are in accordance with provincial tariffs as determined by the Department of Economic Affairs, Agriculture and Tourism and approved by the Provincial Treasury in terms of National Treasury Regulation (NTR) 7.3.1.

GIS Maps and copies from files for private persons and institutions

- All tariffs are revised annually by the Department and approved by the Provincial Treasury in terms of National Treasury Regulation 7.3.1. These tariffs are costs recoverable.

**3 Public entities**

The Western Cape Housing Development Board.

3.1 General

The Western Cape Housing Development Board is a provincial public entity as listed in terms of Schedule 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (as amended).

3.2 The Western Cape Housing Development Board (WCHDB)

Purpose

The WCHDB was established in terms of the Western Cape Housing Development Act, 1999 (Act No 6 of 1999). The duties and functions of the Board are stipulated in Section 7 of the said Act.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**MANAGEMENT REPORT (continued)  
for the year ended 31 MARCH 2001**

Financial arrangements

Funds are budgeted as a national conditional grant under the sub-programme Housing Management of the programme Housing of the Department in terms of the Public Finance Management Act, 1999 (Act No 1 of 1999) (as amended). Transfers are made to the Fund as funds are received from the national Department of Housing. Reporting and other conditions as stipulated in the applicable annual Division of Revenue Act are strictly adhered to.

**4 Risk management and fraud prevention**

A new Fraud and Theft Prevention Plan will be implemented by 30 June 2001 in terms of the Public Finance Management Act, 1999 (Act No 1 of 1999) (as amended) and has as objective that:

- (a) the policies, procedures, rules, regulations and other government prescripts, including human resources policies be strictly adhered to;
- (b) the disciplinary code and procedures be applied and supervisors be trained in the application of the process thereof;
- (c) the prescribed internal control measures within policies, procedures, rules, regulations and other official prescripts be applied and adhered to;
- (d) a risk management plan be implemented in liaison with the Internal Audit Unit of Provincial Administration: Western Cape;
- (e) structured programme of ongoing risk assessment be introduced and maintained;
- (f) a Fraud Prevention Committee be established with terms of reference as set out in appendix 4 of the Plan;
- (g) the code of ethics and business conducts, as well as the Code of Conduct for the Public Service be respected and applied by all officials;
- (h) the Fraud Policy and Response Plan be supported and adhered to and that officials foster a culture of zero tolerance to corruption, fraud, theft and mal-administration by all individuals;
- (i) record be kept in respect of all allegations of fraud, as well as losses suffered or damages through criminal or possible criminal acts or omissions. In this regard officials were made aware of the Fraud Line 080-122-6545;

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**MANAGEMENT REPORT (continued)  
for the year ended 31 MARCH 2001**

- (j) physical security be tightened. Officials again be made aware of the Search Policy;
- (k) an awareness campaign be lodged, firstly by means of educational workshops and secondly by the use of posters, and
- (l) ongoing maintenance and review of the Plan be done.

The Plan was developed by the Internal Audit component of the Province and the effectiveness of the plan should be evident in the new financial year.

Prior to this plan, a Fraud Prevention Policy was introduced in terms of the Western Cape Exchequer Law, 1994, as well as the Financial Regulations and Treasury Instructions (Chapter W) and was approved by the Provincial Cabinet.

The system was strictly administered and functioned effectively. In all cases of fraud, theft, etc. reported, the circumstances that gave rise to the incident were analysed and preventative measures were taken to safeguard the Province's interest.

**5 Discontinued activities**

The provincial planning function was transferred to the Department of Provincial Administration at the end of September 2000. The unspent funds (R3 253 000) for the remaining of the financial year were shifted to the department and the suspension was taken up in the Adjustments Estimate for 2001.

**6 New activities/Proposed new activities**

The Department of Finance initially rendered a Departmental Accountant Service on a centralised basis for this Department. To keep in line with the spirit of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (as amended) the Department of Finance embarked on a process of decentralising the Departmental Accountant Services to the respective departments. As from 1 April 2001 the Department will render this service by itself with the Department of Finance playing a big role in the transitional phase.

The same process was followed with the Personnel function that was decentralised by the Department of Provincial Administration as from 1 April 2001 with the said department playing a supportive role in the transitional period.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**MANAGEMENT REPORT (continued)  
for the year ended 31 MARCH 2001**

Workstudy investigations were done on the functions with the new establishment for the Directorate Departmental Finance approved by the Provincial Cabinet per Minute 142/2001 dated 9 May 2001. The proposed establishment for the personnel and general administrative functions will be submitted to the Provincial Cabinet during June 2001.

**Approval**

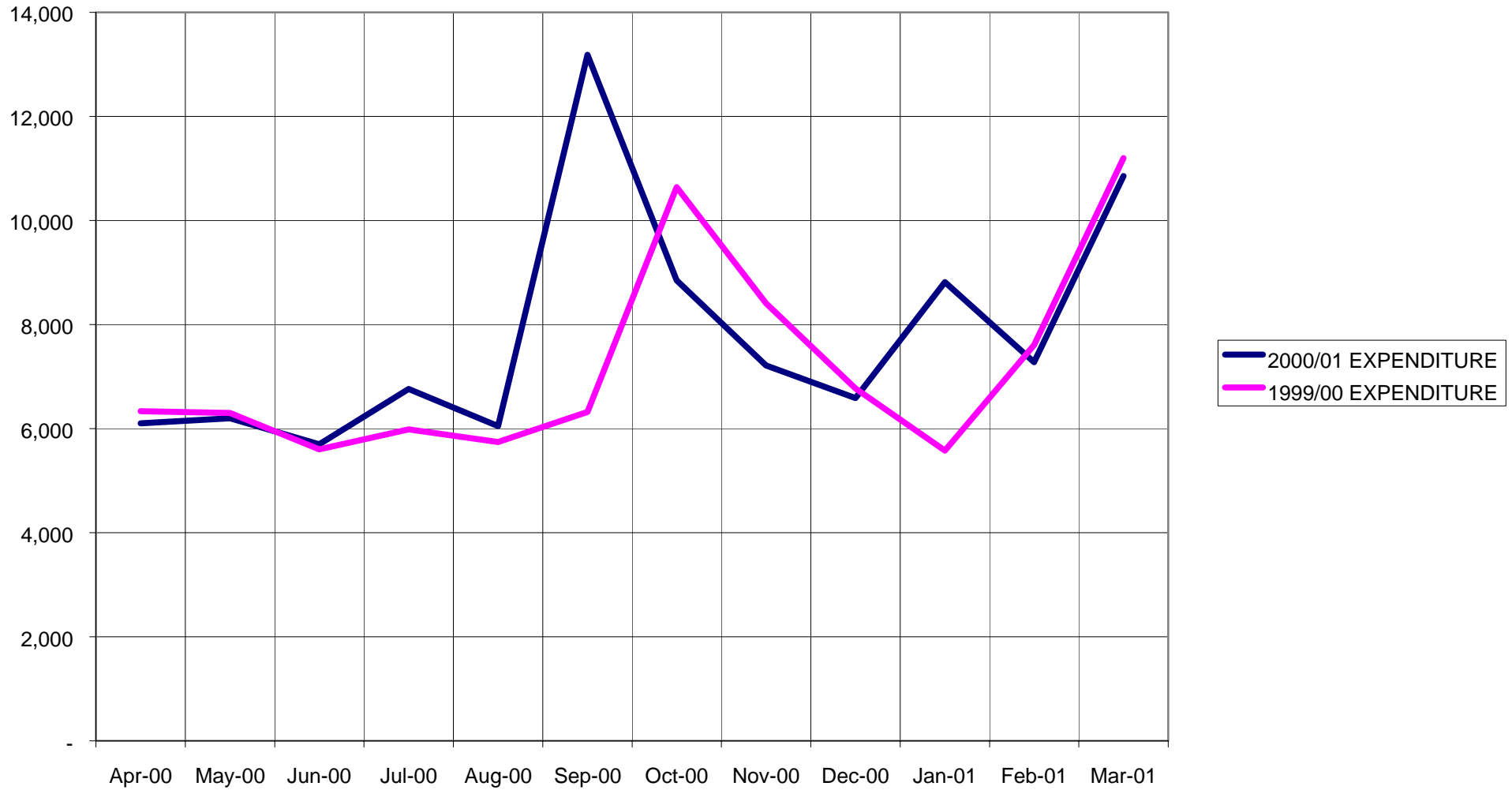
The attached annual financial statements and notes to the statement set out on pages 53 to 59 have been approved by the Accounting Officer.



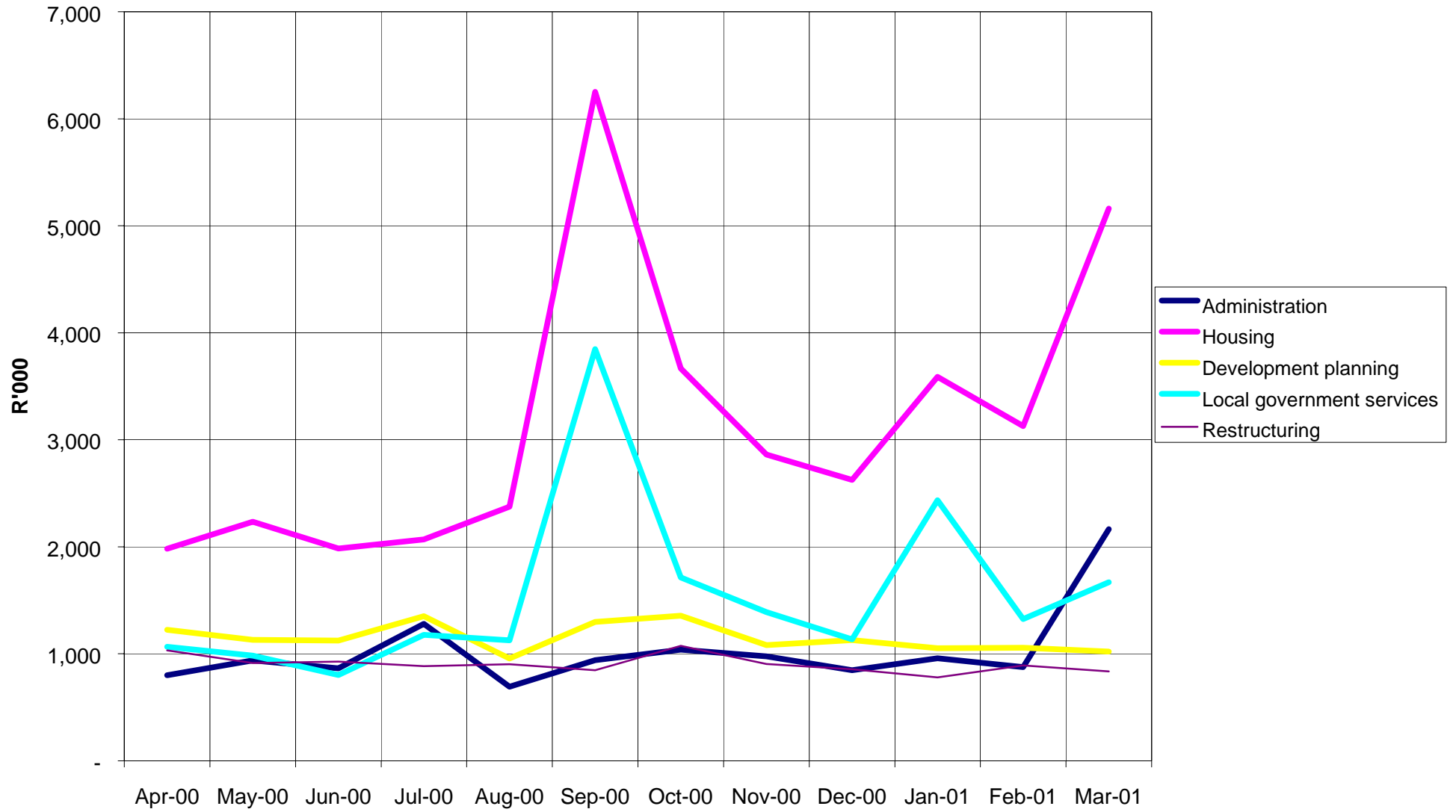
**J W Africa  
Accounting Officer**

**30 May 2001**

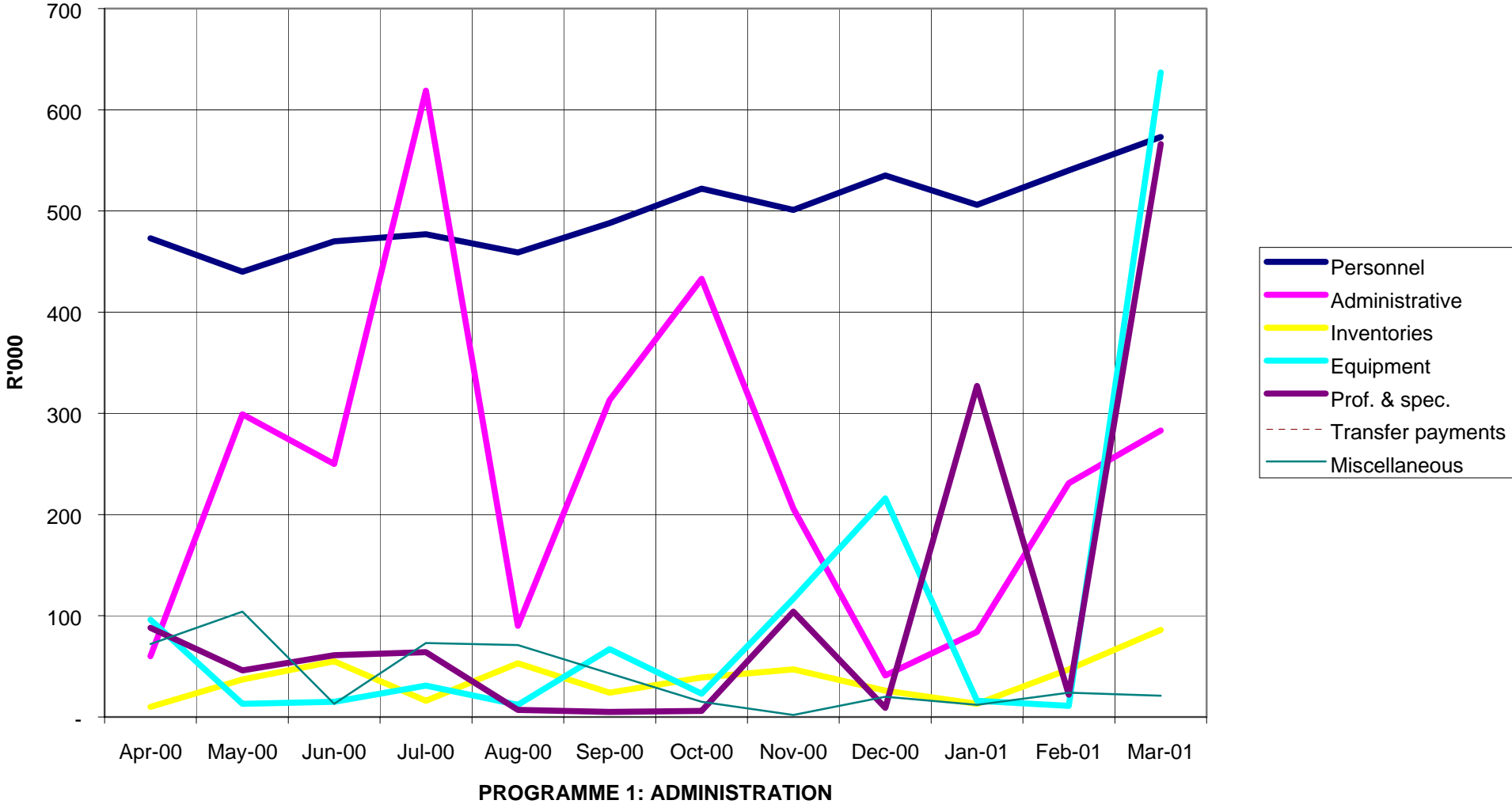
### 2000/01 VS 1999/00 SPENDING TRENDS



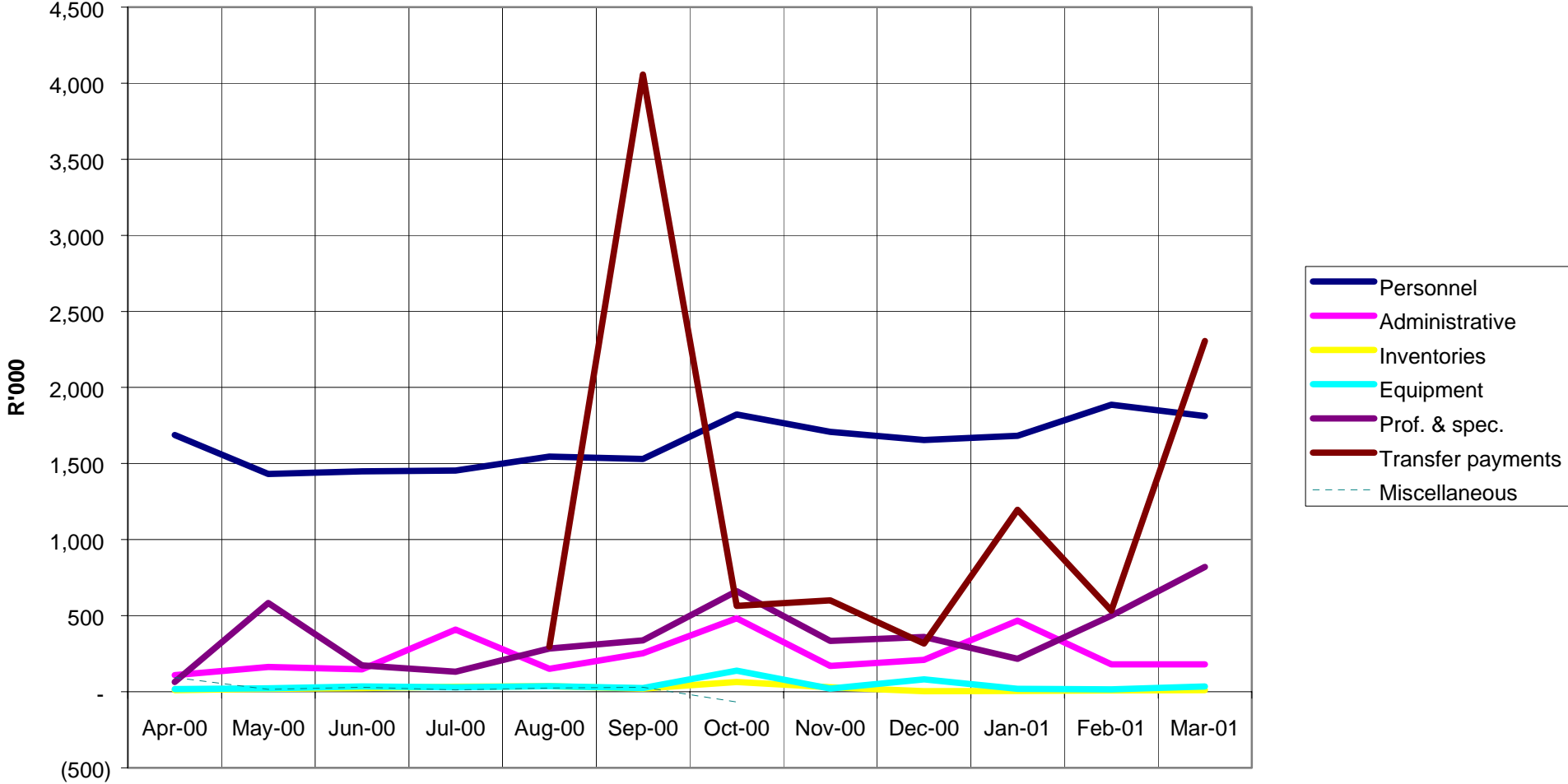
### 2000/01 SPENDING TRENDS PER PROGRAMME



**2000/01 SPENDING TRENDS PER STANDARD ITEM**

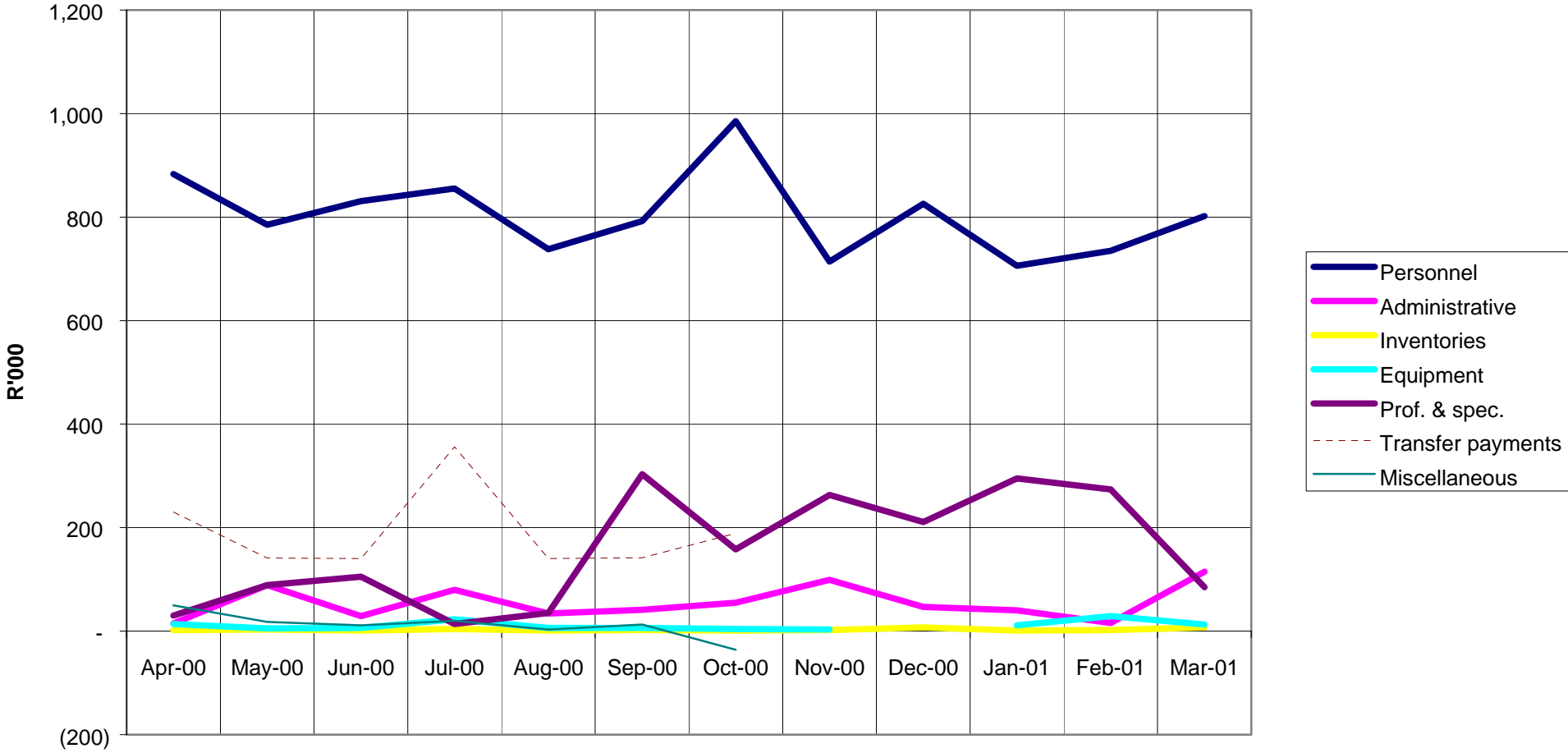


**2000/01 SPENDING TRENDS PER STANDARD ITEM**



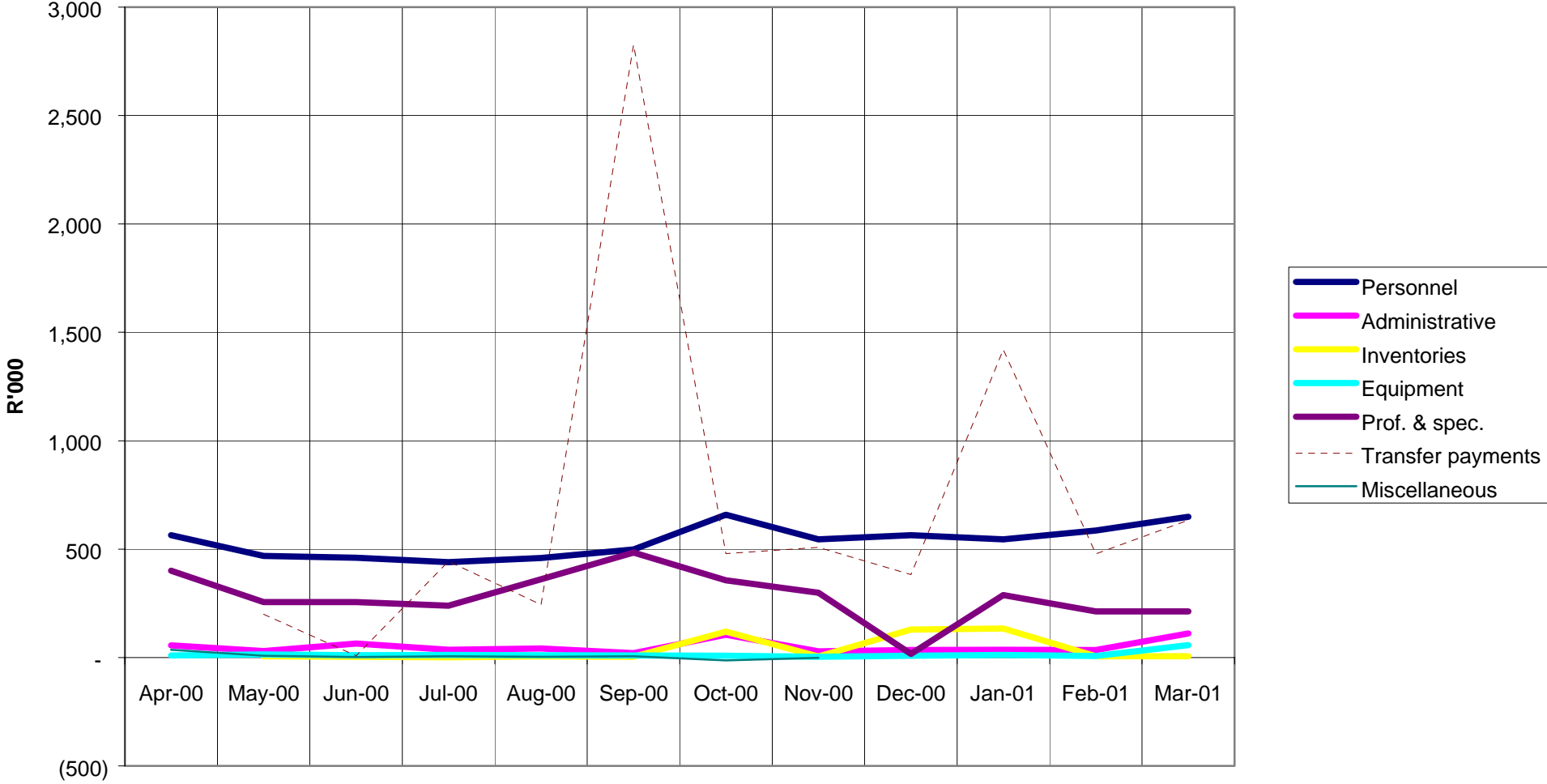
**PROGRAMME 2: HOUSING**

**2000/01 SPENDING TRENDS PER STANDARD ITEM**



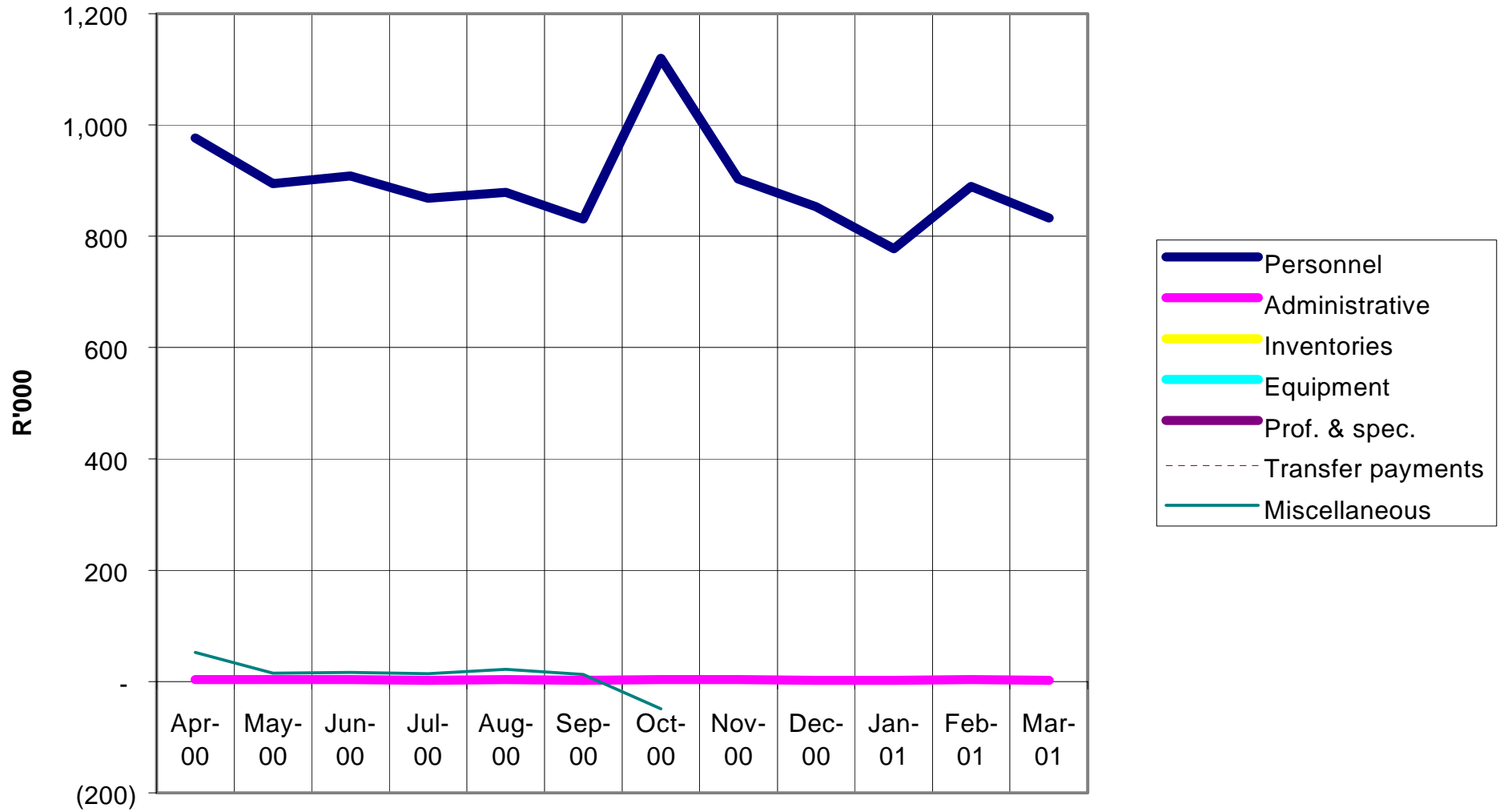
**PROGRAMME 3: DEVELOPMENT PLANNING**

**2000/01 SPENDING TRENDS PER STANDARD ITEM**



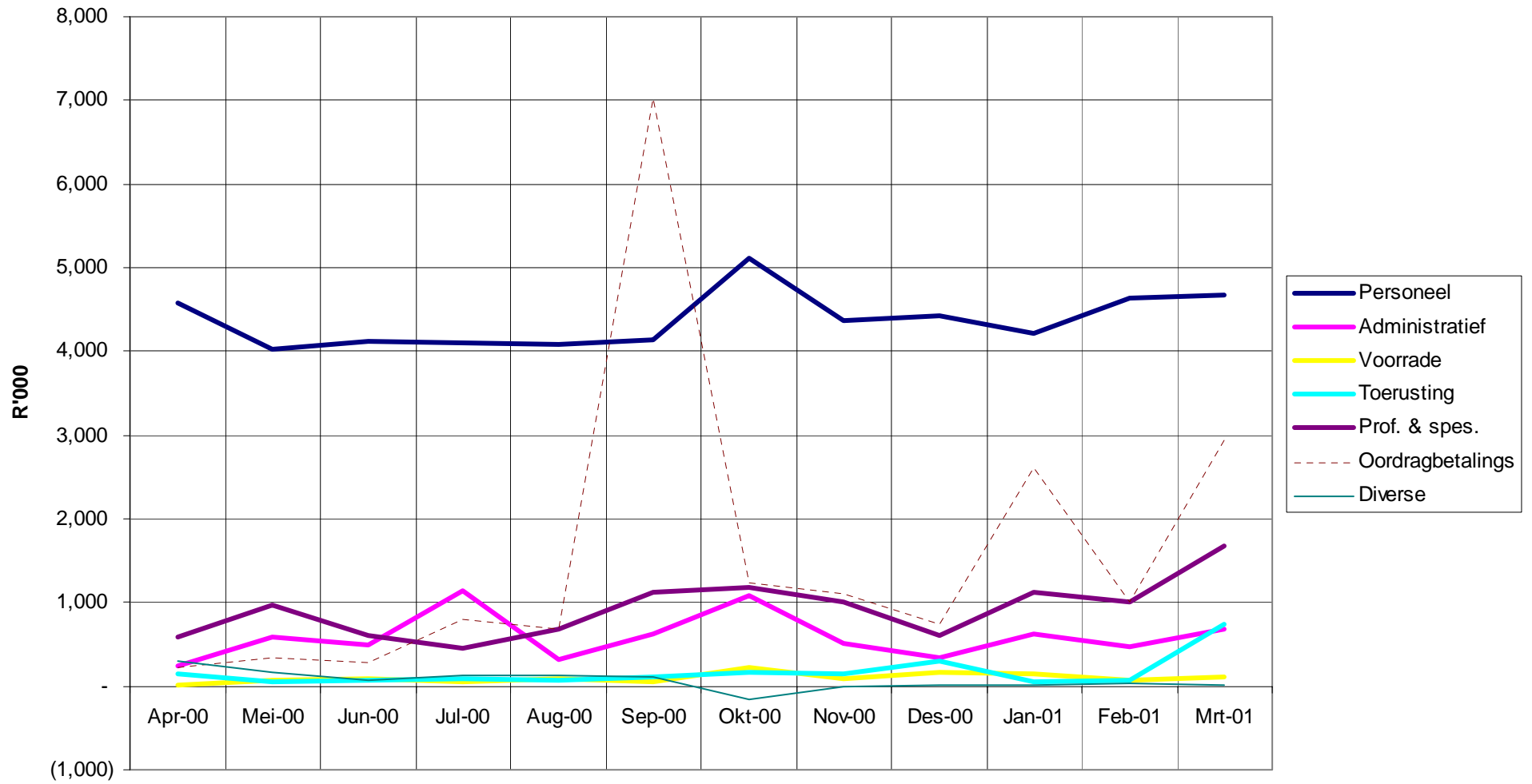
**PROGRAMME 4: LOCAL GOVERNMENT SERVICES**

**2000/01 SPENDING TRENDS PER STANDARD ITEM**



**PROGRAMME 5: RESTRUCTURING**

### 2000/01 SPANDERINGSPATROON PER STANDAARDITEM



BEGROTINGSPOS 8: BEPLANNING, PLAASLIKE BESTUUR EN BEHUISING

## **WESTERN CAPE PROVINCE**

### **DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

REPORT OF THE AUDITOR-GENERAL

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**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL  
STATEMENTS OF VOTE 8  
for the year ended 31 MARCH 2001**

**1. AUDIT ASSIGNMENT**

The financial statements as set out on pages 34 to 47 and pages 53 to 59, for the year ended 31 March 2001, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements and the compliance with relevant laws and regulations, applicable to financial matters, based on the audit.

**2. REGULARITY AUDIT**

**2.1 Nature and scope**

**2.1.1 Financial audit**

The audit was conducted in accordance with generally accepted government auditing standards which incorporate generally accepted auditing standards. These standards require the audit to be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Due to the nature of the prescribed accounting practice, the audit was performed within a financial reporting framework which does not at this stage necessarily result in a fair presentation of the results of operations, financial position and cash flows for the financial year.

I believe that the audit provides a reasonable basis for my opinion.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL  
STATEMENTS OF VOTE 8 (continued)  
for the year ended 31 MARCH 2001**

**2.1.2 Compliance audit**

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

I believe that the audit provides a reasonable basis for my opinion.

**2.2 Audit opinion**

**2.2.1 Financial audit**

In my opinion, the financial statements fairly present, in all material respects, the results of the operations of the Vote for the year ended 31 March 2001 in accordance with prescribed accounting practice and in the manner required by the relevant act.

**2.2.2 Compliance audit**

Based on the audit work performed, nothing has come to my attention that causes me to believe that material non-compliance with laws and regulations, applicable to financial matters, has occurred.

**3. EMPHASIS OF MATTER**

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

**3.1 Financial statements**

3.1.1 A separate cash flow statement and balance sheet were not submitted for this Vote. Explanations in this regard were requested from the head of the Department of Finance, who indicated that it is not possible to split the trial balance for departments sharing a Financial Management System (FMS) code into individual departments for the purposes of compiling separate cash flow statements and balance sheets, mainly for the following reasons:

- (a) On the FMS, the accounts for exchequer issues, paymaster-general and orders payable are treated as principal responsibility access suspense accounts, i.e. only the head office has access to these accounts. All departments that share a FMS department code also share these accounts. The structuring of these accounts on the FMS makes it impossible to request separate financial reports for the departments that share the particular FMS department code.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL  
STATEMENTS OF VOTE 8 (continued)  
for the year ended 31 MARCH 2001**

- (b) Furthermore, because sharing departments have to use the same bank account, it is also not possible to determine the allocation of unmatched entries in the banking suspense accounts, viz. the deposit, orders payable and paymaster-general accounts. The reasons for this are mainly because monies are credited to the banking account before the FMS is advised of the relevant deposits and because payment transactions are recorded per cheque number, which are not sub-divided per department.
- (c) The paymaster-general account is a reflection of the bank account held at a banking institution. Since the paymaster-general account is held per FMS department code, it is not possible to apportion parts of the bank balance to a specific department.
- (d) In most instances the salary system interfaces are effected globally into the FMS against a principal responsibility, which makes it impossible to identify the departments on whose behalf pay-overs were made, given that only one amount is paid per deduction account and per FMS department code.

3.1.2 Due to the above-mentioned reasons, a consolidated cash flow statement and balance sheet, as well as the notes thereto, were submitted and published in the annual report of Vote 3 – Finance. The latter reflects the consolidated position of the FMS department code 70, which incorporates Vote 1 – Premier, Director-General and Corporate Services, Vote 3 – Finance, Vote 4 – Community Safety, Vote 8 – Planning, Local Government and Housing and Vote 9 – Environmental and Cultural Affairs and Sport.

### **3.2 Internal audit**

At a Cabinet meeting held on 19 September 1999, it was approved that certain support services should be delivered on a centralised basis, and that this situation would be reviewed after two years. Based on this, the internal audit function of the Provincial Administration: Western Cape was established as a centralised (shared) function for all the respective departments within the Administration. During the 2000-01 financial year the internal audit department formed part of Vote 1 – Premier, Director-General and Corporate Services. An evaluation of the internal audit function of the Administration is included in the Report of the Auditor-General on the financial statements of the aforementioned vote for the year ended 31 March 2001.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL  
STATEMENTS OF VOTE 8 (continued)  
for the year ended 31 MARCH 2001**

**3.3 Audit committee**

On 4 May 2000, the Minister of Finance, in accordance with the powers assigned to him in terms of sections 17(2) and 77(c) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), established a centralised audit committee for the Provincial Administration: Western Cape for a period of two years. An evaluation of the functions of the audit committee of the Administration is included in the Report of the Auditor-General on the financial statements of Vote 1 – Premier, Director-General and Corporate Services for the year ended 31 March 2001.

**4. APPRECIATION**

The assistance rendered by the accounting officer and his staff during the audit is sincerely appreciated.



**W.J. Brits**  
*for Auditor-General*

**Cape Town**  
**31 July 2001**

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS  
for the year ended 31 MARCH 2001**

**1 Basis of accounting**

The financial statements have been, unless otherwise indicated, prepared on the historical cost basis in accordance with the following policies which have been applied consistently in all material respects.

**1.1 Underlying assumptions**

The financial statements have been prepared on the cash basis of accounting except where stated otherwise. Under the cash basis of accounting, transactions and other events are recognised when cash is received or paid. This basis of accounting measures financial results for a period as the difference between cash receipts and cash payments. Reliance is placed on the fact that the Department is a going concern.

**1.2 Revenue**

Revenue of the Province and/or departmental receipts are paid over to the Provincial Revenue Fund. Unexpended voted funds are surrendered to the Provincial Revenue Fund.

**1.3 Expenditure**

The income statement includes both current and capital expenditure. Unauthorised expenditure is not accounted for as expenditure until such expenditure is either authorised by the Provincial Parliament, recovered from a third party, or funded from the following year's appropriation.

**1.4 Assets**

Physical assets (fixed assets, moveable assets and inventories) are written off in full when they are paid for and are accounted for as expenditure in the income statement. The balance sheet therefore excludes physical assets unless stated otherwise.

**1.5 Receivables and payables**

Receivables and payables are not normally recognised under the cash basis of accounting. However, receivables and payables included in the balance sheet arise from cash payments which are recoverable and cash receipts which are due to either the Provincial Revenue Fund or another party.

**WESTERN CAPE PROVINCE  
DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING**

**STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS  
(continued)  
for the year ended 31 MARCH 2001**

**2 Comparative figures**

The comparative figures shown in the income statement are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting in terms of the Public Finance Management Act.

**3 Unauthorised, irregular, and fruitless and wasteful expenditure**

Unauthorised, irregular, and fruitless and wasteful expenditure is treated as a current asset in the balance sheet until such expenditure is either recovered, authorised by Provincial Parliament, or set off against future voted funds.

**4 Debt write-off policy**

All debts resulting from Departmental activities such as board and lodging, salary overpayments, supplier disallowances etc., are dealt with in accordance with the prescripts as contained in the Public Finance Management Act, Treasury Regulations, Provincial Treasury Directives and Standing Delegations. These *inter alia* include the following-up of debts, direct payroll deductions, legal recourse against defaultees and writing off of debts if all avenues have been exhausted without any success.

<b>WESTERN CAPE PROVINCE</b>					
<b>DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING</b>					
<b>INCOME STATEMENT</b>					
<b>for the year ended 31 MARCH 2001</b>					
(all figures R'000 unless otherwise indicated)					
Previous year	INCOME	Note	Current year		
Actual			Actual	Voted amount	Variance Over/(under) collection
	Voted funds				
30,827	- Conditional grants	1	364,360	364,360	-
83,381	- Other voted funds	2	100,324	100,324	-
	- Other receipts	3	664	-	664
<b>114,208</b>	<b>Total</b>		<b>465,348</b>	<b>464,684</b>	<b>664</b>
Actual			Actual	Voted amount*	Variance Under/(over) expenditure
86,657	<b>EXPENDITURE</b>		435,067	464,684	29,617
<b>27,551</b>	<b>NET SURPLUS FOR THE YEAR</b>		<b>30,281</b>	-	<b>30,281</b>
Actual			Actual		
	Income transferable to Revenue Fund	4	664		
	Voted funds to be surrendered to Revenue Fund				
	- Conditional grants		7,380		
27,551	- Other voted funds		22,237		
<b>27,551</b>	<b>Total</b>		<b>30,281</b>		
Actual	EXPENDITURE PER PROGRAMME		Actual	Voted amount†	Variance Under/(over) expenditure
10,703	Programme 1: Administration		12,375	14,049	1,674
42,364	Programme 2: Housing		379,392	390,396	11,004
20,081	Programme 3: Development planning		13,782	22,016	8,234
13,454	Programme 4: Local government services		18,666	25,835	7,169
-	Programme 5: Restructuring		10,847	12,383	1,536
55	Programme: Special functions		5	5	-
<b>86,657</b>	<b>Total</b>	5 & 6	<b>435,067</b>	<b>464,684</b>	<b>29,617</b>
Actual	EXPENDITURE PER STANDARD ITEM		Actual	Voted amount†	Variance Under/(over) expenditure
50,889	Personnel expenditure		52,466	60,526	8,060
7,233	Administrative expenditure		7,120	8,243	1,123
867	Stores and livestock		1,170	1,363	193
2,218	Equipment	7	2,010	2,916	906
8,629	Professional and special services	8	11,017	18,045	7,028
15,291	Transfer payments	9	360,461	372,748	12,287
1,530	Miscellaneous	10	823	843	20
<b>86,657</b>	<b>Total</b>		<b>435,067</b>	<b>464,684</b>	<b>29,617</b>
Actual	ECONOMIC CLASSIFICATION OF EXPENDITURE		Current year actual	Current year % of total	
1,485	Capital expenditure		1,260	0.29%	
69,881	Current expenditure		73,346	16.86%	
2,100	Capital transfers		349,669	80.37%	
13,191	Current transfers		10,792	2.48%	
<b>86,657</b>	<b>Total</b>		<b>435,067</b>	<b>100.00%</b>	
<b>PRIOR YEAR EXPENDITURE ALLOWED DURING CURRENT YEAR</b>					
Actual	Reason why previously disallowed	Nature of expenditure	Actual		

		<b>e</b>			
	Unauthorised expenditure	Election costs	2		
	<b>Total</b>		<b>2</b>		
	-				
*	Includes adjustment appropriations				
†	Includes adjustment appropriations and subsequent virements				

<b>WESTERN CAPE PROVINCE</b>					
<b>DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING</b>					
<b>NOTES TO THE INCOME STATEMENT</b>					
<b>for the year ended 31 MARCH 2001</b>					
(all figures R'000 unless otherwise indicated)					
<b>1</b>	<b>Conditional grants received</b>				
	<b>Received from</b>	<b>Purpose</b>	<b>Actual</b>	<b>Voted amount</b>	<b>Variance Over/(under) collection</b>
	National Department of Housing	SA Housing Fund	341,466	341,466	-
	National Department of Housing	Human settlement redevelopment programme	9,000	9,000	-
	National Department of Housing	Capacity building	1,860	1,860	-
	National Department of Housing	Hostels redevelopment programme	3,000	3,000	-
	National Department of Housing	Hostels policy	750	750	-
	National Department of Provincial and Local Government	Management support programme	8,284	8,284	-
	<b>Total</b>		<b>364,360</b>	<b>364,360</b>	<b>-</b>
<b>2</b>	<b>Voted funds</b>				
			<b>Actual</b>	<b>Voted amount</b>	<b>Variance Over/(under) collection</b>
	Current year		100,324	100,324	-
<b>3</b>	<b>Other receipts</b>				
			<b>Actual</b>	<b>Voted amount</b>	<b>Variance Over/(under) collection</b>
	Subsidised motor transport		215	259	(44)
	<b>Moneys not prescribed by law/ordinances</b>				
	Miscellaneous capital receipts		12	27	(15)
	Stale cheques		7		7
	Memorandum costs		-	4	(4)
	Sales		2	6	(4)
	<b>Miscellaneous</b>				
	Refunds previous years		256	30	226
	Other		172	396	(224)
	<b>Total</b>		<b>664</b>	<b>722</b>	<b>(58)</b>
<b>4</b>	<b>Income transferable to Revenue Fund</b>				
	<b>Description</b>		<b>Actual</b>		
	Revenue transfers i.r.o. previous year		-		

	Revenue transfers i.r.o. current year		658			
	Current year revenue transfers outstanding		6			
	<b>Total</b>		<b>664</b>			

<b>WESTERN CAPE PROVINCE</b>				
<b>DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING</b>				
<b>NOTES TO THE INCOME STATEMENT (continued)</b>				
<b>for the year ended 31 MARCH 2001</b>				
(All figures R'000 unless otherwise indicated)				
<b>5</b>	<b>Expenditure per programme and explanation of material differences</b>	<b>Actual</b>	<b>Voted amount†</b>	<b>Variance Under/(over) expenditure</b>
	<b>Programme 1: Administration</b>	<b>12,375</b>	<b>14,049</b>	<b>1,674</b>
	Sub programme: Corporate services	10,217	11,373	1,156
	Sub programme: Office of the Provincial Minister of Local Government	866	1,078	212
	Sub programme: Office of the Provincial Minister of Housing	1,292	1,598	306
	<b>Programme 2: Housing</b>	<b>379,392</b>	<b>390,396</b>	<b>11,004</b>
	Sub programme: Administration	1,425	2,341	916
	Sub programme: Housing management	349,047	352,886	3,839
	Sub programme: Housing settlement	10,200	11,401	1,201
	Sub programme: Professional and technical services	18,720	23,768	5,048
	<b>Programme 3: Development planning</b>	<b>13,782</b>	<b>22,016</b>	<b>8,234</b>
	Sub programme: Administration	585	1,772	1,187
	Sub programme: Regional Planning	5,195	10,884	5,689
	Sub programme: Information management	1,190	1,527	337
	Sub programme: Provincial planning	2,499	2,499	-
	Sub programme: Land development management	4,313	5,334	1,021
	<b>Programme 4: Local government services</b>	<b>18,666</b>	<b>25,835</b>	<b>7,169</b>
	Sub programme: Administration	544	731	187
	Sub programme: Local government: Legislation and administration	2,212	3,016	804
	Sub programme: Local government: Development	6,547	7,870	1,323
	Sub programme: Local government: Finance	9,363	14,218	4,855
	<b>Programme 5: Restructuring</b>	<b>10,847</b>	<b>12,383</b>	<b>1,536</b>
	<b>Programme: Special Functions</b>	<b>5</b>	<b>5</b>	<b>-</b>
	Thefts and losses	5	5	-
	<b>Total</b>	<b>435,067</b>	<b>464,684</b>	<b>29,617</b>
	<b>Explanation of material differences</b>			
	Programme 1: Administration			
	The saving is due to the non-filling of posts because of a work study investigation, as well as Justice claims not yet received for court cases.			
	Programme 2: Housing			
	The saving is due to the non-filling of posts, the centralizing of stores and other administrative expenditure, contracts with consultants not yet completed and business plans I.r.o. conditional grants not yet approved by the National Department of Housing.			
	Programme 3: Development planning			
	The saving is due to the non-filling of posts, the centralizing of stores and other administrative expenditure, contracts with consultants not yet completed and the non payment of assistance to local authorities because of the 2000 municipal elections.			
	Programme 4: Local government services			

	The saving is due to the non-filling of posts, the centralizing of some administrative expenditure, contracts with consultants not yet completed and the postponement of the Management Support Programme at local authorities because of the 2000 municipal elections.					
	Programme 5: Restructuring					
	The saving is due to the phasing out of super-numeraries.					
†	Includes adjustments appropriations and subsequent virements					

<b>WESTERN CAPE PROVINCE</b>						
<b>DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING</b>						
<b>NOTES TO THE INCOME STATEMENT (continued)</b>						
<b>for the year ended 31 MARCH 2001</b>						
<b>(all figures R'000 unless otherwise indicated)</b>						
<b>6</b>	<b>Virements applied on expenditure per programme</b>	<b>Actual</b>	<b>Voted amount*</b>	<b>Variance Under/(over) expenditure</b>	<b>Virement approved</b>	<b>Virement %</b>
	Programme 1: Administration	12,375	14,044	1,669	(5)	0,04%
	Programme 2: Housing	379,392	390,396	11,004	-	-
	Programme 3: Planning	13,782	22,016	8,234	-	-
	Programme 4: Local government services	18,666	25,835	7,169	-	-
	Programme 5: Restructuring	10,847	12,383	1,536	-	-
	Programme: Special Functions	5	-	(5)	5	-
	<b>Total</b>	<b>379,392</b>	<b>390,396</b>	<b>11,004</b>	<b>-</b>	
<b>7</b>	<b>Equipment</b>		<b>Actual</b>			
	Current		750			
	Capital		1,260			
	<b>Total</b>		<b>2,010</b>			
<b>8</b>	<b>Professional and special services</b>		<b>Actual</b>			
	State Attorney		1,864			
	Private attorneys		40			
	Auditors remuneration		869			
	Computer services		11			
	Planning fees		29			
	Consultants		6,025			
	Contractors		31			
	Deed fees		356			
	Injury on duty		45			
	Courier services		13			
	Human resource development		1,244			
	Committee and council members		459			
	Other		31			
	<b>Total</b>		<b>11,017</b>			
<b>9</b>	<b>Transfer payments</b>					
	<b>Transferee</b>	<b>Purpose</b>	<b>Actual</b>	<b>Voted amount†</b>	<b>Variance Under/(over) expenditure</b>	
	National Department of Housing	SA Housing Fund	341,466	341,466	-	
	National Department of Housing	Human settlement redevelopment programme	5,203	9,000	3 797	
	National Department of Housing	Hostels redevelopment programme	3,000	3,000	-	
	National Department of Provincial and Local Government	Management support programme	4,229	8,284	4 055	
	National Department of Provincial and Local Government	Local government assistance	2,170	-	(2 170)	
	Other transfers by the Department	Western Cape Housing Conference	-	250	250	
		Local Government assistance	-	1,500	1,500	

	Paarl farms project	-	250	250	
	Spatial frameworks	37	4,424	4	
				<b>387</b>	
	Settlement assistance	1,795	2,013	218	
	Fire fighting helicopter	1,123	1,123	-	
	SA Surf Lifesaving Assosiation	100	100	-	
	Povincial Development Council	1,338	1,338	-	
	<b>Total</b>	<b>360,461</b>	<b>372,748</b>	<b>12,287</b>	
*	Includes adjustment appropriations, but excludes virements				
†	Includes adjustment appropriations and subsequent virements				

<b>WESTERN CAPE PROVINCE</b>						
<b>DEPARTMENT OF PLANNING, LOCAL GOVERNMENT AND HOUSING</b>						
<b>NOTES TO THE INCOME STATEMENT (continued)</b>						
<b>for the year ended 31 MARCH 2001</b>						
<b>(all figures R'000 unless otherwise indicated)</b>						
9.1	Report on written assurance obtained from entities					
	To ensure compliance with section 38 (1)(j) of the PFMA, all entities that received transfer payments from this Department had to provide written certification/proof of the following:					
	- that funds were solely utilised for the purpose it was approved					
	- audited financial statements or certified as materially by a registered accountant					
	- adequate systems of bookkeeping and internal control exists					
	- that expenditure vouchers pertaining to the actual projects/service are kept for audit purposes					
	Funds were withheld from those entities which could not provide the required written assurances.					
<b>10</b>	<b>Miscellaneous</b>		<b>Actual</b>			
	Stabilisation fund		380			
	Pension surplus staff		334			
	Local Authorities Medical Aid Fund (LAMAF)		87			
	Group Insurance		2			
	Material losses through criminal conduct		4			
	Other material losses written off		1			
	Gifts, donations and sponsorships made		15			
	<b>Total</b>		<b>823</b>			
10.1	Material losses through criminal conduct					
	<b>Incident</b>	<b>Criminal proceedings/ disciplinary steps taken</b>	<b>Amount</b>			
	Theft of cellphones (3 cases)	None	4			
	<b>Total</b>		<b>4</b>			
10.2	Other material losses written off					
	<b>Nature of loss</b>	<b>Reason</b>	<b>Amount</b>			
	Damages to GG-vehicles claimed from the Department (3 cases)	Irrecoverable	1			
	<b>Total</b>		<b>1</b>			
10.3	Gifts, donations and sponsorships paid in cash					
	<b>Paid to</b>	<b>Purpose</b>	<b>Value</b>			
	Donation to Cape Town Women Festival Trust	Promotion of gender awareness	10			
	Provincial Corporate gifts	Intergovernmental relations	5			
	<b>Total</b>		<b>15</b>			
<b>11</b>	<b>Receipts from other departments</b>					
	<b>Name of department</b>	<b>Nature of receipt</b>	<b>Amount</b>			
	National Department of Housing	Conditional grant	356,076			
	National Department of Provincial and Local Government	Conditional grant	8,284			
	<b>Total</b>		<b>364,360</b>			