ANNUAL REPORT
2022/23 FINANCIAL YEAR
PROVINCE OF KWAZULU-NATAL ▪ VOTE NO. 3



Honourable MEC: Mr Super Zuma (MPL)

KWAZULU-NATAL PROVINCE
OFFICE OF THE PREMIER
REPUBLIC OF SOUTH AFRICA

#PHEZ' KOMKHONO

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GROWING KWAZULU-NATAL TOGETHER

KWAZULU-NATAL PROVINCE
AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT

2022/2023 FINANCIAL YEAR

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PROVINCE OF KWAZULU-NATAL

VOTE NO. 3

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PART A: GENERAL INFORMATION

DEPARTMENT GENERAL INFORMATION

1. PART A: GENERAL INFORMATION

DEPARTMENT GENERAL INFORMATION

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LIST OF ABBREVIATIONS/ACRONYMS

ADA TRUST	Agribusiness Development Agency Trust
AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan

1.1. Foreword by MEC of the Department

The Department is delighted to share its 2022/23 Annual Report with the oversight structures and the public in compliance with the relevant disclosure frameworks of government. Consistent with our commitment to good governance, accountability and transparency, we are duty-bound to ensure that the legislature, that exercises oversight over our work, the Office of the Auditor-General, Treasury amongst other various stakeholders, receive financial and non-financial performance information of the Department.

The Department recorded 100% budget expenditure for the first time in its history. This excellent budget performance was supported by similarly improved service delivery performance with 92% APP targets achieved. This reaffirms the Departments seriousness on matters on governance. The Department is intent on maintaining its audit achievements and drive governance controls maturity.

On the service delivery front, the Department is clear in its resolve to fight food insecurity; drive farmer development and support and sector growth. There is pronounced priority to Food and Nutrition Security, extending to support to impoverished households and subsistence farmers.

The Department want to see a more impactful provision of mechanisation services, extension services and production inputs to give practical support to smallholder producers. There's no doubt that if we want to respond to the needs of our people, we need to "quicken the Tempo", in delivering the service to our people. As part of mitigating the triple challenges of poverty, unemployment and inequality, we will be driving township agriculture programme which will be intertwined with our One Home One garden programme.



Mr. BM ZUMA (MPL)
MEC: Agriculture and Rural Development

1.2. REPORT OF THE ACCOUNTING OFFICER

Collection of Departmental Revenue

The table below provides the summary of the departmental receipts for 2021/22 and 2022/23 financial years by type of receipt. The total actual revenue increased from R27.987 million in 2021/22 to R30.016 million in 2022/23, an increase of R2.029 million. Actual for 2022/23 exceeded the Estimated Budget by R6.256 million.

Departmental Own Receipts by main revenue category

Departmental receipts	***2021/22***			***2022/23***		
	Estimate	***Actual amount collected***	***(Over)/ Under Collection***	***Estimate***	***Actual amount collected***	***(Over)/ Under Collection***
	R'000	***R'000***	***R'000***	***R'000***	***R'000***	***R'000***
Sale of goods and services other than capital assets	18 477	25 234	(6 757)	19 444	20 839	(1 395)
Fines, penalties and forfeits	1	0	0	1	0	1
Interest, dividends and rent on land	23	0	23	24	91	(67)
Sale of capital assets	3 400	2 025	1 375	3 563	7 789	(4 226)
Financial transactions in assets and liabilities	695	728	(33)	728	1 297	(569)
TOTAL	***22 598***	***27 987***	***(5 389)***	***23 760***	***30 016***	***(6 256)***

The reasons for the under / (over) collection for 2022/23 are provided by category as follows:

- *Sale of goods and services other than capital assets* over-collected by R1.395 million. This category comprises mainly of receipts relating to the laboratory samples, rendering of academic services such as registration, tuition fees and accommodation at the department's agricultural colleges as well as the revenue from the sale of departmental Assets less than R5 000. The over collection in 2022/23, is mainly attributed to higher than anticipated proceeds from the sale of redundant current assets during the public auctions.

- *Fines. Penalties and forfeits* has a nominal budget of R1 000 in respect of lost and/or late return of library books at the Colleges library and this reflects no revenue as the actual amount of R125 collected is below R1 000.

- *Interest, dividends and rent on land* recorded over-collection of R67 000 is due to the accounting treatment for the interest relating to an unrecoverable debt that was written off.

- *Sale of capital assets* reflects an over collection of R4.226 million due to higher than anticipated proceeds from the auction for redundant assets such as vehicles, machinery and equipment in the current year.

- *Transactions in financial assets and liabilities* reflects an over collection of R569 000 relating to recovery of overpaid bursaries to academic institutions.

Tariff Policy

The Department reviews the fees charged for services rendered on an annual basis as part of the budget process and where possible, aligned the fees with national and provincial norms. The review is done in consultation with all relevant role- players and submitted to the Provincial Treasury for approval. The approved fees for the 2022/23 financial year were circulated for implementation with effect from 1 April 2022.

Free Services

The Department received Provincial Treasury Approval to grant thirty (30) students exemption from college fees. Twenty students would be from KZN Agricultural schools and ten students would be from financially disadvantaged backgrounds. The selection of these students is based on merit. Apart from this, the department does not provide free services, except for extension services and controlled diseases.

Departmental Expenditure

The table below provides analysis of departmental expenditure against final appropriation at programme level for the 2021/22 and 2022/23 financial years. The departments spending of its budget has improved significantly over the last few financial years with under-expenditure reducing from R98.648 million in 2019/20 to R17.151 million in 2020/21 and R1.016 million in 2021/22. The department spent 100 per cent of its budget allocation in 2022/23 financial year, resulting in no variance against the final appropriation.

R'000	2021/22			2022/23		
Programme	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/ Under Expenditure R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/Under Expenditure R'000**
1. Administration	634 016	633 680	336	687 734	687 734	-
2. Agriculture	1 836 232	1 835 552	680	1 781 598	1 781 598	-
3. Rural Development	75 774	75 774	-	79 916	79 916	-
TOTAL	**2 546 022**	**2 545 006**	**1 016**	**2 549 248**	**2 549 248**	**-**

Virements / Roll-Overs

An amount of R20.120 million was moved from Programme 1: Administration and R5.730 million from Programme 3: Rural Development into Programme 2: Agriculture, resulting in the increase of R25.850 million for the department's main service delivery programme. The details of the virements is provided in the Appropriation Statement for 2022/23 financial year and all virements are undertaken according to the PFMA and Treasury Regulation prescripts. The increase under Programme 2 was mainly to cater for supporting beneficiaries with mechanization services as well as acquisition of dipping chemicals, tractors and heavy machinery and plant. The heavy machinery and plant will be utilized for improving the on-farm infrastructure such as scooping of stock-water dams, on filed roads and culverts.

The department also undertook virements between economic classifications within the Programmes. Such movements are undertaken to utilize under expenditure in some areas to augment budgets in other spending areas as well as providing additional funding for the acquisition of dipping chemicals and fertilizer to assist the emerging and small scale farmers. With regards to roll-overs, the department has not requested any roll-over to the 2023/24 financial year.

Unauthorized, fruitless and wasteful expenditure

The department did not record any unauthorized expenditure. However, an amount of R137,000 is recorded as fruitless and wasteful expenditure in the current financial year made up of interest payment of R131,000 in respect of arrear GEPF contribution for employee who was incorrectly terminated and R6,000 relating to no-show for accommodation for three separate incidents where officials fell ill on day of the accommodation and therefore could not be cancelled on time. The fruitless expenditure has been investigated by the department's loss control committee and subsequently approved for write-off by the Accounting Offices as officials are either no longer with the department and/or could not be held liable to circumstances beyond their control.

Supply Chain Management

The department utilizes the Central Supplier Database to source quotations and verify registration for bids during the 2022/23 financial year. The selection of the suppliers from the CSD is done manually as there is no e-procurement system. Furthermore, the department utilized internal departmental approved panel of contractors for the supply and deliver of fertilizer and mechanization services, delivery of seeds, seedlings and fruit trees. The department also makes use of the national RT contracts where applicable such as delivery of chemicals and veterinary supplies, animal feed, vehicles, tractors, etc.

The department has a SCM Policy, Delegations and Procedures in place to, amongst others, prevent irregular expenditure. Nevertheless, irregular expenditure of R11.393 million is recorded in 2022/23, decrease from R17.223 million in 2021/22. The irregular expenditure of R11.393 million relates to the non-adherence to SCM processes amounting to R10.287 million and use of expired contracts of R1.106 million.

Gifts, Donations and Sponsorship received from non-related parties

The department did not receive any gifts, donations or sponsorship in 2022/23.

Exemptions and deviations received from the National/Provincial Treasury

The department did not receive any exemptions and deviations from the Treasuries in 2022/23. However, the Accounting Office approved deviations from normal procurement processes where it was deemed impracticable to source quotations due to the nature of services required such as utility services from municipalities, specific training needs, marketing and advertising in the media as well as specific laboratory consumables/services required in the department's laboratories.



Mr ZN Dlamini

Acting Head of Department: Agriculture and Rural Development

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully



Mr ZN Dlamini
Acting Head of Department: Agriculture and Rural Development

1.4. Strategic Overview

1.4.1. Vision

An inclusive, sustainable and radically transformed agricultural sector that builds thriving communities in balance with nature.

1.4.2. Mission

To maximise agricultural potential through comprehensive farmer support and technological services for inclusive growth and sustainable rural development.

1.4.3. Values

Batho-Pele and Service Orientation	Department officials will conduct themselves in a manner befitting a government that is caring, dedicated and pro poor, influenced by the spirit of Ubuntu.
Co-Operative Governance and Strategic Partnerships	Department commits itself to the principles of cordial inter-governmental relations and strategic partnerships across all spheres of society, with particular focus on business and civil society organisations as delivery partners.
Self-Sufficiency and Independence	The department commits itself to the promotion self-sufficiency in all its interventions and focuses on the empowerment of people to be more independent and entrepreneurial.
Transformation	Department is an agent of state transformation agenda to change the historical uneven development of South Africa and KwaZulu-Natal society and its policies must reflect this character at all times
Financial Prudence and Resource Limitation	Department is the custodian of public funds and its policies must promote economic use of such limited funds to achieve efficient and effective delivery of public services
Accountability and transparency	Department is obligated to promote good governance by accounting and being transparent to the public, legislature and oversight institutions for its performance and use of public resources.
Development and Recognition	The Department employees are recognised as its most valuable asset and therefore it aspires to ensure the on-going development and recognition of an effective, professional team.

1.5. Legislative and Other Mandates

The legislative mandate of the Department is derived from various sections of the constitution. The Department executes a concurrent national and provincial legislative mandate in terms of schedule 4 and 5 of the constitution. Section 27 of the Bill of Right of the South African Constitution, Act of 108 of 1996, gives obligation to the state to uphold health care, food, water and social security rights. **Section 27 1(b)** states, “everyone has the right to have access to sufficient food and water”.

Section 27 1(c) states, “everyone has the right to social security, including, if they are unable to support themselves and their dependents, appropriate social assistance”. Section 27 (2) states, “the state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of each of these rights. There have been no significant changes to the Agriculture and Rural Development legislative and other mandates. Below is a list of all relevant legislation for the Department.

1.5.1. Transversal legislation

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Public Service Act (Act No. 109 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Annual Division of Revenue Act
- Employment Equity Act (Act No. 55 of 1998)
- Public Service Commission Act (Act No. 65 of 1984)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)

1.5.2. Agriculture legislation

- KwaZulu Animal Protection Act (Act No. 4 of 1987)
- Conservation of Agricultural Resources Act (Act No. 43 of 1983)

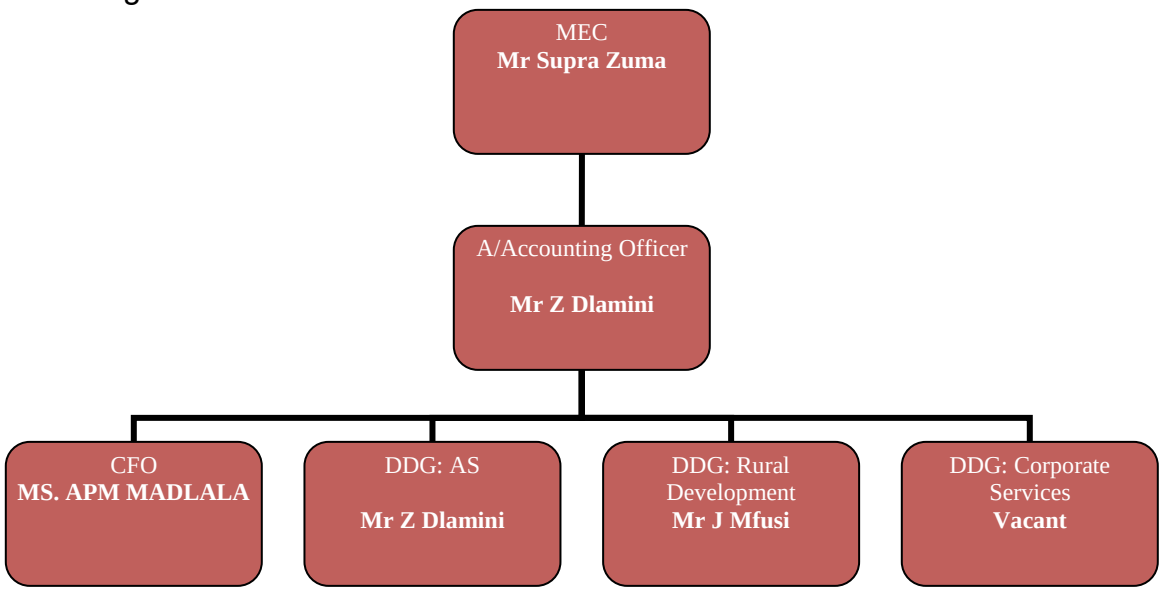
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Control of Market in Rural Areas Ordinance (No. 38 of 1965)
- Subdivision of Agricultural Land Act (Act No. 10 of 1970)
- Plant Improvement Act (Act No. 53 of 1976)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agriculture Law Extension Act (Act No. of 1996)
- KwaZulu General Law Amendment Act (Act No. 3 of 1987)
- KwaZulu General Law Amendment Act (Act No. 21 of 1988)
- National Veld and Forest Fire Act (Act No. 101 of 1998)
- Veterinary and Para-Veterinary Professions Act (Act No. 19 of 1982)
- Livestock Brands Act (Act No. 87 of 1962)
- Livestock Improvement Act (Act No. 25 of 1977)
- Meat Safety Act, 2000 (Act No. 40 of 2000) (Replacing Abattoir and Co-operation Act)
- South African Medicines and Medical Devices Regulatory Authority Act (Act No. 32 of 1998)
- International Animal Health Code of World Organisation for Animal Health (OIE-Office International des Epizooties)
- Animal Diseases Act (Act No. 35 of 1984)
- International Code for Laboratory Diagnostic Procedure for Animal
- Diseases of World Organisation for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
- Water Services Act (Act No. 108 of 1997)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Agricultural Research Act (Act No. 86 1990)
- Agricultural Products Standards Act (Act No. 119 of 1990)
- Agricultural Produce Agents Act (Act No. 12 of 1992)
- Agricultural Development Fund Act (Act No. 175 of 1993)
- Perishable Product Export Control Act (Act No. 9 of 1983)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Agricultural Credit Act (Act No. 28 of 1966)
- Marketing Act (Act No. 59 of 1958)
- Plant Breeder's Right Act (Act No. 15 of 1976)
- Land Redistribution Policy for Agricultural Development Agricultural Debt Management Act (Act No. 45 of 2001)
- Soil User Planning Ordinance (Ordinance No. 15 of 1985)
- Generally Modified Organisms Act (Act No. 15 of 1997)
- Hazardous Substances Act (Act No. 63 of 1973)
- Environment Conservation Act (Act No. 73 of 1989)
- Agri-business Development Agency Bill.

1.5.3. Rural Development Legislation

- Deeds Registries Act (Act No. 47 of 1937)
- State Land Disposal Act (Act No. 48 of 1961)
- Physical Planning Act (Act No. 88 of 1967)
- Sectional Titles Act (Act No. 95 of 1986)
- Upgrading of Land Tenure Rights Act (Act No. 112 of 1991)
- Land Reform: Provision of Land and Assistance Act (Act No. 126 of 1993)
- Restitution of Land Rights Act (Act No. 22 of 1994)
- Land Reform (Labour Tenants) Act (Act No. 3 of 1996)
- Communal Property Associations Act (Act No. 28 of 1996)
- Land Survey Act (Act No. 8 of 1997)

1.6. Organisational Structure

The top structure of the Department is reflected below from the level of the Executive Authority, Accounting Officer and Deputy Director Generals who provide strategic leadership to the organisation.



1.7. Entities Reporting to the Minister/MEC

The table below indicates the entities that report to the MEC. The Mjindi Farming (Pty) Ltd amalgamation with Agri-Business Development Agencies (ADA TRUST) came into effect from 1 April 2020, resulting in only one entity remaining, ADA TRUST remaining under the department.

Name of Entity Legislative	Mandate	Financial Relationship	Nature of Operation
Agribusiness Development Agency Trust (ADA TRUST)	ADA TRUST was established in terms of Cabinet Resolution No. 79 of 29 July 2009. The agency draws its operational mandate from: i) The national policy for Comprehensive Agricultural Support Programme (CASP). ii) Land Reform policy guidelines. iii) Amended Trust Deed for Agribusiness Development Agency Trust.	In terms of section 38 (1)(j) of the Public Finance Management Act 1 of 1999 (as amended), ADA TRUST must provide written assurance to the Department that the entity implements good financial management and an internal control system before the Department transfers funds to the Entity.	The agency provides holistic agricultural support services to entrant farmers, focusing mainly on previously disadvantaged farmers

PART B: PERFORMANCE INFORMATION

ANNUAL PERFORMANCE REPORT AGAINST THE ORIGINAL 2022/2023 APP

2. PART B: PERFORMANCE INFORMATION

2.1. Auditor-General's Report: Predetermined Objectives

The AGSA performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management. The auditor general "did not raise any material findings on the reported performance information for the selected programmes".

Refer to pages 25-47 of the Report of the Auditor General, published as Part E: Financial Information.

2.2. Overview of Departmental Performance

The overall performance of the Department against planned target as per the 2022/23 Annual Performance Plan is reflected in the table below:

2022/23 ANNUAL PERFORMANCE REPORT-DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT				
Agriculture and Rural Development Dashboard Report - Annual Performance Report				
Branch	**2019/20 APP Target Achievement**	**2020/21 APP Target Achievement**	**2021/22 APP Target Achievement**	**2022/23 APP Target Achievement**
Programme 1: Administration	**62%**	**65%**	**83%**	**82%**
Programme 2: Agricultural Development Services	**64%**	**77%**	**78%**	**94%**
Programme 3: Rural Development	**20%**	**75%**	**89%**	**88%**
Department's Overall Performance	**60%**	**73%**	**80%**	**93%**

2.2.1. Service delivery environment

Administration

The department continuously reviewed the most critical areas to fill vacant posts. Posts that were filled included Senior Management posts at District Agriculture Services and Research Services, Middle Management posts at district offices, Information and Technology, Monitoring and Evaluation, and lower level posts across the department. The review of the organisational structure is ongoing and should be finalised early in 2023/24. The department achieved its first clean audit for 2021/22, a milestone that the department aims to maintain.

Agriculture

Food security and nutrition programme: The department supported 20 404 subsistence farmers by the end of the financial year against a revised annual target of 13 455. These farmers were supported through the provision of mechanisation services, extension services and production inputs to ensure stability in food security. The One Home One Garden programme is aimed at encouraging vulnerable households to reduce their reliance on handouts and produce their own food to supplement their daily food nutrition requirement. It is through this food and nutrition security programme that deserving households were provided with the following items:

- Implements (hand hoes, hand forks, watering cans, etc.).
- Vegetable seeds.
- Fertilizer (households were encouraged to use kraal manure as part of organic farming).
- Dry land crops seeds (indigenous or open pollinated).

Horticultural programme: This programme promotes vegetable production, including mushrooms for household food security, in line with the Radical Agrarian Socio-Economic Transformation (RASET) programme, as well as sub-tropical fruits such as macadamia nuts, citrus, mango and amarula. The interventions include increased market access and extension support. They also include encouraging value addition to primary products, provision of capacity building to smallholder farmers, encouraging export of primary and processed products, as well as promoting partnerships with commodity organisations in order to ensure standard compliance, among others. The department trains farmers on quality standards in partnership with the Perishable Product Export Control Board (PPECB).

The fresh produce agri-hub in the Richards Bay Industrial Development Zone (RBIDZ) is an integral part of the horticultural programme.

Livestock programme: The heavy rains in the province in April 2022 had a devastating impact on several farmers who lost their crops and livestock due to flooding. In spite of these challenges, the department was able to continue with the implementation of livestock projects and the provision of support to livestock farmers. A portion of this investment is aimed at the provision of animal feed, fencing material, breeding stock, extension and advisory services, as well as other forms of support. At the end of the financial year, 397 producers were supported in the red meat value chain against the annual target of 328.

Grain development programme: The department supported 7 236 producers in the grain commodity value chain. Furthermore, the department supported farmers to cultivate 27 681.66 hectares of grain by the end of the third quarter of 2022/23, against an annual target of 22 310 which is likely to be achieved once the dry beans have been planted in the fourth quarter.

Infrastructure development: Infrastructure remains the key enabler of agricultural growth and realisation of socio-economic agrarian transformation in the province. Accordingly, the department continued to support the establishment and maintenance of infrastructure, such as dip tanks, animal handling facilities, livestock dams, fencing, grazing camps, boreholes and irrigation schemes, among others. Dealing with distribution activities after harvesting remains the biggest contributor in the erosion of profitability of agricultural ventures by smallholder farmers as a result of inadequate access to the necessary storage and packaging facilities, including inadequate access to appropriate modes of transportation for agricultural produce.

The department implemented the following:

- Establishment of 43 agricultural infrastructure projects, such as piggeries, poultry houses, irrigation schemes and wool sheds, among others. There is a huge under-achievement against this indicator since the target is 46, as a result of a number of finished infrastructure projects awaiting completion certificates.

- Fencing of 252,24 kilometers was erected for agricultural use, against the annual target of 152.6 kilometers.

April 2022 floods: The heavy rains in the province had a devastating impact on several farmers who lost their crops and livestock due to flooding. Livestock was killed by flooding, crops and soils were disturbed and agricultural infrastructure was destroyed. All districts were affected by heavy rainfalls, especially the eThekwini Metro, iLembe and Ugu. The department used existing programmes to assist some of the flood victims. These programmes include household gardens, mechanisation and provision of production inputs.

Seed and seedlings multiplication programme: 68 tons of maize and 100 tons of bean seeds were produced by the department and distributed to 11 districts to support the multi-planting season programme. Vegetable seedlings produced by the nursery in Makhathini, as well as sweet potato vines were also provided to communities and small holder farmers. The programme supported 4 145ha of land planted with the above commodities, and created 321 job opportunities for youth. Seed multiplication must be in compliance with the Plant Improvement Act and nine officials were trained on seed inspection. Also, fields demarcated for seed multiplication were registered in compliance with the Act as regulated by the South African National Seed Organisation.

Rural development

Agri-hubs: The environmental impact assessments are at advanced stages of approval for all five planned agri-hubs which are listed under the Outlook section below, and the availability of funding will determine how many will be implemented. Also, Geotech studies have been conducted in the bulk of the identified sites. The department's application for funding from the Budget Facility for Infrastructure (BFI) at National Treasury for the amount of R3.100 billion has been successful, and the department will be receiving some funding in this regard, although to a far lower extent than requested.

The department has received an indicative allocation of about R153 million over the 2023/24 MTEF and is awaiting the final allocation. The five agri-hubs will require a total of R3.100 billion. The department is unable to supplement the balance required from its

baseline as a result of pressures from the budget cuts over the previous MTEF periods. As such, the department will continue to engage with National Treasury regarding further funding from the BFI for these planned agri-hubs.

Unemployed Agricultural Graduates Youth Programme (UAGYP): The department continued with the roll-out of the programme and 340 unemployed graduates were placed on farms and agricultural enterprises for a period of 24 months per graduate. This agricultural graduate development programme supports graduates to receive practical experience and growth within the ambit of real agricultural businesses.

Rationalisation of public entities

The Rationalisation process relating to the agricultural entities in the province was mostly completed, and Mjindi Farming (Pty) Ltd (Mjindi) was amalgamated under the Agri-business Development Agency (ADA TRUST) from 1 April 2020. Furthermore, administrative and project management support to Ntingwe Tea (Pty) Ltd (Ntingwe) are provided through ADA TRUST. The department and the Ithala Development Finance Corporation (IDFC) will, however, both continue to hold shares in Ntingwe, thereby remaining as shareholders.

Agri-business Development Agency (ADA TRUST)

ADA TRUST continued to roll out its strategy to be a vehicle that facilitates the growth of a strong, transformed, diversified, dynamic, competitive and sustainable agri-business industry in KZN by focusing on projects that are catalytic in nature. ADA TRUST, which incorporated the functions of the former Mjindi in 2020, continued to support the Makhathini irrigation scheme technically and financially. However, land disputes and old infrastructure remain challenges that impact negatively on operations. The refurbishment/ rehabilitation of the scheme, to minimise waste as a result of leakages, would require an investment of approximately R1.200 billion.

ADA TRUST was appointed as an interim project manager to oversee the procurement and administrative processes at Ntingwe. Capacity was strengthened through the appointment of an Estate Manager and Operations Manager in 2022. As part of the ADA TRUST's transfer

from DARD, an amount of R20 million was allocated by DARD for 2022/23, towards the Ntingwe tea production activities and the refurbishment of the factory at Ntingwe.

ADA TRUST continued to implement projects that were initiated in 2021/22, including the red meat value chain projects in various districts across the province. The entity also implemented new projects, such as the Amakhosazane and Ufahari sheep projects in uMgungundlovu. ADA TRUST continued to support the River Valley Farm project, which produces vegetables in uMshwathi Local Municipality. This project received financial assistance of R1.020 million in 2022/23 toward the installation of a solar system.

The strategy to link ADA TRUST-funded enterprises along the value chain continued to be pursued, by identifying key stakeholders with market linkages, creating synergies, as well as grouping commodities in the value chain. These value chains include red meat, animal feed, white meat, intensive horticulture and high value crops, as well as goat production. Furthermore, other smaller start-up projects that were assisted by ADA TRUST, which focuses on production in tunnels, have recovered after the April 2022 floods, and these include Hlelakahle Projects (Pty) Ltd, a woman/youth project in Muden in uMvoti, Kwakhethomthandayo Farm Produce (Pty) Ltd in Mbumbulu in the eThekwini Metro and Azowel project in iLembe District.

The goat commodity commands a different marketing approach and, in this regard, ADA TRUST assisted two projects to create awareness of the health benefits among the health-conscious market.

2.1.1. Service Delivery Improvement

KWAZULU-NATAL PROVINCE
AGRICULTURE AND RURAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

GROWING KWAZULU-NATAL TOGETHER

SERVICE DELIVERY IMPROVEMENT PLAN

KZN PROVINCIAL DEPARTMENT

DEPARTMENT OF AGRICULTURE

AND

RURAL DEVELOPMENT

SERVICE DELIVERY IMPROVEMENT PLAN

2023-2025

SUMMARY OF THE SDIP TEMPLATE FOR FRONTLINE SERVICE DELIVERY DEPARTMENTS:

2. SUMMARY ON THE IMPROVEMENT OF BATHO PELE (SERVICE QUALITY) STANDARDS

PREREQUISITES					
A. Attachment/link to the analyzed Batho Pele standards based on complaints/ other performance measures ***AIM: Identify the status of the quality of services***					
B. Attachment/link to the problem analysis conducted: ***AIM: to identify the weaknesses on the quality of services provided with a department/ institution***					
C. Attachment/link to the identified interventions : ***AIM: identify quality of service delivery improvement interventions***					
SUMMARY OF THE BATHO PELE STANDARDS					
D. Populate the table below Departments shall identify the applicable indicators as outlined in the guidelines in order for them to improve on the quality of services they provide. ***AIM: identify service delivery improvement interventions***					
NUMBER OF SDI KEY SERVICES (BASED ON DEPARTMENT'S RESOURCE CAPABILITY & COMPETENCIES)	**KEY PERFORMANCE INDICATORS (KPI)**	**DEPARTMENT SPECIFIC SET STANDARD**	**BASELINE: YEAR** **2022/2023**	**OVERALL SDIP CYCLE TARGET** 2023/ 2024	**PORTFOLIO OF EVINDENCE**
To Render Extension and Advisory Services to farmers	Number of Hectors planted for food production through departmental support	Conduct performance verification quarterly	**22310**	**22100**	**Complaints register Annual Performance Report, Annual Performance Plan Stakeholder** **Engagement reports**

BATHO PELE PRINCIPLES & SET STANDARDS	KEY PERFORMANCE INDICATORS (KPI)	SET BATHO PELE STANDARDS	BASELINE: YEAR 2022/2023	OVERALL SDIP CYCLE TARGET 2023/2024	PORTFOLIO OF EVIDENCE
1) PROFESSIONAL STANDARDS - PUBLIC SERVANTS:	Extension Norms & standards SACNASP Professional Registration	Department to develop norms and standards for Extension services All Agricultural Advisors to be registered by SACNASP	Extension Norms & standards developed 80% of Agricultural Advisors are registered by SACNASP Professional Registration	Extension Norms & standards developed 100% SACNASP Professional Registration	Copy of all standards for extension services Certificates
2) WORKING ENVIRONMENT STANDARDS:	Rate of compliance with the OHS Act.	100% compliant with the auditable areas of the OHS Act.	Nil	100% compliance with the auditable areas of the OHS Act.	OHS audit findings.
3) ACCESS STANDARDS:	Number of Community awareness meetings held Number of Hectors planted for food production through departmental support Number of small holder producers supported with Agricultural inputs Procurement of seeds and fertiliser in advance to avoid delay in planting	All clients shall have equal access to services rendered by the department on an ongoing basis 100% implementation of hectares planted for food production	18x Community engagement meetings regarding project application per Annum 100% implementation of 22310 hectares planted for food production 978 small holder producers supported with Agricultural inputs Nil	66 x Community engagement meetings regarding project application per annum 100% implementation of 12700 hectares planted for food production 4012 small holder producers supported with Agricultural inputs Establish 1x central storage for seeds and fertilizer	Attendance register Agenda Annual Performance report Annual Performance report Contract for seeds and fertilizers
4) INFORMATION STANDARDS:	Number of mechanization Awareness campaign held Number of Workshops conducted on project application process per Local Municipality	Service recipients should be provided with full, accurate and user-friendly information on the services that they receive on a continuous basis.	13x mechanization awareness campaign per Annum 21x Workshop conducted per Local Municipality per annum to communities on project application process	17x mechanization awareness campaign per Annum 24x Workshop conducted per Local Municipality per annum to communities on project application process	Attendance register, programme of the day Attendance register

BATHO PELE PRINCIPLES & SET STANDARDS	KEY PERFORMANCE INDICATORS (KPI)	SET BATHO PELE STANDARDS	BASELINE: YEAR 2022/2023	OVERALL SDIP CYCLE TARGET 2023/2024	PORTFOLIO OF EVIDENCE
	Number of Information days held		29x information days per local per annum	37x information days per local per annum	Information Pamphlets, Attendance register
5) REDRESS STANDARDS:	Number of complaints received	Clients that are not satisfied with the services received in line with the service standards should be offered an apology, an explanation and a remedy within the specified time-lines.	Departmental Complaints boxes in all Departmental Offices (70)	Reduction by 5% in the number of complaints received.	The Complaints and Compliments register/reports.
6) CONSULTATION STANDARDS:	Number of consultation meeting held per annum.	At least 10% of the customers are consulted annually on the quality, efficiency and timing of the department's service/s they receive/ are expected to receive	37x Community engagement meetings to improve pre planting planning around mechanization per annum	78x Community engagement meetings to improve pre planting planning around mechanization per annum	Attendance registers and minutes of meetings, invitations and agenda
7) OPENNESS & TRANSPARENCY STANDARDS:	Percentage compliance with the annual display of the Citizen's Report and Annual Report on DARD Website; as well as the annual publication of Expenditure Report in terms of projects	The department shall inform its clients how the department is managed, the cost to deliver services and the person in charge of the department annually.	Nil	Cost of services displayed in 72x departmental offices Annually	Screen short of departmental website
	Number of roadshows conducted regarding mechanization processes		Nil	2x Roadshows per district regarding mechanization processes per annum.	Attendance registers
	Approved Mechanization Policy displayed in the departmental website		Approved Mechanization Policy Displayed on the departmental website Annually	Approved Mechanization Policy Displayed on the departmental website Annually	Screen short of departmental website
8) SERVICE STANDARDS	Approved departmental Service Charter	The service recipients are informed of the level, the quality and quantity of services they will receive through the publication of	1x Approved departmental Charter which displays service rendered, cost and turnaround time displayed in the departmental website	1x Approved departmental Charter displayed in 11x Districts offices Annually	Copy of service Charter displayed in the departmental website

BATHO PELE PRINCIPLES & SET STANDARDS	KEY PERFORMANCE INDICATORS (KPI)	SET BATHO PELE STANDARDS	BASELINE: YEAR 2022/2023	OVERALL SDIP CYCLE TARGET 2023/2024	PORTFOLIO OF EVIDENCE
		Service Commitment Charter.	Annually		
9) COURTESY	Rating of satisfaction by clients on courtesy by employees Number of Advisors trained in customer care	Service recipients should be treated with 100% respect all the time.	Nil 99 Agricultural Advisors trained in customer care Annually	95% levels of satisfaction by clients. 119 Agricultural Advisors trained in customer care Annually	Complaints, compliments register Certificate in customer care
10) ENCOURAGING INNOVATION AND REWARDING EXCELLENCE	Number of business units/Chief Directorates implementing the Employee of the year recognition scheme.	Employees are recognised for service excellence and are encouraged to improve service delivery through innovative service delivery improvements	Nil Nil	1x Departmental Service Excellence Awards on the 4th quarter 1x extension awards on the 4th quarter	Pictures Certificates
11) LEADERSHIP AND STRATEGIC DIRECTION	Number of departmental strategic planning held per Annum.	Management shall display leadership and strategic abilities that will support effective and efficient service delivery to the department's clients	1x strategic planning held in the 4th quarter	1x strategic planning held in the 4th quarter	Attendance register, Reports and attendance register
12) VALUE FOR MONEY	Implementation of planting plan Procurement of seeds and fertiliser in advance to avoid delay in planting Pre- screening and monitoring of service providers .	Services rendered in the most cost effective and efficient manner within the financial capabilities of the department and in accordance with the needs of the clients	Nil Nil Nil	100% Implementation of planting plan Establish 1x central storage for seeds and fertilizer 90 % level of satisfaction by clients with focus on improving time and service delivery.	Implementation plan/ reports Pictures for storage Client Satisfaction Survey

BATHO PELE PRINCIPLES & SET STANDARDS	KEY PERFORMANCE INDICATORS (KPI)	SET BATHO PELE STANDARDS	BASELINE: YEAR 2022/2023	OVERALL SDIP CYCLE TARGET 2023/2024	PORTFOLIO OF EVIDENCE

3. CHANGE MANAGEMENT PLAN				
	KEY PERFORMANCE INDICATORS (KPI)	**BASELINE: YEAR 0**	**OVERALL SDIP CYCLE TARGET**	**PORTFOLIO OF EVINDENCE**
IDENTIFIED STAKEHOLDER CONSULTATION: **Household farmers** **Emerging farmers** **Commercial farmers** **Commodity association** **Municipalities** **Traditional Authorities**	Consultation with all departmental stakeholders	Nil	1x11 Districts Consultation meetings per annum	Attendance registers for consultation, and minutes of the meeting
COMMUNICATION MEASURES REQUIRED:	Stakeholders Engagement meeting	Nil	Engagement with departmental stakeholders on the quarterly basis	Minutes of meetings and reports of communication
INTERVENTIONS REQUIRED INTERNALLY:	To host information days on services rendered by the department Conduct Roadshows	Nil	host information days quarterly Conduct Roadshows quarterly	Attendance register, Agenda
INTERVENTIONS REQUIRED EXTERNALLY:	Conduct Client satisfaction surveys	Nil	One 2023/2024 client satisfaction survey	Survey report

4. MONITORING, REPORTING AND EVALUTION PLANS	
MONITORING PLAN:	The Directorate: Integrated Planning, Policy, Monitoring and Evaluate will co-ordinate monitoring of the SDIP through the Departmental SDIP Development and Batho Pele Forum as appointed by the Acting Head of Department. The Departmental SDIP Development and Batho Pele Forum will meet quarterly whereby reports to monitor progress on the SDIP will be undertaken.

REPORTING PLAN:

REPORT	PERIOD	DUE DATE	SUBMISSION TO
Half-yearly SDIP progress report	01 April to 30 September of every financial year	31 October of every financial year	EXCO
Half- Yearly SDIP implementation progress report	01 April to 30 September of every financial year	31 October of every financial year	OFFICE OF THE PREMIER
Annual SDIP implementation progress	01 April – 31 March of every financial year	31 May of every financial year within the MTEF cycle	EXCO
Annual SDIP implementation progress report	01 April – 31 March of every financial year	30 June of every financial year within the MTEF cycle	OFFICE OF THE PREMIER AND DPSA
	01 April – 31 March of every financial year	31 March as at the 3rd year of the MTEF period Office	OFFICE OF THE PREMIER AND DPSA

EVALUATION PLAN:

IMPACT ASSESSMENT MEASURES

The Department will evaluate the implementation of the Service Delivery Improvement Plan (2023-2024) annually.

	KEY PERFORMANCE INDICATORS (KPI)	**BASELINE: YEAR 0**	**OVERALL SDIP CYCLE TARGET**	**PORTFOLIO OF EVINDENCE**
SATISFACTION MEASURES:	Number of Complaints received about services rendered	Nil	Reduce Complaints by at least 10% about services rendered	Complaints register
ECONOMY MEASURES:	**To render service within the allocated budget**	**Nil**		**Budget report over/ underspent**
EFFICIENCY MEASURES:	Percentage completion planned targets.	100% achievement of planned targets.	100% completion of planned targets.	Strategic Plan, APP, AOP, QPR report.
EFFECTIVENESS MEASURES:	Client satisfaction survey	Nil	1x Client satisfaction survey Annually	Survey report

2.1.2. *Organisational environment*

Social Unrest Impact on Agricultural Sector dictated for a well calculated approach as at the beginning of the 2022-2023 financial year. The Department undertook an intensive strategic planning sessions to develop the organization's strategy to implement the 2019-2024 Medium-Term Strategic Framework (MTSF) and priorities of government.

The following areas shaped the roll out of the departmental interventions. They were as a result of the mitigations that were put together in consultation with the industry, to enable a comprehensive collective response in promoting the functioning and sustainable operation of the sector following the unrest.

Fuel supply was limited as the replenishment of supply depended on the free operation of the logistics companies (fuel tankers) and their uninterrupted movement in the road network. According to the Petroleum Regulation 20 of 2021 which was passed immediately after the unrests, the sale of petrol and diesel into containers not approved for the holding or transporting of petrol is prohibited. This poses a threat to smallholder and subsistence farmers who use diesel in their farming operations as the approved containers may not be readily available.

Feed supply for livestock become an urgent area of concern as farmers were losing their enterprises due to shortage of feed. This mainly affected poultry and pig industry. The supply and marketing of fresh produce for Pietermaritzburg Fresh Produce Market was greatly affected as the market was operating at minimum capacity while EThekwini Fresh Produce Market suspended operations for seven days. Halting or limiting operation for both markets also affected supplier/farmers including those who came from other provinces.

The gains in terms of limited markets that smallholder farmers had already secured will be reversed as outlets which they were supplying were destroyed. Hawkers who sell fresh produce were also impacted as they were not able to operate. This also impacted on the farming communities as they were unable to sell their produce. The distribution of produce to

areas which were directly affected by the unrest is likely to be further constrained by uncertainty as producers and distributors delay supply to avoid further loses.

The sale of meat and meat product remained affected as farmers were not able to supply their marketable livestock to abattoirs or through auctions as movement was restricted by the unrest. The export of meat, products and live animals mainly due to restricted movements and particularly that the unrest was heightened at Ethekwini where most of the operations are centred. During the five days of the unrest, the province could not issue 350 Export permits certificates while some of the certificates were not collected due to restricted movements.

The Foot and Mouth Disease control operations were interrupted in trepidation of the lives of both government employees and the community. There were also incidences of disruption and torching reported in some farms. The warehouses utilised as distribution centres for various items including processed food items were vandalised.

Due to the massive interruptions in the food supply chain in the retail stores and supermarkets, ultimately resulting in shortages of other products. Generally, the services of the Department were interrupted as offices were not accessible by both our staff and the farming communities. Farmers were not receiving direct contact service as most DARD offices were closed as staff was working from home for safety precautions. Officials were requested not to use KZN vehicles which recently had been prone to hijackings. Agricultural Projects under implementation could not source materials as suppliers were closed or looted and movement was restricted. It is envisaged that there will be a delay in the supply of material owing to these challenges and subsequently impacting on time frames for completion of these projects.

The provincial government has initiated a multipronged strategy to address this situation, which includes, inter alia, social cohesion; economic recovery and transformation, infrastructure development and provision of support to SMMEs / Co-Operatives. The proposed strategy is in line with the Commodity Approach as the overarching strategy.

Affected Area	Affected Stakeholders	Proposed Interventions

Vegetable		
Accessing Production Inputs by various categories of Farmers	All categories of vegetable farmers	**Short-term:** Provide production inputs (Seedlings, Fertilizers, and Chemicals) to vegetable producers covering 5 000 hectares **Medium-term:** • Increase vegetable production by 5 000 hectares • Provision of mechanization Services • Maintenance of non-functional and existing agricultural infrastructure **Long-term:** Expand the establishment of Seed and Seedlings Banks
Livestock		
Fresh Produce Markets & Agro-logistics Infrastructure development	Fresh Produce Markets and commercial farmers	**Short-term:** Linking farmers to RASET & Farmers Markets **Medium-term:** Expand vegetable storage in Pietermaritzburg and Durban Fresh produce including the Durban Harbour **Long-term:** Fix dilapidated Fresh Produce Markets
Shortage of Feed	Piggery Producers Poultry Producers Beef Producers	Procurement of feed DARD DALRRD Procurement of feed Procurement of Winter feed
Stock	Farmers	Procurement of Breeding stock
Infrastructure Development	Farmers	Construction of Feed Silo's & Mills
Agro-processing	Farmers	Construction of Abattoirs
Anchor Farms	Farmers	Establishment of new contract growers
Capital for Farmers	Farmers	Blended Finance
Other commodities		
Burnt Sugarcane Field	Sugarcane farmers, Millers, Contractors, Cane haulers, Suppliers	Short Term: Ratoon management, Support estimated 108 farms/ Growers with 2054 ha with provision of 12 322 bags of fertilizer @ 6 bags per ha

2.2. Progress towards Achievement of Institutional Impacts and Outcomes

- Effective and efficient corporate and financial support services to the Department
- Improved household food security in the province
- Improved farmer development for increased agricultural production, sector
- growth and inclusive rural economy
- Reduced outbreak cases of Controlled and Notifiable Animal Diseases

- Increased research knowledge production, agricultural education and training

2.3. Institutional Programme Performance Information

Description of each programme

2.3.1. Programme 1: Administration (Corporate Services) and Financial Management

Purpose:

Provides corporate services and financial management to ensure effective and efficient support and governance of the organisation.

The main purpose of Programme 1

Is to render support to the line function components in order to fulfil the Department's service delivery mandate.

Programme is comprised of three Chief Directorates, namely:

1.1 Human Resource Management

1.2 Business Support Services

1.3 Financial Management

The office of the DDG: Corporate Services houses the following directorates:

• Legal Services

• Intergovernmental Relations Human Resource Management Chief Directorate has the following functions:

• Human Resource Administration

• Human Resource Development

• Employee Relations

• Management Advisory Services

• Employee Health and Wellness Programme 1 provides support to the line function components of the Department in achieving their goals.

Table 2.4.4.1:

Programme 1 did not have any changes from the originally tabled APP. As a result, the performance output of Programme 1 will only be reflected under Part B of this report in line with The National Treasury Annual Report Guide for National and Provincial Departments that states: "Table 2.4.4.1 should be used by institutions that have re-tabled their APP. ONLY revisions to the original APPs must be reflected in this table." The guide further state that the "actual achievement in this table must only be for the period that the tabled APP was applicable". In this regard, the applicable period will be quarter 1 of 2022/23 financial year.

2.3.2. Programme 2: Agricultural Development Services

Sub- programmes:

• Sustainable Resource Use and Management

Purpose:

The Sustainable Resource Management sub-programme includes the Engineering Services and Land Care sub-sub-programmes, as well as Land Use Management and Disaster Risk Management. The purpose of the sub-programme is to provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.

• Agricultural Producer Support and Development

Purpose:

Farmer Support and Development houses the largest programmes in the organisation and is duly considered as the core agricultural services programme in the Department. This programme provides extension and advisory services as well production inputs support to smallholder and commercial farmers for sustainable agricultural development.

• Veterinary Services

Purpose:

The purpose of the veterinary programme is to provide veterinary services to clients in order to ensure healthy animals, safe animal products and wellbeing of animals and the public.

Veterinary services is comprised of several sub-programmes, which includes Animal Health; Veterinary Export Control; Veterinary Public Health and laboratory services. Collectively these programmes enable this programme to undertake the following key activities:
Facilitate and provide animal health services, in order to protect the animals and public against identified zoonotic and diseases of economic importance;
Facilitate the export of animals and animal products through certification of health status;
Promote the safety of meat and meat products; and
Provide veterinary diagnostic laboratory and investigative services that support and promote animal health and production towards the provision of safe food.

• Research and Technology Development Services

Purpose

The objective of this sub-programme is to provide expert and needs based agricultural research, development and technology transfer affecting development objectives and natural resource management. The aim of the programme will be realized through consistent investment in knowledge acquisition and dissemination of information on research and technology developed to clients, peers and scientific community.

• Agricultural Economics Services

Purpose

The purpose of the programme is to provide timely and relevant agricultural economic services to ensure equitable participation in the economy. The sub-programme provide market information and facilitate marketing and provide agricultural economic services to clients. This includes collecting and processing economic and statistical information on the performance of the agricultural sector in order to inform planning and decision-making. Furthermore, this sub programme facilitates agro-processing initiatives to ensure participation in the value chain

• Structured Agricultural Education and Training

Purpose

The purpose of this sub-programme is to facilitate and provide structured and vocational agriculture education and training in order to establish a knowledgeable, prosperous and

competitive sector. Through the Higher Education and Training and Agricultural Skills Development offerings of agricultural institutes (OSCA and CEDARA), the Department is able to provide tertiary agriculture education and training from NQF levels 5 to applicants who meet minimum requirements as well as offer formal and non-formal training on NQF levels 1 to 4 through structured vocational education and training programmes.

2.3.3. Programme 3: Rural Development

Purpose:

Provides corporate services and financial management to ensure effective and efficient support and governance of the organisation.

Sub-programmes:

• Rural Development Co-Ordination

• Social Facilitation

Outcomes, Outputs, Output Indictors, Targets and Actual Achievements

2.1 Sub-Programme: Sustainable Resource Management

Purpose:

The Sustainable Resource Management sub-programme includes the Engineering Services and Land Care sub-sub-programmes, as well as Land Use Management and Disaster Risk Management. The purpose of the sub-programme is to provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.

Sub-Programme: Sustainable Resource Management									
Outcome	**Outputs**	**Output Indicators**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 <u>until date of re-tabling</u>**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Agro-increased research knowledge production, agricultural educat	Hectares of agricultural land rehabilitated through the Land Progra	Number of hectares of agricultural land rehabilitated through the Land	7 178.95	5 161.21	4 500	525	-3 975	The APP was adjusted and re-tabled due to the floods in	The APP was adjusted and re-tabled due to the floods in

Sub-Programme: Sustainable Resource Management									
Outcome	**Outputs**	**Output Indicators**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
ion and training	mme	Care Programme						KZN.	KZN.
	Beneficiaries trained under Land Care EPWP Programme	Number of beneficiaries trained under Land Care EPWP Programme	551	824	382	320	-62	The APP was adjusted and re-tabled due to the floods in KZN.	The APP was adjusted and re-tabled due to the floods in KZN.
	Green jobs created (through Land Care)	Number of green jobs created (through Land Care)	1 195	1 069	382	764	382	The APP was adjusted and re-tabled due to the floods in	The APP was adjusted and re-tabled due to the floods in

Sub-Programme: Sustainable Resource Management									
Outcome	**Outputs**	**Output Indicators**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
								KZN.	KZN.

2.2 Sub-Programme: Agricultural Producer Support and Development

Purpose:

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved household food	Subsistence producers support	Number of subsistence produce	-	29 417.60	18 071	4 167	-13 904	The APP was adjusted and	The APP was adjust

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
insecurity in the province	ed with food security interventions	rs supported						re-tabled due the floods in KZN.	ed and re-tabled due to the floods in KZN.
	Hectares planted for food production through departmental support	Number of hectares planted for food production through departmental support	22 917.82	21 329	28 320	568.32	-27 751.68	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Agricultural Producers supported with	Number of producers supported with	4 616	8 113	7 641	2 854	-4 787	The APP was adjusted and re-	The APP was adjusted and

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	agricultural advice	agricultural advice.						tabled due the floods in KZN.	re-tabled due the floods in KZN.
Improved farmer development for increased agricultural production, sector growth and inclusive rural economy	Smallholder producer supports with agricultural production inputs	Number of smallholder producers supported	5 775	6 209	3 958	207	-3 751	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Black comme	Number of black	33	20	23	1	-22	The APP	The APP

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	rcial producers supported	commercial producers supported						was adjusted and re-tabled due the floods in KZN.	was adjusted and re-tabled due the floods in KZN.
	Agricultural job opportunities created through departmental interventions	Number of agricultural job opportunities created through departmental interventions	595	664	468	46	-422	The APP was adjusted and re-tabled due the floods in KZN.across KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Agricultural infrastr	Number of agricult	50	69	45	4	-41	The APP was	The APP was

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	ucture established by the department	ural infrastructures established (by the Department)						adjusted and re-tabled due the floods in KZN.	adjusted and re-tabled due the floods in KZN.
	Agricultural infrastructure rehabilitated by the department	Number of agricultural infrastructures rehabilitated by the Department	6	14	10	0	-10	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Kilometres of fence erected	Number of kilometre of	350.476	418.242	249.9	0.40	-- 249.50	The APP was adjust	The APP was adjust

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	for agricultural use	fence erected for agricultural use						ed and re-tabled due the floods in KZN.	ed and re-tabled due the floods in KZN.
	Female farmer projects supported by the Department	Number of female farmer projects supported by the Department	27	606	113	65	-48	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Youth farmer projects supported by	Number of youth farmer projects supported by	29	296	83	40	-43	The APP was adjusted and re-	The APP was adjusted and

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	the Department	the Department						tabled due the floods in KZN.	re-tabled due the floods in KZN.
	Projects for persons with disability supported by the Department	Number of projects for persons with disability supported by the Department	7	24	34	8	-26	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Red Meat commodity producers supported	Number of producers supported in Red Meat	-	651	705	109	-596	The APP was adjusted and re-tabled due	The APP was adjusted and re-tabled

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
		Commodity						the floods in KZN.	due the floods in KZN.
	Grain Commodity Producers	Number of producers supported in Grain commodity	-	8 274	10 136	238	-9 898	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Cotton Commodity Producers	Number of producers supported in Cotton Commodity	-	6	3	0	-3	The APP was adjusted and re-tabled due the floods	The APP was adjusted and re-tabled due the

Sub-Programme: Agricultural Producer Support and Development									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
								in KZN.	floods in KZN.
	Citrus Commodity Producers	Number of producers supported in the Citrus Commodity	-	1	0	0	0	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.

2.3 Programme: Veterinary Services

Purpose:

The purpose of the veterinary programme is to provide veterinary services to clients in order to ensure healthy animals, safe animal products and wellbeing of animals and the public. Veterinary services is comprised of several sub-programmes, which includes Animal Health; Veterinary Export Control; Veterinary Public Health and laboratory services. Collectively these programmes enable this programme to undertake the following key activities:

- Facilitate and provide animal health services, in order to protect the animals and public against identified zoonotic and diseases of economic importance;
- Facilitate the export of animals and animal products through certification of health status;
- Promote the safety of meat and meat products; and
- Provide veterinary diagnostic laboratory and investigative services that support and promote animal health and production towards the provision of safe food.

Sub-Programme: Veterinary Services									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 <u>until date of re-tabling</u>**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Reduction in outbreak cases of Controlled and Notifiable	Visits to epidemiological units for veterinary interventions	Number of visits to epidemiological units for veterinary interventions	22 345	13 568	13 200	3 309	-9 891	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.

Sub-Programme: Veterinary Services									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Animal Diseases									
	Export control certificate issued by State Veterinarians	Number of veterinary certificates issued for export facilitation	-	1 439	1 400	458	-942	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Inspections of facilities keeping preforming animals	Number of PAPA registration licenses issued	-	55	40	5	-35	The APP was adjusted and re-tabled due the floods	The APP was adjusted and re-tabled due the floods

Sub-Programme: Veterinary Services									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
								in KZN.	in KZN.
	Rabies vaccination conducted by veterinary services	Number of animals vaccinated against rabies	-	192 330	180 000	31 763	-148 237	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.
	Regular inspections of abattoirs meat cutting plants and meat processing plants	Number of inspections conducted on facilities producing meat	-	517	320	164	-156	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.

Sub-Programme: Veterinary Services									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/21**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	***Actual Achievement 2022/2023 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	Early detection of diseases and quick response in order to maintain access to local and international markets	Number of samples collected for targeted Animal diseases surveillance – FMD, CBP, PPR and AI	-	17 985	2 000	6 960	4 960	The APP was adjusted and re-tabled due the floods in KZN.	The APP was adjusted and re-tabled due the floods in KZN.

PART B: PERFORMANCE INFORMATION

ANNUAL PERFORMANCE REPORT AGAINST THE REVISED 2022/2023 APP

Table 2.4.4.2:

2.4. Annual Performance Report Against The Revised 2022/2023 App

*To be used for a report against the originally tabled Annual Performance Plan (In the instance where a department **did not re-table** the Annual Performance Plan in the financial year under review) OR Report against the re-tabled Annual Performance Plan*

2.5.1 Programme 1:

2.4.1.1. Administration (Corporate Services)

Purpose:

Programme 1 provides support to the line function components of the Department in achieving their goals. The focus for Programme 1 is the provision of corporate and strategic support services to the Department. These include, but are not limited to Financial Management, Human Resource Development, Integrated Planning, Policy, Monitoring and Evaluation (IPPM&E), Information Communications Technology (ICT), Legal Services, Management Advisory Services, Labour Relations as well as Security and Occupational Health and Safety.

- Programme 1 Administration-Corporate Services has two chief directorates:
  - **Human Resource Management**
  - **Business Support Services**

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	Skills development interventions implemented	Number of skills development interventions impleme	8	13	4	4	0	Target achieved

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
		nted						
	Departmental vacancy rate	Percentage of departmental vacancy rate	New indicator	New indicator	10%	7%	-3%	The Department was able to keep the vacancy rate below 10% as targeted.
	Disciplinary cases finalised within the prescribed framework (90days)	Percentage of disciplinary finalised within the prescribed framework- 90 90days	New indicator	New indicator	100%	67%	-33%	There are inherent delays in disciplinary matters and some cases are too complex to be resolved within 90 days.
	Designated employees compliant with financial disclosure submission	Percentage of designated employees compliant with financial disclosure submission	New indicator	New indicator	100%	100%	0%	Target achieved
	Employees who	Percentage of	New indicator	New indicato	100%	100%	0%	Target achieved

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	sign performance agreements within the prescribed timeframe	employees signed performance agreements within the prescribed timeframe		r				
	Percentage of annual employee performance assessments concluded	Percentage of annual employee performance assessments concluded	New indicator	New indicator	100%	100%	0%	Target achieved
	Achievement of administration budget expenditure	Percentage achievement of administration programme budget expenditure	New indicator	New indicator	100%	100%	0%	Target achieved

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	Invoices for administration programme paid within 30 days	Percentage of invoices for administration programme paid within 30 days	New indicator	New indicator	100%	100%	0%	Target achieved
Effective and efficient corporate and financial support services to the Department	Decisions that are compliant with the Promotion of Administrative Justice Act finalized.	Percentage of decisions that are compliant with the Promotion of Administrative Justice Act finalized.	New indicator	100%	100%	100%	0%	Target achieved
	Capacity building initiatives implemented for contract compliance	Number of capacity building initiatives implemented for contract	5	7	7	7	0	Target achieved

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
		compliance						
	ICT business cases approved for implementation	Number of ICT business cases approved for implementation	New indicator	0	3	3	0	Target achieved
	Communication strategy	Approved communication strategy	New indicator	0	1	1	0	Target achieved
	Department offices with upgraded security system	Number of Departmental offices with upgraded security system	New indicator	27	27	0	-27	The security upgrades project was halted and no additional upgrades were done.
	Performance oversight meetings held with Department	Number of performance oversight meetings held with Department entity	4	4	4	4	0	Target achieved

Programme / Sub-programme: Corporate Services								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	entity							
	Policy awareness workshops conducted in the department	Number of policy awareness workshops conducted in the department	New Indicator	New indicator	4	4	0	Target achieved
	Performance reports submitted to oversight structures	Number of performance reports submitted to oversight structures	5	5	5	5	0	Target achieved

2.4.1.2. Programme 1: Financial Management

Purpose: The Finance sub-programme consists of the Office of the Chief Financial Officer, Management Accounting Services, Financial Accounting and Administration Services, Assets Management, Infrastructure Management and Supply Chain Management. The responsibilities are as follows.

- **The Office of the Chief Financial Officer:** responsible for ensuring compliance with all finance related matters and to provide leadership on all matters related to finance in the Department.

- **The Directorate Management Accounting Services:** management of budget and revenue planning, control and reporting**.**
- **The Directorate Financial Accounting and Administration Services:** provides expenditure and creditor management, bookkeeping, loss control, banking, financial systems development services as well as salary administration, financial administration and reporting services.
- **The Directorate Asset Management:** responsible for fleet management, inventory management and moveable asset management services.
- **The Directorate Infrastructure Management:** Was established during the 2018/19 financial year to manage the infrastructure developments in the department that was previously under the Directorate: Asset Management
- **The Directorate Supply Chain Management:** provides contract development, bids administration, demand, supply and logistics services to the department.

Programme / Sub-programme: Financial Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Effective and efficient corporate and financial support services to the Department	Approved 2022/23 Departmental Procurement Plan	Number of approved 2023//24 Departmental Procurement Plan	1	1	1	1	0	Target achieved
	2022/23 Infrastructure Program	Number of approved	1	1	1	1	0	Target achieved

Programme / Sub-programme: Financial Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	me Management Plan (IPMP)	2022/23 Infrastructure Programme Management Plan (IPMP)						
	Valid invoices paid within 30 days	Percentage of valid invoices paid within 30 days	95%	98.50%	100%	100%	0%	Target achieved
	In-Year Monitoring Reports submitted to oversight structures	Number of In-Year Monitoring Reports submitted to oversight structures	12	12	12	12	0	Target achieved
	2022/23 Departmental Strategic Risk Register	Number of approved 2022/23 Departmental Strategic Risk	1	1	1	1	0	Target achieved

Programme / Sub-programme: Financial Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
		Register						
	2022/23 Departmental Asset Register	Number of updated 2022/23 Departmental Asset Register	1	1	1	1	0	Target achieved
	Approved 2022/23 Departmental Contract Register	Number of approved 2022/23 Departmental Contract Register	1	1	1	1	0	Target achieved
	Achievement of departmental budget expenditure	Percentage achievement of departmental budget expenditure	100%	99.96%	100%	100%	0%	Target achieved
	Investigations conducted on fruitless, unauthorized and irregular expendit	Number of investigations conducted on fruitless, unauthorized and	1	1	1	1	0	Target achieved

Programme / Sub-programme: Financial Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	ure	irregular expenditure						
	Unqualified AG audit outcome	Number of unqualified AG audit outcome	1	1	1	1	0	Target achieved

2.4.2. Programme 2

2.4.2.1. Sub-Programme 1: Sustainable Resource Use and Management

Purpose:
The Sustainable Resource Management sub-programme includes the Engineering Services and Land Care sub-sub-programmes, as well as Land Use Management and Disaster Risk Management. The purpose of the sub-programme is to provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.

Programme / Sub-programme: Sustainable Resource Use and Management								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Agro-Increas	Subdivision of	Number of	New indicator	115	116	167	51	There is increase

ed research knowledge production, agricultural education, and training	Agricultural Land Act applications to change land use submitted to National Department (DLRRD) within 30 days	Subdivision of Agricultural Land Act applications to change land use submitted to National Department (DLRRD) within 30 days						d demand for this service as the Department received more requests than the usual trends.
	Farm management plans developed for farmers	Number of farm management plans developed for farmers	10	11	10	15	5	There was increased demand for the service from the Department clients.
	Agro-ecosystem management plans developed	Number of agro-ecosystem management plans developed	New indicator	0	1	1	0	Target achieved
	Disaster risk early warning campaigns conducted	Number of disaster risk early warning campaigns conducted	4	0	4	4	0	Target achieved

	Surveys on uptake for early warning information conducted	Number of surveys on uptake for early warning information conducted	New indicator	4	4	4	0	Target achieved
	Seed mega nurseries established	Number of seed mega nurseries established	New indicator	New indicator	1	0	-1	During the planning and design stage, the Department discovered that the project would not be affordable. As a result, it was halted and the Department resolved to utilise Makhathini Nursery, which is fully operational and providing support to whole

								the province.
	Agricultural youth employed into the agronomic seeds and horticulture seedlings programme	Number of agricultural youth employed into the agronomic seeds and horticulture seedlings programme	New indicator	New indicator	100	105	5	Department had capacity to absorb five additional young people to enrol into the programme to benefit on the employment opportunities.
	Agricultural youth trained in seed and seedlings production	Number of agricultural youth trained in seed and seedlings production	New indicator	New indicator	100	105	5	There were five additional young people that were enrolled into the programme.
	Hectares of agricultural land rehabilitated	Number of hectares of agricultural land	9118	5 165.21	4 000	3 498,77	-501,23	Some new projects commenced late and the

	through the Land Care Programme	rehabilitated through the Land Care Programme						delay affected target achievement.
	beneficiaries trained under Land Care EPWP Programme	Number of beneficiaries trained under Land Care EPWP Programme	255	824	382	445	63	The Department undertook additional trainings offered in conjunction with the Department of Public Works.
	Green jobs created (through land care)	Number of green jobs created (EPWP)	New indicator	1069	725	764	39	Active projects are replaced beneficiaries that left in the course of the projects with new ones, thus increasing number of jobs created.
	Practices for cultivated land	Number of hectares of	New indicator	466.25	650	682	32	Some beneficiaries had

	under conservation agriculture	cultivated land under Conservation Agriculture practises						bigger hectares of land available for cultivation, which the Department supported to improve service delivery.
	Achievement of Agricultural Development Services Budget expenditure	Percentage of Agricultural development services budget expenditure	New indicator	99.96%	100%	100%	0	Target achieved
	Invoices of Agricultural Development services paid within 30 days	Percentage of invoices for Agricultural Development Services paid within 30 days	New indicator	98.76%	100%	100%	0	Target achieved

2.5.2.2. Sub-Programme: Agriculture Producer Support and Development

Purpose:

Agriculture Producer Support and Development houses the largest programmes in the

organisation and is duly considered as the core agricultural services programme in the Department. This programme provides extension and advisory services; project support and funding, agricultural infrastructure; mechanization and production support to subsistence, smallholder and commercial producers for sustainable agricultural development.

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Improved household food security in the province	Subsistence producers supported with food security interventions	Number of subsistence producers supported with food security interventions	New indicator	22 894	13 455	20 404	6 949	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.

	Hectares planted for food production through Departmental support	Number of hectares planted for food production through Departmental support	22 917.82	29 417.60	22 310	27 681.66	5 371.66	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
Improved farmer development for increased agricultural production, sector growth and inclusive rural economy	Smallholder producer supports with agricultural production inputs	Number of smallholder producers supported	5 775	6 209	978	1 192	214	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additiona

								l requests.
	Black commercial producer supported	Number of black commercial farmers supported	33	27	20	29	9	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
	Agricultural Producers supported with agricultural advice	Number of producers supported with agricultural advice.	4 616	8 113	6 858	11 147	4 289	The Department had to provide more agricultural advices as the number of producers receiving support increased.
	Agricultu	Number	595	664	317	321	4	Some

	ral job opportunities created through departmental interventions	of agricultural job opportunities created through Departmental interventions						projects yielded more job opportunities than anticipated.
	Female farmer projects supported by the Department	Number of female farmer projects supported by the Department	27	606	171	450	279	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
	Youth farmer projects supported by the Department	Number of youth farmer projects supported by the Department	29	269	86	229	143	Higher outputs were achieved due to increased demand and the Department was

								in a position to accommodate additional requests.
	Projects for persons with disability supported by the Department	Number of projects for people with disability supported by the Department	7	24	23	23	0	Target achieved
	Red meat commodity producers	Number of producers supported in the Red Meat Commodity	New indicator	651	304	397	93	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
	Grain commod	Number of	New indicator	8274	5 448	7 236	1 788	higher outputs

	ity producers	producers supported in the Grain Commodity						were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
	Cotton commodity producers	Number of producers supported in the Cotton Commodity	New indicator	6	4	7	3	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests

								.
	Citrus commodity producers	Number of producers supported in the Citrus Commodity	New indicator	New indicator	1	2	1	Higher outputs were achieved because of higher demand than anticipated but the Department had sufficient farmer production support to accommodate additional requests.
	Agricultural infrastructure established by the Department	Number of agricultural infrastructure established by the department.	69	69	46	43	-3	Some infrastructure projects were not completed on time, resulting in under-achievement of the target.
	Agricultural infrastructure rehabilitated	Number of agricultural infrastructure rehabilit	29	14	6	6	0	Target achieved

		ated by the departm ent						
	Kilometr es of fence erected for agricultu ral use	Number of Kilometr e fenced for agricultu ral use	350.476	418.242	152.6	252,24	99,64	Higher outputs were achieved because of higher demand than anticipat ed but the Departm ent had sufficient farmer producti on support to accomm odate additiona l requests .

2.5.2.3. Programme: Veterinary Services

Purpose:

The purpose of the veterinary programme is to provide veterinary services to clients in order to ensure healthy animals, safe animal products and wellbeing of animals and the public. The sub-programme facilitate and provide animal health services, in order to protect the animals and public against identified zoonotic and diseases of economic importance. It also facilitates the export of animals and animal products through certification of health status; promotes safety of meat and meat products; and provide veterinary diagnostic laboratory and investigative services that support and promote animal health and production towards the provision of safe food.

Veterinary services are comprised of several sub sub-programmes, which includes:

- Animal Health;
- Veterinary Export Control;
- Veterinary Public Health and
- Laboratory Services.

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Reduction in outbreak cases of Controlled and Notifiable Animal Diseases	Visits to epidemiological units for veterinary interventions	Number of visits to epidemiological units for veterinary interventions	22 345	13 568	12 966	15 126	2 160	Target over achieved due to less number of officials being deployed to FMD campaigns, which led to increased veterinary interventions such as PAHC.
	Export control certificate	Number of veterinary	New indicator	1439	1 592	1 796	204	Targets over achieve

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	issued by State Veterinarians	certificates issued for export facilitation						d due to increased demand by clients.
	Inspections of facilities keeping preforming animals	Number of Performing Animals Protection Act (PAPA) registration licenses issued	New indicator	55	43	45	2	Target marginally over-achieved due to additional requests received that the Department was able to process.
	Rabies vaccination conducted by veterinary services	Number of animals vaccinated against rabies	193 994	192 330	203 412	254 618	51 206	Target over-achieved due to increased vaccinations following rabies outbreak in the

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
								province.
	Regular inspections of abattoirs meat cutting plants and meat processing plants	Number of Inspections conducted on facilities producing meat	New indicator	517	480	629	149	Target over-achieved due to available additional capacity within Vet Services.
	laboratory tests performed according to prescribed standards	Number of laboratory tests performed according to prescribed standards	84026	137 215	100 000	152 691	52 691	Targets over achieved due to an additional state vet employed at the Laboratory and the inclusion of two accredited methods
	Early	Number of	New	17 985	8 700	18 178	9 478	Due to

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	detection of diseases and quick response in order to maintain access to local international markets	samples collected for targeted Animal diseases surveillance-FMD,CBPP,PPR & AI	indicator					FMD outbreak and increased surveillance around the Hluhluwe IMfolozi Park including game reserves and dip tanks.

2.5.2.4. Research and Technology Development

Purpose: The objective of this sub-programme is to provide expert and needs based agricultural research, development and technology transfer affecting development objectives and natural resource management. The aim of the programme will be realized through consistent investment in knowledge acquisition and dissemination of information on research and technology developed to clients, peers and scientific community.

Research and Technology Development Programme is comprised of the following sub sub-programmes:

- Agricultural Livestock Research
- Agricultural Crop Research Services
- Sustainable Natural Resources

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Increased research knowledge production, agricultural education and training	Scientific papers published in accredited journals	Number of scientific papers published in accredited journals	6	7	6	7	1	Achievement was dependent on the peer review events programme
	Research presentations made at peer review events	Number of research presentations made at peer review events	5	11	12	12	0	Target achieved
	Research presented at technology transfer events	Number of research presentations made at technology transfer events	96	183	240	243	3	Target over-achieved due to additional invitations received.
	Research infrastru	Number of research	6	6	6	6	0	Target achieved

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	cture managed	infrastructure managed						
	Research projects implemented to improve agricultural production	Number of research projects implemented to improve agricultural production	75	68	66	70	4	Target over-achieved due to additional invitations received.
	New research technologies developed for smallholder	Number of new technologies developed for the smallholder producers	New indicator	0	5	5	0	Target achieved
	Plan to convert research stations into Centre of Excellen	Approved plan to convert research stations into Centre of	New indicator	0	1	1	0	Target achieved

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	ce & Innovation for 4th Industrial Revolution ADA Trustptation	Excellence & innovation for 4th Industrial Revolution ADA Trustptation						

2.5.2.5. Sub-Programme: Agricultural Economics Services

The purpose of the programme is to provide timely and relevant agricultural economic services to ensure equitable participation in the economy. The sub-programme provide market information and facilitate marketing and provide agricultural economic services to clients. This includes collecting and processing economic and statistical information on the performance of the agricultural sector in order to inform planning and decision-making. Furthermore, this sub-programme facilitates agro-processing initiatives to ensure participation in the value chain.

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Improved farmer develop	Beneficiaries supporte	Number of beneficiar	234	307	350	407	57	More farmers

ment for increased agricultural production, sector growth and inclusive rural economy	d with marketing advisory services	ies supported with marketing advisory services						attended SA GAP workshop
	Clients supported with production economic services	Number of clients supported with production economic services	375	435	400	622	222	Target was over-achieved due to more special training requests for NARY SEC programme for DALRRD
	Economic reports produced by the Department	Number of economic reports produced by the department	5	4	4	4	0	Target achieved
	Agri business supported with agro-processing	Number of agri business supported with agro-processin	351	555	400	416	16	Demands increased due to higher farmer

	initiatives	g initiatives						s' requests received a processed.
	Agribusiness supported with black economic empowerment advisory services	Number of agribusinesses supported with Black Economic Empowerment advisory	New indicator	0	1	1	0	Target achieved

*2.5.2.6. Sub-Programme: Structured Agricultural Education and Training **

Purpose

The purpose of this sub-programme is to facilitate and provide structured and vocational agriculture education and training in order to establish a knowledgeable, prosperous and competitive sector. Through the Higher Education and Training and Agricultural Skills Development offerings of agricultural institutes (OSCA and CEDARA), the Department is able to provide tertiary agriculture education and training from NQF levels 5 to applicants who meet minimum requirements as well as offer formal and non-formal training on NQF levels 1 to 4 through structured vocational education and training programmes.

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**

Increased research knowledge production, agricultural education and training	Students graduated from agricultural training institutes	Number of students graduated with agricultural qualification	137	106	90	249	159	Colleges were able to graduate more students, exceeding the usual trends.
	Farmers trained in agriculture skills development programmes	Number of participants trained in skills development programmes in the sector	663	1257	1600	2031	431	The colleges undertook more trainings to keep up with the demand as per the requests received.
	Career awareness activities organised to promote agricultural education.	Number of career awareness activities implemented to promote agriculture	47	51	72	89	17	This is due to high number of request received from schools for career awareness invitation that the

								colleges were able to honour.

2.5.3. Programme 3: Rural Development

Purpose:

To ensure the continuous improvement of sustainable rural livelihoods through the coordination of integrated rural development services and facilitation of rural enterprise and industry development. Programme 3 is made up of the following sub-programmes:

1. Sub-programme 3.1: Integrated Rural Coordination
2. Sub-programme 3.2: Rural Enterprise and Industry Facilitation and Development

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
Improved farmer development for increased agricultural production and inclusive rural economy	Agri-hubs business plans developed	Number of environment impact assessment for Agri-Hubs conducted	New Indicator	5	4	0	-4	The Department submitted the environmental Impact Assessment applications to EDTEA. However, final authorisations have not

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
								been granted as yet. The process is still unfolding.
	Projects supported with mentorship	Number of rural projects supported with mentorship	37	37	43	43	0	Target achieved
	Graduates enrolled into unemployed agriculture graduates programme	Number of graduates enrolled into Unemployed Agriculture Graduates Programme	280	340	340	362	22	Department had capacity to absorb additional graduates to enrol into the programme to benefit on the employment opportunities.
	Increased	Number of	New indicator	30	65	65	0	Target achieved

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	Commodity based marketing cooperatives linked to markets	Commodity Based Marketing Cooperatives linked to governments Markets						
	Improved access to early morning farmers markets for youth, women and people with disability	Number of Early Morning Farmers Markets for Youth, Women and disabled people	New indicator	5	20	20	0	Target achieved
	Agricultural projects supported with Social Facilitation	Number of agricultural projects supported with Social Facilitation	New indicator	50	15	15	0	Target achieved
	Achieve	Percent	New	100%	100%	100%	0%	Target

Programme / Sub-programme:								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2020/2021**	**Audited Actual Performance 2021/2022**	**Planned Annual Target 2022/2023**	****Actual Achievement 2022/2023**	**Deviation from planned target to Actual Achievement 2022/2023**	**Reasons for deviations**
	ment of Rural Development budget expenditure	age achievement of Rural Development budget expenditure	indicator					achieved
	Invoices for rural development paid within 30 days	Percentage of invoices for rural development paid within 30 days	New indicator	98.80%	100%	100%	0%	Target achieved

Linking performance with budgets

Programme 1: Administration expenditure by sub-programme

2.6. Linking performance with budgets

2.6.1. Programme 1: Administration expenditure by sub-programme

Table 1 Adminstration expenditure

	2020/21			2022/23		
Sub-programme	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/ Under Expenditure R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/ Under Expenditure R'000**
Office of MEC	24 150	24 150	-	28 899	28 899	-
Senior Management	37 174	37 174	-	42 054	42 054	-
Corporate Services	398 981	398 981	-	408 512	408 512	-
Financial Management	144 316	143 980	336	177 112	177 112	-
Communications	29 395	29 395	-	31 157	31 157	-
TOTAL	**634 016**	**633 680**	**336**	**687 734**	**687 734**	**-**

Programme 1: Administration recorded 100 per cent expenditure in 2022/23 with expenditure of R687.734 million compared to R633.680 million in 2021/22.

2.6.2. Programme 2 Expenditure by sub-programme

Table 2 Programme 2 Expenditure

	2021/22	2022/23

Sub-programme	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Sustainable Resource Management	72 112	72 112	-	74 828	74 828	-
Farmer Support and Development	1 251 371	1 251 017	354	1 198 739	1 198 739	-
Veterinary Services	249 795	249 795	-	212 032	212 032	-
Research & Technology Development	158 822	158 822	-	188 514	188 514	-
Agricultural Economic Services	12 183	12 183	-	13 051	13 051	-
Structured Agricultural Education and Training	91 949	91 623	326	94 434	94 434	-
TOTAL	**1 836 232**	**1 835 552**	**680**	**1 781 598**	**1 781 598**	**-**

Programme 2: Agriculture actual expenditure amounted to R1.782 billion or 100% of the Final Appropriation, with no variance and sub-programme or programme level.

2.6.3. Programme 3: expenditure by sub-programme

Table 3 Programme 3 Expenditure

	2021/22	2022/23

Sub-programme	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Rural Development Co-ordination	15 061	15 061	-	8 508	8 508	-
Social Facilitation	60 713	60 713	-	71 408	71 408	-
TOTAL	**75 774**	**75 774**	**-**	**79 916**	**79 916**	**-**

Programme 3: Rural Development recorded actual expenditure of R79.916 million, resulting in 100 per cent spending against final appropriation.

2.7. Transfer payments

2.7.1. Transfer payments to public entities

The Department had one public entity reporting to the Department during the 2022/23 financial year. The entity produces its own separate annual reports that provide details of their mandates, outputs and achievements. The purpose of the entity is as follows:

Agri-business Development Agency Trust (ADA TRUST) is a public entity providing the vehicle to grow the agricultural sector and improving access for black commercial farmers and agribusiness entrepreneurs through partnership and knowledge. During the year, the mandate of the entity was defined as to focus on secondary agricultural interventions whilst the department will focus on primary agriculture, thereby ensuring that there is no duplication of functions between the department and agency.

The Department monitors the progress and performance of the entity through quarterly reviews of financial and non-financial performance through the Steering Committee established and chaired by the Head of Department. The Department also has representation at board meetings.

2.7.2. Transfers to Public and Government Business Entities

Table 4 Transfers

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	(Over)/Under Expenditure R'000
Agri-Business Development Agency Trust (ADA TRUST)	Project implementation	219 963	193 063	26 900
Total		**219 963**	**193 063**	**26 900**

The under expenditure by ADA TRUST is mainly in respect of outstanding commitments where the goods/services had not been rendered and paid for by 31 March 2023. A request for the roll-over of the unspent funds has been submitted to the department.

2.8. Transfer payments to all organizations other than public entities

The Department made transfers to various organizations and private enterprises as listed in the table below. The Department enters into Funding Agreements with all entities that receive funds.

The requirements of S38 (1) (j) of the Public Finance Management Act is included in these Funding Agreements. The reporting requirements and monitoring mechanism as well as payment schedule is also included in the Funding Agreement.

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023, excluding transfers for motor vehicle licenses, radio license, payments to SETA and transfers to households.

Table 5 Transfers

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
SA Sugar Research Institute	Private	Agricultural Research	3 062	3 062	
Cebolakhe Projects	Private	Farmer Development	3 000	3 000	
Ezekhethelo Products Cc	Private	Farmer Development	6 300	6 300	
Mtshali	Private	Farmer	2 450	2 450	

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Sinethemba Nolwazi Pty		Development			
Nyezenhle Holdings (Pty) Ltd	Private	Farmer Development	6 300	6 300	
Ibisi Agricultural Primary Co-op	Private	Farmer Development	2 300	-	Project in implementation phase
KPP Piggery (Pty) Ltd	Private	Farmer Development	6 500	4 225	Project in implementation phase
LRSA Projects & Construction (Pty) Ltd	Private	Farmer Development	3 400	3 400	
Sibakhulu Enterprises (Pty) Ltd	Private	Farmer Development	3 500	1 517	Project in implementation phase
Soguba Farming (Pty) Ltd	Private	Farmer Development	6 000	-	Project in implementation phase
Umdikizo Trading Projects	Private	Farmer Development	2 690	2 690	
Dleks (Pty) Ltd	Private	Farmer Development	3 100	746	Project in implementation phase
Inkwali Layers Agric Co-op Ltd	Private	Farmer Development	2 254	2 254	
Themba Fakazi	Private	Farmer	1 318	1 288	Project in

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Transport		Development			implementation phase
Phiwos Investments Primary Co-op	Private	Farmer Development	2 182	872	Project in implementation phase
Real Quick Suppliers	Private	Farmer Development	2 766	1 692	Project in implementation phase
Sibalwethu Consultants	Private	Farmer Development	1 500	898	Project in implementation phase
Umgexo Trading	Private	Farmer Development	1 500	1 183	Project in implementation phase
What a Deal Trading & Projects	Private	Farmer Development	1 500	1 500	Project in implementation phase
Nathi-Futhi Agric Primary Co-op	Private	Farmer Development	2 950	373	Project in implementation phase
Phambili Madoda Business Enterprise	Private	Farmer Development	1 010		Project in implementation phase
Phangela Trading & Livestock Enterprise	Private	Farmer Development	7 500	7 500	

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Karabos Enterprise	Private	Farmer Development	3 450	3 450	
Still Mac Printing & Trading	Private	Farmer Development	6 900	6 900	
Nqobifa Trading & Projects Pty Ltd	Private	Farmer Development	1 995	1 995	
Pinquer Multi Trading Pty Ltd	Private	Farmer Development	4 400	4 400	
Sgandanda Mahlubi Investment	Private	Farmer Development	3 210	3 210	
Zenzero Trading (Pty) Ltd	Private	Farmer Development	3 000	3 000	
Daxilox	Private	Farmer Development	3 157	3 157	
MGSM Solutions Pty Ltd	Private	Farmer Development	5 857	5 857	
Sizisizwe Trading Enterprise Coop	Private	Farmer Development	4 883	3 883	

2.9. Donor funds

2.9.1. Donor Funds Received

The Department did not receive any foreign aid during the 2022/23 financial year.

2.10. Capital investments

2.10.1. Capital investment, maintenance and asset management plan

The table below provides an analysis on infrastructure spending for the 2021/22 and 2022/23 financial years. Actual expenditure for 2022/23 amounted to R97.172 million, with no variance against any category of investment when compared to the final appropriation.

	2021/22			2022/23		
Sub-programme	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/Under Expenditure R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**(Over)/Under Expenditure R'000**
New and replacement assets	27,017	27,017	-	22 781	22 781	-
Existing infrastructure assets						
- Upgrade and additions	13,211	12,885	326	8 779	8 779	-
-Rehabilitation, renovations and refurbishments	19,963	19,609	354	19 272	19 272	-
-Maintenance and repairs	3,467	3,467	-	7 203	7 203	-
Infrastructure transfer						

-Current						
-Capital	107,859	107,859	-	39 137	39 137	-
TOTAL	**198,649**	**197,969**	**680**	**97 172**	**97 172**	**-**

The expenditure against transfer capital is in respect of projects that are receive grant funding from the department through the direct funding mechanism. Funds are transferred in tranches based on progress made in implementation of the business plan.

2.11.Conditional Grants

Tables 3.6 and 3.7 illustrate conditional grant payments and estimates from 2019/20 to 2025/26. Further details are given in *Annexure – Vote 3: Agriculture and Rural Development.* Note that the conditional grant figures in Table 3.1 for the period 2019/20 to 2025/26 indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 3.6, which show the actual expenditure and estimates. The department receives funding for four national conditional grants over the MTEF as explained below the tables. None of these grants' budgets were cut over the 2023/24 MTEF, with most grants receiving an inflationary increase in the outer year.

Table 3.6 : Summary of conditional grants payments and estimates by name

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
CASP grant	220 332	194 438	215 759	218 604	218 604	218 604	230 574	318 552	300 752
Ilima/Letsema Projects grant	68 352	75 692	77 133	75 424	75 424	75 424	76 685	80 130	83 720
Land Care grant	15 115	12 550	13 022	13 110	13 110	13 110	13 310	14 127	14 760
EPWP Integrated Grant for Provinces	4 842	4 647	4 699	4 610	4 610	4 610	4 636	-	-
Provincial Disaster Relief grant	-	3 750	-	-	-	-	-	-	-
Total	308 641	291 077	310 613	311 748	311 748	311 748	325 205	412 809	399 232

Table 3.7 : Summary of conditional grants payments and estimates by economic classification

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2019/20	2020/21	2021/22	2022/23			2023/24	2024/25	2025/26
Current payments	171 605	99 437	146 387	139 649	139 649	139 578	168 283	249 026	225 787
Compensation of employees	25 083	13 032	34 527	41 254	41 254	41 183	43 591	44 098	44 613
Goods and services	146 522	86 405	111 860	98 395	98 395	98 395	124 692	204 928	181 174
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	102 524	115 875	122 303	105 722	105 722	105 793	106 594	111 870	117 507
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	3 532	-	-	-	-	-	60 000	62 700	65 522
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	98 988	115 875	122 303	105 722	105 722	105 722	46 594	49 170	51 985
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4	-	-	-	-	71	-	-	-
Payments for capital assets	34 512	75 765	41 923	66 377	66 377	66 377	50 328	51 913	55 938
Buildings and other fixed structures	27 551	50 336	27 881	50 612	50 612	50 612	42 398	44 306	48 146
Machinery and equipment	6 961	25 429	14 042	15 765	15 765	15 765	7 930	7 607	7 792
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	308 641	291 077	310 613	311 748	311 748	311 748	325 205	412 809	399 232

The CASP grant is aimed at enhancing the capacity of the agriculture sector by providing support to beneficiaries of land and agrarian reform programmes. This grant also focuses on the revival of agricultural extension services. The high 2019/20 amount was due to under-spending in 2018/19, resulting in a roll-over of R68.304 million to 2019/20. Despite the increased expenditure, the grant was again under-spent in 2019/20, resulting in a roll-over of R42.423 million to 2020/21. The roll-over in 2020/21 was offset by the budget cut toward funding the national response to the Covid-19 pandemic.

In KZN, a portion of the CASP grant is transferred to ADA TRUST against *Transfers and subsidies to: Departmental agencies and accounts* in respect of projects implemented by ADA TRUST from 2023/24 onward, as per the CASP grant business plan. These projects were identified specifically for ADA TRUST such as Building Wealth Enterprise (poultry), Syajay Agriculture Services (crop production – hydroponics), Tuwa Civils (potatoes), and Copper Sunset (goat farming and construction of abattoir).

The grant allocation is also used for projects that are funded by way of direct transfers and are managed through funding agreements between the department and beneficiaries, and details of the beneficiaries are provided in Section 7.7. The grant shows a steady increase from 2022/23 onward, and includes provision to develop and support farmers by improving

their infrastructure (dip tanks, broiler houses, fencing, irrigation, etc.), as well as to improve extension services through the ERP by providing remuneration for contract employment.
The CASP grant also provides funding for the placement of 120 unemployed graduates on farms over the MTEF through the UAGYP. The department places graduates every two years, as mentioned. The peak in 2024/25 against *Goods and services* is due to the funding for agri-hubs received from the BFI at National Treasury growing from R8.400 million in 2023/24 to R86.400 million in 2024/25 and R56.400 million in 2025/26.

The Ilima/Letsema Projects grant, which falls under the Ilima/Letsema campaign driven by DALRRD, is aimed at unlocking the potential of currently 'dead' land and other assets, particularly in communal areas. In KZN, this grant is used for various projects, including the food security and mechanisation programme and the irrigation schemes within the Makhathini development project. There was under-expenditure of R29.038 million mainly on the irrigation schemes in 2019/20 which accounts for the increase in 2020/21 due to the funds being rolled over.

The increase relating to the roll-over is offset to some extent by the decrease of R18.307 million toward funding the national response to the Covid-19 pandemic. The increase in 2021/22 was due to a roll-over of funds from 2020/21 to 2021/22, as mentioned. The MTEF allocations show a steady increase and will be utilised toward funding the irrigation developments, food security at household level, as well as mechanisation services, among others.

The Land Care grant is aimed at optimising the sustainable use of natural resources to ensure greater productivity, food security and job creation. The decrease in 2020/21 was due to effected budget cuts towards funding the national response to the Covid-19 pandemic. The grant funding shows a slow but steady increase from 2021/22 to 2025/26. This grant provides for the management of grazing land, alien species control, fencing, etc.
The EPWP Integrated Grant for Provinces allocation is based on the number of EPWP jobs created in the previous year and therefore allocations are for one year only and not over the MTEF period, hence there are no allocations in 2024/25 and 2025/26. The slight decrease in 2022/23 is due the impact of Covid-19 on the number of job opportunities provided during that period. This grant is used to fund additional projects in the department's land care

programme, and includes costs for materials and wages. In addition, the department has allocated R19.700 million, R20.600 million and R21.500 million over the MTEF from equitable share funding for EPWP wages and inputs for the land care projects, with the aim of creating 355 jobs in 2023/24.

The Provincial Disaster Relief grant spent R3.750 million in 2020/21 in respect of scooping of 17 stock watering dams implemented in relation to drought relief. *Compensation of employees* relates to Extension Officers funded from the ERP pillar of the CASP grant. The 2019/20 amount catered for the appointment of graduates on a contractual basis to work with Extension Officers. The decrease in 2020/21 was due to the appointment of additional contracts late in the financial year. The 2023/24 MTEF allocations provide for the appointment of 71 contracted graduates per annum over the MTEF period. The department pays for contract appointments under this category.

Goods and services recorded under-expenditure in 2018/19, resulting in a roll-over to 2019/20 and hence the high expenditure in 2019/20. The decrease in 2020/21 and subsequent increase in 2021/22 was due to under-expenditure resulting in a roll-over to 2021/22, as well as savings moved to this category towards implementation of the planting season in respect of mechanisation, seeds, fertilizer, etc. during 2021/22. The 2023/24 MTEF allocations cater for agricultural production inputs and materials, EPWP wages, training costs, uniform and protective clothing, and computer services. The peak in 2024/25 against this economic classification is due to the allocation for agri-hubs received from the BFI at National Treasury growing from R8.400 million in 2023/24 to R86.400 million in 2024/25 and R56.400 million in 2025/26.

Transfers and subsidies to: Departmental agencies and accounts relates to transfers made to ADA TRUST to implement projects funded from the CASP grant in 2019/20 and again from 2023/24 to 2025/26. The department did not use ADA TRUST to implement any of the CASP projects for the period 2020/21 to 2022/23 and all projects were funded from its equitable share. However, from 2023/24 onward, the department has included some of the projects undertaken by ADA TRUST that meet the conditions and criteria for CASP grant.

Transfers and subsidies to: Public corporations and private enterprises is in respect of those projects where the department provided the funding as a direct transfer instead of procuring the goods and services and capital infrastructure. This funding mechanism is only utilised where the beneficiary meets specific requirements. The steady increase over the seven-year period is due to the department preferring this funding mechanism to support emerging farmers to increase productivity and improve the on-farm infrastructure. The list of beneficiaries is provided under Section 7.7. The budget over the MTEF continues to provide for direct funded projects.

Transfers and subsidies to: Households in 2019/20 and the 2022/23 Revised Estimate reflects spending in respect of staff exit costs. *Buildings and other fixed structures* mainly relates to agricultural infrastructure such as poultry houses, fencing, irrigation schemes, etc, and the rehabilitation, upgrades of Cedara and OSCA agricultural colleges' infrastructure improvements. The peak in 2020/21 was due to the roll-over from 2019/20 relating to projects, such as animal housing, irrigation, boreholes and fencing under the CASP and the Ilima/Letsema Projects grants, as the bids needed to be re-advertised to meet the local content requirements. The allocations over the MTEF show a steady increase and relate to irrigation development and improvement of the agricultural colleges' infrastructure, among others.

Machinery and equipment relates to various agricultural equipment, as well as computers and vehicles acquired under the ERP pillar of the CASP grant. The increase in 2020/21 was due to funds rolled over for vehicles for extension services, as well as computers and uniforms. The MTEF allocations cater for the leases of cellular phones under the ERP pillar of CASP, as well as conservation agriculture implements under the Land Care grant.

2.12. Capital Investment-Nil

PART C: GOVERNANCE

3. PART C: GOVERNANCE

3.1. Introduction

The Department has Internal Control and Risk Management Directorate that drives internal governance matters and ensures there are adequate systems of control to enable accountability and organisational transparency. The Director of the function reports directly to the Head of Department. The Department does not have internal audit committee. However, it utilises the KZN Treasury shared Provincial Audit and Risk Management Committee that all provincial departments use.

3.2. Risk Management

- The Department has an approved risk management policy and a five-year strategy.
- The department has a strategic risk assessment with is aligned to the strategic plan. The review of the strategic risk register is done annually and updated with new and emerging risks. On a quarterly basis the risk register is reviewed and updated with emerging risks.

  Operational risks are conducted right throughout the year.
- The department has an internal control risk and risk management committee which meets quarterly to look at the risk management system and progress on the implementation of the risk mitigation plans. The cluster audit and risk committee also advises management on risk management system and level of the implementation of mitigation plans.
- The audit committee advises the department on risk management and monitors the effectiveness of the system of risk management.
- The department has progress in the management of risks and progress is noted in its performance.

3.3. Fraud and Corruption

- The fraud prevention plan is in place and reviewed annually. It is inclusive of the response plan/strategy. There has been significant progress in implementing the plan through understanding and assessment of the risks facing the Department, fraud awareness sessions
- The department has a whistleblowing policy in place. A fraud hotline that utilises a toll free number has been set up to enable reporting of suspected fraud and corruption. The cases are reported through the fraud hotline, the office of the head of department

and the Public Service Commission. Upon receipt of allegations, they are then referred to Internal Control Unit to access the scope of the matter and be referred to Office of the Premier Forensic Unit or to Law Enforcement Agencies for investigation.

3.4. Minimising Conflict of Interest

- The Department communicates the DPSA's regular Circulars on Financial Disclosure to ensure and monitor compliance during the opening windows for disclosure. Further to this the Department has a Policy on remunerative work outside the Public Service and keeps the Register for the applicants / approvals.

- In the process of enforcing and monitoring of conflict of interest and in an instance of non-compliance, Human Resource Administration writes to the non-compliant employees through their respective responsibility managers to establish the reason/s for non-compliance. Following the established reasons for non-compliance; Human Resource Administration writes to DPSA requesting for a special concession for reopening of the e-disclosure system to allow access for outstanding disclosures. Dismal non-compliances are referred to Employee Relations for the initiation of disciplinary process.

- The Department is also in a process of developing an inclusive policy on financial disclosure which will also covers employees' family relationships disclosure to institutionalise ethics whilst discouraging conflict of interest and nepotism.

3.5. Code of Conduct

The Department is adhering to the Public Service Code of Conduct and PSCBC Resolution 1 of 2003 in order to;

- To support constructive labour relations in the department.
- Maintaining and promoting a high standard of professional ethics.
- To promote mutual respect and acceptable conduct.
- Promoting efficient, economic and effective use of resources.
- Orientated towards development.
- Delivering services impartially, fairly, equitable and without bias.
- Responding to people's needs and encouraging public participation in policy matters.
- Accountable for its actions.
- Transparent by providing the public with timely, accessible and accurate information.
- Cultivating good human resource management and career development practices to maximize human potential.

- Broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past.

The process followed for the breach of Code of Conduct is as follows;

- Conduct an investigation.
- Determined contravention of policies and collect evidence.
- Conduct disciplinary hearing.
- Employees to be notified of the charge against him/her and his or her rights at the hearing.
- The disciplinary hearing should be held as soon as possible after the incident, but the employee should be granted sufficient time to prepare his or her case.
- Read the notice for the record and ask the employee to indicate whether she or he pleads guilty or not guilty to each charge.
- At the hearing the employee has the right to hear the evidence presented against him or her, has the right to state his or her case in accordance with the 'audi alteram partem-rule", the right to call witnesses and the right to cross examine witnesses called by management.
- Place the verdict on records together with the reasons.
- If guilty, ask parties to address in aggravation and mitigation of sanction.
- Consider and determine the appropriate sanction.
- The employee has a right to appeal.

3.6. Health Safety and Environmental Issues

- The Department conducts annual medical surveillance health screening in order to prevent and manage transmission/ acquiring of occupational diseases. The medical surveillance is currently undertaken with the personnel from Analytical and Soil Science Services and Veterinary Services. The scope of medical surveillance is to be extended to other branches that have risks of occupational diseases.

- There is a high number of late and non-reporting of IOD cases. This leads to poor management of occupational injuries and poor management of IOD sick leave. In most cases employees tend to report that the incident was due to medical condition, such as high blood pressure that resulted to a black out or live with epilepsy.

3.7. Portfolio Committees



Resolutions Register for Agriculture and Rural Development Portfolio Committee

Resolution No.	Resolution Taken	Response Received/ Comments	Due Date	Status
Resolution 1/2017	Final budget report to be presented on the next meeting			**Finalized**
Resolution 2/2017	A report on unemployed graduate programme to be presented at the workshop.			**Finalized**
Resolution 3/2017	Final Budget to be presented at the workshop.			**Finalized**
Resolution 4/2017	A plan must be developed by the department on the communication strategy.			**Finalized**
Resolution 5/2017	The matter of the workshop for the officials of the Department must be taken to the Committee of the chairpersons.			**Ongoing**
Resolution 6/2017	The KZN Legislature calendar must be sent to the department outlining important dates for the committee.			**Finalized**
Resolution 7/2017	A meeting between the national portfolio committee chairperson, as well as the MEC,			**Finalized**

	HOD and provincial chairperson of Agriculture portfolio committee.			
Resolution 8/2017	Progress report on the Department and SAB agreement regarding maize meal.			**Finalized**
Resolution 9/2017	A special meeting on the 17th March 2017 for the budget, before being tabled at the Chamber.			**Finalized**
Resolution 10/2017	Organogram and Management report to be presented on the next Portfolio Committee meeting	**Report received, but not yet engaged.**		
Resolution 11/2017	A list of beneficiaries for South African Sugar Association to be presented			**Finalized**
Resolution 12/2017	A full report on Uthukela Local House of Traditional Leaders			**Finalized**
Resolution 13/2017	Progress report for the education on animal care/community meetings			**Finalized**
Resolution 14/2017	Report on deep tanks and where they are allocated			**Finalized**
Resolution 15/2017	The Department to do a proper investigation on Natal Trust Farms as per Budget Speech pronouncement, and give a proper report			**Progress Report**
Resolution 16/2017	A detailed report to be provided including the breakdown of the COE (R8.4 million) budget for 2017/18 COE movement to Districts, demographics of scientists including new structure.			**Finalized**
Resolution 17/2017	A report on how to get farmers involved in the seed banks and the value chains.			**Finalized**
Resolution 18/2017	A full report on the Organogram, vacancy rates, impact on RASET, gaps; implementation of M&E, as well as Internal			**Finalized**

	Control and Risk Management on the organogram			
Resolution 19/2017	A detailed report and a business plan on the Veterinary programme for an appropriate roll out.			**Finalized**
Resolution 20/2017	Veterinary Services to re-submit the report on the education of the communities			**Finalized**
Resolution 21/2017	Detailed dip tank report from inception till to-date			**Finalized**
Resolution 22/2017	Codes on the mobile clinic report to be explained.			**Finalized**
Resolution 23/2017	Programme of the mobile clinics be mapped to assist follow ups and the spread of these clinics across the Province to be clearly shown on the report.			**Pending**
Resolution 24/2017	AG action plan to be presented.		November 2017	**Finalized**
Resolution 25/2017	Asset Management Report to remain a standing item on the agenda			**Progress Report**
Resolution 26/2017	Detailed report on Techno Serve.		November 2017	**Finalized**
Resolution 27/2017	A report on any agreements/partnerships above R1 Million between the Department and any other Institutions.		November 2017	**Finalized**
Resolution 28/2017	Comparative report on Intingwe strategy.	**Report received, but not yet engaged.**	November 2017	
Resolution 29/2017	Detailed report on Irrigation schemes and the challenges thereof.		November 2017	**Finalized**
Resolution 30/2017	Turnaround strategy for Ma-Ande farm	**Report received, but not engaged.**	November 2017	

Resolution 31/2017	All District Managers to give a presentation on their planting plans.		November 2017	**Finalized**
Resolution 32/2017	Report on the state of tractors across the province.		November 2017	**Finalized**
Resolution 33/2017	A presentation on the proposal (on how to get milk supply) for Copperfield Dairy Farm	Report received, but not yet engaged.	November 2017	**Finalized**
Resolution 34/2017	Turnaround Strategy or Plan for SCM.		January 2018	**Progress Report**
Resolution 35/2017	Turn-around strategy for Agricultural Services.		January 2018	**Finalized**
Resolution 36/2017	Skills analysis report of SCM unit.		January 2018	**Finalized**
Resolution 37/2017	Report on outstanding procurement issues per District.		January 2018	**Finalized**
Resolution 37/2017	At least one District should be invited to Portfolio Committee meetings.			**On-going**
Resolution 1/2018	Presentation of 3rd Quarter Performance and Financial Report		13 March 2018	**Finalized**
Resolution 2/2018	Spending Analysis Report		22 February 2018	**On-going**
Resolution 3/2018	Report on ERP and CASP		22 February 2018	**Finalized**
Resolution 4/2018	Implementation of the MEC's Budget Speech		13 March 2018	**Finalized**
Resolution 5/2018	Report on the Department's Turnaround Strategy formulated by Treasury		30 March 2018	**On-going**
Resolution 6/2018	Plan on capacitating Emerging Farmers in Mooi Mpofana District Municipality		13 March 2018	**Finalized**
Resolution	Quarterly Reports on Cabinet decisions that		Quarterly	**On-going**

7/2018	have financial implications			
Resolution 8/2018	SCOPA and Finance Reports			**Finalized**
Resolution 9/2018	Report on outstanding matters on RASET		13 March 2018	**Finalized**
Resolution 10/2018	Submission of documents two weeks before the meeting			**Ongoing**
Resolution 11/2018	Report on the re-prioritization of the Department's Budget		13 March 2018	**Finalized**
Resolution 12/2018	Presentation of the reviewed Agricultural Policy		May 2018	**Finalized**
Resolution 13/2018	Detailed Report on the 3rd Quarter Performance Targets		13 April 2018	**Finalized**
Resolution 14/2018	Investigative Report on the Department's Performance by the MEC		13 April 2018	**On-going**
Resolution 15/2018	Progress Report on Rabies		13 April 2018	**On-going**
Resolution 16/2018	Progress Report on uMshwathi Farmers		13 April 2018	**Finalized**
Resolution 17/2018	Report on the work plan of the Extension Officers per District		13 April 2018	**On-going**
Resolution 18/2018	Report on how the Ndlovu Family CC will be assisted		13 April 2018	**Finalized**
Resolution 19/2018	A detailed report on the planting season, as per districts and the budget linked to it.		Next Ordinary	**Finalized**

			Meeting	
Resolution 20/2018	Project report on chicken feeds		Next Ordinary Meeting	**Finalized**
Resolution 21/2018	Report on how the breach of contract in the support projects is dealt with		Next Ordinary Meeting	**Finalized**
Resolution 22/2018	List of Extension Officers and activities around each ward, for the months of April – June 2018 uMkhanyakude, uKhahlamba, uMhlabuyalingana and uMgungundlovu Districts.		Next Ordinary Meeting	**Finalized**
Resolution 23/2018	Progress Report on Rabies		Next Ordinary Meeting	**On-going**
Resolution 24/2018	A copy of the SPCA and the Department's agreement		30 April 2018	**Finalized**
Resolution 25/2018	The Treasury intervention must talk to the SCM Strategy. Treasury to be invited to present the progress report.		Next Ordinary Meeting	**On-going**
Resolution 26/2018	A list of ADA TRUST Projects that are planned for on the R16 million, plus the cost of consultants.		Next Ordinary Meeting	**Finalized**

Resolution 1/2019	Presentation on the Procurement Model by the Department, as soon as it is ready.			**Finalized**
Resolution 2/2019	Research Activities by the Department to remain a standing agenda item.			**On-going**
Resolution 3/2019	AOP 2019/20 needs to be re-worked, to ensure the Committee's involvement and participation. The AOP will be discussed on the second day of the workshop.			**Finalized**
Resolution 4/2019	On the Babanango matter, all relevant stakeholders to meet with the Committee by the end of November 2019, including the Umcakwini Trust Members, to try and resolve the issues at hand.			**This matter is now handled by the ad hoc Committee on Land Matters**
Resolution 5/2019	The process of stopping the Game Reserve project to be prioritized, through a petition's process.			**This matter is now handled by the ad hoc Committee on Land Matters**
Resolution 6/2019	Visit to a farmer from Wasbank, who has 209 cattle and pigs in January 2020.			**Pending**
Resolution 7/2019	AOP 2020/2021 to be re-worked and adopted, together with the FIS			**Finalized**

Resolution 8/2019	Department to submit a response to PSC on how they are planning to address/implement the recommendations.	On the 06 December 2019, the Department reported that they have met with the PSC and they are developing an action response on all matters.	March 2020	**Finalized**
Resolution 9/2019	The Committee resolved to monitor closely monthly expenditure by the Department, through monthly reports sent to Treasury. **The Committee went further and requested the department to submit these reports at the same time the submit to Treasury.**	**There are still issues with receiving these reports from the Department, as per the resolution**		**On-Going**
Resolution 10/2019	Department was requested to submit a rural development strategy	A chapter on Rural Development was presented. The rural development strategy is part of the Master plan. This is still work in progress as the province is aligning with National.	March 2020	**On-Going**
Resolution 11/2019	A matter of Mzimkhulu Farms title deeds which was raised by KwaNalu during the workshop was reported to the Department, and the Committee requested a comprehensive report on the matter. On the meeting of the 6th December 2019,			**Finalized**

	the Department reported that they were concluding its **New Strategic Framework**, and it was resolved that as soon as it is finalized, it must be shared with the Committee.			
Resolution 12/2019	Department to present the market access strategy for emerging farmers			**Finalized**
Resolution 13/2019	Department to present CASP business plan to the Committee			**Finalized**
Resolution 14/2019	A plan for filling of posts to be presented to the Committee		January 2020	**Finalized**
Resolution 15/2019	Ntingwe Tea Estate Turn-around Strategy to be presented to the Committee		January 2020	**Finalized**
Resolution 16/2019	Progress report on alignment of entities, and the reasons for appointing a service provider to do this work on behalf of the Department.	-The first phase on the amalgamation of public entities has been completed. - Human resources and financial matters are now handled under Agricultural Development Agency. -The functions of Mjindi have also been incorporated.		**On-Going**

		Ntigwe tea is now managed as a project under ADA TRUST. What is left are now legal issues which include the deregistration of Mjindi and the transfer of Ntingwe shares to ADA TRUST. The reason why the department appointed a service provider is mainly the lack of capacity on the legal side. However, the department is fully in charge of the process under A joint management Committee (JMC) .		
Resolutions 17/2019	Committee resolved to have briefing sessions with Researchers, AG and Treasury a month prior to the tabling of the matter to the Committee.			**On-Going**

Resolution 18/2019	Mrs Zulu (0720797940) of Ward 03 Msinga complained about the tractors that were taken away from them for repairs but never returned. Department to report back to the Committee on the matter.			**Pending**
Resolution 19/2019	MaMkhize from Msinga Top (0725581497) is producing mealie meal. She Requested support to build proper milling structure. The Committee resolved to approach relevant stakeholders like EDTEA or district development agency to help. She also complained about the quality of Imbewu that they are getting from the Department. It was resolved that the Department will be engaged to address this issue.			**Pending**
Resolution 20/2019	Bab Zulu from Kietsdrift requested the Chairperson to visit the land reform beneficiaries in the area. This has been done, and a follow-up meeting is planned before April 2020.			**On-Going**
Resolution 21/2019	Rural Development to be engaged further, to address challenges on the Tugela Ferry Irrigation Scheme.			**Pending**
Resolution 1/2020	On the Babanango Land Claim matter, the Commission to meet with the Community on the 14th Feb 2020 to serve gazette notices and to draw up an action plan.			**Finalized**

Resolution 2/2020	An Ad-Hoc Committee to deal with land matters to be established.	A letter to the Speaker was sent on the 13th Feb 2020, requesting for an establishment of an ad-hoc committee.		**Finalized**
Resolution 3/2020	Minister Didiza to be engaged to deal with the Bababango Land Claim matter.	The proposed Ad-Hoc Committee met with the Minister on the 18th Feb 2020.		**On-going**
Resolution 4/2020	The Chief Commissioner on Land Claims (Ms Gobodo) to present an action plan on the Babanango Land Claim issue by the 15th March 2020.			**This matter is now handled by the ad hoc Committee on Land Matters**
Resolution 5/2020	Deputy Minister (Hon Skwatsha) to be part of the team in trying to resolve the Babanango Land Claim matter.			**On-going**
Resolution 6/2020	Ezemvelo Wildlife CEO to write to DIYA and alert them of all the issues related to the Game Park in Babanango, and send all the relevant reports to the Ad-Hoc Committee on land matters.			**This matter is now handled by the ad hoc Committee on Land Matters**
Resolution 7/2020	First week of April 2020, the Deputy Minister and the CLCC to meet the Babanango Community.			**This matter is now handled by the ad hoc Committee on Land Matters**
Resolution 8/2020	DG (Ms Nosipho Ngcaba) on the Department of Environmental affairs to report to Hon Barba Creecy on the Babango Land Claim			**This matter is now handled by the ad hoc Committee on Land Matters**

	matter and the establishment of the game farm. DG and DDG (Mr Shinisani Munzhedzi) to meet with the person contracted to a game park project in Babanango, and facilitate the processes of stopping the funding, until all related issues are resolved. DG to give a date by the 28th Feb 2020 on when they will visit the Babanango Community.			
Resolution 9/2020	**Dundee Farm Oversight Visit** It was resolved that the Portfolio Committee will make a follow-up with DARD, as Dr Mkhize had said she is involved in the project during the meeting at Endumeni Local Municipality. The department would have to explain further to keep the Portfolio Committee abreast on how far they have gone in terms of assisting the project.	Following this oversight visit, no progress report has been received by the Committee from the Department.		**Pending**
Resolution 10/2020	Department to present a business plan of the Department, and all projects to be funded under CASP for 2020/2021, and those funded in the past 3 years.	Casp Project list for the past 3 years and for 2020/2021 was received on the 17th April 2020, and emailed to Members	March 2020	**Finalized**
Resolution	Present a turn-around strategy for the		May 2020	**Finalized**

11/2020	mushroom project, and invite the Mushroom farmers to the meeting.			
Resolution 12/2020	Aqua-culture report presentation	**Report submitted, but not engaged.**	May 2020	
Resolution 13/2020	Detailed report on the filling of posts in the Province (all Districts)		May 2020	**Finalized**
Resolution 14/2020	Present a 5-year plan on the 57 farms in Mooi River: targeted interventions		May 2020	**Finalized**
Resolution 15/2020	Department to report to the Committee after they have met with Agri-House on the strategy plan		June 2020	**Pending**
Resolution 16/2020	Members were urged to suggest 3 areas of FIS by the 15th of December 2019. This was done on the 21st of February 2020.			**Finalized**
Resolution 17/2020	On the AG Improvement Plan, the Committee resolved that the Department must conduct a thorough investigation into the matter at hand and must furnish the committee with full details of the actions taken against the staff members that were responsible for those actions that appear on the AG report. The Department must also present a report which outlines the consequence management part of it and the forward-looking aspect.		19 March 2020	**Finalized**
	It was resolved that the Department be given		31 March	**Finalized**

Resolution 18/2020	time to rework its APP document so that it reflects all the SMART objectives of the Department.		2020	
Resolution 19/2020	Having noticed that the presentation on Uthukela District Organogram did not contain the contact details of those in Management. It was resolved that the department furnishes the Committee with the full DARD districts Management contact details for ease of reference.			**Finalized**
Resolution 20/2020	Having noted that there is a unique strategy used by DARD to determine a planting season. It was resolved that the Department presents a report that determines the planting strategy used by the Department during different planting seasons.		31 March 2020	**Finalized**
Resolution 21/2020	Having noted that some of the DARD reports are not easily understood by those outside of the Department; the Committee resolved that in future, the Department must prepare simplified reports that will be easily interpreted even by those that do not work in the Department. The Committee also resolved that the Head of Department must do quality check on all the reports that will be presented to the Committee.			**On-going**
Resolution 22/2020	Presentation on Aquaculture in the Province	**Report submitted but not engaged.**		

Resolution 23/2020	The MEC mentioned that a comprehensive strategy on how Agricultural Graduates will be absorbed in the department will be presented to the Committee, as soon as it is ready.			**Finalized**
Resolution 24/2020	Rationalization of public entities: A report on the alignment of ADA TRUST and Mjindi		4 May 2020	**Finalized**
Resolution 25/2020	Follow up on all the responses on the letter to the HOD dated 26th February 2020.		29 April 2020	**Finalized**
Resolution 26/2020	Full Report on Vet Services to cover (but not limited to): • Current Mandate • Structure • Services Provided • Data on Farmers serviced		4 May 2020	**Finalized**
Resolution 27/2020	Food Security Report in response to Covid-19		4 May 2020	**Finalized**
Resolution 28/2020	Full report on the expenditure of the drought relief fund given last year and how the farmers benefited.		4 May 2020	**Finalized**
Resolution 29/2020	Write to PSC and share with them a report/plan that was presented by the		4 May 2020	**Finalized**

	Department following their recommendations. Invite PSC to the meeting in November 2020, to get progress on the implementation of their recommendations.		November 2020	
Resolution 30/2020	Full report on why there was an under-expenditure on the conditional grant.		4 May 2020	**Finalized**
Resolution 31/2020	Invite Department of Community Safety and Liaison to present their national strategy on rural safety		First meeting after Lockdown	**Finalized**
Resolution 32/2020	Invite Department of Public Works to get a report on how they contribute to the under-expenditure of the Department and why.		July 2020	**Pending**
Resolution 33/2020	The Committee needs to establish a close monitoring tool for under-expenditure in the Department, especially on Conditional Grants.			**On-Going**
Resolution 34/2020	A detailed report on the cancelled bid and how it has affected the service delivery.		29 May 2020	**Finalized**
Resolution 35/2020	A detailed report on the non-payment of service providers within 30 days.		29 May 2020	**Finalized**

Resolution 36/2020	The KZN Legislature Research Team to analyze the Food Security Report that was presented on this meeting, as it may not be addressing the challenges faced by the rural people during the Covid-19 Pandemic.		29 May 2020	**Finalized**
Resolution 37/2020	A detailed report on possible roll-overs.		29 May 2020	**Finalized**
Resolution 38/2020	A detailed report on the plan to disinfect farms and farm dwellings.		29 May 2020	**Finalized**
Resolution 39/2020	Researcher to improve on the structure of the analysis report, to make sure that it comprehensive enough even to someone who has no background about the Department.			**On-Going**
Resolution 40/2020	Distribution plan per district and a list of beneficiaries of the Drought Relief Fund.		29 May 2020	**Finalized**
Resolution 41/2020	Progress Report on Deep Tanks established.		29 May 2020	**Finalized**

Resolution 42/2020	Hon Frazer proposed for meetings not to be longer than 3 hours, to ensure that the same number of Members as at the start of the meeting are still available at the end of the meeting.			**On-Going**
Resolution 43/2020	Full report of all farm dwellers' cases from the SAPS, and to also invite SAHRC on the next meeting.			**Pending**
Resolution 44/2020	The department must present a plan/report on how they plan to address under-achievements, also considering the Covid-19 Pandemic.	Report presented on the 19th Jan 2021		**Finalized**
Resolution 45/2020	Signed full reports and presentations need to be submitted for every quarterly reports.			**On-Going**
Resolution 46/2020	Food Security reports must be presented to the Committee quarterly.			**On-Going**
Resolution 47/2020	Public Works should be invited to a meeting, to present on the issue of the aging infrastructure at Cedara Agricultural College.			**Pending**
Resolution 48/2020	**Inkosi Langalibalele Oversight Visit** NTATHAKUSA PRIMARY CO-OPERATIVE LIMITED • Inkosi Langalibalele to assist with the grading of the road as well as adding crushed stone on the surface as an interim measure. • DARD to assist beneficiaries with			**Pending**

	fencing of the establishment. • DARD to provide beneficiaries with feed. • DARD to supply beneficiaries with solar panel. ABAPHANSIBANATHI PTY LTD • DARD to assist beneficiaries with fencing of the project. • DARD to forward to Hon. Mshengu all documents related to water rights as well as laws governing the cultivation of virgin soil so that he can enquire with the relevant departments. MBILAKAHLELA • DARD to provide veterinary services to the project. • DARD to ensure that suppliers supply strictly local breeding stock. • Structure to be renovated to allow direct sunlight and ventilation. • Project to be provided with a borehole to assist with water supply.			
Resolution 49/2020	**Okhahlamba Oversight Visit** IMVUBAMANZANA CO-OP • Application of lime according to the soil results • Provide fencing of arable lands			**Pending**

	• Service providers of mechanization must be appointed early • Appoint more service providers to avoid late planting. MPANDANE CO-OP • Department to assist with getting a market for their products; • Department to assist with water storage as there is water around; • Department to assist with a transport to deliver their eggs; • Assistance in producing soya beans to improve the soil; • Assist in avoiding soil erosion; • Department to assist with irrigation equipment; • Department to assist in expanding the project to assist in reducing the youth unemployment rate at ward of Emmaus. MNQANDANE CO-OP • Department to ensure that the co-op is receiving the equipment and material as requested; • Farm advisors to ensure the co-op is getting the assistance as per the soil condition and the members request; • Members to liaise with the farm advisors if			

	there is any further training they might need. ISIBONELO TRUST PROJECT • Issues of this project to be registered in the ad hoc committee of land matters; • Committee to arrange a meeting with community of Winterton to discuss the importance of land; • Department of Land Reform to intervene in the isibonelo trust matter; • Department to assist in getting alternate market for the Isibonelo products besides Winterton Spar.			
Resolution 50/2020	**Alfred Duma Oversight Visit** NKABINDE FARM • The project to grow to the level of Commercial Farming; • Consider ploughing Soya; • DARD to plan for exit strategy. MHLUMAYO CATTLE • DARD to educate the community on the importance of cutting bull horns; • The project to have its own bell grounding; • DARD to inject for ticks on cattle;			**Finalized**

	• DARD to enlarge the structure; • The project needs proper management including the training of herdsmen; • Uthukela District Municipality to intervene on the issue of water. MHLUMAYO GOATS • To draw in ADA TRUST to assist the project with phase two; • DARD to employ Security Guards for the night; • The Alfred Duma Local Municipality to assist the project by purchasing the feed. BUMBANANI MANTIMANDE • To engage the Department of Transport to assist with access road; • ADA TRUST to assist the project with potato sort machine; • Alfred Duma Municipality committed to work closely with the project through Ms Dudu Mazibuko, responsible for businesses SIYAPHAMBILI PROJECT • To be assisted with chemicals; • To be assisted with the following items:			

	o Splitting machine o Flashing machine o Click press machine			
Resolution 51/2020	**eDumbe Stakeholders' Engagement** • Mr Nxumalo, Ward 5 Nongoma- Land Affairs bought land, but the land is not in use. Two tractors were given to them, but were later taken away. They have written a letter to the District Director (Mr Zibusiso Dlamini) but no assistance has been given. • Sabelo Mthembu, uLundi livestock association – They have been requesting for deep tanks since 2006, with no assistance. • Ms Zulu, eDumbe – raised a concern over the fact that they are not given a chance to be a market in providing their produce for the schools and hospitals' catering. • Sandile Hadebe, ward 4 – requests for assistance to be given to the youth that is interested in farming. • Mr Zwane, eDumbe – They have no water and their livestock is suffering. • Hlengiwe Vilakazi, ward 8 Okhuzane – the issue of co-ops vs normal community members who need help with farming is of great concern. Dams need to be fixed as water does not hold, especially in winter. Request for fencing on the farms. • Mr Khumalo, ward 7 Phongolo – Request for boreholes and dams as the livestock suffers. Birds in the grazing land are becoming a huge problem. • Mr Dladla, ward 6 eDumbe _ Request for water. • Mrs Ngwenya eDumbe – Request for tractors. People who can't join co-ops should not suffer when they need help from Agriculture. • Mr Siphiwe Dlamini, abaqulusi Co-op – Request for servicing of tractors. The District Director to arrange training for the co-ops and associations on how they work, their differences and benefits thereof. He will also assist with the development of business plans; therefore, farmers are encouraged to approach the local office.			**Finalized**

Resolution 01/2021	Members requested that AFRA presents audit findings the next time there's a meeting. They also recommended that AFRA be given a chance to present to the Ad Hoc Committee on Land Matters. The Committee resolved to discuss AFRA's recommendations in a different meeting, and revert to them.			**Finalized**
Resolution 02/2021	Vaccination Report/Plan in the Province to be presented in March 2021. The plan for pet owners to vaccinate their pets themselves needs to also be presented to the committee, and the issues of budget will be dealt with later.	March 2021		**Finalized**
Resolution 03/2021	Economic Assessment of the 57 farms to be presented in March/April 2021.	March/April 2021		**Finalized**
Resolution 04/2021	Review/Assessment of the mushroom project to be presented in March/April 2021.	March/April 2021		**Finalized**
Resolution 05/2021	Provide a list of all infrastructure developments planned for 21/22 and those that were planned for 20/21	March 2021		**Finalized**
Resolution 06/2021	Catch-Up plan on all under-performing projects as per Q3 report for both the Department and ADA TRUST	March 2021		**Finalized**
Resolution 07/2021	Report on all cases received through anti-corruption hotline and their progress	April 2021		**Finalized**

Resolution 08/2021	Report on the placement of staff that are not on the current structure	April 2021		**Finalized**
Resolution 01/2022	Department to submit a detailed action plan and areas of implementation of the FMD vaccination program.			**Finalized**
Resolution 02/2022	The Next FIS must be on the Makhathini Irrigation Scheme			**Pending**
Resolution 03/2022	The committees resolved that another joint meeting is needed on the Okhahlamba wine farms, to make recommendations on the way forward regarding the three wine farms. For that meeting to be productive, the following documents from uKhahlamba Local Municipality need to be submitted to the committees as soon as possible: - Concept documents - Feasibility Study - Soil Assessment - Memorandum Of Understanding (MOU) between the Government and the Mentor - Business Plan - Service Level Agreement (SLA) between COGTA and ADA TRUST			**Pending**
Resolution 04/2022	ADA TRUST to share the Forensic Report and Minutes of the Audit Committee with the Portfolio Committee.		Presented on 16th August	**Finalized**

			2022	
Resolution 05/2022	Present a Cannabis Implementation Strategy	August 2022	Presented on the 16th August 2022	**Finalized**
Resolution 06/2022	The Committee resolved to have a workshop on the cannabis plan by the Department.			**Pending**
Resolution 07/2022	Hon Mshengu was elected as a new leader of the Study Tour Task Team, and the team was tasked to start working on the Study Tour.			**On-going**
Resolution 08/2022	Update Report on Makhathini Research Station to remain a standing item on the agenda of every meeting.			**On-going**
Resolution 09/2022	ADA TRUST to report the issue of land to the Adhoc Committee of Land Matters in the Legislature.			**Pending**
Resolution 10/2022	The committee resolved that the Researcher must prepare a separate table on the spending of the conditional grants so that the committee can have a clear tracking record of them			**Pending**
Resolution 1/2023	The Department was tasked with engaging with the Department of Land Affairs, in sorting out the issues that are faced by th Hangala Farming and Texas Valley Farm in Ixopo			**Pending**
Resolution 2/2023	Update report on Makhathini Research Centre, after the ADA TRUST Board has engaged all relevant stakeholders	June 2023		**Pending**

Resolution 3/2023	Horse Disease Awareness Campaign Plan	June 2023		**Pending**
Resolution 4/2023	ADA TRUST Board to meet and discuss all issues raised regarding the Okhahlamba Wine Farms, on what went wrong, who was responsible and breakdown of the costs, and then report back to the Committee.			**Pending**
Resolution 5/2023				

3.8. SCOPA Resolutions



REPORT OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS ON THE FOLLOW-UP HEARINGS HELD IN MARCH AND APRIL 2023 ON THE 2021/2022 REPORT OF THE AUDITOR-GENERAL

Introduction

The Standing Committee on Public Accounts (SCOPA) met during March and April 2023 to consider the responses to the resolutions of the Committee on the 2021/2022 report of the Auditor-General by selected Provincial Departments and Public Entities.

The Committee conducted the following hearings:

2 March 2023	Department of Social Development
	Department of Education
3 March 2023	Department of Transport
7 March 2023	Department of Health
	Department of Public Works
	Department of Community Safety and Liaison
4 April 2023	Agribusiness Development Agency
	EDTEA Entities: Ezemvelo KZN Wildlife, Ithala IDFC, Ithala
	SOC Limited and Tourism KZN.

The intention of the hearings was to consider the responses of selected Departments and Public Entities in addressing the 2021/22 audit findings.

Whilst the Committee noted the progress made by the selected Departments and Public Entities in addressing the audit findings, the Committee observed that certain areas still require attention.

Condonation of Irregular Expenditure

Provincial Treasury had made a presentation to SCOPA on the 10th of February 2023 in respect of the cumulative value of irregular expenditure recorded in the annual financial statements of Provincial Departments and Provincial Public Entities. It was reported that the Provincial Departments' irregular expenditure increased from R48.2 billion to R53.9 billion from the 2021 financial year to 2022, while the cumulative value of irregular expenditure recorded in the annual financial statements of Provincial Public Entities increased from R404 million to R528 million from the 2021 financial year to 2022.

The balances reflected are after accounting for the condonation requests that were approved and reclassification of expenditure that did not meet the definition of irregular expenditure. The Committee is concerned that after 23 years since the inception of the PFMA, most departments and entities are incurring such high irregular expenditure.

Unauthorised Expenditure

Provincial Treasury also presented a report on the unauthorised expenditure incurred by Departments for the 2019/20, 2020/21 and 2021/22 financial years. Treasury made recommendations on whether the unauthorised expenditure is to be funded by the Provincial Revenue Fund or should be a first charge against the Vote of the relevant departments. The Committee engaged all relevant Departments and adopted resolutions in this regard.

Investigations

The Committee noted the great strides achieved by Departments in concluding investigations, as well as the Special Investigation Unit and the Integrity Unit at the Office of the Premier. However, the Committee noted with great concern that implementation of recommendations takes too long to reach finality. This results in Departments being unable to take the necessary action against wrong-doers due to the implicated officials having left or retired.

Sanctions and consequence management

SCOPA noted with satisfaction the efforts made by Departments in ensuring that consequence management is implemented. The Committee is also happy with the way Departments are committed to clearing all pending investigations as well as irrecoverable debts.

Non-filling of vacant, funded posts

The Committee noted the progress made by Departments in the filling of vacant funded posts as well as critical posts. The main concerns are the numerous vacancies within Public Entities, especially the CEO and CFO positions. The Committee noted that this challenge is exacerbated by incompleteness of the rationalisation process of Public Entities in the Province, which makes it difficult for Entities to fill critical posts. It is recommended that the process of rationalisation of Public Entities be finalised so that they can all become fully functional. The Committee also noted several vacancies in senior management posts within Departments. The Office of the Premier is requested to provide a report to SCOPA on when all Head of Department posts will be filled.

Conclusion

On behalf of the Public Accounts Standing Committee, I would like to thank the Executive Authorities, Accounting Officers, Accounting Authorities and officials of the various Departments and Public Entities, the Auditor-General, Provincial Treasury, the Provincial Audit and Risk Committee and the Legislature support staff for their assistance and cooperation during the follow-up hearings.

I would also like to thank the Chairpersons and members of the Portfolio Committees who attended the follow-up hearings. Your role is crucial in following up on audit findings and commitments that Provincial Departments have made to address them. Finally, I would like to thank the members of SCOPA who participated without fear or favour in the hearings and who play a constructive role in ensuring that this Committee performs its tasks affectively and efficiently. It should be noted that the Committee intends meeting with all relevant departments and entities on an ongoing basis to monitor implementation of, and compliance with, the resolutions contained in this report as well as those contained in the November 2022 report.

Honourable Speaker, the Report on the March and April 2023 follow-up hearings of the Standing Committee on Public Accounts is hereby submitted for adoption by the Legislature.



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HON M GOVENDER

CHAIRPERSON: STANDING COMMITTEE ON PUBLIC ACCOUNTS

DATE: 05 May 2023

VOTE 3 – DEPARTMENTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

AGRI-BUSINESS DEVELOPMENT AGENCY

Resolution 2/2023: ADA – Irregular expenditure (relating to Resolution 110/2022)

Noting that:

(a) The cumulative balance of irregular expenditure in prior financial years not yet condoned amounts to R124 million. Of this, an amount of R75.5 million has been assessed and submitted to Provincial Treasury but has not yet been condoned.

(b) The entity is reportedly unable to comply with the requirements for condonation in some instances, as required by the National Treasury Irregular Expenditure Framework 2019/2020. This is due to a lack of supporting documents, amongst other things.

(c) National Treasury has issued a Revised PFMA Compliance and Reporting Framework effective 3 January 2023, in terms of which the Accounting Authority may condone irregular expenditure in certain circumstances.

(d) The determination testing in terms of the Revised Framework must be completed within 30 days of the assessment of the irregular expenditure.

The Committee resolves: -

That the Accounting Authority report to the Committee by 30 June 2023 on progress made in the condonation requests submitted to the Accounting Authority in terms of the Revised Treasury Framework, as well as those submitted to Provincial Treasury.

Resolution 3/2023: Agri-Business Development Agency- Investigations (relating to Resolution 112/2022)

Noting that:

The investigation into allegations of misappropriation of receipts has been concluded and the investigation into misappropriation of assets is still pending.

The Committee resolves: -

That the Accounting Authority report to the Committee by 30 June 2023 on:

[1] Progress made in the criminal case in respect of the completed investigation relating to the misappropriation of receipts and steps taken to recover the funds.

[2] Progress made in the finalisation of the investigation still pending and the anticipated date of completion.

THE HONOURABLE M GOVENDER
CHAIRPERSON: STANDING COMMITTEE ON PUBLIC ACCOUNTS
KZN -LEGISLATURE
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PIETERMARITZBURG
3200

STANDING COMMITTEE ON PUBLIC ACCOUNTS ON THE FOLLOW UP HEARINGS HELD IN MARCH AND APRIL 2023 ON THE 2021/2022 REPORT OF THE AUDITOR GENERAL

VOTE 3: AGRICULTURE AND RURAL DEVELOPMENT - AGRIBUSINESS DEVELOPMENT AGENCY

Resolution 2/2023: ADA – Irregular expenditure (relating to Resolution 110/2022)

Noting that:

(a) The cumulative balance of irregular expenditure in prior financial years not yet condoned amounts to R124 million. Of this, an amount of R75.5 million has been assessed and submitted to Provincial Treasury but has not yet been condoned.

(b) The entity is reportedly unable to comply with the requirements for condonation in some instances, as required by the National Treasury Irregular Expenditure Framework 2019/2020. This is due to a lack of supporting documents, amongst other things.

(c) National Treasury has issued a Revised PFMA Compliance and Reporting Framework effective 3 January 2023, in terms of which the Accounting Authority may condone irregular expenditure in certain circumstances.

(d) The determination testing in terms of the Revised Framework must be completed within 30 days of the assessment of the irregular expenditure.

The Committee resolves: -

That the Accounting Authority report to the Committee by 30 June 2023 on progress made in the condonation requests submitted to the Accounting Authority in terms of the Revised Treasury Framework, as well as those submitted to Provincial Treasury.

ADA Response:

On progress made in the condonation requests submitted to the Accounting Authority:

Treasury responded on two applications for condonation amounting to R19 931 164,72 submitted on 26-Jun-20 and R2 850 128,68 submitted on 09-Nov-21. On the first submission an amount of R12 919 538,40 was not condoned and on the second submission an amount of **R1 022 488.00** was not condoned.

An amount of was submitted to the Accounting Authority and an amount of R12 919 538,40 for write of in accordance with paragraph 5.7 and 5.8 of the Compliance and Reporting Framework in line with National Treasury Instruction No. 4 of 2022/23. This was written off.

Provincial Treasury is still assessing the submission amounting to R75 Million, there has been communication and request for additional information where applicable. We are expecting the outcome of the assessment by the end of July 2023.

Resolution 3/2023: Agri-Business Development Agency- Investigations (relatingto Resolution 112/2022)

Noting that:

The investigation into allegations of misappropriation of receipts has been concludedand the investigation into misappropriation of assets is still pending.

The Committee resolves: -

That the Accounting Authority report to the Committee by 30 June 2023 on:

1. Progress made in the criminal case in respect of the completed investigation relating to the misappropriation of receipts and steps taken to recover the funds.

2. Progress made in the finalisation of the investigation still pending and the anticipated date of completion.

ADA RESPONSE:

The criminal case is still pending, however, the official who was dismissed, signed acknowledgement of debt which was forwarded to the Pension Fund. The payout from the Pension Fund is still pending finalisation.

Resolution 14/2023: Filling of critical posts (relating to Transversal Resolution217/2022)

Noting that:

Substantial progress has been made in the filling of certain critical posts.

The Committee resolves that

The Accounting Authority report to the Committee by 30 June 2023 on the filling of the

CEO and other senior management posts.

ADA Response:

The position of the ADA Board Secretary was filled by the end of May 2023.

Interviews for the CEO position were conducted towards the end of June 2023.

The filling of the CEO position is anticipated to be filled by 01 August 2023.

Mr. Siyabonga Mazibuko
A/Chief Executive Office

30 June 2023

Date

3.9. Prior Modification

There was no modification of last year annual report.

3.10. Internal Control Unit

The Department has an Internal Control component that overseas systems of control and related governance functions. The component also provides audit management services to the Department as serves as the first point of contact for Internal Audit at Treasury and AG audits.

3.11. Internal Audit and Audit Committee

The Department utilises the Provincial Treasury Shared Audit committee services. There is no specific departmental audit committee.

3.12. Audit Committee Report

REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 3 – AGRICULTURE AND RURAL DEVELOPMENT

The Audit Committee herewith presents its report for the financial year ended 31 March 2023, as required by Treasury Regulation 3.1.13 read with section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999).

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The KZN Department of Agriculture and Rural Development is served by the Economic Sector and Infrastructure Development (ESID) Cluster Audit & Risk Committee.

The Audit Committee reports that it has adopted formal terms of reference contained in its Audit and Risk Committee Charter. The Committee complied with its responsibilities arising from the Public Finance Management Act and Treasury Regulations.

1. Audit Committee Members and Attendance

The PARC and ESID CARC consisted of the members listed hereunder who have met as reflected below.

#	Name of Member	PARC Meetings Attended	ESID CARC Meetings Attended
1.	Mr Z Zulu – **PARC Chairperson**	*5 of 5*	*4 of 4*
2	Mr M Tarr – **ESID CARC Chairperson**	*5 of 5*	*4 of 4*
3.	Ms S Makhathini	*5 of 5*	*4 of 4*
4.	Mr S Mthethwa	*4 of 5*	*N/A**
5.	Ms R Ramphal	*5 of 5*	*N/A**
6.	Mr S Maharaj	*5 of 5*	*N/A**

**refers to PARC members who did not serve on the ESID CARC*

2. The Effectiveness of Internal Control

The Committee has reviewed the reports of the Provincial Internal Audit Service (PIAS), the Audit Report on the Annual Financial Statements and Management Report of the Auditor General of South Africa (AGSA) and has noted with concern, the weaknesses in controls in the following areas:

- Immovable Assets Management
- Performance Information
- Transfer Payments
- IT Continuity Management Review
- Information Security Assessment

The Committee noted the improvement in the control environment, however there were control deficiencies identified by the auditors, both internal and external. Management interventions on certain control weaknesses were considered by the Committee, the Accounting Officer is urged to continue to implement strategies that will prevent regression on audit outcomes.

3. Effectiveness of Internal Audit

PIAS activities were reviewed by the Committee during the special PARC and CARC monitoring processes. The Committee evaluated PIAS' reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the department.

The PIAS planned to conduct fourteen (14) audit assignments for the period under review, of which thirteen (13) were finalised and one (1) was rolled over with the approval of the Audit Committee.

The Committee is satisfied that PIAS performed effectively during the period under review. During the 2023/24 financial year, the Committee will continue to monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the Department.

4. Risk Management

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the risk management operational plan.

As at 2022/23 financial year-end, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of Identified Risks	0	0	12	8	0	20
Number of Identified Action Plans	0	0	41	27	0	68
Number of Completed Action Plans	0	0	41	26	0	67
% Completion of Action Plans	N/A	N/A	100%	96%	N/A	99%

The Committee commended the Department on the significant progress made on implementing 99% of its risk mitigation plans, but urged the Department to ensure the timely mitigation of outstanding risks. The Committee noted progress made by the Department on implementing the revised provincial risk management framework. The Department is urged to comply with all minimum risk management standards contained within the revised framework, including the identification and escalation of transversal risks to the recently established provincial risk management committee for noting and assistance with resolution.

5. Quality of in year management and monthly/quarterly reports

The Committee was satisfied with the content and quality of quarterly reports in respect of in year management and quarterly performance, prepared and issued by the Accounting Officer of the Department during the year under review, in terms of the PFMA and the Division of Revenue Act.

The Committee noted the material impairment of R27,80 million on investments, which was provided for as a result of no returns or no payments expected from the Department's investment in Ntingwe Tea (Pty) Ltd.

6. Evaluation of Financial Statements

The Committee has:

- Reviewed and discussed the Annual Financial Statements, including the audit report, with the Accounting Officer, Auditor General and PIAS;
- Reviewed the Auditor General's Management Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions,
- Reviewed the conclusion on the usefulness and reliability of performance information resulting from the external audit of the Department.
- The Committee noted the progress on the material irregularity reported in the previous financial year. It further noted that Forensic Investigation unit had completed the investigation in March 2023. The Accounting Officer is in process of instituting legal proceedings with an attempt to recover the financial loss. The Committee will follow-up

o this matter throughout the next financial year as part of conducting its oversight duties.

7. Auditor-General's Report

The Committee has met with the Auditor General of South Africa to discuss and evaluate the issues that emanated from the current regulatory audit.

The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs with and accepts the conclusion of the Auditor General's opinion on the Annual Financial Statements of an unqualified audit opinion with no findings, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General.

8. Appreciation

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.



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Mr Z Zulu

Acting Chairperson: Provincial Audit and Risk Committee

04 August 2023

3.13. B-BBEE Compliance Performance Information

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion** (***include a discussion on your response and indicate what measures have been taken to comply***)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?		
Developing and implementing a preferential procurement policy?	Yes	SCM implements preferential procurement policy in the acquisition of goods and services for the Department.
Determining qualification criteria for the sale of state-owned enterprises?		
Developing criteria for entering into partnerships with the private sector?		
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?		

PART D: HUMAN RESOURCE MANAGEMENT

HRM

4. PART D: HUMAN RESOURCE MANAGEMENT

4.1. Introduction

To plan and manage human resources of the department in order to achieve strategic and operational objectives. This will be realised through cultivating a culture that appreciates diversity, strengthens capacity and ensures human resource efficacy.

4.2. Overview Of Human Resources

4.2.1. The status of human resources in the department.

Human Resource Management has just developed an online system to ADA Trustpt to technological trends. This has just been launched by the KZN Premier. The Department is also experiencing a high labour turnover rate; the rate of replacements and filling of human resource is slower than the rate the department is losing people. There is thus a shortage of human resources which puts a strain on the current staff compliment. However, this is being addressed by getting all the vacant posts prioritised for funding and approved by the office of the Premier as per costs cutting measures. The approved posts are being advertised and filled in manageable phase approach.

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

FUNCTIONALITY UNIT (DIRECTORATE)	KEY PRIORITY	IMPACT
Prioritised Strategic Intervention 1 - HR Practices and Administration Services	Compliance to EE targets - Recruit 1 SMS African female in line with the budget	Compliance to Employment Equity Act no 105 of 1998 as amended
Diversity Management	Recruit 33% of 205 posts in line with budget	Reduction in the vacancy rate
	Recruit 5 People with Disabilities in line with the budget	Compliance to Employment Equity Act no 105 of 1998 as amended
	Distribute workforce profile plus a memorandum reflecting the gaps and targets Circular to be developed for	Compliance to Employment Equity Act no 105 of 1998 as amended through recruitment

	sign-off by HOD to commit to fill all posts to address equity in terms of Employment Equity Plan	
HR data and information systems	Monthly report to be addressed to HOD on deviations on relevant recruitment legislation	Compliance to equity representation within DARD
	Four EE Committee meetings to be conducted	Compliance to Employment Equity Act no 105 of 1998 as amended
	Approved review Recruitment & Selection Policy to enhance the attainment of EE targets	Compliance to equity representation within DARD
	PERSAL clean-up on the verification of qualifications Matric and above 338	Updated and authentic data on PERSAL
	HRPC Chairperson to table at EXCO and MANCO the need for line functionaries representation at HRPC	Fully represented line functionaries present at the Departmental Human Resource Planning Committee
Prioritised Strategic Intervention 2 – Human Resource Development	Approved HRD Monitoring and Evaluation Policy	Ability to determine the impact of training rendered to employees
	Increase the availability of critical competencies as identified within WSP	Sufficient employees with critical competencies in core functions
	Increase the availability of scarce skills (hard to fill) as identified within WSP	Sufficient employees with scarce skills in core functions
	100% Capturing of Training Information on PERSAL	Updated PERSAL training report
	Skills Development - implementation of Bursary Policy	Attainment of scarce skills in the underrepresented designated groups
Prioritised Strategic Intervention 3 -	Approved Policy on HIV/Aids, STI's and TB Management	Create awareness on HIV/Aids, STI's and TB

Employee Health & Wellness		Management
	Signed health risk assessment report from Internal Control & Risk Management for decision making by HRPC	To identify risks and interventions that are required
	Medical surveillance assessment - Two reports from Veterinary and Research on medical surveillance conducted	To detect early signs of work-related illnesses in employees who are exposed to certain hazards
	Articles on healthy lifestyle	Shared information on healthy lifestyle
	Conduct workshops on mental health, healthy life style and financial management	Promotion of self – awareness and self-care
Prioritised Strategic Intervention 4 – Management Advisory Services	Re-aligned Organisational structure	Alignment of structure to directives and prescripts
	Job descriptions aligned to the approved organisational structure	Approval on the implementation of coordination processes and directives
	Business Process Mapping	Standard operating procedures in place
Prioritised Strategic Intervention 5 – Labour Relations	50% of disciplinary cases lodged for year	Disciplinary cases finalised
	One consultative forum meeting per quarter	Tabling and negotiating of all matters of mutual interest at DMLC
	Workshop employees on Labour Relations Policies, Discipline and Grievance Procedure, the Code of Conduct for the Public Service and Ethical Behaviour and provide employees with copies of the labour relations policies and procedures	Reduction in the number of grievances, misconduct cases and disputes
	Signed Code of Conduct, Disciplinary Code and Procedure and Grievance Procedure	Compliance with Labour Relations policies and procedures

Table 2.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	691 428,00	243 671,00	0,00	35,20	378,00
Agriculture	1 777 900,00	878 550,00	0,00	49,40	404,00
Rural Development	79 921,00	42 018,00	0,00	52,60	115,00
Total as on Financial Systems (BAS)	**2 549 248,00**	**1 164 239,00**	**0,00**	**45,70**	**366,00**

Table 2.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (Including Transfers) (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	20 965,00	1,70	107,00	195 935,00
Skilled (level 3-5)	206 693,00	16,70	691,00	299 122,00
Highly skilled production (levels 6-8)	400 932,00	32,30	761,00	526 849,00
Highly skilled supervision (levels 9-12)	375 669,00	30,30	467,00	804 430,00
Senior and Top management (levels 13-16)	52 087,00	4,20	42,00	1 240 167,00
Contract (Levels 1-2)	162,00	0,00	1,00	162 000,00
Contract (Levels 3-5)	3 453,00	0,30	45,00	76 733,00
Contract (Levels 6-8)	38 599,00	3,10	83,00	465 048,00
Contract (Levels 9-12)	15 689,00	1,30	23,00	682 130,00
Contract (Levels >= 13)	6 240,00	0,50	3,00	2 080 000,00
Contract Other	44 056,00	3,50	542,00	81 284,00

Periodical Remuneration	16 560,00	1,30	418,72	39 549,00
Abnormal Appointment	8,00	0,00	1,00	8 000,00
Total	**1 181 112,00**	**95,20**	**3 184,72**	**370 868,00**

Table 2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	199 057,00	76,70	5 444,00	2,10	6 675,00	2,60	12 436,00	4,80
Agriculture Develop Services	712 667,00	76,00	12 139,00	1,30	28 949,00	3,10	48 605,00	5,20
Rural Development	40 766,00	93,50	19,00	0,00	189,00	0,40	149,00	0,30
Total	**952 490,00**	**76,70**	**17 602,00**	**1,40**	**35 813,00**	**2,90**	**61 190,00**	**4,90**

Table 2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries	Amount	Overtime as	Amount	HOA as a %	Amount	Medical aid as

		as a % of personnel costs	(R'000)	a % of personnel costs	(R'000)	of personnel costs	(R'000)	a % of personnel costs
Skilled (level 1-2)	14 795,00	70,40	755,00	3,60	1 852,00	8,80	1 953,00	9,30
Skilled (level 3-5)	146 480,00	70,60	6 520,00	3,10	13 150,00	6,30	20 406,00	9,80
Highly skilled production (levels 6-8)	311 491,00	74,50	7 350,00	1,80	13 854,00	3,30	25 347,00	6,10
Highly skilled supervision (levels 9-12	312 125,00	76,5	2 428,00	0,60	6 383,00	1,60	12 648,00	3,10
Senior management (level 13-16)	46 245,00	80,30	0,00	0,00	206,00	0,40	502,00	0,90
Contract (Levels 1-2)	161,00	99,40	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	3 353,00	96,10	27,00	0,80	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	37 172,00	95,80	222,00	0,60	55,00	0,10	336,00	0,90
Contract (Levels 9-12)	14 884,00	80,80	36,00	0,20	0,00	0,00	0,00	0,00
Contract (Levels	5 446,00	80,00	0,00	0,00	313,00	4,60	0,00	0,00

>= 13)								
Contract Other	43 769,00	98,20	264,00	0,60	0,00	0,00	0,00	0,00
Periodical Remuneration	16 560,00	99,90	0,00	0,00	0,00	0,00	0,00	0,00
Abnormal Appointment	8,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**952 490,00**	**76,70**	**17 602,00**	**1,40**	**35 813,00**	**2,90**	**61 190,00**	**4,90**

4.3. Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 2.3.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment

ADMINISTRATION, Permanent	677,00	613,00	9,50	204,00
AGRICULTURE DEVELOP SERVICES, Permanent	1 950,00	1 785,00	8,50	109,00
AGRICULTURE DEVELOP SERVICES, Temporary	1,00	1,00	0,00	0,00
ADMINISTRATION, Permanent	1,00	0,00	100,00	0,00
RURAL DEVELOPMENT, Permanent	384,00	366,00	4,70	355,00
Total	**3 013,00**	**2 765,00**	**8,20**	**668,00**

Table 2.3.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	**137,00**	107,00	21,90	0,00
Skilled (3-5)	**783,00**	691,00	11,70	0,00
Highly skilled production (6-8)	799,00	761,00	4,80	0,00
Highly skilled supervision (9-12)	**536,00**	466,00	13,10	1,00
Highly skilled supervision (9-12) Temporary	**1,00**	1,00	0,00	0,00
Senior management (13-16)	**60,00**	42,00	30,00	1,00
Other, Permanent	542,00	542,00	0,00	542,00
Contract (Levels 1-2), Permanent	1,00	1,00	0,00	0,00
Contract (Levels 3-5), Permanent	45,00	45,00	0,00	37,00
Contract (Levels 6-8),	83,00	83,00	0,00	73,00

Permanent				
Contract (Levels 9-12), Permanent	23,00	23,00	0,00	14,00
Contract (Levels >= 13), Permanent	3,00	3,00	0,00	0,00
Total	**3 013,00**	**2 765,00**	**8,20**	**668,00**

Table 2.3.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	44,00	34,00	22,70	1,00
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN, Permanent	13,00	12,00	7,70	0,00
AGRICULTURE RELATED, Permanent	699,00	660,00	5,60	71,00
AGRICULTURE RELATED, Temporary	1,00	1,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC, Permanent	5,00	5,00	0,00	0,00
AUXILIARY AND RELATED WORKERS, Permanent	25,00	20,00	20,00	0,00
BIOCHEMISTRY PHARMACOL. ZOOLOGY & LIFE SCIE.TECHNI, Permanent	181,00	176,00	2,80	0,00
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	3,00	3,00	0,00	0,00
BUS AND HEAVY VEHICLE DRIVERS, Permanent	18,00	18,00	0,00	0,00
CIVIL ENGINEERING TECHNICIANS, Permanent	3,00	1,00	66,70	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	96,00	86,00	10,40	0,00

CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS), Permanent	15,00	11,00	26,70	0,00
COMMUNICATION AND INFORMATION RELATED, Permanent	2,00	2,00	0,00	0,00
ECONOMISTS, Permanent	17,00	16,00	5,90	0,00
ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS, Permanent	1,00	1,00	0,00	0,00
ENGINEERING SCIENCES RELATED, Permanent	10,00	8,00	20,00	5,00
ENGINEERS AND RELATED PROFESSIONALS, Permanent	19,00	15,00	21,10	0,00
FARM HANDS AND LABOURERS, Permanent	411,00	376,00	8,50	0,00
FARMING FORESTRY ADVISORS AND FARM MANAGERS, Permanent	4,00	4,00	0,00	0,00
FINANCE AND ECONOMICS RELATED, Permanent	6,00	6,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS, Permanent	12,00	12,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	32,00	30,00	6,30	0,00
FOOD SERVICES AIDS AND WAITERS, Permanent	4,00	4,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	3,00	3,00	0,00	0,00
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN, Permanent	20,00	20,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS, Permanent	9,00	7,00	22,20	0,00
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS, Permanent	13,00	10,00	23,10	0,00

HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	26,00	24,00	7,70	0,00
HUMAN RESOURCES CLERKS, Permanent	189,00	178,00	5,80	126,00
HUMAN RESOURCES RELATED, Permanent	70,00	57,00	18,60	1,00
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	8,00	8,00	0,00	0,00
LIBRARIANS AND RELATED PROFESSIONALS, Permanent	4,00	4,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS, Permanent	1,00	1,00	0,00	0,00
LIGHT VEHICLE DRIVERS, Permanent	3,00	2,00	33,30	0,00
LOGISTICAL SUPPORT PERSONNEL, Permanent	47,00	47,00	0,00	0,00
MECHANICAL ENGINEERING THECHNICIANS, Permanent	4,00	4,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS, Permanent	10,00	9,00	10,00	0,00
MOTOR VEHICLE DRIVERS, Permanent	22,00	16,00	27,30	1,00
MOTORISED FARM AND FORESTRY PLANT OPERATORS, Permanent	10,00	10,00	0,00	0,00
NATURAL SCIENCES RELATED, Permanent	12,00	10,00	16,70	10,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	213,00	188,00	11,70	0,00
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	28,00	21,00	25,00	0,00
OTHER MACHINE OPERATORS, Permanent	23,00	22,00	4,30	1,00
OTHER OCCUPATIONS, Permanent	498,00	473,00	5,00	451,00
RISK MANAGEMENT AND	4,00	4,00	0,00	0,00

SECURITY SERVICES, Permanent				
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	32,00	28,00	12,50	0,00
SECURITY GUARDS, Permanent	50,00	49,00	2,00	0,00
SECURITY OFFICERS, Permanent	1,00	1,00	0,00	0,00
SENIOR MANAGERS, Permanent	65,00	46,00	29,20	1,00
VETERINARIANS, Permanent	22,00	17,00	22,70	0,00
VETERINARY ASSISTANTS, Permanent	5,00	5,00	0,00	0,00
Total	**3 013,00**	**2 765,00**	**8,20**	**668,00**

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

  (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

  (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

  (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

  (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

4.4. Filling of SMS Posts

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

Table 2.4.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department /SL 16	1	0	0%	1	100%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	3	2 (plus 1 temporary post out of adjustment)	67%	1	33%
Salary Level 14	8	4 (plus 1 contract)	50%	4	50%
Salary Level 13	37	28 (plus 3 held in temporary posts/out of adjustment)	76%	9	24%
Total	**49**	**34**	**69%**	**15**	**31%**

Table 2.4.2 SMS post information as on 30 September 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of	1	1	100%	0	0,00%

Department					
Salary Level 16	0	0	0,00%	0	0,00%
Salary Level 15	3	3 (plus 1 held in a temporary post/out of adjustment)	67%	1	33%
Salary Level 14	7	4 (plus 1 contract)	57%	3	43%
Salary Level 13	37	28 (plus 3 held in temporary posts/out of adjustment)	76%	9	24%
Total	**49**	**34**	**69%**	**15**	**31%**

Table 2.4.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department			
Salary Level 16			
Salary Level 15			
Salary Level 14	4	4 (Filled outside the reporting period but within six months)	0

Salary Level 13	11	1 (Filled within six months)	8
Total	14	5	8

Table 2.4.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
The changes at Executive Management level at some point stalled the process;
Budget cuts demanding reprioritisation of the most critical posts according to the reviewed Departmental Strategic objectives

Reasons for vacancies not filled within twelve months
The changes at Executive Management level at some point severely stalled the processes of filling of the advertised posts that the process commenced very late on the 12th month.

Notes

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

Table 2.4.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
The delaying of a process was not at an operational level but executive level as per 3.3.4 explanatory notes - above

Reasons for vacancies not filled within six months
The changes at Executive Management level at some point severely stalled the processes of

filling of the advertised posts that the process commenced very late on the 12th month.

Notes

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

4.5. Job Evaluation

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

Table 2.5.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	137,00	1,00	0,70	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	783,00	1,00	0,10	0,00	0,00	0,00	0,00
Highly skilled production (Levels 6-8)	799,00	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Levels 9-12)	537,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band A	45,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management Service Band B	7,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Manageme	5,00	0,00	0,00	0,00	0,00	0,00	0,00

nt Service Band C							
Senior Management Service Band D	3,00	0,00	0,00	0,00	0,00	0,00	0,00
Other	542,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 1-2)	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	45,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	83,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	23,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract Band A	2,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract Band B	1,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**3 013,00**	**2,00**	**0,10**	**0,00**	**0,00**	**0,00**	**0,00**

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

Table 2.5.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 and 31 March 2023

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

Employees with a disability	**0**

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

Table 2.5.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
General Administration Clerk	**11**	**5**	**7**	**Illegal upgrades**
Human Resource Officer	**1**	**5**	**7**	**Illegal upgrades**
SCM Clerk	**2**	**5**	**7**	**Illegal upgrades**
Finance Clerk	**1**	**5**	**7**	**Illegal upgrades**
Human Resource Officer Supervisor	**1**	**7**	**9**	**Illegal upgrades**
Senior Administration Officer	**1**	**8**	**9**	**Illegal upgrades**
Agricultural Advisor	**71**	**8**	**9**	**Illegal upgrades**
Animal Health Technician	**4**	**8**	**9**	**Illegal upgrades**
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed 92 /2815				**3,26%**

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

Table 2.5.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Gender	African	Asian	Coloured	White	Total
Female					

Male					
Total					

Employees with a disability					

Notes

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

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

4.6. Employment Changes

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

Table 2.6.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period-1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	97,00	12,00	1,00	1,00
Skilled (Levels3-5)	743,00	1,00	44,00	5,90
Highly skilled production (Levels 6-8)	775,00	6,00	26,00	3,40
Highly skilled supervision (Levels 9-12)	491,00	5,00	23,00	4,70
Highly skilled supervision (Levels 9-12) Temporary	1,00	0,00	0,00	0,00
Senior Management Service Bands A	31,00	0,00	0,00	0,00
Senior Management Service Bands B	4,00	0,00	0,00	0,00
Senior Management Service Bands C	3,00	0,00	0,00	0,00
Senior Management Service Bands D	1,00	1,00	0,00	0,00
Other Permanent	557,00	277,00	279,00	50,10
Contract (Levels 1-2) Permanent	1,00	0,00	0,00	0,00
Contract (Levels 3-5) Permanent	9,00	58,00	22,00	244,40
Contract (Levels 6-8) Permanent	84,00	14,00	15,00	17,90

Contract (Levels 9-12) Permanent	15,00	18,00	10,00	66,70
Contract Band A Permanent	1,00	1,00	0,00	0,00
Contract Band B Permanent	1,00	1,00	0,00	0,00
Contract Band D Permanent	1,00	0,00	1,00	100,00
Total	**2 815,00**	**394,00**	**421,00**	**15,00**

Table 2.6.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	38,00	0,00	4,00	10,50
AGRICUL ANIMAL OCEANOGRAPHY FORESTRY & OTHER SCIEN Permanent	11,00	0,00	0,00	0,00
AGRICULTURE RELATED Permanent	680,00	5,00	26,00	3,80
AGRICULTURE RELATED Temporary	1,00	0,00	0,00	0,00
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC. Permanent	5,00	0,00	0,00	0,00
AUXILIARY AND RELATED WORKERS Permanent	20,00	0,00	2,00	10,00
BIOCHEMISTRY PHARMACOL. ZOOLOGY	182,00	0,00	6,00	3,30

& LIFE SCIE.TECHNI Permanent				
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	4,00	0,00	0,00	0,00
BUS AND HEAVY VEHICLE DRIVERS Permanent	17,00	3,00	2,00	11,80
CIVIL ENGINEERING TECHNICIANS Permanent	1,00	0,00	0,00	0,00
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	89,00	0,00	6,00	6,70
CLIENT INFORM CLERKS(SWITCHB RECEPT INFORM CLERKS) Permanent	11,00	1,00	2,00	18,20
COMMUNICATION AND INFORMATION RELATED Permanent	2,00	0,00	0,00	0,00
ECONOMISTS Permanent	17,00	0,00	0,00	0,00
ELECTRICAL AND ELECTRONICS ENGINEERING TECHNICIANS Permanent	1,00	0,00	0,00	0,00
ENGINEERING SCIENCES RELATED Permanent	8,00	1,00	0,00	0,00
ENGINEERS AND RELATED PROFESSIONALS Permanent	14,00	0,00	0,00	0,00
FARM HANDS AND LABOURERS Permanent	420,00	12,00	56,00	13,30
FARMING FORESTRY ADVISORS AND FARM MANAGERS Permanent	4,00	0,00	0,00	0,00

FINANCE AND ECONOMICS RELATED Permanent	6,00	0,00	0,00	0,00
FINANCIAL AND RELATED PROFESSIONALS Permanent	12,00	0,00	0,00	0,00
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	33,00	2,00	2,00	6,10
FOOD SERVICES AIDS AND WAITERS Permanent	4,00	0,00	0,00	0,00
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	3,00	0,00	0,00	0,00
HORTICULTURISTS FORESTERS AGRICUL.& FORESTRY TECHN Permanent	21,00	0,00	0,00	0,00
HOUSEHOLD AND LAUNDRY WORKERS Permanent	8,00	0,00	1,00	12,50
HOUSEKEEPERS LAUNDRY AND RELATED WORKERS Permanent	8,00	1,00	0,00	0,00
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	25,00	0,00	0,00	0,00
HUMAN RESOURCES CLERKS Permanent	120,00	76,00	17,00	14,20
HUMAN RESOURCES RELATED Permanent	55,00	10,00	8,00	14,50
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	9,00	1,00	1,00	11,10

LIBRARIANS AND RELATED PROFESSIONALS Permanent	4,00	0,00	0,00	0,00
LIBRARY MAIL AND RELATED CLERKS Permanent	1,00	0,00	0,00	0,00
LIGHT VEHICLE DRIVERS Permanent	3,00	0,00	0,00	0,00
LOGISTICAL SUPPORT PERSONNEL Permanent	49,00	0,00	2,00	4,10
MECHANICAL ENGINEERING THECHNICIANS Permanent	4,00	0,00	0,00	0,00
MESSENGERS PORTERS AND DELIVERERS Permanent	9,00	0,00	0,00	0,00
MOTOR VEHICLE DRIVERS Permanent	16,00	1,00	1,00	6,30
MOTORISED FARM AND FORESTRY PLANT OPERATORS Permanent	10,00	0,00	0,00	0,00
NATURAL SCIENCES RELATED Permanent	2,00	10,00	2,00	100,00
NATURE CONSERVATION AND OCEANOGRAPHICAL REL.TECHNI Permanent	1,00	0,00	1,00	100,00
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	198,00	11,00	20,00	10,10
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	23,00	1,00	4,00	17,40
OTHER MACHINE OPERATORS Permanent	23,00	2,00	4,00	17,40
OTHER OCCUPATIONS Permanent	486,00	246,00	244,00	50,20
RISK MANAGEMENT AND SECURITY	4,00	0,00	0,00	0,00

SERVICES Permanent				
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	28,00	8,00	7,00	25,00
SECURITY GUARDS Permanent	55,00	0,00	0,00	0,00
SECURITY OFFICERS Permanent	1,00	0,00	0,00	0,00
SENIOR MANAGERS Permanent	45,00	3,00	1,00	2,20
TRADE LABOURERS Permanent	1,00	0,00	1,00	100,00
VETERINARIANS Permanent	18,00	0,00	1,00	5,60
VETERINARY ASSISTANTS Permanent	5,00	0,00	0,00	0,00
TOTAL	**2 815,00**	**394,00**	**421,00**	**15,00**

Notes

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

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

Table 2.6.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	16,00	3,80
Resignation	110,00	26,10
Expiry of contract	229,00	54,40
Dismissal – operational changes	0,00	0,00
Dismissal – misconduct	0,00	0,00
Dismissal – inefficiency	0,00	0,00
Discharged due to ill-health	3,00	0,70
Retirement	63,00	15,00
Transfer to other Public Service Departments	0,00	0,00
Other		
Total	**421,00**	**100,00**
Total number of employees who left as a % of total employment	**15,22**	**3.61**

Table 2.6.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	38,00	1,00	2,60	28,00	73,70
Agricultural Animal Oceanography Forestry & other Sciences	11,00	1,00	9,10	8,00	72,70
Agriculture related	681,00	3,00	0,40	359,00	52,70
All Artisans in the building metal machinery etc.	5,00	0,00	0,00	6,00	120,00
Auxiliary and Related Workers	20,00	0,00	0,00	14,00	70,00

Biochemistry Pharmacol. Zoology & Life Science Technicians	182,00	0,00	0,00	105,00	57,70
Building and other Property Caretakers	4,00	0,00	0,00	3,00	75,00
Bus and Heavy Vehicle Drivers	17,00	0,00	0,00	12,00	70,60
Civil Engineering Technicians	1,00	0,00	0,00	1,00	100,00
Cleaners in offices workshops hospitals etc.	89,00	0,00	0,00	19,00	21,30
Client Information Clerks(Switchboard, Receptionist, Information Cleks)	11,00	0,00	0,00	7,00	63,60
Communication and information related	2,00	0,00	0,00	0,00	0,00
Economists	17,00	0,00	0,00	14,00	82,40
Electrical and Electronics Engineering Technicians	1,00	0,00	0,00	0,00	0,00
Engineering Sciences related	8,00	0,00	0,00	2,00	25,00
Engineers and related Professionals	14,00	0,00	0,00	11,00	78,60
Farm hands and labourers	420,00	0,00	0,00	189,00	45,00
Farming Forestry Advisors and Farm Managers	4,00	0,00	0,00	4,00	100,00
Finance and Economics related	6,00	0,00	0,00	3,00	50,00
Financial and related	12,00	0,00	0,00	4,00	33,30

Professionals					
Financial Clerks and Credit Controllers	33,00	0,00	0,00	17,00	51,50
Food Services Aids and Waiters	4,00	0,00	0,00	0,00	0,00
General Legal Administration & Rel. Professionals	3,00	0,00	0,00	2,00	66,70
Horticulturists Foresters Agricultural & forestry Technicians	21,00	0,00	0,00	13,00	61,90
Household and Laundry workers	8,00	0,00	0,00	0,00	0,00
Housekeepers Laundry and related workers	8,00	0,00	0,00	5,00	62,50
Human Resources & Organisational Development & relate Professionals	25,00	0,00	0,00	7,00	28,00
Human Resources Clerks	120,00	0,00	0,00	29,00	24,20
Human Resources related	55,00	1,00	1,80	32,00	58,20
Language Practitioners Interpreters & other	9,00	0,00	0,00	6,00	66,70
Librarians and related Professionals	4,00	0,00	0,00	2,00	50,00
Library mail and related Clerks	1,00	0,00	0,00	0,00	0,00
Light Vehicle Drivers	3,00	0,00	0,00	2,00	66,70
Logistical Support Personnel	49,00	0,00	0,00	9,00	18,40

Mechanical Engineering Technicians	4,00	0,00	0,00	3,00	75,00
Messengers Porters and Deliverers	9,00	0,00	0,00	3,00	33,30
Motor Vehicle Drivers	16,00	0,00	0,00	12,00	75,00
Motorised Farm and Forestry Plant Operators	10,00	0,00	0,00	4,00	40,00
Natural Sciences related	2,00	0,00	0,00	2,00	100,00
Nature Conservation and Oceanographical related Technicians	1,00	0,00	0,00	0,00	0,00
Other Administration & related Clerks and Organisers	198,00	0,00	0,00	104,00	52,50
Other Administrative Policy and related Officers	23,00	1,00	4,30	10,00	43,50
Other Machine Operators	23,00	1,00	4,30	12,00	52,20
Other Occupations	486,00	0,00	0,00	5,00	1,00
Risk Management and Security Services	4,00	0,00	0,00	2,00	50,00
Secretaries & other Keyboard Operating Clerks	28,00	1,00	3,60	18,00	64,30
Security Guards	55,00	0,00	0,00	3,00	5,50
Security Officers	1,00	0,00	0,00	1,00	100,00
Senior Managers	45,00	1,00	2,20	25,00	55,60
Trade Labourers	1,00	0,00	0,00	0,00	0,00
Veterinarians	18,00	0,00	0,00	13,00	72,20

Veterinary assistants	5,00	0,00	0,00	1,00	20,00
Total	**2 815,00**	**10,00**	**0,40**	**1 131,00**	**40,20**

Table 2.6.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	97,00	0,00	0,00	64,00	66,00
Skilled (Levels3-5)	743,00	1,00	0,10	306,00	41,20
Highly skilled production (Levels 6-8)	775,00	2,00	0,30	441,00	56,90
Highly skilled supervision (Levels 9-12)	491,00	3,00	0,60	280,00	57,00
Highly skilled supervision (Levels 9-12) temporary	1,00	0,00	0,00	1,00	100,00
Senior Management (Level 13-16)	39,00	4,00	10,30	23,00	59,00
Other, Permanent	557,00	0,00	0,00	2,00	0,40
Contract (Levels 1-2), Permanent	1,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5), Permanent	9,00	0,00	0,00	2,00	22,20
Contract (Levels 6-8),	84,00	0,00	0,00	4,00	4,80

Permanent					
Contract (Levels 9-12), Permanent	15,00	0,00	0,00	8,00	53,30
Contract (Levels >= 13), Permanent	3,00	0,00	0,00	0,00	0,00
Total	**2 815,00**	**10,00**	**0,40**	**1 131,00**	**40,20**

4.7. Employment Equity

Table 2.7.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	22,00	0,00	0,00	4,00	17,00	1,00	1,00	2,00	47,00
Professionals	362,00	2,00	11,00	3,00	407,00	0,00	22,00	8,00	845,00
Technicians and associate professionals	163,00	0,00	2,00	3,00	141,00	2,00	15,00	7,00	343,00
Clerks	117,00	0,00	3,00	0,00	288,00	6,00	16,00	6,00	436,00
Service and sales workers	53,00	0,00	0,00	0,00	11,00	0,00	0,00	0,00	64,00
Skilled agriculture and fishery workers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Craft and related trades workers	5,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	5,00

Plant and machine operators and assemblers	67,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	68,00
Labourers and Related Workers	428,00	1,00	1,00	1,00	524,00	0,00	2,00	0,00	957,00
Elementary occupations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**1 217,00**	**3,00**	**17,00**	**1,00**	**1 389,00**	**9,00**	**56,00**	**3,00**	**2 765,00**
Employees with disabilities	**12,00**	**0,00**	**1,00**	**1,00**	**8,00**	**0,00**	**0,00**	**0,00**	**22,00**

Table 2.7.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3,00	0,00	0,00	1,00	0,00	0,00	0,00	0,00	4,00
Senior Management	17,00	0,00	0,00	2,00	15,00	1,00	1,00	2,00	38,00
Professionally qualified and experienced specialists and mid-management	206,00	2,00	12,00	34,00	177,00	1,00	19,00	15,00	466,00
Professionally qualified and experienced specialists and mid-management, Temporary	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00	1,00

Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	292,00	0,00	3,00	3,00	413,00	5,00	32,00	13,00	761,00
Semi-skilled and discretionary decision making	407,00	1,00	2,00	1,00	273,00	2,00	4,00	1,00	691,00
Unskilled and defined decision making	64,00	0,00	0,00	0,00	43,00	0,00	0,00	0,00	107,00
Not Available, Permanent	169,00	0,00	0,00	0,00	373,00	0,00	0,00	0,00	542,00
Contract (Senior Management), Permanent	1,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	3,00
Contract (Professionally Qualified), Permanent	11,00	0,00	0,00	0,00	11,00	0,00	0,00	1,00	23,00
Contract (Skilled Technical), Permanent	34,00	0,00	0,00	0,00	49,00	0,00	0,00	0,00	83,00
Contract (Semi-Skilled), Permanent	13,00	0,00	0,00	0,00	32,00	0,00	0,00	0,00	45,00
Contract (Unskilled), Permanent	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Total	**1 217,0**	**3,00**	**17,00**	**41,00**	**1 389,0**	**9,00**	**56,00**	**33,00**	**2 765,0**

	0				**0**				**0**

Table 2.7.3 Recruitment for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Senior Management		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Professionally qualified and experienced specialists and mid-management	3,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	5,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2,00	0,00	0,00	0,00	4,00	0,00	0,00	0,00	6,00
Semi-skilled and discretionary decision making	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Unskilled and defined decision making	10,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	12,00
Not Available, Permanent	91,00	0,00	0,00	0,00	186,00	0,00	0,00	0,00	277,00
Contract (Senior	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	2,00

Management), Permanent									
Contract (Professionally qualified), Permanent	9,00	0,00	0,00	0,00	8,00	0,00	0,00	1,00	18,00
Contract (Skilled technical), Permanent	9,00	0,00	0,00	0,00	5,00	0,00	0,00	0,00	14,00
Contract (Semi-skilled), Permanent	20,00	0,00	0,00	0,00	38,00	0,00	0,00	0,00	58,00
Total	**145,00**	**0,00**	**0,00**	**0,00**	**248,00**	**0,00**	**0,00**	**1,00**	**394,00**
Employees with disabilities	**2,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**2,00**

Table 2.7.4 Promotions for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	14,00	0,00	0,00	2,00	10,00	0,00	0,00	1,00	27,00
Professionally qualified and experienced specialists and mid-management	119,00	2,00	6,00	22,00	112,00	0,00	14,00	8,00	283,00
Professionally qualified and experienced specialists and mid-	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00	1,00

management, Temporary									
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	187,00	0,00	1,00	0,00	241,00	1,00	8,00	5,00	443,00
Semi-skilled and discretionary decision making	132,00	0,00	2,00	1,00	167,00	2,00	3,00	0,00	307,00
Unskilled and defined decision making	31,00	0,00	0,00	0,00	33,00	0,00	0,00	0,00	64,00
Not Available, Permanent	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	2,00
Contract (Professionally qualified), Permanent	3,00	0,00	0,00	0,00	4,00	0,00	0,00	1,00	8,00
Contract (Skilled technical), Permanent	2,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	4,00
Contract (Semi-skilled), Permanent	1,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	2,00
Total	**489,00**	**2,00**	**9,00**	**25,00**	**572,00**	**3,00**	**25,00**	**16,00**	**1 141,00**
Employees with disabilities	**3,00**	**0,00**	**0,00**	**0,00**	**5,00**	**0,00**	**0,00**	**0,00**	**8,00**

Table 2.7.5 Terminations for the period 1 April 2022 to 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Senior Management	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Professionally qualified and experienced specialists and mid-management	8,00	1,00	2,00	3,00	6,00	0,00	1,00	2,00	23,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6,00	0,00	0,00	0,00	16,00	1,00	2,00	1,00	26,00
Semi-skilled and discretionary decision making	32,00	0,00	0,00	0,00	12,00	0,00	0,00	0,00	44,00
Unskilled and defined decision making	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Not Available, Permanent	115,00	1,00	0,00	0,00	163,00	0,00	0,00	0,00	279,00
Contract (Top Management), Permanent	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00

Contract (Professionally qualified), Permanent	7,00	0,00	0,00	0,00	2,00	0,00	0,00	1,00	10,00
Contract (Skilled technical), Permanent	7,00	0,00	0,00	0,00	8,00	0,00	0,00	0,00	15,00
Contract (Semi-skilled), Permanent	11,00	0,00	0,00	0,00	11,00	0,00	0,00	0,00	22,00
Total	**187,00**	**2,00**	**2,00**	**3,00**	**219,00**	**1,00**	**3,00**	**4,00**	**421,00**
Employees with Disabilities	**3,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**3,00**

Table 2.7.6 Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Finalized cases	43	0	3	0	11	0	1	0	58

Table 2.7.7 Skills development for the period 1 April 2022 to 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	3	0	0	0	34	0	0	0	37
Professionals	15	0	0	1	26	0	0	3	45
Technicians and associate professional	82	0	0	1	179	0	0	0	262

s									
Clerks	67	0	0	0	161	0	0	0	228
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	241	0	0	0	331	0	0	0	572
Total	408	0	0	2	731	0	0	0	1144
Employees with disabilities									

4.8. Signing of Performance Agreements by SMS Members

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

Table 2.8.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members

Director-General/ Head of Department				
Salary Level 16	1	1	1	100%
Salary Level 15	2	2	2	100%
Salary Level 14	7	6	6	100%
Salary Level 13	42	33	32	97%
Total	**52**	**42**	**41**	**98%**

Notes

- In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

Table 2.8.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
1 x SMS SL 13 has signed a performance agreement with the Department's Entity namely; Agricultural Development Agency (ADA TRUST) due to secondment.

Notes

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

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons

Not Applicable

Notes

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

4.9. Performance Rewards

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

Table 2.9.1 Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

***Note**: The 2022-2023 performance assessments are still in progress and performance linked pay progressions will only be reported on once all assessments have been finalised and implemented before or by 31 December 2023. The information below is therefore related to the 2021-2022 financial year*

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	52.00	1287.00	4.00	1 106.29	22 583.00
Female	39.00	1395.00	2.80	1 174.31	28 367.00
Asian					
Male	0.00	19.00	0.00	0.00	0.00
Female	7.00	60.00	11.70	206.12	29 446.00
Coloured					
Male	1.00	5.00	20.00	51.67	51 670.00
Female	0.00	10.00	0.00	0.00	0.00
White					

Male	4.00	43.00	9.30	189.08	47 271.00
Female	6.00	36.00	16.70	183.44	30 574.00
Total	**109.00**	**2 868.00**	**3.80**	**2 910.92**	**26 706.00**

Table 2.9.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 to 31 March 2023

***Note**: The 2022-2023 performance assessments are still in progress and performance linked pay progressions will only be reported on once all assessments have been finalised and implemented before or by 31 December 2023. The information below is therefore related to the 2021-2022 financial year*

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	1.00	97.00	1.00	15.70	15 701.00	1,60
Skilled (level 3-5)	44.00	750.00	5.90	726.19	16 504.00	17,80
Highly skilled production (level 6-8)	36.00	776.00	4.60	876.71	24 353.00	33,00
Highly skilled supervision (level 9-12)	28.00	490.00	5.70	1 292.32	46 154.00	31,40
Total	**109.00**	**2 113.00**	**3.90**	**2 910.92**	**26 706.00**	**83.40**

Table 2.9.3 Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

***Note**: The 2022-2023 performance assessments are still in progress and performance linked pay progressions will only be reported on once all assessments have been finalised and implemented before or by 31 December 2023. The information below is therefore related to the 2021-2022 financial year*

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks and Credit Controllers	4,00	33,00	12,10	41,41	10 352,00
Human Resources Clerks	4,00	121,00	3,30	70,03	17 508,00
Motorised Farm and Forestry Plant Operators	1,00	10,00	10,00	8,56	8 557,00
Security Officers	0,00	1,00	0,00	0,00	0,00
Household and Laundry Workers	2,00	8,00	25,00	17,33	8 665,00
Veterinarians	1,00	18,00	5,60	44,29	44 294,00
Human Resources & Organisational Development & Related Professionals	0,00	25,00	0,00	0,00	0,00
All Artisans In The Building Metal Machinery Etc.	0,00	5,00	0,00	0,00	0,00
Messengers Porters and Deliverers	0,00	9,00	0,00	0,00	0,00

Risk Management and Security Services	0,00	4,00	0,00	0,00	0,00
Biochemistry Pharmacology, Zoology & Life Science Technician	1,00	183,00	0,50	17,58	17 580,00
Logistical Support Personnel	1,00	49,00	2,00	21,66	21 662,00
Finance and Economics Related	1,00	6,00	16,70	39,16	39 157,00
Natural Sciences Related	0,00	2,00	0,00	0,00	0,00
Other Administration & Related Clerks and Organisers	9,00	198,00	4,50	182,13	20 237,00
Housekeepers Laundry and Related Workers	1,00	8,00	12,50	16,37	16 369,00
Auxiliary And Related Workers	2,00	21,00	9,50	40,93	20 463,00
Other Occupations	2,00	532,00	0,40	37,36	18 682,00
Nature Conservation And Oceanographical Rel.Techni	0,00	1,00	0,00	0,00	0,00
Agricultural Animal	1,00	11,00	9,10	36,81	36 813,00

Oceanography Forestry & Other Sciences					
Financial And Related Professionals	1,00	12,00	8,30	53,23	53 232,00
Building And Other Property Caretakers	0,00	4,00	0,00	0,00	0,00
Administrative Related	3,00	38,00	7,90	105,42	35 139,00
Communication And Information Related	0,00	2,00	0,00	0,00	0,00
Secretaries & Other Keyboard Operating Clerks	3,00	28,00	10,70	77,73	25 909,00
Cleaners In Offices Workshops Hospitals Etc.	2,00	89,00	2,20	40,44	20 218,00
Library Mail and Related Clerks	0,00	1,00	0,00	0,00	0,00
Human Resources Related	5,00	54,00	9,30	153,71	30 741,00
Veterinary Assistants	0,00	5,00	0,00	0,00	0,00
Trade Labourers	0,00	1,00	0,00	0,00	0,00
Language Practitioners Interpreters & Other Commun	2,00	8,00	25,00	35,47	17 735,00

General Legal Administration & Rel. Professionals	0,00	3,00	0,00	0,00	0,00
Civil Engineering Technicians	0,00	1,00	0,00	0,00	0,00
Farm Hands and Labourers	20,00	426,00	4,70	350,52	17 526,00
Other Administrative Policy and Related Officers	2,00	24,00	8,30	46,33	23 163,00
Bus And Heavy Vehicle Drivers	0,00	17,00	0,00	0,00	0,00
Senior Managers	0,00	44,00	0,00	0,00	0,00
Farming Forestry Advisors and Farm Managers	0,00	4,00	0,00	0,00	0,00
Client Inform Clerks(Switchboard, Receptionist, Information Clerks)	0,00	11,00	0,00	0,00	0,00
Economists	1,00	17,00	5,90	48,42	48 424,00
Engineers and Related Professionals	0,00	14,00	0,00	0,00	0,00
Light Vehicle Drivers	1,00	3,00	33,30	27,65	27 654,00
Electrical and Electronics Engineering Technicians	0,00	1,00	0,00	0,00	0,00

Engineering Sciences Related	0,00	8,00	0,00	0,00	0,00
Motor Vehicle Drivers	1,00	16,00	6,30	13,30	13 296,00
Security Guards	0,00	55,00	0,00	0,00	0,00
Food Services Aids and Waiters	0,00	4,00	0,00	0,00	0,00
Other Machine Operators	3,00	23,00	13,00	37,09	12 362,00
Horticulturists Foresters Agriculture & Forestry Technicians	0,00	21,00	0,00	0,00	0,00
Mechanical Engineering Technicians	0,00	4,00	0,00	0,00	0,00
Librarians and Related Professionals	0,00	4,00	0,00	0,00	0,00
Agriculture Related	35,00	681,00	5,10	1 348,00	38 514,00
Total	**109.00**	**2 868.00**	**3.80**	**2 910.92**	**26 706.00**

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –

  (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

(b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;

(c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and

(d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees;

Table 2.9.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0,00	33,00	0,00	0,00	0,00	0,00
Band B	0,00	4,00	0,00	0,00	0,00	0,00
Band C	0,00	3,00	0,00	0,00	0,00	0,00
Band D	0,00	2,00	0,00	0,00	0,00	0,00
Total	**0,00**	**42,00**	**0,00**	**0,00**	**0,00**	**0,00**

***Note**: Reference is made to DPSA Circular 1 of 2019 wherein a directive was issued that with effect from the 2021-2022 financial cycle there would be no issuing of performance bonuses i.e. cash rewards therefore the above table reflects no costs that have been incurred.*

4.10. Foreign Workers

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

Table 2.10.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled production (Lev. 6-8)	0,00	0,00	0,00	0,00	0,00	0,00
Highly skilled supervision (Lev. 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 9-12)	0,00	0,00	0,00	0,00	0,00	0,00
Contract (level 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**

Table 2.10.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	0,00	0,00	0,00	0,00	0,00	0,00
Professionals and managers	0,00	0,00	0,00	0,00	0,00	0,00
Technicians and associated professionals	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**

4.11. Leave utilisation

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

Table 2.11.1 Sick leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	398,00	93,70	47,00	4,10	8,00	237,00
Skilled (Levels 3-5)	3 104,00	91,60	347,00	30,10	9,00	2 701,00
Highly skilled production (levels 6-8)	3 485,00	86,10	424,00	36,80	8,00	5 866,00
Highly skilled supervision (levels 9 -12)	1 502,00	85,30	225,00	19,50	7,00	4 026,00
Top and Senior management (levels 13-16)	119,00	94,10	17,00	1,50	7,00	586,00
Contract (Levels 6-8)	169,00	94,70	26,00	2,30	7,00	286,00
Contract (Levels 9-12)	12,00	75,00	2,00	0,20	6,00	26,00
Contract Other		254,00	58,70	63,00	5,50	4,00
Total	**9 043,00**	**87,70**	**1 151,00**	**100,00**	**8,00**	**13 820,00**

Table 2.11.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using disability	% of total employees using disability	Average days per employee	Estimated Cost (R'000)

			leave	leave		
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (Levels 3-5)	545,00	100,00	9,00	39,10	61,00	465,00
Highly skilled production (Levels 6-8)	713,00	100,00	10,00	43,50	71,00	1 300,00
Highly skilled supervision (Levels 9-12)	198,00	100,00	4,00	17,40	50,00	438,00
Senior management (Levels 13-16)	0,00	0,00	0,00	0,00	0,00	0,00
Total	**1 456,00**	**100,00**	**23,00**	**100,00**	**63,00**	**2 203,00**

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

Table 2.11.3 Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1 974,00	107,00	
Skilled Levels 3-5)	17 001,00	717,00	24,00
Highly skilled production (Levels 6-8)	17 505,00	770,00	23,00
Highly skilled supervision(Levels 9-12)	10 766,00	479,00	22,00
Senior management (Levels 13-16)	662,00	35,00	19,00
Contract (Levels 13-16)	33,00	3,00	11,00
Contract (Levels 3-5)	4,00	2,00	2,00
Contract (Levels 6-8)	1 045,00	76,00	14,00

Contract (Levels 9-12)	98,00	15,00	7,00
Contract Other	2 838,00	287,00	10,00
Total	**51 926,00**	**2 491,00**	**21,00**

Table 2.11.4 Capped leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Lower skilled (Levels 1-2)	0,00	0,00	0,00	0,00
Skilled Levels 3-5)	30,00	6,00	5,00	95,00
Highly skilled production (Levels 6-8)	24,00	6,00	4,00	72,00
Highly skilled supervision(Levels 9-12)	11,00	5,00	2,00	103,00
Senior management (Levels 13-16)	0,00	0,00	0,00	60,00
Contract (Levels 1-2)	0,00	0,00	0,00	0,00
Contract (Levels 13-16)	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	0,00	0,00	0,00	0,00
Contract Other	0,00	0,00	0,00	0,00
Total	**65,00**	**17,00**	**4,00**	**89,00**

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

Table 2.11.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
ANNUAL - DISCOUNTING WITH RESIGNATION (WORK DAYS)	1 076,00	37,00	29 081,00
ANNUAL - DISCOUNTING: UNUSED	75,00	1,00	75 000,00

VACATION CREDITS (WORK DAYS)			
ANNUAL - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	2 796,00	76,00	36 789,00
CAPPED - GRATUITY: DEATH/RETIREMENT/MEDICAL RETIREMENT(WORK	9 998,00	72,00	138 861,00
Leave pay-out for 2022/2023 due to non-utilisation of leave for the previous cycle	0,00	0,00	0,00
Capped leave pay-out on termination of service for 2022/2023	0,00	0,00	0,00
Current leave pay-out on termination of service for 2022/2023	0,00	0,00	0,00
Total	**13 945,00**		

4.12. HIV/AIDS & Health Promotion Programmes

Table 2.12.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	**N/A**

Table 2.12.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Y		Ms. NZ Ndlela - Chief Director: Human Resource Management
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this			Employee Health and Wellness Sub-Directorate is a dedicated unit comprising 5 employees with the annual budget of R 545 000.00

purpose.			
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Y		HIV/AIDS, STI, TB Management, Health and Productivity Management and SHERQ (Safety, Health, Environment, Risk and Quality Management and Wellness Management).
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Y		The department has appointed an SMS member as Section 16 (2) to ensure a safe working environment. The Committee will be established in the 2023/2024 financial year.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Y		The department has an HIV and AIDS policy in place
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Y		The department has conducted awareness campaigns on workplace harassment.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Y		The department has conducted an awareness campaign on prep (pre exposure prophylaxis) to prevent transmission of HIV for those that are HIV negative.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.		N	To introduce a survey system in 2023/2024 as a means of monitoring and evaluating the programme intervention.

4.13. Labour Relations

Table 2.13.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Subject matter	Date
None	**N/A**

Notes

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

Total number of Collective agreements	**None**

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

Table 2.13.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	01	2
Verbal warning	02	3
Written warning	32	55
Final written warning	07	12
Suspended without pay	06	10
Fine	00	00
Demotion	00	00
Dismissal	00	00
Not guilty	00	00
Case withdrawn	10	18
Total	**58**	**100**

Notes

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

Total number of Disciplinary hearings finalised	**58**

Table 2.13.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Theft	02	04
Misuse of state vehicle	04	06
Absenteeism	04	06
Depriving Farmers information	01	02
Forge signature	01	02
None- disclosure of business	07	13
Financial disclosure	30	51
Incitement, procedural, unbecoming & unacceptable conduct	01	02
Fraud	01	02
Unbecoming behaviour	01	02
Business connections with the supplier of the department not declared in SED4 Form	01	02
Use state resources	01	02
Misleading the community	04	06
Total	**58**	**100**

Table 2.13.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	20	35
Number of grievances not resolved	37	65
Total number of grievances lodged	**57**	**100**

Table 2.13.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	00	00
Number of disputes dismissed	02	100
Total number of disputes lodged	**02**	**100%**

Table 2.13.6 Strike actions for the period 1 April 2022 and 31 March 2023

Total number of persons working days lost	0
Total costs working days lost	0,00

Amount recovered as a result of no work no pay (R'000)	0,00

Table 2.13.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	7
Number of people whose suspension exceeded 30 days	7
Average number of days suspended	271
Cost of suspension(R'000)	R1 590 068.00

4.14. Skills development

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

Table 2.14.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	23		➢ Woman Empowerment Coaching and mentoring skills		23
	Male	22		➢ Leadership Course KHAEDU		22
Professionals	Female	43		Savana Science networking Meeting		43
	Male	59		SA Society for Agriculture Extension		59
Technicians and associate professionals	Female	42		➢ Grassland Science Congress Carbon Farming,		42

				Soil Conservation & New Technologies		
	Male	62		➢ Crop Production for Sustainable Development Projects Management		62
Clerks	Female	87		Lay Counselling for Supervisors		87
	Male	75		Career Development and Career Planning		75
Service and sales workers	Female			Crop Production		
	Male					
Skilled agriculture and fishery workers	Female	302		Diversity Management in the Workplace		302
	Male	238		Commercial Crop production		238
Craft and related trades workers	Female	0				0
	Male	5		➢ Carpentry Plumbing		5
Plant and machine operators and assemblers	Female	0				0
	Male	0				0
Elementary occupations	Female	175		Vegetable Production		175
	Male	185	120 (Plant & Animal Production)	➢ Carpentry ➢ Plumbing ➢ Advance Driving ➢ Carpentry Plumbing		185

Sub Total	Female	672	60			672
	Male	641	60			641
Total		1313	120			1313

Table 2.14.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	34	0	Women in Leadership		34
	Male	3	0	PFMA		3
Professionals	Female	16	0	Advance Bio resource Management		16
	Male	29	0	➢ Preliminary Investigation ➢ Chairing of Meeting F0inancial Management for0 non-Finance Employees		29
Technicians and associate professionals	Female	179	0	➢ ICDL ➢ Agricultural Economics Agro processing		179
	Male	83	0	Advance Marketing for agricultural Product		83
Clerks	Female	161	0	➢ Supervisor Course Project Management		161

	Male	67	0	Project Management		67
Service and sales workers	Female	0	0			0
	Male	0	0			0
Skilled agriculture and fishery workers	Female	0	0			0
	Male	0	0			0
Craft and related trades workers	Female	0	0			0
	Male	0	0			0
Plant and machine operators and assemblers	Female	0	0			0
	Male	0	0			0
Elementary occupations	Female	331		➢ Crop Production Meat Production		331
	Male	241		➢ Carpentry ➢ Plumbing Bricklaying		241
Sub Total	Female	721				
	Male	423				423
Total		**1144**				**1144**

4.15. Injury on duty

The following tables provide basic information on injury on duty.

Table 2.15.1 Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	0,00	0,00
Temporary Total Disablement	0,00	0,00

Permanent Disablement	0,00	0,00
Fatal	0,00	0,00
Total	**0,00**	**0,00**

4.16. Utilisation of Consultants

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

(a) The rendering of expert advice;

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

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

Table 2.16.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
None			

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

Table 2.16.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage	Percentage	Number of

	ownership by HDI groups	management by HDI groups	consultants from HDI groups that work on the project
None			

Table 2.16.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023

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

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

Table 2.16.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

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

4.17. Severance Packages

Table 2.17.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	**0,00**	**0,00**	**0,00**	**0,00**
Skilled Levels 3-5)	**0,00**	**0,00**	**0,00**	**0,00**
Highly skilled production (Levels 6-8)	**0,00**	**0,00**	**0,00**	**0,00**
Highly skilled supervision(Levels 9-12)	**0,00**	**0,00**	**0,00**	**0,00**
Senior management (Levels 13-16)	**0,00**	**0,00**	**0,00**	**0,00**
Total	**0,00**	**0,00**	**0,00**	**0,00**

PART E: PFMA COMPLIANCE REPORT

5. PART E: PFMA COMPLIANCE REPORT

5.1. Irregular, Fruitless And Wasteful, Unauthorised Expenditure And Material Losses

5.1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	688 223	772 010
Prior Period Error		4323
Add: Irregular expenditure confirmed	11 393	17 223
Less: Irregular expenditure condoned	-119 022	-105 333
Less: Irregular expenditure not condoned and removed	-5	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
Closing balance	**580 589**	**688 223**

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	0	0
Irregular expenditure that relates to 2021/22 and identified in 2022/23	0	0
Irregular expenditure incurred	11 393	17 223
TOTAL	11 393	17 223

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

Description	2022/23	2021/22

	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	11 393	17 223
Irregular expenditure under investigation	0	0
Total	11 393	17 223

Determination testing has been concluded for all Irregular Expenditure reported for 22/23, awaiting condoning approval by Provincial Treasury as condoning authority.

c) Details of current and previous year irregular expenditure condoned

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure condoned	119 022	105 333
Total	119 022	105 333

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure not condoned and removed	5	0
Total	5	0

e) Details of current and previous year irregular expenditure recovered

Description	2022/23	2021/22
	R'000	R'000

Irregular expenditure recovered	0	0
Total		

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure written off	0	0
Total	0	0

Additional disclosure relating to Inter-Institutional Arrangements

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

Description
None
Total

Include discussion here where deemed relevant.

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

Description	2022/23	2021/22
	R'000	R'000
	0	0
	2022/23	2021/22
Total	R'000	R'000

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
5 officials from SCM are alleged to have transgressed in respect to the procurement of transportation services, as per the determination test. Matters have been referred to a formal investigation that is currently underway.
4 officials from SCM are alleged to have committed irregularities in respect of the procurement of secuiry services. These cases are currently under further investigation.

5.1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	1 211	0
Add: Fruitless and wasteful expenditure confirmed	137	4
less: Fruitless and wasteful expenditure written off	-137	-3

less: Fruitless and wasteful expenditure recoverable	0	-1
Closing balance	1 211	1 211

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	0	0
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	0	0
Fruitless and wasteful expenditure for the current year	137	4
Total	137	4

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

Description[1]	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	1 211
Total[2]	0	1 211

The department opened a criminal case with South African Police Services (SAPS) against Nkosithoba Trading for overpayment of R1 210 837,83. The investigation report issued by Morar Incorporation after conducting the investigation recommends civil recovery against Nkosithoba Trading for the same anount.

[1] Group similar items
[2] Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure recovered	0	1
Total	0	1

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	137	3
Total	137	3

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

Disciplinary steps taken
The department opened criminal case with South African Police Services (SAPS) against Nkosithoba Trading for overpayment of R1 210 837,83. The investigation report issued by Morar Incorporation after conducting the investigation recommends civil recovery against Nkosithoba Trading for the same anount. Internal disciplinary processes have been concluded for the inservice officials recommended in the investigation report.
Total

5.1.3. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	0	0
Add: unauthorised expenditure confirmed	0	0
Less: unauthorised expenditure approved with funding	0	0
Less: unauthorised expenditure approved without funding	0	0
Less: unauthorised expenditure recoverable	0	0
Less: unauthorised not recovered and written off[3]	0	0
Closing balance	0	0

Include discussion here where deemed relevant.

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	0	0
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	0	0
Unauthorised expenditure for the current year	0	0
Total	0	0

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

Description[4]	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure under assessment	0	0
Unauthorised expenditure under determination	0	0

[3] This amount may only be written off against available savings
[4] Group similar items

Unauthorised expenditure under investigation	0	0
Total[5]	0	0

Include discussion here where deemed relevant.

5.2. Late And/Or Non-Payment Of Suppliers

Description	Number of invoices	Value
		R'000
Valid invoices received		
Invoices paid **within** 30 days or agreed period	6 073	1 349 629
Invoices paid **after** 30 days or agreed period	6 061	1 342 025
Invoices older than 30 days or agreed period (***unpaid and without dispute***)	12	7 604
Invoices older than 30 days or agreed period (***unpaid and in dispute***)	0	0
Closing balance	6 073	1 349 629

Order commitments not monitored ; End users do not submit invoices to Finance for payment on time.

[5] Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

PART F: FINANCIAL INFORMATION

6. PART F: FINANCIAL INFORMATION

6.1. Report of the Auditor-General

This is the auditor's report as issued by AGSA.



AUDITOR-GENERAL
SOUTH AFRICA

Mr. Z Dlamini
The Accounting Officer
KZN Department of Agriculture and Rural Development
Private Bag X9059
Pietermaritzburg
3201

27 July 2023

Reference: 15701REG22-23

Dear Sir

Report of the Auditor-General on the financial statements, annual performance report, compliance with legislation and other legal and regulatory requirements of KZN Department of Agriculture and Rural Development for the year ended 31 March 2023

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act No. 25 of 2004 (PAA) read in conjunction with section 188 of the Constitution of the Republic of South Africa and section 40(2) of the Public Finance Management Act 1 of 1999 (PFMA).
2. We have not yet received the other information that will be included in the annual report with the audited financial statements and the annual performance report and have thus not been able to establish whether there are any inconsistencies between this information and the audited financial statements, the annual performance report or our report on compliance with legislation. You are requested to supply this information as soon as possible. Once this information is received it will be read and should any inconsistencies be identified these will be communicated to you and you will be requested to make the necessary corrections. Should the corrections not be made we will amend and reissue the audit report.
3. In terms of section 40(1)(d) of the PFMA you are required to include the auditor's report in the department's annual report to be tabled.
4. Prior to printing or copying the annual report which will include the auditor's report you are required to do the following:
   - Submit the final printer's proof of the annual report to the relevant senior manager of the Auditor-General of South Africa for verification of the audit-related references in the auditor's report and for confirmation that the financial statements, annual performance report and other information are those documents that have been read and audited. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications.
   - The signature *Auditor-General* in the handwriting of the auditor authorised to sign the audit report at the end of the hard copy of the audit report should be scanned in when preparing to print the report. This signature, as well as the place and date of signing and the Auditor-General of South Africa's logo, should appear at the end of the report, as in the hard copy that is provided to you. The official logo will be made available to you in electronic format.

Auditing to build public confidence

Auditor-General of South Africa
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5. Please notify the undersigned Deputy Business Unit Leader well in advance of the date on which the annual report containing this audit report will be tabled.
6. The confidentiality of information obtained in an engagement must be observed at all times. In terms of section 50 of the PAA and the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants *(including International Independence Standards)*, members of the staff of the Auditor General (AG), or an audit firm appointed in terms of section 25 of the PAA, may not disclose or make available any information obtained during an audit, other than the final auditor's report, to any third party without the permission of the AG or his/her delegate, unless this is to a legislature or internal committee of a legislature or a court in a criminal matter.
7. Until the steps described in paragraphs 2 and 4 of this document are completed and the annual report is tabled as required by section 65(1) of the PFMA, the audit report is not a final and public document and you are therefore requested to treat it as confidential.
8. Your cooperation to ensure that all these requirements are met would be much appreciated.

Kindly acknowledge receipt of this letter.

Yours sincerely



Merusha Vather
Deputy Business Unit Leader: KwaZulu-Natal

Enquiries: Adéle Howard
Telephone: (033) 264 7411
Fax: (033) 264 7596
Email: adeleh@agsa.co.za

AUDIT REPORT

KwaZulu-Natal Department of Agriculture and Rural Development

2022-23

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature on vote no. 3: Department of Agriculture and Rural Development

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Agriculture and Rural Development set out on pages xx to xx, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture and Rural Development as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Material impairment

7. As disclosed in note 15 to financial statements, material impairment of R27,80 million on investment was disclosed because no returns or payments were expected from the department's investment in Ntingwe Tea (Pty) Ltd.

Other matter

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

Irregular and fruitless and wasteful expenditure disclosure

9. On 23 December 2022, the National Treasury issued Instruction Note 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and reporting framework and addresses, amongst others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 30 to the financial statements of the department. Movements in respect of irregular expenditure and fruitless and wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the department.

10. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Agricultural development services	[XX]	This programme provides extension and advisory services as well as production inputs support to smallholder and commercial farmers for sustainable agricultural development. The most urgent policy imperatives for this programme include support, advice, and coordination of the implementation of national policy on food and nutrition security.
Rural development	[XX]	To ensure the continuous improvement of sustainable rural livelihoods through the coordination of integrated rural development services and facilitation of rural enterprise and industry development. The rural development coordination sub-programme aims to ensure effective rural development coordination, monitoring and evaluation structures across all three spheres of government

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides the users with useful and reliable information and insights on the department's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements

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

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

20. I did not raise any material findings on the reported performance information for the selected programmes.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under-achievement.

Report on compliance with legislation

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

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

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

26. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

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

28. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

29. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

30. The other information I obtained prior to the date of this auditor's report is the irregular and fruitless and wasteful expenditure disclosure. The draft annual report is expected to be made available to me after 31 July 2023. I did not raise material findings on disclosure of irregular and fruitless and wasteful expenditure to report in the auditor's report.

31. When I do receive and read the draft annual report (except for irregular and fruitless and wasteful expenditure), and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

33. I did not identify any significant deficiencies in internal control.

Material irregularities

34. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Payment for incomplete work on project

35. The department made payments for services that were not actually received, in contravention of treasury regulation 8.1.1. This resulted in a financial loss of R1,27 million being disclosed as fruitless and wasteful expenditure in the 2021-22 financial statements. The accounting officer was notified of the material irregularity on 26 July 2022.

36. The following actions have been taken to resolve the material irregularity:

- A case of fraud was opened with the South African Police Service.
- A forensic investigation was completed in March 2023 and the responsible official identified by the investigation is no longer employed at the department.
- The accounting officer is in the process of instituting legal proceedings in an attempt to recover the material financial loss.

37. I will follow up on the implementation of the planned action during my next audit.

Other reports

38. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

39. The provincial forensic unit conducted 11 investigations covering the period 1 April 2010 to 31 March 2023. These investigations related to allegations of fraud, irregular expenditure and procurement irregularities. Five investigations had been completed and disciplinary steps were taken, while six investigations were still in progress at the date of this report.

Auditor General

Pietermaritzburg

27 July 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public

Annexure to the auditor's report

The annexure includes:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act,.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2); 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury regulations 4.1.1; 4.1.3 Treasury regulations 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury regulations 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b) Treasury regulation 7.2.1 Treasury regulations 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury regulations 9.1.1; 9.1.4 Treasury regulations 10.1.1(a); 10.1.2 Treasury regulations 11.4.1; 11.4.2; 11.5.1 Treasury regulation 12.5.1 Treasury regulations 15.10.1.2(c') Treasury regulations 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury regulation 17.1.1 Treasury regulation 18.2 Treasury regulation 19.8.4
Division of Revenue Act, 5 of 2022	Dora 11(6)(a) Dora 12(5) Dora 16(1) Dora 16(3) Dora 16(3)(a)(i) Dora 16(3)(a)(ii)(bb)
Public Service Regulations (PSR)	PSR 13(c);18; 18(1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act, 12 of 2004 (PRECCA)	Section 29 Section 34(1)

Legislation	Sections or regulations
Construction Industry Development Board Act, 38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations (CIDB Regulations)	CIDB regulations 17; 25(1); 25(5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraphs 4.1; 4.2 Paragraphs 5.1; 5.3; 5.6; 5.7 Paragraphs 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraphs 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraphs 8.2; 8.5 Paragraphs 9.1; 9.2 Paragraphs 10.1; 10.2 Paragraphs 11.1; 11.2 Paragraphs 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraphs 4.1; 4.2; 4.3; 4.4 Paragraphs 5.1; 5.2; 5.3; 5.4
Sita Act	Section 7(3) Section 7(6)(b) Section 20(1)(a)(I)
Sita Regulations	Regulations 8.1.1 (b); 8.1.4; 8.1.7 Regulations 9.6; 9.4 Regulations 12.3 Regulations 13.1 (a) Regulations 14.1; 14.2
PFMA SCM Instruction Note 09 of 2022-23	Paragraphs 3.1; 3.3 (b); 3.3 (c); 3.3(e); 3.6
National Treasury Instruction Note1 of 2015-16	Paragraphs 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021-22	Paragraphs 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a);4.4 (c)-(d); 4.6 Paragraph 5.4 Paragraphs 7.2; 7.6

Legislation	Sections or regulations
NT SCM Instruction Note 4A of 2016-17	Paragraph 6
NT SCM Instruction Note 03 of 2019-20	Paragraphs 5.5.1(vi); 5.5.1(x);
NT SCM Instruction Note 11 of 2020-21	Paragraphs 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction Note 2 of 2021-22	Paragraphs 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction Note 04 of 2022-23	Paragraphs 4(1); 4(2); 4(4)
Practice Note 5 of 2009-10	Paragraph 3.3
PFMA SCM Instruction Note 08 of 2022-23	Paragraph 3.2 Paragraphs 4.3.2 and 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT Instruction Note 4 of 2015-16	Paragraph 3.4
NT Instruction Note 3 of 2019-20 – Annexure A	Section 5.5.1(iv) and (x)
Second amendment of NTI 05 of 2020-21	Paragraph 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 2020-21	Paragraph 1
Erratum NTI 5 of 2020-21	Paragraph 2
Practice Note 7 of 2009-10	Paragraph 4.1.2
Practice Note 11 of 2008-09	Paragraph 3.1 Paragraph 3.1(b)
NT Instruction Note 1 of 2021-22	Paragraph 4.1
Public Service Act	Section 30(1)
Employment of Educators Act	Section 33(1)

6.2. ANNUAL FINANCIAL STATEMENTS



ANNUAL FINANCIAL STATEMENTS FOR DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

For the year ended
31 March 2023

Date authorised for issue: 31 MAY 2023

Authorised by: ZN DLAMINI (ACCOUNTING OFFICER)

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APPROPRIATION STATEMENT
for the year ended 31 March 2023

Appropriation per programme

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	707 854	-	(20 120)	687 734	687 734	-	100,0%	634 016	633 680
2. Agriculture	1 755 748	-	25 850	1 781 598	1 781 598	-	100,0%	1 836 232	1 835 552
3. Rural Development	85 646	-	(5 730)	79 916	79 916	-	100,0%	75 774	75 774
Subtotal	**2 549 248**	**-**	**-**	**2 549 248**	**2 549 248**	**-**	**100,0%**	**2 546 022**	**2 545 006**
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				30 016				27 987	
NRF Receipts				-				-	
Aid assistance				-				-	

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Actual amounts per statement of financial performance (total revenue)	**2 579 264**				**2 574 009**	**2 545 006**
Actual amounts per statement of financial performance (total expenditure)		**2 549 248**				**2 545 006**

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Appropriation per economic classification									
	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**2 070 987**	**-**	**(3 383)**	**2 067 604**	**2 067 604**	**-**	**100,0%**	**2 030 987**	**2 030 651**
Compensation of employees	1 185 015	-	(20 775)	1 164 240	1 164 240	-	100,0%	1 117 449	1 117 449
Goods and services	885 687	-	17 494	903 181	903 181	-	100,0%	913 529	913 193
Interest and rent on land	285	-	(102)	183	183	-	100,0%	9	9
Transfers and subsidies	**349 676**	**-**	**2 640**	**352 316**	**352 316**	**-**	100,0%	**390 221**	**390 221**
Provinces and municipalities	2 410	-	(1 144)	1 266	1 266	-	100,0%	2 104	2 104

Departmental agencies and accounts	222 937	-	(11)	222 926	222 926	-	100,0%	213 593	213 593
Higher education institutions								20	20
Foreign governments and international organisations								-	-
Public corporations and private enterprises	109 935	-	-	109 935	109 935	-	100,0%	152 273	152 273
Non-profit institutions								-	-
Households	14 394	-	3 795	18 189	18 189	-	100,0%	22 231	22 231
Payments for capital assets	**128 585**	**-**	**260**	**128 845**	**128 845**	**-**	**100,0%**	**121 038**	**120 358**
Buildings and other fixed structures	58 120	-	(7 188)	50 932	50 932	-	100,0%	60 191	59 511
Machinery and equipment	69 835	-	7 581	77 416	77 416	-	100,0%	60 465	60 465
Heritage assets								-	-
Specialised military assets								-	-
Biological assets	630	-	(133)	497	497	-	100,0%	382	382
Land and subsoil assets	-	-	-	-	-	-		-	-

Software & Intangible assets	-	-	-	-	-	-		-	-
Payments for financial assets	**-**	**-**	**483**	**483**	**483**	**-**	**100,0%**	**3 776**	**3 776**
Total	**2 549 248**	**-**	**-**	**2 549 248**	**2 549 248**	**-**	**100,0%**	**2 546 022**	**2 545 006**

Programme 1: ADMINISTRATION

	2022/23							2021/22	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final Budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1. **Office of the MEC**	25 496	-	3 403	28 899	28 899	-	100,0%	24 150	24 150
2. **Senior Management**	42 679	-	(625)	42 054	42 054	-	100,0%	37 174	37 174
3. **Corporate Services**	416 772	-	(8 260)	408 512	408 512	-	100,0%	398 981	398 981
4. **Financial Management**	189 365	-	(12 253)	177 112	177 112	-	100,0%	144 316	143 980
5. **Communication**	33 542	-	(2 385)	31 157	31 157	-	100,0%	29 395	29 395

Services

Total for sub programmes	**707 854**	**-**	**(20 120)**	**687 734**	**687 734**	**-**	**100,0%**	**634 016**	**633 680**
Economic classification									
Current payments	**637 993**	**-**	**(14 642)**	**623 351**	**623 351**	**-**	**100,0%**	**564 992**	**564 656**
Compensation of employees	245 044	-	(1 372)	243 672	243 672	-	100,0%	232 572	232 572
Goods and services	392 949	-	(13 270)	379 679	379 679	-	100,0%	332 411	332 075
Interest and rent on land	-	-	-	-	-	-	-	9	9
Transfers and subsidies	**11 798**	**-**	**(1 928)**	**9 870**	**9 870**	**-**	**100,0%**	**11 008**	**11 008**
Provinces and municipalities	1 338	-	(332)	1 006	1 006	-	100,0%	1 144	1 144
Departmental agencies and accounts	2 973	-	(11)	2 962	2 962	-	100,0%	2 815	2 815
Higher education institutions	-	-	-	-	-	-	-	20	20
Foreign governments and international organisations								-	-

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
ANNUAL FINANCIAL STATEMENTS
VOTE 3

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Public corporations and private enterprises								-	-
Non-profit institutions								-	-
Households	7 487	-	(1 585)	5 902	5 902	-	100,0%	7 029	7 029
Payments for capital assets	**58 063**	**-**	**(3 894)**	**54 169**	**54 169**	**-**	**100,0%**	**54 242**	**54 242**
Buildings and other fixed structures	25 998	-	(6 331)	19 667	19 667	-	100,0%	19 658	19 658
Machinery and equipment	32 065	-	2 437	34 502	34 502	-	100,0%	34 584	34 584
Heritage assets								-	-
Specialised military assets								-	-
Biological assets								-	-
Land and subsoil assets								-	-
Intangible assets								-	-
								-	-
Payments for financial assets	**-**	**-**	**344**	**344**	**344**	**-**	**100,0%**	**3 774**	**3 774**
Total	**707 854**	**-**	**(20 120)**	**687 734**	**687 734**	**-**	**100,0%**	**634 016**	**633 680**

APPROPRIATION STATEMENT
for the year ended 31 March 2023

	2022/23							2021/22	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. **Sustainable Resource Management**	64 590	-	10 238	74 828	74 828	-	100,0%	72 112	72 112
2. **Farmer Support And Development**	1 149 101	-	49 638	1 198 739	1 198 739	-	100,0%	1 251 371	1 251 017
3. **Veterinary Services**	239 376	-	(27 344)	212 032	212 032	-	100,0%	249 795	249 795
4. **Research And Technology Development Services**	185 561	-	2 953	188 514	188 514	-	100,0%	158 822	158 822
5. **Agricultural Economic Services**	14 141	-	(1 090)	13 051	13 051	-	100,0%	12 183	12 183
6. **Structured Agricultural Education and Training**	102 979	-	(8 545)	94 434	94 434	-	100,0%	91 949	91 623
Total for sub programmes	**1 755 748**	**-**	**25 850**	**1 781 598**	**1 781 598**	**-**	**100,0%**	**1 836 232**	**1 835 552**

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Economic classification									
Current payments	**1 347 863**	**-**	**17 278**	**1 365 141**	**1 365 141**	**-**	**100,0%**	**1 390 862**	**1 390 862**
Compensation of employees	896 062	-	(17 512)	878 550	878 550	-	100,0%	848 193	848 193
Goods and services	451 516	-	34 892	486 408	486 408	-	100,0%	542 669	542 669
Interest and rent on land	285	-	(102)	183	183	-	100,0%	-	-
Transfers and subsidies	**337 850**	**-**	**4 195**	**342 045**	**342 045**	**-**	**100,0%**	**379 168**	**379 168**
Provinces and municipalities	1 072	-	(812)	260	260	-	100,0%	960	960
Departmental agencies and accounts	219 964	-	-	219 964	219 964	-	100,0%	210 778	210 778
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations								-	-
Public corporations and private enterprises	109 935	-	-	109 935	109 935	-	100,0%	152 273	152 273
Non-profit institutions								-	-
Households	6 879	-	5 007	11 886	11 886	-	100,0%	15 157	15 157
Payments for capital assets	**70 035**	**-**	**4 238**	**74 273**	**74 273**	**-**	**100,0%**	66 200	65 520

Buildings and other fixed structures	32 122	-	(1 087)	31 035	31 035	-	100,0%	40 533	39 853
Machinery and equipment	37 283	-	5 458	42 741	42 741	-	100,0%	25 285	25 285
Heritage assets								-	-
Specialised military assets								-	-
Biological assets	630	-	(133)	497	497	-	100,0%	382	382
Land and subsoil assets								-	-
Intangible assets								-	-
Payments for financial assets	**-**	**-**	**139**	**139**	**139**	**-**	**100,0%**	**2**	**2**
Total	**1 755 748**	**-**	**25 850**	**1 781 598**	**1 781 598**	**-**	**100,0%**	**1 836 232**	**1 835 552**

Programme 3: RURAL DEVELOPMENT									
	2022/23							**2021/22**	
	Approved Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**

APPROPRIATION STATEMENT
for the year ended 31 March 2023

Sub programme									
1. Rural Development Coordination	12 161	-	(3 653)	8 508	8 508	-	100,0%	15 061	15 061
2. Social Facilitation	73 485	-	(2 077)	71 408	71 408	-	100,0%	60 713	60 713
Total for sub programmes	**85 646**	**-**	**(5 730)**	**79 916**	**79 916**	**-**	**100,0%**	**75 774**	**75 774**
Economic classification									
Current payments	**85 131**	**-**	**(6 019)**	**79 112**	**79 112**	**-**	**100,0%**	**75 133**	**75 133**
Compensation of employees	43 909	-	(1 891)	42 018	42 018	-	100,0%	36 684	36 684
Goods and services	41 222	-	(4 128)	37 094	37 094	-	100,0%	38 449	38 449
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**28**	**-**	**373**	**401**	**401**	**-**	**100,0%**	**45**	**45**
Provinces and municipalities								-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-

Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	28	-	373	401	401	-	100,0%	45	45
Payments for capital assets	**487**	**-**	**(84)**	**403**	**403**	**-**	**100,0%**	**596**	**596**
Buildings and other fixed structures	-	-	230	230	230	-	100,0%	-	-
Machinery and equipment	487	-	(314)	173	173	-	100,0%	596	596
Heritage assets								-	-
Specialised military assets								-	-
Biological assets								-	-
Land and subsoil assets								-	-
Intangible assets								-	-
Payments for financial assets								-	-
Total	**85 646**	**-**	**(5 730)**	**79 916**	**79 916**	**-**	**100,0%**	**75 774**	**75 774**

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

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

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

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

3. Detail on payments for financial assets

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

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

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION	687 734	687 734	-	0,00
100 per cent spent				
AGRICULTURE	1 781 598	1 781 598	-	0,00
100 per cent spent				
RURAL DEVELOPMENT	79 916	79 916	-	0,00
100 per cent spent				

4.2 Per economic classification

Economic classification	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget

	R'000	R'000	R'000	%
Current payments				
Compensation of employees	1 164 240	1 164 240	-	0,00
Goods and services	903 181	903 181	-	0,00
Interest and rent on land	183	183	-	0,00
Transfers and subsidies				
Provinces and municipalities	1 266	1 266	-	0,00
Departmental agencies and accounts	222 926	222 926	-	0,00
Higher education institutions	-	-	-	0,00
Public corporations and private enterprises	109 935	109 935	-	0,00
Foreign governments and international organisations	-	-	-	0,00
Non-profit institutions	-	-	-	0,00
Households	18 189	18 189	-	0,00
Payments for capital assets				0,00
Buildings and other fixed structures	50 932	50 932	-	0,00
Machinery and equipment	77 416	77 416	-	0,00
Heritage assets	-	-	-	0,00
Specialised military assets	-	-	-	0,00
Biological assets	497	497	-	0,00
Land and subsoil assets	-	-	-	0,00
Software and other intangible assets	-	-	-	0,00
Payments for financial assets	**483**	**483**	**-**	**0,00**

100 per cent spent

4.3 Per conditional grant

Conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a

				percentage of Final Budget
	R'000	R'000	R'000	%
Land Care Grant	13 110	13 110	-	0,00
Comprehensive Agricultural Support Programme	218 604	218 604	-	0,00
Ilima/Letsema Projects	75 424	75 424	-	0,00
EPWP Integrated Grant for Provinces	4 610	4 610	-	0,00

100 per cent spent

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/2022 R'000
REVENUE			
Annual appropriation	*1*	2 549 248	2 546 022
Departmental revenue	*2*	30 016	27 987
TOTAL REVENUE		**2 579 264**	**2 574 009**
EXPENDITURE			
Current expenditure		**2 067 604**	**2 030 651**
Compensation of employees	*3*	1 164 240	1 117 449
Goods and services	*4*	903 181	913 193
Interest and rent on land	*5*	183	9
Transfers and subsidies		**352 316**	**390 221**
Transfers and subsidies	*7*	352 316	390 221
Expenditure for capital assets		**128 845**	**120 358**
Tangible assets	*8*	128 845	120 358
Unauthorised expenditure approved without funding			
Payments for financial assets	*6*	483	3 776
TOTAL EXPENDITURE		**2 549 248**	**2 545 006**
SURPLUS/(DEFICIT) FOR THE YEAR		**30 016**	**29 003**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		-	1 016
Annual appropriation		-	336
Conditional grants		-	680
Departmental revenue and NRF receipts	*15*	30 016	27 987
SURPLUS/(DEFICIT) FOR THE YEAR		**30 016**	**29 003**

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
ANNUAL FINANCIAL STATEMENTS
VOTE 3
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/2022 R'000
ASSETS			
Current assets		**46 480**	**5 005**
Cash and cash equivalents	*9*	-	4 501
Receivables	*11*	46 480	504
Non-current assets		**41 289**	**40 775**
Investments	*12*	27 800	27 800
Prepayments and advances			
Receivables	*11*	1 289	775
Loans	*13*	12 200	12 200
TOTAL ASSETS		**87 769**	**45 780**
LIABILITIES			
Current liabilities		**23 049**	**5 254**
Voted funds to be surrendered to the Revenue Fund	*14*	-	1 016
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	*15*	3 899	3 149
Bank Overdraft		18 349	-
Payables	*17*	801	1 089
Non-current liabilities			
Payables		-	-
TOTAL LIABILITIES		**23 049**	**5 254**
NET ASSETS		**64 720**	**40 526**

	Note	2022/23 R'000	2021/2022 R'000
Represented by:			
Capitalisation reserve		40 000	40 000
Recoverable revenue		24 720	526
TOTAL		**64 720**	**40 526**

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT
ANNUAL FINANCIAL STATEMENTS
VOTE 3
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2023

NET ASSETS	*Note*	2022/23 R'000	2021/2022 R'000
Capitalisation reserves			
Opening balance		40 000	40 000
Transfers			
Movement in equity		-	-
Closing balance		**40 000**	**40 000**
Recoverable revenue			
Opening balance		526	526
Transfers:		**24 194**	**-**
Irrecoverable amounts written off		-226	-62
Debts recovered (included in departmental revenue)		-525	-344
Debts raised		24 945	406
Closing balance		**24 720**	**526**
Total		**64 720**	**40 526**

CASH FLOW STATEMENT
for the year ended 31 March 2023

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2022/23 R'000	2021/2022 R'000
Receipts		**2 571 475**	**2 571 984**
Annual appropriation funds received	*1.1*	2 549 248	2 546 022
Statutory appropriation funds received		-	-
Departmental revenue received	*2*	22 136	25 962
Interest received	*2.3*	91	-
NRF receipts		-	-
Aid assistance received		-	-
Net (increase)/decrease in net working capital		-46 264	-3 239
Surrendered to Revenue Fund		-30 282	-42 899
Surrendered to RDP Fund/Donor		-	-
Current payments		-2 067 421	-2 030 642
Interest paid	*5*	-183	-9
Payments for financial assets		-483	-3 776
Transfers and subsidies paid		-352 316	-390 221
Net cash flow available from operating activities	*18*	**74 526**	**101 198**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	*8*	-128 845	-120 358
Proceeds from sale of capital assets	*2.3*	7 789	2 025
(Increase)/decrease in loans		-	-
(Increase)/decrease in investments		-	-
(Increase)/decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	*11*	-514	3 419
Net cash flow available from investing activities		**-121 570**	**-114 914**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		24 194	-
Increase/(decrease) in non-current payables		-	-
Net cash flows from financing activities		**24 194**	**-**

Net increase/(decrease) in cash and cash equivalents		-22 850	-13 716
Cash and cash equivalents at beginning of period		4 501	18 217
Unrealised gains and losses within cash and cash equivalents			
Cash and cash equivalents at end of period	*19*	**-18 349**	**4 501**

ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1.	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	**Going concern** The financial statements have been prepared on a going concern basis.
3.	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4.	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment /

	receipt.
6.	**Comparative information** **Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7.	**Revenue** **Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

	Write-offs are made according to the department's debt write-off policy.
8.	**Expenditure** **Compensation of employees**
	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
	Leases **Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

	• cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9.	**Aid Assistance** **Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10.	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11.	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
12.	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13.	**Investments** Investments are recognised in the statement of financial position at cost.
14.	**Financial assets** **Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

	At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15.	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16.	**Capital Assets** **Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
	Intangible assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are

	measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
	Project Costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17.	**Provisions and Contingents** **Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
18.	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. • Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19.	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. • Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20.	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. • Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
21.	**Changes in accounting estimates and errors**

	Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
22.	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23.	**Principal-Agent arrangements** The department is party to a principal-agent arrangement acting as the principal. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24.	**Departures from the MCS requirements** Management has concluded that the financial statements present fairly the department's primary and secondary information; the department complied with the Standard.
25.	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26.	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27.	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements

28.	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
29.	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30.	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
31.	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32.	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

1. Annual Appropriation

1.1. Annual Appropriation

	2022/23			2021/2022		
	Final	**Actual**	**Funds**	**Final**	**Appropriatio**	**Funds**

	Budget	Funds Received	not requested / not received	Budget	n Received	not requested / not received
Programmes	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Administration	687 734	687 734	-	634 016	634 016	-
Agriculture	1 781 598	1 781 598	-	1 836 232	1 836 232	-
Rural Development	79 916	79 916	-	75 774	75 774	-
Total	**2 549 248**	**2 549 248**	**-**	**2 546 022**	**2 546 022**	**-**

1.2. Conditional grants

	Note	2022/23 R'000	2021/2022 R'000
Total grants received	*35*	311 748	311 293
Provincial grants included in total grants received		**311 748**	**311 293**

2. Departmental revenue

	Note	2022/23 R'000	2021/2022 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	*2.1*	20 839	25 234
Interest, dividends and rent on land	*2.2*	91	-
Sales of capital assets	*2.3*	7 789	2 025
Transactions in financial assets and liabilities	*2.4*	1 297	728
Total revenue collected		**30 016**	**27 987**
Less: Own revenue included in appropriation			
Total		**30 016**	**27 987**

Overall increase in revenue collections in 2022/23 mainly due to improved proceeds during auction of redundant assets under the Sale of capital assets category.

2.1. Sales of goods and services other than capital assets

	Note	2022/23 R'000	2021/2022 R'000
Sales of goods and services produced by the department		20 838	25 234
Sales by market establishment		2 088	1 829
Administrative fees		646	623
Other sales		18 104	22 782
Sales of scrap, waste and other used current goods		1	-
Total	*2*	**20 839**	**25 234**

2021/22 included tuition fees for prior year arrears, resulting in the decrease in the 2022/23 collections

2.2. Interest, dividends and rent on land

	Note	2022/23 R'000	2021/2022 R'000
Interest		91	-
Total	*2*	91	**-**

Interest recovered from debtors in 2022/23

2.3. Sales of capital assets

	Note	2022/23 R'000	2021/2022 R'000
Tangible capital assets		**7 789**	**2 025**
Machinery and equipment		5 810	1 090
Biological assets		1 979	935
Intangible capital assets		-	-
Total	*2*	**7 789**	**2 025**

Increased number of auctions of redundant assets during 2022/23.

2.4. Transactions in financial assets and liabilities

	Note	2022/23 R'000	2021/2022 R'000

Receivables		546	290
Other receipts including Recoverable Revenue		751	438
Total	*2*	**1 297**	**728**

Higher recovery in 2022/23 due to refunds of bursaries and project funds from prior years

2.4.1. Donations received in-kind (*not included in the main)*

	Note	2022/23 R'000	2021/2022 R'000
Agriculture, Land Reform & Rural Development - computer equipment received		-	55
Total		**-**	**55**

Refer Annex 1E for detail

3. Compensation of employees

3.1. Analysis of balance

	Note	2022/23 R'000	2021/2022 R'000
Basic salary		769 613	747 798
Performance award		895	2 954
Service based		3 297	1 689
Compensative/circumstantial		18 489	20 125
Periodic payments		16 571	5 780
Other non-pensionable allowances		196 553	183 253
Total		**1 005 418**	**961 599**

The higher expenditure in 2022/23 is mainly due to wage adjustments whilst the increase against Periodic payments is for the additional EPWP job opportunities offered for cleaners, general assistants and tractor drivers.

3.2. Social contributions

Employer contributions	*Note*	2022/23 R'000	2021/2022 R'000
Pension		90 351	89 539

Medical	61 396	59 384
Bargaining council	262	267
Insurance	6 813	6 660
Total	158 822	**155 850**
Total compensation of employees	**1 164 240**	**1 117 449**
Average number of employees	2 776	2 771

Higher social contributions in 2022/23 is linked to the improved wage adjustments in the public sector.

4. Goods and services

	Note	2022/23 R'000	2021/2022 R'000
Administrative fees		7 535	4 046
Advertising		13 748	6 826
Minor assets	*4.1*	2 137	2 698
Bursaries (employees)		1 356	1 679
Catering		2 722	2 109
Communication		9 494	9 837
Computer services	*4.2*	57 935	56 640
Consultants: Business and advisory services	*4.9*	1 254	3 389
Infrastructure and planning services		116 741	115 426
Laboratory services		35	35
Legal services		2 799	1 854
Contractors		35 298	30 483
Agency and support / outsourced services		40 036	49 820
Audit cost - external	*4.3*	8 780	7 620
Fleet services		58 595	47 540
Inventories	*4.4*	163 499	236 615
Consumables	*4.5*	30 901	28 045
Operating leases		40 926	32 428
Property payments	*4.6*	179 858	162 437
Travel and subsistence	*4.7*	109 381	93 439
Training and development		12 895	9 841
Other operating expenditure	*4.8*	7 256	10 386

Total	**903 181**	**913 193**

Total decrease from 2021/22 is mainly due to reduction in quantities of animal medicines and production inputs such as fertilizer, chemicals and seeds/seedlings acquired.

4.1. Minor assets

	Note	2022/23 R'000	2021/2022 R'000
Tangible capital assets		**2 137**	**2 698**
Biological assets		92	47
Machinery and equipment		2 045	2 651
Intangible capital assets			
		-	**-**
Total	*4*	**2 137**	**2 698**

Minor assets are acquired on needs basis and will therefore not be consistent year-on-year.

4.2. Computer services

	Note	2022/23 R'000	2021/2022 R'000
SITA computer services		54 381	52 150
External computer service providers		3 554	4 490
		57 935	**56**
Total	*4*		**640**

SITA costs show inflationary year-on-year increase

4.3. Audit cost - external

	Note	2022/23 R'000	2021/2022 R'000
Regularity audits		8 582	7 595
Investigations		198	25
Total	*4*	**8 780**	**7 620**

Expenditure based on Auditor General fees for regulatory audits and department appointed private auditors to conduct independent investigation.

4.4. Inventories

	Note	2022/23 R'000	2021/2022 R'000
Clothing material and accessories		1	1
Farming supplies		127 634	190 016
Fuel, oil and gas		6 735	3 364
Learning, teaching and support material		1 611	1 681
Materials and supplies		13 257	18 098
Medical supplies		1 751	2 070
Medicine		12 510	21 385
Total	*4*	**163 499**	**236 615**

Department acquired less fertilizer, chemicals and seeds/seedlings in 2022/23

4.5. Consumables

	Note	2022/23 R'000	2021/2022 R'000
Consumable supplies		**27 510**	**23 893**
Uniform and clothing		12 743	10 918
Household supplies		5 823	3 476
Building material and supplies		1 642	3 460
IT consumables		-	12
Other consumables		7 302	6 027
Stationery, printing and office supplies		3 391	4 152
Total	*4*	**30 901**	**28 045**

Increase in 2022/23 is due to additional cleaners, general workers and tractor drivers appointed through the EPWP.

4.6. Property payments

	Note	2022/23 R'000	2021/2022 R'000
Municipal services		64 543	54 774

Property maintenance and repairs		10 710	7 218
Other		104 605	100 445
Total	*4*	**179 858**	**162 437**

Increases in 2022/23 for municipal services. Other is due to tariff increase for utilities and security services respectively. The higher expenditure against property payments is linked to the push by department to improve the physical condition of departmental buildings and facilities.

4.7. Travel and subsistence

	Note	**2022/23 R'000**	**2021/2022 R'000**
Local		109 381	93 439
Total	*4*	**109 381**	**93 439**

The increase in 2022/23 is mainly due to the increased fuel price impacting on the re-imbursement rate for official kilometres travelled.

4.8. Other operating expenditure

	Note	**2022/23 R'000**	**2021/2022 R'000**
Other		7 256	10 386
Total	*4*	**7 256**	**10 386**

Decrease in printing costs of departmental publications, diaries and calendars.

5. Interest and rent on land

	Note	**2022/23 R'000**	**2021/2022 R'000**
Interest paid		183	9
Total		**183**	**9**

2022/23 includes payment of interest to service provider as per court settlement for services rendered.

6. Payments for financial assets

	2022/23	**2021/2022**

	Note	R'000	R'000
Other material losses written off	*6.1*	137	3
Debts written off	*6.2*	346	3 773
Total		**483**	**3 776**

6.1. Other material losses written off

Nature of other material losses	Note	2022/23 R'000	2021/2022 R'000
Irrecoverable fruitless & wasteful expenditure		137	3
Total	*6*	**137**	**3**

Interest on GEPF payment was written off in terms of Departmental Loss control policy

6.2. Debts written off

Nature of debts written off	Note	2022/23 R'000	2021/2022 R'000
Staff debt written off		346	3 773
Total debt written off	*6*	**346**	**3 773**

Debts were written off in accordance with the departmental debt management policy

7. Transfers and subsidies

	Note	2022/23 R'000	2021/2022 R'000
Provinces and municipalities	*35*	1 266	2 104
Departmental agencies and accounts	*Annex 1A*	222 926	213 593
Higher education institutions	*Annex 1B*	-	20
Public corporations and private enterprises	*Annex 1C*	109 935	152 273
Households	*Annex 1D*	18 189	22 231
Total		**352 316**	**390 221**

Transfer to Provinces and municipalities relates to vehicle licence fees with the decrease

due to reduction in number of departmental vehicles.
Departmental agencies is mainly the subsidy to Public Entity: Agri-Business Development Agency managed by funding agreement
Public Corporation and private enterprises relates to grant funding provided to farming enterprises and is dependent on the approved business plan and funding available.

7.1. Donations made in kind (*not included in the main note)*

	Note	2022/23 R'000	2021/2022 R'000
Donation of livestock	Annex 1F	74	-
Total		**74**	**-**

Refer Annexure 1F for detail of donations

8. Expenditure for capital assets

	Note	2022/23 R'000	2021/2022 R'000
Tangible capital assets		**128 845**	**120 358**
Buildings and other fixed structures	*32.2*	50 932	59 511
Machinery and equipment	*30*	77 416	60 465
Biological assets	*30*	497	382
Intangible capital assets		-	-
Total		**128 845**	**120 358**

Increase against machinery and equipment is due to acquisition of yellow plant and machinery to be used for farm access roads, dam scooping, etc

8.1. Analysis of funds utilised to acquire capital assets - Current year- 2022/2023

Name of entity	Voted funds R'000	Total R'000
Tangible capital assets	**128 845**	**128 845**
Buildings and other fixed structures	50 932	50 932
Machinery and equipment	77 416	77 416
Biological assets		

	497	497
Intangible capital assets		
	-	-
Total	**128 845**	**128 845**

8.2. Analysis of funds utilised to acquire capital assets - Prior year- 2021/2022

Name of entity	**Voted funds** **R'000**	**Total** **R'000**
Tangible capital assets	**120 358**	**120 358**
Buildings and other fixed structures	59 511	59 511
Machinery and equipment	60 465	60 465
Biological assets	382	382
Intangible capital assets	-	-
Total	**120 358**	**120 358**

8.3. Finance lease expenditure included in Expenditure for capital assets

	Note	**2022/23** **R'000**	**2021/2022** **R'000**
Tangible capital assets			
Machinery and equipment		10 162	11 545
Total		**10 162**	**11 545**

Cell-phone lease expenditure

9. Cash and cash equivalents

	Note	**2022/23** **R'000**	**2021/2022** **R'000**
Consolidated Paymaster General Account		-	4 468
Cash on hand		-	33
Total		**-**	**4 501**

10. Prepayments and advances

	2022/23	**2021/2022**

	Note	R'000	R'000
Staff advances		-	-
Travel and subsistence		-	-
Prepayments (Not expensed)		-	-
Advances paid (Not expensed)		-	-
SOCPEN advances		-	-
Total		**-**	**-**
Analysis of Total Prepayments and advances			
Current Prepayments and advances		-	-
Non-current Prepayments and advances		-	-
Total		**-**	**-**

10.1. Prepayments (Expensed)

	2022/23				
	Amount as at 1 April 2022	Less: Received in the current year	Add / Less: Other	Add Current year prepayments	Amount as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	3 438	3 438
Total	-	-	-	**3 438**	**3 438**

Payment for Microsoft enterprise licensing for June 2022 to May 2023. Prepayment portion will be wound down on 31 May 2023

	2021/22				
	Amount as at 1 April 2021	Less: Received in the current year	Add / Less: Other	Add Current year prepay-ments	Amount as at 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Goods and services	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

11. Receivables

	2022/23			2021/22		
	Current	Non-current	Total	Current	Non-current	Total

	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	*11.1*	46 136		46 136	-	-	-
Staff debt	*11.2*	302	1 289	1 591	322	775	1 097
Other receivables	*11.3*	42		42	182		182
Total		**46 480**	**1 289**	**47 769**	**504**	**775**	**1 279**

11.1. Claims recoverable

	Note	2022/23 R'000	2021/2022 R'000
National departments		22 321	-
Provincial departments		48	-
Public entities		23 767	
Total	*11*	**46 136**	**-**

Refer to Annexure 4 for detail

11.2. Staff debt

	Note	2022/23 R'000	2021/2022 R'000
Staff overpayments and salary tax debts		652	608
Loss or damages to state vehicles and other assets		245	477
Bursary		265	12
Staff Housing debt		395	-
S&T Debts		34	-
Total	*11*	**1 591**	**1 097**

11.3. Other receivables

	Note	2022/23 R'000	2021/2022 R'000
Fruitless and wasteful expenditure		-	1
Sal: Tax debt		5	-
Sal: Reversal Account		13	154
Disallowance Miscellaneous		16	27
Sal: Medical Aid		7	-
Online Travel Control Account		1	-
Total	*11*	**42**	**182**

11.4. Impairment of receivables

	Note	2022/23 R'000	2021/2022 R'000
Estimate of impairment of receivables		186	252
Total		**186**	**252**

Included are debts older than 3 years where probability of recovery is minimal

12. Investments

Non-current	Note	2022/23 R'000	2021/2022 R'000
Shares and other equity			
1. Ntingwe Tea		27 800	27 800
2. Natal Trust Farms		-	-
Total		**27 800**	**27 800**
Total non-current investments		**27 800**	**27 800**

Analysis of non-current investments	Note	2022/23 R'000	2021/2022 R'000
Opening balance		27 800	27 800
Non-cash movements		-	-
Closing balance		**27 800**	**27 800**

1. This is the joint venture between the Department of Agriculture and Ithala Development Finance Corporation Ltd, whose main purpose is to provide funding investing and establishing a viable commercial tea business in Northern KwaZulu Natal. The company is the holding company of Ntingwe Farming (Pty) Ltd - the operating company. Department of Agriculture owns 62% of the shares in Ntingwe Tea (Pty)Ltd and Ithala owns 38%.
2. NATAL TRUST FARMS - shares were inherited from DAFF, no cost to the department. Cabinet Resolution directed DARD to amalgamate the public entities under its control and for the ADA TRUST to take over the functions of the said entities. This process is still underway for Ntingwe Tea and Natal Trust Farms.

12.1. Impairment of investments

	2022/23	2021/2022

	Note	R'000	R'000
Estimate of impairment of investments		27 800	27 800
Total		**27 800**	**27 800**

No returns on investment are expected from Ntingwe Tea.

13. Loans

	Note	2022/23 R'000	2021/2022 R'000
Private enterprises		12 200	12 200
Total		**12 200**	**12 200**

Analysis of balance	Note	2022/23 R'000	2021/2022 R'000
Opening balance		12 200	12 200
Closing balance		**12 200**	**12 200**

Loan to Ntingwe Tea

13.1. Impairment of loans

	Note	2022/23 R'000	2021/2022 R'000
Estimate of impairment of loans		12 200	12 200
Total		**12 200**	**12 200**

No returns on investment are expected from Ntingwe Tea.

14. Voted funds to be surrendered to the Revenue Fund

	Note	2022/23 R'000	2021/2022 R'000
Opening balance		1 016	17 151
Prior period error			
As restated		1 016	17 151
Transferred from statement of financial performance (as restated)		-	1 016
Add: Unauthorised expenditure for the current year		**-**	**-**

Voted funds not requested/not received	-	-
Transferred to retained revenue to defray excess expenditure *(Parliament/Legislatures)*	-	-
Paid during the year	-1 016	-17 151
Closing balance	**-**	**1 016**

14.1. Reconciliation of unspent conditional grants

	Note	2022/23 R'000	2021/2022 R'000
Total conditional grants received	1.2	311 748	311 293
Total conditional grants spent		-311 748	-310 613
Unspent conditional grants to be surrendered			680
Less: Paid to the Provincial Revenue Fund by Provincial department		-	-
Approved for rollover		-	-
Not approved for rollover		-	-
Add: Received from provincial revenue fund by national department		-	-
Due by the Provincial Revenue Fund	14	**-**	**680**

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

	Note	2022/23 R'000	2021/2022 R'000
Opening balance		3 149	910
Prior period error		-	-
As restated		3 149	910
Transferred from statement of financial performance (as restated)		30 016	27 987
Own revenue included in appropriation		-	-
Transfer from aid assistance		-	-
Transferred to voted funds to defray excess expenditure *(Parliament/Legislatures)*		-	-
Paid during the year		-29 266	-25 748
Closing balance		**3 899**	**3 149**

16. Bank overdraft

	Note	2022/23 R'000	2021/2022 R'000

Consolidated Paymaster General account	18 349	-
Total	**18 349**	**-**

17. Payables - current

	Note	2022/23 R'000	2021/2022 R'000
Clearing accounts	*17.1*	9	-
Other payables	*17.2*	792	1 089
Total		**801**	**1 089**

17.1. Clearing accounts

Description	Note	2022/23 R'000	2021/2022 R'000
Credit in Salary Reversal control account		9	-
Total	*17*	**9**	**-**

17.2. Other payables

Description	Note	2022/23 R'000	2021/2022 R'000
Sal: Income Tax		306	733
Sal: GEHS Account		479	353
Sal: Pension Fund		6	-
Unallocated credits		1	3
Total	*17*	**792**	**1 089**

18. Net cash flow available from operating activities

	Note	2022/23 R'000	2021/2022 R'000
Net surplus/(deficit) as per Statement of Financial Performance		30 016	29 003
Add back non-cash/cash movements not deemed operating activities		44 510	72 195
(Increase)/decrease in receivables		-45 976	4 466
(Increase)/decrease in prepayments and advances		-	-
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables - current		-288	-7 705
Proceeds from sale of capital assets		-7 789	-2 025
Proceeds from sale of investments		-	-

(Increase)/decrease in other financial assets	-	-
Expenditure on capital assets	128 845	120 358
Surrenders to RDP Fund/Donors	-30 282	-42 899
Voted funds not requested/not received	-	-
Own revenue included in appropriation	-	-
Other non-cash items	-	-
Net cash flow generating	**74 526**	**101 198**

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

	Note	2022/23 R'000	2021/2022 R'000
Consolidated Paymaster General account		-18 349	4 468
Cash on hand		-	33
Total		**-18 349**	**4 501**

20. Contingent liabilities and contingent assets

20.1. Contingent liabilities

Liable to	Nature	Note	2022/23 R'000	2021/2022 R'000
Claims against the department		*Annex. 3*	46 980	48 753
Intergovernmental payables		*Annex. 5*	826	4 165
Total			**47 806**	**52 918**

It is not practical to confirm the likelihood or timing of reimbursement until advice from counsel is received to settle based on the evidence provided (i.e, a settlement agreement), alternatively upon receipt of a court order at the end of a trial.

20.2. Contingent assets

Nature of contingent asset	Note	2022/23 R'000	2021/2022 R'000
Transfer payment not expended for intended purposes		-	23 557
Total		**-**	**23 557**

Transfer payment made to Ithala Development Finance Corporation in 2018/19 for

Ntingwe Tea Estate operations was not spent for intended purposes and DARD has recalled the monies, to be paid back to revenue fund. A confirmation of balance for 2022/23 was received from IDFC and receivable raised.

21. Capital commitments

	Note	2022/23 R'000	2021/2022 R'000
Buildings and other fixed structures		126 495	119 581
Machinery and equipment		3 973	13 032
Biological assets		-	29
Total		**130 468**	**132 642**

22. Accruals and payables not recognised

Accruals		**2022/23**			**2021/22**
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	*Note*	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		25 732	2 046	27 778	19 636
Capital assets					1 395
Total		**25 732**	**2 046**	**27 778**	**21 031**

Listed by programme level	*Note*	**2022/23 R'000**	**2021/2022 R'000**
Administration		24 125	16 130
Agriculture		3 587	4 817
Rural development		66	84
Total		**27 778**	**21 031**

22.1. Payables not recognised

		2022/23			**2021/22**
		30 Days	**30+ Days**	**Total**	**Total**
Listed by economic classification	*Note*	**R'000**	**R'000**	**R'000**	**R'000**
Goods and services		11 363	1 933	13 296	29 147
Interest and rent on land		**-**	2 125	2 125	183
Transfers and subsidies		**-**	485	485	66
Capital assets		1 353	-	1 353	15 274
Total		**12 716**	**4 543**	**17 259**	**44 670**

Listed by programme level	Note	2022/23 R'000	2021/2022 R'000
Administration		11 683	26 010
Agriculture		4 709	17 054
Rural Development		867	1 606
Total		**17 259**	**44 670**

Included in the above totals are the following:	Note	2022/23 R'000	2021/2022 R'000
Confirmed balances with other departments	*Annex 5*	6 409	14 992
Total		**6 409**	**14 992**

23. Employee benefits

	Note	2022/23 R'000	2021/2022 R'000
Leave entitlement		74 283	76 729
Service bonus		29 612	29 509
Performance awards		31	-
Capped leave		85 460	91 446
Other		6 419	5 369
Total		**195 805**	**203 053**

"Other" includes long service awards and unpaid overtime and acting allowance for 2022/23. Negative leave of R99k is included in Leave entitlement and being investigated. Performance bonus is one outstanding case for 2020/21 performance cycle paid in April 2023.

24. Lease commitments

24.1. Operating leases

	2022/23		
	Buildings and other fixed	Machinery and equipment	Total

	structures		
	R'000	R'000	R'000
Not later than 1 year	11 166	2 904	14 070
Later than 1 year and not later than 5 years	19 955	792	20 747
Total lease commitments	**31 121**	**3 696**	**34 817**

2021/22

	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	8 539	3 233	11 772
Later than 1 year and not later than 5 years	7 492	3 354	10 846
Total lease commitments	**16 031**	**6 587**	**22 618**

Buildings and other fixed structures relates to Office accommodation leased through Public Works. The department has 17 leases that are on month to month extension, totalling R27m for a year, which are not included in the above commitment.
Machinery and equipment relates to Photocopier leases contracted on a 3-year basis

24.2. Finance leases

2022/23

	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	-	9 346	9 346
Later than 1 year and not later than 5 years	-	3 828	3 828
Total lease commitments	**-**	**13 174**	**13 174**

2021/22

	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	-	2 722	2 722
Later than 1 year and not later than 5 years	-	2	2
Total lease commitments	**-**	**2 724**	**2 724**

Relates to cellphone leases on 2 year contracts.

25. Accrued departmental revenue

	Note	2022/23 R'000	2021/2022 R'000
Sales of goods and services other than capital assets		15 964	8 733
Total		**15 964**	**8 733**

25.1. Analysis of accrued departmental revenue

	Note	2022/23 R'000	2021/2022 R'000
Opening balance		8 733	7 348
Less: amounts received		11 337	18 366
Less: services received in lieu of cash		-	-
Add: amounts recorded		18 568	19 751
Less: amounts written off/reversed as irrecoverable		-	-
Less: amounts transferred to receivables for recovery		-	-
Other		-	-
Closing balance		**15 964**	**8 733**

Closing balance comprises College student fees and Laboratory services fees owed.

26. Unauthorised, Irregular and Fruitless and wasteful expenditure

	Note	2022/23 R'000	2021/2022 R'000
Unauthorised expenditure - current year			
Irregular expenditure - current year		11 393	17 223
Fruitless and wasteful expenditure - current year		137	4
Total		**11 530**	**17 227**

Determination testing has been concluded for all Irregular Expenditure reported for 22/23, awaiting condoning approval by Provincial Treasury as condoning authority.
Loss Control processes have been concluded for all Fruitless & Wasteful expenditure reported for 22/23.

27. Related party transactions

Loans to related parties	Note	2022/23 R'000	2021/2022 R'000

Non-interest bearing loans to	12 200	12 200
Total	**12 200**	**12 200**

The following are related parties to the Department: Agric. Development Agency; Ntingwe Tea (Pty)Ltd; Natal Trust Farms. Refer to Annexure 1B,1D and 2B for details of transactions with the above entities Loan issued to Ntingwe Tea. This is a joint venture between the Department of Agriculture and Ithala Development Finance Corporation Ltd, whose main purpose is to provide funding investing and establishing a viable commercial tea business in Northern KwaZulu Natal. The company is the holding company of Ntingwe Farming (Pty) Ltd - the operating company. Department of Agriculture owns 62% of the shares in Ntingwe Tea (Pty)Ltd and Ithala owns 38%.

28. Key management personnel

	2022/23 R'000	2021/2022 R'000
Political office bearers (provide detail below)	2 209	2 000
Officials:		
Exco Members	21 806	20 746
Other	21 970	19 421
Family members of key management personnel	3 021	2 505
Total	**49 006**	**44 672**

"Key Management have been considered to be MEC, HOD, EXCO members, Programme 2 Directors/Responsibility Managers and family members of these officials. MEC BM Zuma joined the Department in February 2023. Programme 2 being the main service delivery driver in the department."

29. Provisions

	Note	2022/23 R'000	2021/2022 R'000
Retention fees on infrastructure projects		1 846	1 846
Total		1 846	1 846

Retention fees for projects being implemented by Public Works

29.1. Reconciliation of movement in provisions - Current year

	Provision	Total

	1	provisions
	R'000	R'000
Opening balance	1 846	1 846
Increase in provision		
Closing balance	**1 846**	**1 846**

Reconciliation of movement in provisions - Prior year

	Provision 1	Total provisions
	R'000	R'000
Opening balance	-	-
Increase in provision	1 846	1 846
Closing balance	**1 846**	**1 846**

30. Movable Tangible Capital Assets

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

	2022/23				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	734 513	-	54 591	125 148	663 956
Transport assets	232 102	-	7 725	19 474	220 353
Computer equipment	94 835	-	11 528	36 032	70 331
Furniture and office equipment	21 205	-	1 450	3 866	18 789
Other machinery and equipment	386 371	-	33 888	65 776	354 483
BIOLOGICAL ASSETS	5 781	345	497	1 951	4 672
Biological assets	5 781	345	497	1 951	4 672
TOTAL MOVABLE TANGIBLE CAPITAL	**740 294**	**345**	**55 088**	**127 099**	**668 628**

ASSETS

Movable Tangible Capital Assets under investigation

	Note	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:			
Machinery and equipment		18	229
Biological assets			
Total		**18**	**229**

During the asset verification the assets were not seen by the verification team and are being investigated.

30.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	711 239	27 358	4 084	734 513
Transport assets	227 367	6 300	1 565	232 102
Computer equipment	88 078	7 879	1 122	94 835
Furniture and office equipment	20 265	1 033	93	21 205
Other machinery and equipment	375 529	12 146	1 304	386 371
BIOLOGICAL ASSETS	6 081	382	682	5 781
Biological assets	6 081	382	682	5 781
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**717 320**	**27 740**	**4 766**	**740 294**

30.2. Minor assets

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

2022/23

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	6	25 541	3 803	29 350
Value adjustments	-		1 103	1 103
Additions	-	237	-	237
Disposals	-	4 763	1 447	6 210
Total Minor assets	**6**	**21 015**	**3 459**	**24 480**

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	12 108	-	12 108
Number of minor assets at cost	3	14 377	1 753	16 133
Total number of minor assets	**3**	**26 485**	**1 753**	**28 241**

The difference between the General Ledger and the value of assets disclosed is the Exclusion list items that are not loaded onto the Asset Register. Assets under investigation are the assets were not seen during the verification exercise and will be investigated in the new financial year.

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

2021/22

	Intangible assets	Machinery and equipment	Biological assets	Total
Opening balance	6	25 057	5 955	31 018
Additions	-	687	226	913
Disposals		203	2 378	2 581
TOTAL MINOR CAPITAL ASSETS	**6**	**25 541**	**3 803**	**29 350**

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	14 366	-	14 366
Number of minor assets at cost	3	17 672	2 493	20 168
Total number of minor assets	**3**	**32 038**	**2 493**	**34 534**

30.3. Movable tangible capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	2022/23	
	Machinery and equipment	Total
	R'000	R'000
Assets written off	66 654	66 654
Total movable assets written off	**66 654**	**66 654**

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	2021/22	
	Machinery and equipment	Total
	R'000	R'000
Assets written off	2 317	2 317
Total movable assets written off	**2 317**	**2 317**

Assets removed from asset register through loss control process and AO approval

31. Intangible Capital Assets

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

	Opening balance	Disposals	Closing balance
	R'000	R'000	R'000
Software	1 618	228	1 390
TOTAL INTANGIBLE CAPITAL ASSETS	**1 618**	**228**	**1 390**

Intangible Capital Assets under investigation

	Number	Value
Note		R'000
Assets not verified during the verification process and being investigated.		

31.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Disposals	Closing balance
	R'000	R'000	R'000
Software	1 645	27	1 618
TOTAL INTANGIBLE CAPITAL ASSETS	**1 645**	**27**	**1 618**

32. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	171 366	11 533	11 053	171 846
Non-residential buildings	171 366	11 533	11 053	171 846
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**171 366**	**11 533**	**11 053**	**171 846**

6 projects await section 42 transfer finalisation, 1 Project Transfer

32.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	2021/22			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	178 166	33 152	39 952	171 366
Non-residential buildings	178 166	33 152	39 952	171 366
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**178 166**	**33 152**	**39 952**	**171 366**

32.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance 1 April 2022	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2023
Annex 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	284 732	50 932	11 533	324 131
Total	**284 732**	**50 932**	**11 533**	**324 131**

Payables not recognised relating to Capital WIP	*Note*	2022/23 R'000	2021/22 R'000
Infrastructure invoices received not paid		275	6 168
Total		**275**	**6 168**

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance 1 April 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2022
Annex 7	**R'000**	**R'000**	**R'000**	**R'000**
Buildings and other fixed structures	269 357	59 511	44 136	284 732
Total	**269 357**	**59 511**	**44 136**	**284 732**

33. Prior period errors

Correction of prior period errors

		2021/22		
		Amount bef error correction	Prior period error	Restated
	Note	**R'000**	**R'000**	**R'000**
Other:				
Capital Work-In-Progress	32.2	269 114	243	269 357
Net effect		**269 114**	**243**	**269 357**

34. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2021/2022	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by department	Amount spent by depart-ment	Under / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Land Care Grant	13 110	-	-	-	13 110	13 110	13 110	-	100%	13 022	13 022
Comprehensive Agricultural Support Programme	218 604	-	-	-	218 604	218 604	218 604	-	100%	216 085	215 759
Ilima/Letsema Projects	75 424	-	-	-	75 424	75 424	75 424	-	100%	77 487	77 133
EPWP Integrated Grant for Provinces	4 610	-	-	-	4 610	4 610	4 610	-	100%	4 699	4 699
TOTAL	**311 748**	**-**	**-**	**-**	**311 748**	**311 748**	**311 748**	**-**		**311 293**	**310 613**

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

	2022/23							2021/22	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DORA and other transfers	Roll overs	Adjustments	Total Available	Actual transfer	Funds withheld	Reallocations by National Treasury / National Department	DORA and other transfers	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
PD: Vehicles Licences	2 406	-	-1 140	1 266	1 266	-	-	2 038	2 038
Mun.B/yAcc: Mun. Rates & Taxes	4	-	-4			-	-	-	-
PD: Claims Against State	-	-				-	-	66	66
TOTAL	**2 410**	**-**	**-1 144**	**1 266**	**1 266**	**-**	**-**	**2 104**	**2 104**

36. COVID 19 RESPONSE EXPENDITURE

	Note	2022/23 R'000	2021/22 R'000
Compensation of employees		-	3 241
Goods and services		436	1 773
Total	*Annex 11*	**436**	**5 014**

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

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2022/23						2021/22	
	TRANSFER ALLOCATION				TRANSFER			
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Prov. DA: KZN Agri-Business Dev Agent	219 963	-	-	219 963	219 963	100%	210 776	210 776
Com: Licences (Radio & TV)	1	-	-	1	1	100%	2	2
Skills Development Levy	2 973	(11)	-	2 962	2 962	100%	2 815	2 815
TOTAL	**222 937**	**(11)**	**-**	**222 926**	**222 926**		**213 593**	**213 593**

ANNEXURE 1B
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

	2022/23								2021/22
	TRANSFER ALLOCATION				TRANSFER				
Higher Education Institution	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	Amount not transferred	% of available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Donations & Gifts High Edu Institution	-	-	-	-	-	-	-	20	20
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**20**	**20**

ANNEXURE 1C
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

	2022/23								2021/22	
	GRANT ALLOCATION				EXPENDITURE					
Name of public corporation / private enterprise	Adjusted Budget	Roll overs	Adjust-ments	Total Available	Actual transfer	% of Available funds transferred	Capital	Current	Final Appropriation	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Private Enterprises										
Transfers	**-**	**-**	**-**	**109 935**	**109 935**	**100,0%**	**71 337**	**38 598**	**152 273**	**152 273**
Sa Sugar Research Institute	-	-	-	3 063	3 063	100,0%		3 063	2 585	2 585
2 Good Farming And Agriculture	-	-	-	-	-	-	-	-	2 300	2 300
Amandla Power Agric. Pty Ltd	-	-	-	-	-	-	-	-	1 500	1 500
Ayabonga Consulting Services Cc	-	-	-	-	-	-	-	-	1 900	1 900
Bambanani Communal Property Ass.	-	-	-	-	-	-	-	-	2 880	2 880
Bashubile Construction & Project Cc	-	-	-	-	-	-	-	-	1 890	1 890

Bearlen Nation (Pty) Ltd	-	-	-	-	-	-	-	-	250	250
Benzeleni Primary Cooperative Limited	-	-	-	-	-	-	-	-	1 800	1 800
Blackhorses Holdings (Pty) Ltd	-	-	-	-	-	-	-	-	1 857	1 857
C&B Dickens Transport Trading	-	-	-	-	-	-	-	-	2 000	2 000
Hamashe Farming And Trading	-	-	-	-	-	-	-	-	3 000	3 000
Igejaÿ Farming Servicesÿ Pty Ltd	-	-	-	-	-	-	-	-	1 555	1 555
Isiqalokuhle Holdings Pty Ltd	-	-	-	-	-	-	-	-	1 500	1 500
Love 4 All Trading Projects	-	-	-	-	-	-	-	-	7 000	7 000
Mampontshi Farming & Fencing Cc	-	-	-	-	-	-	-	-	1 100	1 100
Mandalay Farm Agric. Primary Coop	-	-	-	-	-	-	-	-	1 570	1 570
Maphumulu Sub Tropical Fruit Growers	-	-	-	-	-	-	-	-	1 120	1 120
Mbangweni Logistics (Pty) Ltd	-	-	-	-	-	-	-	-	4 208	4 208
Muji Agriculture Pty Ltd	-	-	-	-	-	-	-	-	3 809	3 809
Mvini Youth Development Primary Cooperative	-	-	-	-	-	-	-	-	2 232	2 232
Ncubesdale Farm (Pty) Ltd	-	-	-	-	-	-	-	-	2 240	2 240
Okusha Supply	-	-	-	-	-	-	-	-	4 150	4 150
PA 777 Thangos Trading And Projects	-	-	-	-	-	-	-	-	1 480	1 480
Sesifile Maphondwane	-	-	-	-	-	-	-	-	1 700	1 700

Cooperative										
Sizanani Mazulu Piggery	-	-	-	-	-	-	-	-	2 963	2 963
Ubuntubethu Eggs	-	-	-	-	-	-	-	-	1 300	1 300
Ugu Piggery Value Suppliers	-	-	-	-	-	-	-	-	1 000	1 000
Ukhahlamba Poultry Farm (Pty) Ltd	-	-	-	-	-	-	-	-	6 000	6 000
Ukukhanya Kwasemvunzini Primary	-	-	-	-	-	-	-	-	1 606	1 606
Zuwande Umnotho Agricultural And Farming Activities Pty Ltd	-	-	-	-	-	-	-	-	2 000	2 000
Cebolakhe Projects	-	-	-	3 000	3 000	100,0%	-	3 000	1 000	1 000
Daxilox (Makhosini Valley)	-	-	-	3 157	3 157	100,0%	3 140	17	1 462	1 462
Dleks (Pty) Ltd	-	-	-	3 100	3 100	100,0%	3 100	-	250	250
Ezekhethelo Products Cc	-	-	-	6 300	6 300	100,0%	3 800	2 500	7 500	7 500
Grain Hills Animal Feeds	-	-	-	-	-	-	-	-	3 000	3 000
Ibisi Agricultural Primary Coop	-	-	-	2 300	2 300	100,0%	2 300	-		
Inkwali Layers Agric Co-Op Ltd	-	-	-	2 254	2 254	100,0%	1 445	809	2 000	2 000
Karabo S Enterprise	-	-	-	3 450	3 450	100,0%	3 300	150	7 450	7 450
Kpp Piggery (Pty) Ltd	-	-	-	6 500	6 500	100,0%	6 500	-	3 000	3 000
Lisakhanya Israel Farming (Pty)	-	-	-	-	-		-	-	250	250
Lrsa Projects & Construction (Pty)	-	-	-	3 400	3 400	100,0%	2 746	654	4 000	4 000
Maqaqa Trading	-	-	-	-	-	-	-	-	250	250
Mgsm Solutions Pty Ltd	-	-	-	5 857	5 857	100,0%	650	5 207	4 021	4 021

Mtshali Sinethemba Nolwazi Pty T/A Mayihlome Hatchery	-	-	-	2 450	2 450	100,0%	2 007	443	2 050	2 050
Nathi-Futhi Agric Primary Co-Op	-	-	-	2 950	2 950	100,0%	2 275	675	250	250
Nqobifa Trading&Projects Pty Ltd	-	-	-	1 995	1 995	100,0%	700	1 295	1 000	1 000
Nyenzenhle Holdings (Pty) Ltd	-	-	-	6 300	6 300	100,0%	4 250	2 050	7 500	7 500
Phambili Madoda Business Enterpr	-	-	-	1 010	1 010	100,0%	1 010		1 984	1 984
Phangela Trading & Livestock Enter	-	-	-	7 500	7 500	100,0%	4 500	3 000	3 000	3 000
Phiwos Investments Primary Co-Op	-	-	-	2 182	2 182	100,0%	1 747	435	1 923	1 923
Pinquer Multi Trading Pty Ltd	-	-	-	4 400	4 400	100,0%	4 170	230	250	250
Real Quick Suppliers	-	-	-	2 766	2 766	100,0%	1 210	1 556	2 100	2 100
Sgandanda Mahlubi Investment	-	-	-	3 210	3 210	100,0%	810	2 400	1 890	1 890
Sibakhulu Enterprises (Pty) Ltd	-	-	-	3 500	3 500	100,0%	2 797	703	3 000	3 000
Sibalwethu Consultants	-	-	-	1 500	1 500	100,0%	900	600	1 500	1 500
Sizisizwe Trading Enterprise Coop	-	-	-	4 883	4 883	100,0%	-	4 883	4 000	4 000
Soguba Farming Pty Ltd	-	-	-	6 000	6 000	100,0%	4 200	1 800	6 500	6 500
Still Mac Printing & Trading	-	-	-	6 900	6 900	100,0%	6 170	730	4 000	4 000
Themba Fakazi Transport	-	-	-	1 318	1 318	100,0%	1 060	258	1 500	1 500
Umdikizo Trading Projects	-	-	-	2 690	2 690	100,0%	2 450	240	2 000	2 000
Umgexo Trading	-	-	-	1 500	1 500	100,0%	900	600	1 500	1 500

What A Deal Trading & Projects	-	-	-	1 500	1 500	100,0%	200	1 300	1 398	1 398
Zenzero Trading (Pty) Ltd	-	-	-	3 000	3 000	100,0%	3 000	-	250	250
TOTAL	**-**	**-**	**-**	**109 935**	**109 935**	**100,0%**	**71 337**	**38 598**	**152 273**	**152 273**

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	2022/23						2021/22	
	TRANSFER ALLOCATION				EXPENDITURE			
Household	**Adjusted Budget**	**Roll overs**	**Adjustments**	**Total Available**	**Actual transfer**	**% of available funds transferred**	**Final Budget**	**Actual transfer**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers								
H/H Empl : S/Ben:Injury on Duty	285	-	303	588	588	100%	478	478
H/H Empl : S/Ben: Leave Gratuity	7 835	-	6 251	14 086	14 086	100%	16 651	16 651
H/H Empl : Bursaries (Non Employees)	5 639	-	(3 078)	2 561	2 561	100%	5 102	5 102
H/H Empl : Claims Against State (Cash)	635	-	319	954	954	100%	-	-
Total	**14 394**	**-**	**3 795**	**18 189**	**18 189**		**22 231**	**22 231**

ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2022/23 R'000	2021/22 R'000
Received in kind			
Agriculture, Land Reform & Rural Development	14 Lenovo M10 LTE Tablets & Case	-	55
TOTAL		**-**	**55**

ANNEXURE 1F
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

	2022/23	2021/22
Nature of gift, donation or sponsorship	**R'000**	**R'000**
Made in kind		
Methodist Church - Cattle	7	-
Communal Beef improvement programme - Cattle	31	-
Demonstration at Premiers Imbizo - Goats	7	-
Slaughtered for Farm section staff event	29	-
Phambili Ngentuthuko Cooperative - 23 goats	-	16
The Royal Household for the passing of the Queen - 2 Heifers	-	7
The Royal Household to greet the new King - 1 Bull calf & 1 Heifer	-	7
The Maphephetheni Household Garden	-	2
Community Outreach for Kwadukuza , Impendle , The Nation in Worship iMbali Township, MEC outreach farming community - 4 cattle	-	17
TOTAL	**74**	**49**

ANNEXURE 1G
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	4 535	23	8 611	13	6 605	36 136	12	39	86	18	20	40	**311 748**
Other		726		738			120	164	645	814	968	686	
	4 535	**23**	**8 611**	**13**	**6 605**	**36 136**	**12**	**39**	**86**	**18**	**20**	**40**	**311 748**
TOTAL		**726**		**738**			**120**	**164**	**645**	**814**	**968**	**686**	

ANNEXURE 2
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

Name of entity	Nature of business	Cost of investments		Net Asset value of investments		Amounts owing to entities		Amounts owing by entities	
		R'000		R'000		R'000		R'000	
		2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Controlled entities									
Ntingwe Tea (Pty)Ltd	This is the joint venture between the Department of Agriculture and Ithala Development Finance Corporation Ltd, whose main purpose is to provide funding investing and establishing a viable commercial tea business in Northern KwaZulu Natal. The company is the holding company of Ntingwe Farming (Pty) Ltd - the operating company. Department of Agriculture owns 62% of the shares in Ntingwe Tea	40 000	40 000	(89 906)	(89 906)	-	-	-	-

	(Pty)Ltd and Ithala owns 38%								
Natal Trust Farms (Pty)Ltd	The main business of the company is to engage in all aspects farming and marketing of farming products. Department of Agriculture is sole shareholder and inherited the shares from DAFF.	-	-	15 704	15 704		-	-	-
TOTAL		**40 000**	**40 000**	**(74 202)**	**(74 202)**	**-**	**-**	**-**	**-**

ANNEXURE 3
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid / cancelled / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Accident Claims	1 457	634	1 517	-	574
Damages	1 620			-	1 620
Goods and Services	45 511		725	-	44 786
General Claims	165		165	-	-
TOTAL	**48 753**	**634**	**2 407**	**-**	**46 980**

ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Education	48	-	-	-	48	-
Department of Agriculture, Land Reform and Rural Development	18 264	-	**4 057**	-	22 321	-
Total	**18 312**	-	**4 057**	-	**22 369**	-
Other Government Entities						-
Ithala Development Finance Corporation	23 767	-	-	-	23 767	-
Total	**23 767**		-	-	**23 767**	-
TOTAL INTERGOVERNMENT PAYABLES	**42 079**	-	**4 057**	-	**46 136**	-

ANNEXURE 5
INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2022/23 *	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Dept of Transport	445	1 346	13	14	458	1 360		
Dept of Works	4 186	11 417	362	4 151	4 548	15 568	2023/03/30	1 111
Dept of Justice	1 502	2 097	223	-	1 725	2 097		
Saps	-	132	228	-	228	132		
Dept of Government Printing Works	276	-	-	-	276	-		
Total Departments	**6 409**	**14 992**	**826**	**4 165**	**7 235**	**19 157**		**1 111**

ANNEXURE 6
INVENTORIES

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2023	Chemicals and Medicines R'000	Fertilizer and Seed R'000	Feed & Other R'000	Fencing and Fuel R'000	Total R'000
Opening balance	22 509	26 464	903	118	49 994
Add/(Less: Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	46 283	77 434	14 335	25 447	163 499
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(50 784)	(102 479)	(14 840)	(24 720)	(192 823)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	**18 008**	**1 419**	**398**	**845**	**20 670**

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

	Chemicals and Medicines	Fertilizer and Seed	Feed & Other	Fencing and Fuel	Total
INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance	85 099	62 314	976	140	148 529
Add/(Less: Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases - Cash	22 509	26 464	903	118	49 994
Add: Additions - Non-cash	-	-	-	-	-
(Less): Disposals	-	-	-	-	-
(Less): Issues	(85 099)	(62 314)	(976)	(140)	(148 529)
Add/(Less): Received current, not paid; (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	-	-	-	-	-
Closing balance	**22 509**	**26 464**	**903**	**118**	**49 994**

ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work in progress for the year ended 31 March 2023

	Opening balance	Current year WIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Non-residential buildings	284 732	50 932	(11 533)	324 131
TOTAL	**284 732**	**50 932**	**(11 533)**	**324 131**

Movement in capital work in progress for the year ended 31 March 2022

	Opening balance	Current year WIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Non-residential buildings	269 357	59 511	(44 136)	284 732
TOTAL	**269 357**	**59 511**	**(44 136)**	**284 732**

ANNEXURE 8
COVID 19 RESPONSE EXPENDITURE
Per quarter and in total

Expenditure per economic classification	2022/2023					2021/22
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**998**	**958**	**(1 956)**	**-**	**-**	**3 241**
Goods and services	**436**	**-**	**-**	**-**	**436**	**1 773**
Minor Assets	-	-	-	-	-	21
Inv.: Farming Supplies	-	-	-	-	-	981
Inv.: Chemical, Fuel, Oil, Gas, Wood &Coal	-	-	-	-	-	280
Inv.: Medical Supplies	-	-	-	-	-	25
Inv.: Medicine	-	-	-	-	-	51
Cons Supplies	**436**	-	-	-	**436**	414
Travel and Subsistence	-	-	-	-	-	1
TOTAL COVID 19 RESPONSE EXPENDITURE	**1 434**	**958**	**(1 956)**	**-**	**436**	**5 014**



KWAZULU-NATAL PROVINCE
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PROVINCIAL OF KWAZULU-NATAL ▪ VOTE NO.3

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