

**DEPARTMENT OF
AGRICULTURE AND RURAL
DEVELOPMENT
PROVINCE OF FREE STATE
VOTE NO. 11
ANNUAL REPORT
2015/2016 FINANCIAL YEAR**

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PART A: GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

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
CRDP	Comprehensive Rural Development Plan
ICT	Information and Communication Technology
IRM	Infrastructure Review Model
M&E	Monitoring and Evaluation
NDP	National; Development Plan
QPR	Quarterly Performance Report
CASP	Comprehensive Agricultural Support Program
MTSF	Medium Term Strategic Framework

3. FOREWORD BY THE MEC



MR. M.D. Khoabane
MEC of the Department of Agriculture and Rural Development

The Free State Department of Agriculture and Rural Development continues to play a vital role in the promotion and creation of economic growth and job creation with special focus in rural communities.

The 2016 annual report gave us an opportunity to report on our achievements in implementing and aligning our budget to the outcomes of the National Development Plan.

During the year under review our Department had a leadership reshuffle, I wish to acknowledge and appreciate the contribution and leadership provided by my predecessor Minister Mzebenzi Zwane and wish him success in his new role and responsibilities. **Siyaqhoba.**

Our 2015/16 annual achievements needs to be reviewed within the context of the current challenges of climate change and drought disasters impacting on the agricultural sector and the economy in general.

We have ensured that we achieved in line with the shared purpose of Outcome 7, Comprehensive Rural Development through sector departments coordination the following:

1. Improved land administration and spatial planning for integrated development

100% (24 Local Municipalities) supported to implement Spatial Planning and Land Use Management Act

2. Substantial land reform contributing to agrarian transformation

100% (4 Districts and Metro) supported to establish and launch Land Claims Committees fully representative of all stakeholders.

3. Improved Food Security

Number of people benefiting from food security are 44446 for both households and institutions supported

7243 Household's accessed food through DSD food security initiatives.

Nutritious meals were accessed by a total of 574695 learners.

A total of 1026 smallholder producers were supported.

5158 Subsistence producers were supported.

A total Of 1952 ha under-utilised land were cultivated for food production.

4. Growth of sustainable rural enterprises and industries

4 Districts and a Metro supported to develop differentiated plans for economic development through the implementation of Agri-parks.

5. Promotion of skills Development in Rural Areas

1457 Skills development opportunities were created for farmers and rural communities.

6. Employment Creation in Rural Areas

Through the EPWP 53 761 job opportunities were created.

With rural development initiatives 266 jobs were created.

As a result of commitment of management and staff, and the support we receive from sector departments under Outcome 7, we continue to deliver on our key strategic commitments during the financial year 2015/16.

Mr M.D. Khoabane

MEC of the Department of Agriculture and Rural Development

Date: 31 May 2016

4. REPORT OF THE ACCOUNTING OFFICER



MR. M.P. Thabethe
Accounting Officer
Department of Agriculture and Rural Development

Overview of the operations of the department:

The Annual Report covers the financial year 2015/16 challenges and achievements of implementing the strategic objectives of the Department.

1. To ensure effective leadership, good governance and control environment through achieving of 80% on MPAT ASSESSMENT BY 2020. Through the improvement of our governance structures, planning and performance management, financial management and utilisation of human capital we have achieved 74% of MPAR assessment moving from the 2014/15 baseline of 44%.
2. To promote the sustainable use and management of natural resources by protecting 36 220 ha of agricultural land through Engineering services, Land Care, Land Use Management and Disaster Risk Management by 2020. 8709ha were protected for agricultural production creating 314 green jobs and 103 opportunities of Full Time Equivalent Land Care green jobs. We also contributed to the protection of 321ha of agricultural land through the implementation of rezoning and subdivision land use management.
3. To provide comprehensive agricultural support services to 14700 producers by 2020. Due to the drought reprioritising of funds we have over achieved in providing support to 1026 smallholder producers, and 15750 agricultural extension advices. We also created 262 jobs through the implementation of agricultural projects.
4. To ensure household and nutrition security to 25 625 households by 2020. Due to the spell of drought our annual target was not achieved and only 5158 households benefitted from agricultural food security initiatives. Accessing 20632 beneficiaries. Our hectare cultivation was also severely affected and 7300ha could therefore not be achieved.

5. To ensure healthy animal, food safety, and access to export markets through provision of veterinary services to clients by 2020. We continued to ensure a healthy animal population through our laboratory services by performing 232725 quality tests and maintaining a 74% abattoir compliance to meat safety legislation in our province.
6. To improve the agricultural production through conducting, facilitating and coordinating 16 medium to long-term research and development projects by 2020. We are currently implementing 12 research and technology development projects covering the following topics:
 - Planted pastures norms and the effect of Enhanced Micro-organisms on pastures;
 - Evaluation of restoration technologies to stabilize erosion;
 - Control of senecio in the Koppies Dam Reserve;
 - Management of sustainable livestock production in the semi-arid False Karoo vegetation type;
 - Different methods of Slangbos eradication;
 - Soybean cultivar trial;
 - Best practices of predator management.
7. To provide agri-business development support as well as macro-economic statistical information to 2008 clients by 2020. We have supported 15 Agri-businesses with access to markets and empowered 5 smallholder producers with export improvement, and 401 agricultural clients were provided with economic advice.
8. To enhance agricultural education and training capacity by 2020. We continued to improve access to training and development for our farmers through providing 1457 accredited and non-accredited skills programmes and 30 projects targeting 167 beneficiaries were provided with mentorship for production development and improvement of access to markets.
9. To plan, facilitate and coordinate the development of rural enterprises and industries through establishment of five Agri-villages and provide social facilitation by 2020. We continued to support our two established Agri-Villages (Wilhelmina and Diyatalawa) with agricultural production, infrastructure enhancement, training and development and access to markets. Due to the reprioritisation funds were refocused towards establishment and intervention in Cornelia, Tweeling and Excelsior.

For the year under review service delivery and planned programmes were severely affected by drought, leading to Disaster declared and drought interventions implemented. Our drought interventions targeted subsistence, smallholder and commercial farmers with fodder and borehole drilling and development.

- 3570 Farmers supported with fodder;

- 34 Boreholes drilled and developed;
- Veterinary medicine (Mineral and electrolyte supplements) to the value of R2million were procured and distributed to farmers.

The total drought intervention budget set aside was R45million from reprioritised projects.

Overview of the financial results of the department:

Departmental receipts

Departmental receipts	2015/2016			2014/2015		
	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
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets		1 963		1 994	2 024	(30)
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land				12	4	(8)
Sale of capital assets		117		0	215	(215)
Financial transactions in assets and liabilities		2 431		472	704	(232)
Total		4 511		2 478	2 947	(485)

The Department collected revenue worth R4.511 million during 2015/16 financial year. This was R485 000 more than the adjusted budget largely due to increase in the sale of capital assets and transactions in financial assets and liabilities. During the 2015/16 financial year the department collected R117 000 from the sale of surplus animals during an auction held at the Glen Agricultural College.

The Department has a formally approved tariff policy and the rates charged for specific chargeable services are reviewed annually on the basis of trends in market prices, the inflation rate, simple escalation or discounted tariffs as a result of sound reasons why fully market-related tariffs could not be charged. The following services were performed against set rates:

- Accommodation at Glen for formal and non-formal training courses and sessions;
- The use of departmental venues by other parties;
- Veterinary professional and laboratory diagnostic and analytical services;
- Veterinary inspections and the issue of certificates and permits;
- Soil and water analysis performed at Glen.

Free services

Most of the core services rendered by the Department to commercial and emerging farmers are delivered free of any charge. Examples of these include engineering and economic services, land care, extension, some animal disease control, general advisory and some non-formal training services. An element of subsidy is involved in the Disaster Management Programme implemented on behalf of the National Department of Agriculture. It was not possible to cost these services that are generally provided by government free of charge. It will, however, have to be done at some point in the future in order to better align the budget with the Strategic Plan or the other way around if the current sequence of events is taken into account.

The department should discuss the amount of bad debts written off, as this can have a direct impact on the departmental receipts.

Programme Expenditure

Programme Name	2015/2016			2014/2015		
	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
Administration	159 549	157 883	1 666	161 229	161 014	215
Sustainable Resource Management	30 649	30 582	67	29 028	29 028	0
Farmer Support and Development	402 966	399 177	3 789	340 848	340 566	282
Veterinary Services	55 035	54 030	1005	54 208	53 612	596
Technology, Research and Development Services	49 3156	47 020	2 295	50 538	50 498	40
Agricultural Economics	9 840	9 784	56	8 634	8 634	0
Structured Agricultural Training	18 226	17 893	333	19 828	19 814	14
Rural Development	27 011	25 182	1 829	31 952	31 945	7
Total	752 591	741 551	11 040	696 265	695 111	1 154

*Annual Report for 2015/16 Financial Year
Vote 11: Department of Agriculture and Rural Development
Province of Free State*

Programme Name	2015/2016			Reasons for under/(over) spending
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	
Administration	159 549	157 883	1 666	Saving on Transport and subsistence due to the implementation of cost containment measures
Sustainable Resource Management	30 649	30 582	67	Due to saving on compensation of employees
Farmer Support and Development	402 966	399 177	3 789	Due to saving on compensation of employees and payment for capital assets
Veterinary Services	55 035	54 030	1005	Due to the delay in the import of equipment for the veterinary laboratories.
Technology, Research and Development Services	49 3156	47 020	2 295	Due to the process of the building of the library at Glen College
Agricultural Economics	9 840	9 784	56	Saving on Transport and subsistence due to the implementation of cost containment measures
Structured Agricultural Training	18 226	17 893	333	Saving on Transport and subsistence due to the implementation of cost containment measures
Rural Development	27 011	25 182	1 829	Due to the implementation processes of projects and the impact of the drought
Total	752 591	741 551	11 040	

The Accounting Officer of the Department approved a number of virements of funds at the end of the financial year under review. Of these, most addressed possible overspending at sub-programme and programme level mainly as a result of not having had a budget for the official transport and the implementation of and an average 7.2 per cent salary increase for Levels 1 – 12. The net virement of voted funds between programmes can be summarised as follows:

Programme	[R'000]	Purpose
1. Administration	(1 391)	Redirection of savings to counter of possible over-expenditure of the main division
2. Sustainable Resource Management	439	Redirection of savings to counter of possible over-expenditure of the main division
3. Farmer Support and Development	868	Redirection of savings to counter of possible over-expenditure of the main division
4. Veterinary Services	458	Redirection of savings to counter of possible over-expenditure of the main division
5. Technology, Research and Development Services	(299)	Redirection of savings to counter of possible over-expenditure of the main division
6. Agricultural Economics	379	Redirection of savings to counter of possible over-expenditure of the main division
7. Structured Agricultural Training	(484)	Redirection of savings to counter of possible over-expenditure of the main division
8. Rural Development	30	Redirection of savings to counter of possible over-expenditure of the main division
Total	-	

During the 2015/16 adjustment budget no roll overs were requested for the 2014/15 financial year.

During the 2015/16 financial year no unauthorized or fruitless and wasteful expenditure were reported.

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a programme level and must agree to the appropriation statement of the audited financial statements. Discuss the reasons for under/ (over) expenditure. In instances where there is overspending, what corrective action has the department put in place to prevent the recurrence in future years.

- **Public Private Partnerships**

Not Applicable, however we continue to promote establishment of partnerships between smallholders and commercial farmers in order to achieve our intended objectives.

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

None

- **New or proposed activities**

None

- **Supply chain management**

- No bids were unsolicited in the year under review
- SCM process and system are developed, implemented and monitored according to relevant legislations. No irregular expenditure was incurred in the year under review.
- Payment of suppliers within the prescribed 30 days was a challenge to the department. Control implemented was to ensure that end users do not accept goods/services from suppliers without proper documentations, i.e the invoice and delivery note being submitted at the time of delivery.
- Enforcement of disciplinary processes in terms of negligence by officials of the department.

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

No gifts or donations were received in kind from non-related parties. The donations received from DAFF through the ECSP Programme was included in annexure in the Annual Financial Statements to the value of R .

- **Related party transactions**

The Department of Public Works provided office accommodation to the Department of Agriculture and Rural Development. No value for this service can be attributed to this transaction.

The Department of Provincial Treasury paid for the use of the transversal operating system (BAS, Persal and Logis) on behalf of the Department of Agriculture and Rural Development to SITA. No value can be attributed to this transaction.

The Department of Public Works rendered services to the administration of infrastructure contracts free of charge to the Department of Agriculture and Rural Development. No value for this service can be attributed to this transaction

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

No gifts or donations were received in kind from non-related parties. The donations received from DAFF through the ECSP Programme was included in annexure in the Annual Financial Statements to the value of R5, 750 million .

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- **Acknowledgement/s or Appreciation**

The Accounting Officer of the Department of Agriculture and Rural Development would like to acknowledge all the staff and farming communities of Free State for working together in implementing the plans as scheduled and in achieving all what was set as targets for the year under review;

The Department furthermore would like to acknowledge the support given by all other sectors in the province as well as working together with other Provincial Departments of Agriculture throughout the country, with special reference to North-West sister Department in terms of sharing plans and working together in areas of commonalities;

The Department furthermore acknowledges the level of support received from both EXCO and the Economic and Infrastructure Cluster in knowledge systems support and otherwise.

Conclusion

This report is the true reflection of financial and information performances which transpired in the 2015/16 financial year. The report is now ready for the public consumption through relevant state machineries.

Approval and sign off

**Mr M.P. Thabethe
Accounting Officer
Department of
Date: 31 May 2016**

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

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

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

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

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

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

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

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

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

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2016.

Yours faithfully

Accounting Officer
Mr M.P. Thabethe
Date

6. STRATEGIC OVERVIEW

6.1 Vision

The vision of the Free Department of Agriculture and Rural Development is to ensure “a dynamic and prosperous agricultural sector and a better life for rural communities”.

6.2 Mission

The mission of the Department is “to empower the agricultural sector through the provisioning and facilitation of comprehensive agricultural development support and investment solutions in order to ensure rural development and continuous economic growth and sustainable livelihoods”.

6.3 Values

The core values of the Department are informed by the letter and spirit of the Constitution of the Republic of South Africa (Act No. 108 of 1996). These are the guiding principles that will define how the Department would conduct itself in performance of its business:

- Commitment to Good Governance;
- Equitable use of scarce resources;
- Transparency and Accountability to stakeholders;
- Dedication, Integrity, Professionalism.

7. LEGISLATIVE AND OTHER MANDATES

7.1 Constitutional mandates

The Department of Agriculture and Rural Development is an integral part of the South African Public Service established in terms of section 197 of the Constitution as read with section 7(1) and 7(2) of the Public Service Act (Act No. 103 of 1994).

7.2 Legislative mandates

A. Transformation legislation

- The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Skills Development Levies Act, 1999 (Act No. 9 of 1999)
- General and Further Education and Training Quality Assurance Act, 2001 (Act No. 58 of 2001)
- Higher Education and Training Act, 1997 (Act No. 101 of 1997)
- Adult Basic Education Training Act, 2000 (Act No. 52 of 2000)
- Designated Areas Development Act, 1997 (Act No. 87 of 1997)

B. Veterinary and animal health related legislation

- Veterinary and Para-Veterinary Professions Act, 1982 (Act No.19 of 1982)
- Animal Diseases Act, 1984 (Act No. 35 of 1984)
- Abattoir Hygiene Act, 1992
- Problem Animals Control Ordinance, 1978 (ORD No. 38 of 1965)
- Livestock Brands Act, 1962 (Act No. 87 of 1962)
- Livestock Improvement Act, 1977 (Act No. 25 of 1977)
- Meat Safety Act, 2000 (Act No. 40 of 2000)
- Animal Improvement Act, 1998 (Act No. 62 of 1998)
- South African Medicines and Medical Devices Regulatory Authority Act, 1998 (Act No.132 of 1998)
- The International Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organisation for Animal Health

C. Plant and Crop related legislation

- Agricultural Pests Act, 1983 (Act No. 36 of 1983)
- Agricultural Research Act, 1990 (Act No. 86 of 1990)
- Agricultural Products Standards Act, 1990
- Fertilisers, Farm feeds, Agricultural remedies and Stock remedies Act, 1947
- Plant Breeder's Right Act (Act No. 15 of 1976)
- Plant Improvement Act, 1976 (Act No. 53 of 1976)
- National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)

D. Soil Conservation and Land Care

- Engineering Services Act (Act No. 46 of 2000)
- Designated Areas Development Act, 1997 (Act No. 87 of 1979)
- Soil user planning ordinance (Ordinance 15 of 1985)
- Conservation of Agricultural Resources Act, 1983
- National Environmental Management Act, (Act No. 107 of 1998)
- Environment Conservation Act (Act No. 73 of 1989)
- Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)

E. Land and land reform

- Land Reform Act, 1997 (Act No. 3 of 1997)
- Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970) (pending repeal)
- Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993)
- Nature and Environmental Conservation Ordinance 19 of 1974
- Nature Reserve Validation Ordinance, Ordinance 3 of 1982

F. Administrative Legislation

A number of national transversal laws and regulations the Department of Agriculture and Rural Development's administrative functions:

- Employment Equity Act (Act No. 55 of 1998)
- Local Government: Municipal Property Rates Act, (Act No. 6 of 2004)
- Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999)
- Division of Revenue Act (Annually)
- Public Service Act (Act No. 103 of 1994) and Regulations, 2001
- Labour Relations Act (Act No. 66 of 1995)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Employment of Education and Training Act (Act No. 76 of 1998)
- SITA Act (No. 88 of 1998, as amended by Act 38 of 2002)

G. Policy Mandates

- White Paper on Agriculture 1995
- White Paper on Sustainable Forest Development in South Africa, 1996
- White Paper on Marine Fisheries Policy for South Africa
- New Growth Path
- Free State Growth and Development Strategy
- National Infrastructure Plan - Strategic Integrated Projects
- Accelerated and Shared Growth Initiative for South Africa
- National Industrial Policy Framework
- Medium Term Strategic Framework
- Land Reform Policy
- Implementation Framework for the Land Care Programme
- Policy on sustainable agricultural development
- Comprehensive Rural Development Programme (CRDP)
- Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, 2005
- The Integrated Food Security Strategy for South Africa
- Livelihoods Development Support Programme
- Agricultural Policy in South Africa (1998)
- Drought Management Plan (2005)
- AgriBEE Framework for Agriculture
- Competition Act
- NEPAD and CAADP
- SADC Trade Protocols

H. Relevant court rulings

No court rulings

J. Planned policy initiatives

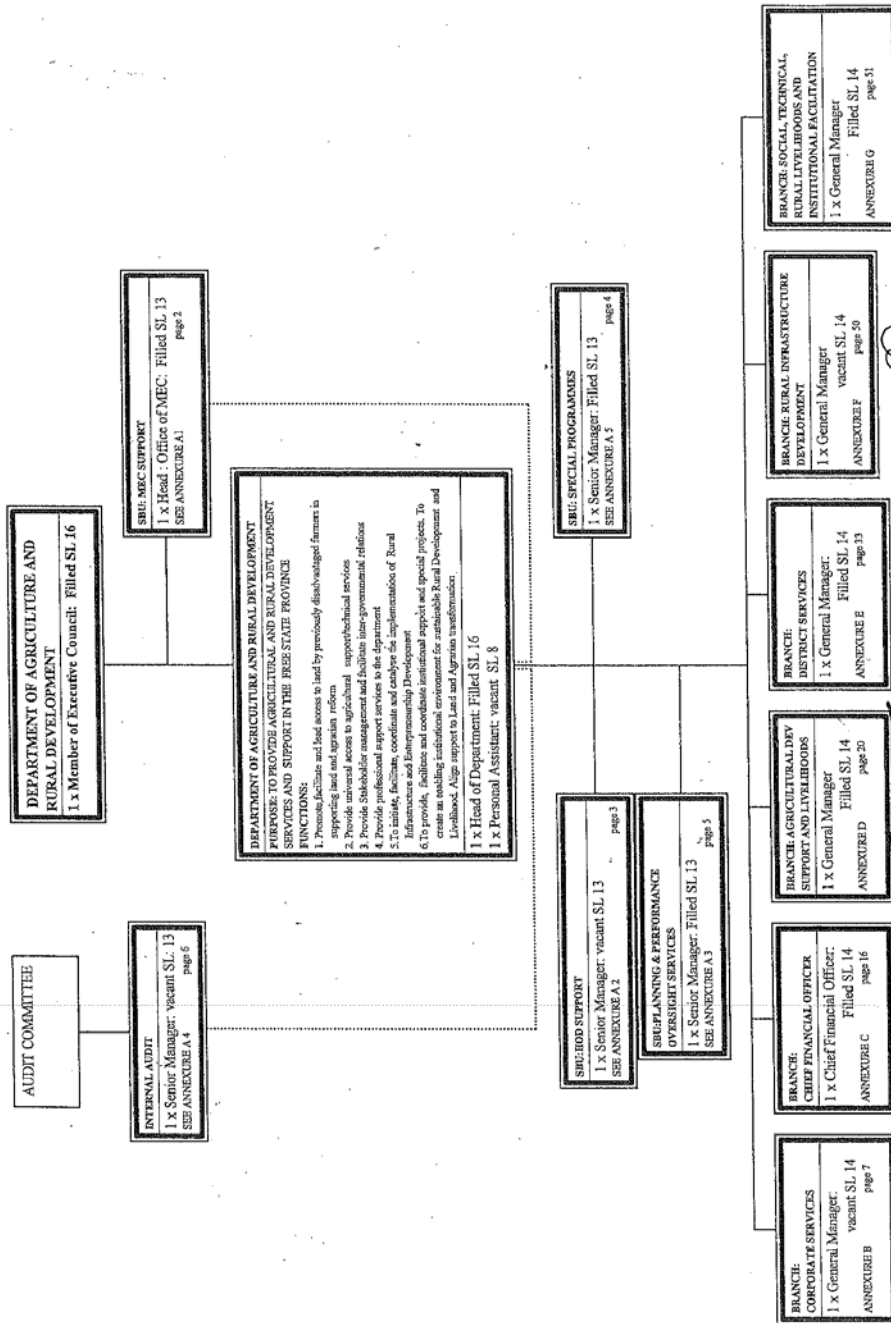
The following are additional policy documents, which will be guiding the activities of the Department during the period 2015 to 2020:

- National Development Plan Vision 2030
- Medium Term Strategic Framework (MTSF)
- Draft Animal Improvement Policy for South Africa
- Experiential Training and Internship Policy
- Implementation Framework for the Land Care Programme
- Land Redistribution for Agricultural Development
- MAFISA Credit Policy

8. ORGANISATIONAL STRUCTURE

PAGE 1

MICRO ORGANISATIONAL STRUCTURE: DEPARTMENT OF AGRICULTURE & RURAL DEVELOPMENT: FREE STATE



RECOMMENDED BY: HOD: AGRICULTURE & RURAL DEVELOPMENT: *[Signature]*
 DATE: 01/07/2013

APPROVED BY: MEC: AGRICULTURE AND RURAL DEVELOPMENT: *[Signature]*
 DATE: 01/07/2013

9. ENTITIES REPORTING TO THE MEC

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

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
N/A			

PART B: PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

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

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

The Free State Province is rural, with agriculture being traditionally and historically one of the key drivers of the economy. The National Census of 2011 puts the population at approximately 2.745 million in the Free State. The comparable figure of 2.63 million recorded in the 1996 Census suggests that the population is relatively stagnant. The 2011 Census indicates that on the other hand, the unemployment rate in the province has been on the increase, from 30% in 1996 to 32.6% in 2011. According to Global insight database (2011), the unemployment rate in district as a percentage of the total unemployment figure in the province is indicated in the Figure 7 below, Lejweleputswa (34%), Thabo Mofutsanyane (27%), Mangaung (24%), Fezile Dabi (11%), and Xhariep (4%).

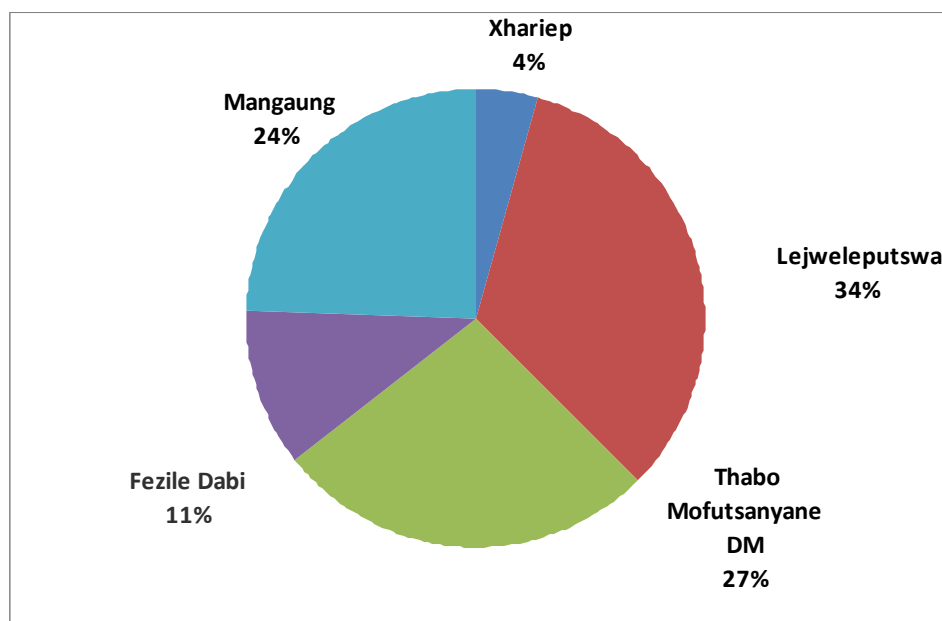


Figure 7: Unemployment distribution per district

Source: Global Insight Base data (2011)

This high rate of unemployment, together with lack of access to basic amenities such as clean water, electricity and social facilities, poor road and other socio-economic infrastructure and services, low literacy and skills levels, and high rural-urban migration rates, among others, pose very serious challenges for, and define the performance delivery environment for the Department of Agriculture and Rural Development. There is a need for a community and people-centred development approach in addressing these challenges.

Agriculture is labour intensive and generates about 13 per cent of all formal employment opportunities in the Free State. In many rural areas of the Province, agriculture could be considered as the “backbone” of the economy, and the associated forward and backward economic linkages significantly contribute to the economy of the Province (UFS, 2012). The recent inflation trends have a significant bearing on the profitability of the sector, both on and off farm in the value chain. This will manifest in higher food price inflation, affecting affordability of food and ultimately household food security.

However, the province is faced with several challenges in achieving its growth and development targets. Foremost amongst these challenges are the social imbalance of the province, the unsatisfactory performance of its municipalities, and financial stability. The overview provided in this section is important in understanding the interrelation linkages between the socio-economic and economic profile needed to ensure economic growth and prosperity for the population of the Free State through the development and implementation of sustainable agricultural projects.

Currently the agricultural sector in the province is subjected to severe drought conditions. The lowest average annual rainfall in 112 years (since 1904) was recorded in 2015. This has resulted in a dramatic decreased in crops planted (summer crops) in the province as well as farmers slaughtering large numbers of animals due to the lack of natural feed in the veldt and the increased cost of

feeding them. The availability and cost of feed has become a challenge for numerous livestock and other intensive farming enterprises dependant on feed of which the main substance is Lucerne and maize.

Compounding the scenario livestock farmers find themselves in is, that of continuity, if the farmer sells/slaughters his total herd or the majority of the herd, it means he loses genetics built over a long period of time and it would take him a minimum of 7 years to recover his herd losses.

Many farmers in 2015 were not able to source sufficient input financing for the current production season, this is due to the liquidation of some input financing companies and also the risk is too high to lend money to a cash strapped farmer, especially with indications of another interest rate hike. If a farmer does manage to get financing from a financing institution, the options to take out multi-peril crop insurance is severely limited. This is due to international re-insurance companies pulling out of agriculture in South Africa during 2014/15.

The lower rainfall has resulted in decreased dam levels and a number of irrigation famers received lower of no irrigation quotas. More and more Free State towns became solely dependent on the underground water supply. The increased withdrawal from this water source has resulted in the drying up of many boreholes in various districts across the province that left many farmers in a disparate position for survival. Given the limited capacity of government to support all the farmers who needs help, a very challenging period faces farmers.

The drought conditions have already resulted in increased food inflation and it is expected that it would increase even further. It is expected that the negative impact of the drought will affect all stakeholders in the value chain (including inputs suppliers) and most of all would it negatively influence the rural economy. Furthermore will the decreased crop production lead to possible job losses thus increase unemployment and an increased influx of jobs seekers to urban areas? The lower expected production of maize is expected to result in the importation of maize for the first time in many years. Combined with the increased interested rate, increased imports, and lower value of the rand, a very challenging period lays ahead for the agricultural sector in the Free State.

Effective planning, that is based on up to date and reliable information and statistics, as well as the involvement and commitment of all stakeholders to the implementation of the emanating plans are all critical to securing a thriving and prosperous future for the province. The need to develop an Agricultural Master Plan to give direction to and shape for agricultural development in the province cannot be over emphasize.

In the meantime, the Free State DARD, Strategic Plan for 2014/15 and the Annual Performance Plan for the same period, tasked itself once again with the following areas of focus, viz. agricultural production and processing, food security, support for land reform and the development of communal land. Widespread and endemic poverty, household food insecurity and high levels of unemployment that plague the rural areas of the province continue to be challenges that the department have to confront in the next few years.

2.2 Service Delivery Improvement Plan

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

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Veterinary Diagnostic Services	Producers, Processors, & Traders	176 719 samples collected and tested	180 719 samples collected and tested	206145 samples collected and tested
Export Facilitation	Producers, Processors, & Traders of animals and animal products	100 of 1 200 monthly certifications inspected by Veterinary official	600 of 1 200 monthly certifications inspected	100 of 1 200 monthly certifications inspected by Veterinary official
Prevention & Control of animal diseases to improve food safety	Producers, Processors, & Traders of animals and animal products	Serviced 15% of the total animal population in the province	Serviced 30% of the total animal population in the province	Serviced 15% of the total animal population in the province

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Consultation: Clients consulted through direct contact, telephone, emails. Laboratory also communicates test reports by post or faxes	Consultation: Clients consulted through direct contact, telephone, emails. Laboratory also communicates test reports by post or faxes	Consultation: Clients consulted through direct contact, telephone, emails. Laboratory also communicates test reports by post or faxes
Access: Clients access services through Direct Walk-ins, Courier Services, or Post Office Service	Clients access services through Direct Walk-ins, Courier Services, or Post Office Service	Clients access services through Direct Walk-ins, Courier Services, or Post Office Services

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Department shared service delivery information with clients through Advice to farmers, Economic advice to farmers and through support to commodity groups.	14 000 x Advices given to farmers; 400 x Economic advices to farmers; and 11 x Commodity groups supported	15 750 x Advices given to farmers; 401 x Economic advices to farmers; and 23 x Commodity groups supported

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p><u>Contact</u>: The office of the Senior Manager in which the service point is situated (<i>telephone & contact details are available at the Service Points</i>)</p>	<p><u>Contact</u>: The office of the Senior Manager in which the service point is situated (<i>telephone & contact details are available at the Service Points</i>)</p>	<p>The office of Senior Managers at service points and Office of the HOD are fully utilised to address complaints and suggestions.</p> <p>Suggestion Boxes at Service Points and Batho Pele Office not fully explored.</p>
<p><u>Contact</u>: The Head of Department, Department of Agriculture and Rural Development, Chemistry Building, P/B X01, Glen, 9360</p> <p style="text-align: center;">OR</p> <p><u>Email</u>: The Head of Department, pa.hodagric@fs.za</p>	<p style="text-align: center;">OR</p> <p><u>Drop in</u>: Complaints and Suggestions Boxes at the Service Points</p> <p style="text-align: center;">OR</p> <p><u>Email</u>: Batho Pele Office pitso@fs.agric.za ; tatolo@fs.agric.za</p> <p style="text-align: center;">OR</p> <p><u>Contact</u>: The Head of Department, Department of Agriculture and Rural Development, Chemistry Building, P/B X01, Glen, 9360</p> <p style="text-align: center;">OR</p> <p><u>Email</u>: The Head of Department,</p>	

2.3 Organisational environment

The annual report should provide users with an understanding of the organisational challenges and successes experienced by the department for the reporting period under review. The aim is to provide a description of any significant developments internal to the department that may have impacted the department's ability to deliver on its Strategic Plan and Annual Performance Plan e.g. the resignation and/or appointment of key personnel such as the AO or the CFO, a strike by

significant portions of departmental officials, restructuring efforts, significant system failures or cases of corruption.

Given that these are factors internal to the department and therefore ostensibly within the department's control, it would be expected that the department gives some indication of any measures that were adopted to mitigate the impact of these events on service delivery.

2.4 Key policy developments and legislative changes

The department should describe any major changes to relevant policies or legislation that may have affected its operations during the period under review or future financial periods. If there have been no changes this must be stated.

3. STRATEGIC OUTCOME ORIENTED GOALS

STRATEGIC GOALS ALIGNED TO DAFF, OBJECTIVES, PROGRAMME INDICATORS & TARGETS

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
Strategic Goal: 1 Effective and efficient strategic leadership, governance and administration	1.1 To ensure effective leadership, good governance and control environment through achievement of 80% on MPAT assessment by 2020	1.1 Number of strategic documents approved.	11	3
		1.2 Number of Non-Financial Performance reports submitted.	80	16
		1.3 Number of integrated Communication, ICT and Information Management Strategies approved.	5	1
		1.4 Number of Human Resource Plans approved.	5	1
		1.5 Number of integrated Auxiliary Services Plans approved.	5	1
		1.6 Number of Key Control MATRIX reports submitted.	90	18

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Province of Free State*

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
Strategic Goal: 2 Sustainable use of natural resources	2.1 To promote the sustainable use and management of natural resources by protecting 36 220ha's of agricultural land through Engineering Services, Land Care, Soil Conservation, Land Use Management and Disaster Risk Management by 2020	2.1.1 Number of agricultural infrastructure established	130	30
		2.1.2 Number of hectares protected / rehabilitated to improve agricultural production	36 220	6 220
		2.1.3 Number of Green jobs created (FTE's)	980	180
		2.1.4 Number of Full Time Equivalentents (FTE's) created through Land Care green jobs.	175	35
		2.1.5 Number of hectares of agricultural land protected through guiding subdivision / rezoning / change of agricultural land use	1 000	200
		2.1.6 Number of disaster risk reduction programmes managed	1	1

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Province of Free State*

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
Strategic Goal: 3 Enabling environment for food security and sector transformation	3.1 To provide comprehensive agricultural support services to 14 700 producers by 2020	3.1.1 Number of smallholder producers receiving support	1 936	382
		3.1.2 Number of commercial farmers supported	294	76
		3.1.3 Number of hectares in under-utilised areas cultivated for production	27 000	5 400
		3.1.4 Number of fish farms supported	36	6
		3.1.5 Number of jobs created through the implementation of projects	1 600	320
		3.1.6 Number of producers benefiting from animal improvement schemes	144	28
		3.1.7 Number of Agro-processing Initiative Supported	5	1
		3.1.8. Number of smallholder producers supported with advice	2 950	570
		3.1.9 Number of commodity groups supported.	55	11
		3.1.9 Number of infrastructure anchor projects established	10	2
	3.2 To ensure household food and nutrition security to 25 625 households by 2020	3.2.1 Number of households benefiting from agricultural food security initiatives	25 000	8 985
		3.2.2 Number of institutions gardens established	160	25
		3.2.3 Number of hectares cultivated for food production in communal areas and land reform projects	1 200	100
		3.2.4 Number of subsistence farmers supported	13 800	2 300
	3.3 To enhance agricultural education and training capacity BY 2020	3.3.1 Number of agricultural Higher Education and Training graduate produced	242	31
		3.3.2 Number of agricultural Colleges accredited by HEQC	1	1
		3.3.3 Number of participants trained in agricultural skills development programmes (accredited and non-accredited skills programmes, RPL and Learnership programs)	8 645	1 726
		3.3.4 Number of projects supported through	153	30

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STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
		mentorship		

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
Strategic Goal: 4 Enhanced production, employment and economic growth in the sector	4.1 To ensure healthy animals, food safety, and access to export markets through provision of veterinary services to clients by 2020.	4.1.1 Number of vets deployed to do compulsory community service.	10	2
		4.1.2 Number of planned surveillance conducted.	1	1
		4.1.3 Number of epidemiological units visited for veterinary intervention.	60	12
		4.1.4 Number of clients serviced for animals and animal products export.	400	60
		4.1.5 Percentage level of abattoir compliance to meat safety legislation.	80%	60%
		4.1.6 Number of tests performed.	800 000	160 000
	4.2 To provide Agri-business development support as well as macroeconomic and statistical information to 2 008 clients by 2020	4.2.1 Number of clients who have benefitted from agricultural economic advice provided.	1 799	400
		4.2.2 Number of Agri-Businesses supported with agricultural economic services towards accessing markets.	65	15
		4.2.3 Number of smallholder producers empowered to improve their export readiness as part of the international market access initiatives.	21	5
		4.2.4 Number of agricultural economic information responses provided.	103	24
		4.2.5 Number of economic reports compiled.	20	4
	4.3. To improve the agricultural production through conducting, facilitating and coordinating 16 medium to long term	4.3.1. Number of research and technology development projects implemented to improve agricultural production.	16	12

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Province of Free State*

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
	research and technology development projects by 2020			
	4.4 To disseminate information on research and technology developed to clients, peers and scientific communities through 8 research presentations and 5 improvement schemes by 2020	4.4.1 Number research presentations made nationally or internationally	20	4
		4.4.2 Number of farmers benefiting from plant improvement schemes	23	4

STRATEGIC GOALS	STRATEGIC OBJECTIVES	PROGRAMME INDICATORS	TARGETS FOR FIVE YEARS	2015/16 ANNUAL TARGET
5. Strategic Goal: 5 Comprehensive Rural Development	5.1 To facilitate and coordinate the development of rural enterprises and industries through establishment of Agri-villages by 2020	5.1.1 Number of Agri-villages developed	5	1
	5.2 To coordinate social facilitation programmes and projects by 2020	5.2.1 Number of reports on integrated implementation of Comprehensive Rural Development Programme and War on poverty in line with Outcome 7	20	4
		5.2.2 Number of data base developed and maintained on farms and state owned land available for sustainable agricultural development	1	1
		5.2.3. Number of reports on the implementation of Animal Veld Management Programme	10	2

Each department should state the strategic outcome oriented goals as per the Strategic Plan and the progress made towards the achievement of the 5 year targets. The department must highlight significant achievements with regard to the 12 outcomes announced by the Department of Performance Monitoring and Evaluation. This is only applicable to departments that directly contribute to the achievement of one or more of the 12 outcomes. A department that does

not directly contribute to any of the 12 outcomes must highlight significant achievements with regard to its own outcome(s). The department must also highlight significant achievements with regard to the National Development Plan (NDP).

4. PERFORMANCE INFORMATION BY PROGRAMME

4.1 Programme 1: Administration

Purpose of the Programme:

The purpose of the programme is to provide strategic direction and leadership within the Department of Agriculture and Rural Development over the next five years.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To ensure effective leadership, good governance and control environment through achievement of 80% on MPAT assessment by 2020	44%	40	40	0	Achieved

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of strategic documents approved.	2	3	3	0	Achieved
Number of Non-Financial Performance reports submitted.	168	17	17	0	Achieved
Number of integrated Communication, ICT and Information Management Strategies approved.	0	1	1	0	Achieved
Number of Human Resource Plans approved.	1	1	1	0	Achieved
Number of integrated Auxiliary Services Plans approved.	0	1	1	0	Achieved
Number of Key Control MATRIX reports submitted	18	18	18	0	Achieved

Strategy to overcome areas of under performance

None

Changes to planned targets

No changes were made during the financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	6 093	5 636	457	6 240	6 257	(17)
Senior Management	31 779	30 526	1253	30 968	30 953	15
Corporate Services	90 564	89 763	801	92 213	91 998	215
Financial Management	26 562	27 607	(1 045)	26 647	26 645	2
Communication Services	4 551	4 351	200	5 161	5 161	0
Total	159 549	157 883	1 666	161 229	161 014	215

4.2 Programme 2: Sustainable Resource Management

Programme Purpose

The purpose of this programme is to ensure implementation of Sustainable Resource Management by providing Engineering Services, Land Care, Land Use Management Services and Disaster Risk Management Support.

Strategic objectives:

Programme Name: Sustainable Resource Management					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To promote the sustainable use and management of natural resources by protecting 36 220ha's of agricultural land through Engineering Services, Land Care, Land Use Management and Disaster Risk Management by 2020.	0	6 220	8709	2489	Achieved. The year target was over achieved due to additional EPWP funding that was made available for the eradication of invader plants.

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of agricultural infrastructure established	0	30	37	7	Achieved. The year target was over achieved due to projects in the districts, planned to be completed during the 2014/15 financial year, which were only completed in the 2015/16 financial year.
Number of hectares protected / rehabilitated to improve agricultural production	0	6 220	8709	2489	Achieved. The year target was over achieved due to additional EPWP funding that was made available for the eradication of invader plants.
Number of Green jobs created	357	180	314	134	Achieved. The year target was over achieved due to additional EPWP funding that was made available for the eradication of invader plants.
Number of Full Time Equivalents (FTE's) created through Land Care green jobs.	30	35	103	68	Achieved. The year target was over achieved due to additional EPWP funding that was made available for the eradication of invader plants.
Number of hectares of agricultural land protected through guiding subdivision / rezoning / change of agricultural land use.	0	200	321	121	Achieved. The year target was over achieved due to more requests than anticipated received and more hectares could thus be protected.
Number of disaster risk reduction programmes managed.	1	1	1	0	Target achieved.

Strategy to overcome areas of underperformance

Performance above planned targets due to additional funding in the financial year is undesirable. Requested DAFF to have a multiyear budget allocation to projects on EPWP to enable the Province to plan more effectively.

Changes to planned targets

No changes were made during the financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/15		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Engineering Services	10 584	10 574	10	9 702	9 702	0
Landcare	17 458	17 419	39	16 636	16 636	0
Land Use Management	654	648	6	840	840	0
Disaster Management	1 953	1 941	12	1 850	1 850	0
Total	30 649	30 582	67	29 028	29 028	0

4.3 Programme 3: Farmer Support Services

Purpose of the Programme:

To provide support to all farmers through agricultural development programmes.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To provide comprehensive agricultural support services to 14 700 producers by 2020	0	14000	15750	1750	Achieved. Due to drought interventions more producers were supported.
To ensure household food and nutrition security to 25 625 households by 2020	0	10500	5158	5342	Not Achieved. Under performance due to serious drought spells most gardens were not established due to severe unfavourable climatic conditions and water restrictions.

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of smallholder producers receiving support	132	233	1026	793	Achieved. Due to drought disaster assistance more smallholder producers were assisted with fodder.
Number of commercial producers supported	50	25	17	8	More than 50% achieved. The fewer than planned for is a result of project funding which has been redirected to drought disaster assistance and smallholder farmers were prioritised.
Number of fish farms supported	7	6	6	0	Achieved
Number of jobs created	226	344	262	82	More than 50% achieved. The fewer jobs created is a result of the project funding which was redirected to drought disaster assistance and fewer jobs could have been created.
Number of producers benefiting from animal improvement schemes	83	28	34	6	Achieved. Due to drought interventions with animals better suitable for the condition.
Number of Agro-processing Initiative Supported	0	1	1	0	Achieved. Supporting the Fish Agro Processing initiative in Xhariep.
Number of producers supported with agricultural advice	4492	14 000	15750	1750	Achieved. Due to drought interventions more producers were supported.
Number of commodity groups supported.	23	11	23	12	Achieved. Due to the Agri-Parks initiative and implementation of commodity based support more commodity organisations are established.
Number of infrastructure anchor projects established	0	2	2	0	Achieved

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of households benefiting from agricultural food security initiatives	0	10 500	5158	5342	Not Achieved. Under performance due to serious drought spells most gardens were not established due to severe unfavourable climatic conditions and water restrictions.
Number of institutions gardens established	0	55	162	107	Achieved. Over achievement due to reprioritisation from households to institutions as a result of the availability of water at the institutions.
Number of hectares cultivated for food production in communal areas and land reform projects	0	7 300	1952	5348	Not achieved due to unfavourable climatic conditions and drought disaster.

Strategy to overcome areas of underperformance

Development of drought mitigation strategies in support of farmers.

Changes to planned targets

No changes were made to targets during this financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/2015		
	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
Farmer Settlement and Development	175 712	173 529	2 183	162 322	162 126	196
Extension and Advisory Services	226 136	224 547	1 589	174 478	174 392	85
Food Security	1 118	1 101	17	4 048	4 048	0
Total	402 0966	399 177	3 789	340 848	340 566	282

4.4 Programme 4: Veterinary Services

Purpose of the Programme:

The purpose is to provide veterinary services

Strategic objectives:

Programme Name: Veterinary Services					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To ensure healthy animals, food safety, and access to export markets through provision of veterinary services to clients by 2020.	0	160 060	232800	72740	Achieved. More requests were received than anticipated

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of vets deployed to do compulsory community service	0	2	6	4	Achieved. As a result of the available infrastructure and vacancies in the province more vets were deployed than anticipated by DAFF
Number of planned surveillance conducted	0	1	0	-1	Not Achieved due to a lack of capacity. However routine surveillance for brucellosis and Rabies is ongoing
Number of epidemiological units visited for veterinary intervention	0	12	12	0	Achieved
Number of clients serviced for animals and animal products export	0	60	75	15	Achieved. The additional achievement due to more requests than anticipated
Percentage level of abattoir compliance to meat safety legislation	0	60%	74%	14%	Achieved. Abattoirs complied on a higher level than anticipated.
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	199 208	160 000	232725	72725	Achieved. More requests were received than anticipated

Strategy to overcome areas of underperformance

Create permanent positions for the DAFF deployments in an attempt to close the gap.

Changes to planned targets

No changes were made during the financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/16			2014/15		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Animal Health	37 399	37 196	203	32 467	32 467	0
Export Control	592	584	8	881	836	45
Veterinary Public Health	4 291	4 281	10	4 501	4 465	36
Veterinary Laboratory Services	12 753	11 969	784	16 359	15 844	515
Total	55 0356	54 030	1005	54 208	53 612	596

4.5 Programme 5: Research and Technology Development Services

Purpose of the Programme:

The purpose of the program is to render needs based research, development and technology transfer services.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To improve the agricultural production through conducting, facilitating and coordinating 16 medium to long-term research and technology development projects by 2020.	13	12	12	0	Achieved
To disseminate information on research and technology developed to clients, peers and scientific communities through 15 research presentations and 5 improvement schemes by 2020.	0	8	10	2	Achieved. Additional water efficient maize (WEMA) seed was received from DAFF enabling us to benefit two additional farmers.

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of research and technology development projects implemented to improve agricultural production.	13	12	12	0	Achieved
Number research presentations made nationally or internationally	7	4	4	0	Achieved
Number of farmers benefiting from plant improvement schemes	0	4	6	2	Achieved. Additional water efficient maize (WEMA) seed was received from DAFF enabling us to benefit two additional farmers.

Strategy to overcome areas of under performance

Ensure alignment between the research program and development and support programme. Also strengthen the technology transfer to farmers.

Changes to planned targets

No changes were made to targets during this financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/2015		
	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
Research	23 718	23 643	75	21 327	21 312	15
Infrastructure	25 597	23 377	2 220	29 211	29 186	25
Support Services						
Total	49 315	47 020	2 295	50 538	50 498	40

4.6 Programme 6: Agricultural Economics

Purpose of the Programme:

To provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To provide Agri-business development support as well as macroeconomic and statistical information to 2 008 clients by 2020	0	400	401	1	Achieved. More requests were received than anticipated

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of clients who have benefitted from agricultural economic advice provided.	1501	400	401	1	Achieved. More requests were received than anticipated
Number of Agri-Businesses supported with agricultural economic services to access markets	25	15	15	0	Achieved
Number of smallholder producers empowered to improve their export readiness as part of the international market access initiatives	0	5	5	0	Achieved
Number of agricultural economic information responses provided	57	24	24	0	Achieved
Number of economic reports compiled.	4	4	4	0	Achieved

Strategy to overcome areas of under performance

Coordination with Extension services to improve primary production quality to qualify for primary production certification.

Changes to planned targets

No changes were made to targets during this financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/16			2014/15		
	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
Agric Business Development	9 309	9 258	51	8 405	8 405	0
Macroeconomics and Statistics	531	526	5	229	229	0
Total	9 840	9 784	56	8 634	8 634	0

4.7 Programme 7: Structured Agricultural Education and Training

Purpose of the Programme:

To facilitate and provide structured agricultural education and training in line with the Agricultural Education and Training Strategy to all participants in the agricultural sector in order to establish a knowledgeable, prosperous and competitive sector.

Strategic objectives:

Programme Name: Structured Agricultural education and Training					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To enhance agricultural education and training capacity by 2020	50	32	21	11	More than 50% achieved, 21 Completed due to achieving the required competence.

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of agricultural Higher Education and Training graduates produced.	49	31	18	13	More than 50% achieved, underperformance was as a result of 13 students who are not yet competent due to outstanding modules.
Number of agricultural Colleges accredited by HEQC.	1	1	1	0	Achieved
Number of participants trained in agricultural skills development programmes (accredited and non-accredited skills programmes, RPL and Learnership programs)	1 666	1 726	1457	269	More than 50% achieved. Facilitation of some short skills programmes was delayed due to unavailability of natural resources (e.g. Irrigation water and veld pastures) for practical training. The challenges brought about by the drought disaster conditions resulted in many smallholder farmers not attending due to crisis activities on the farm.
Number of projects supported through mentorship	0	30	30	0	Achieved

Strategy to overcome areas of under performance

Higher number than planned for will be invited to training in order to achieve targets. Review target setting criteria to make provision for historical fall out percentages.

Changes to planned targets

No changes were made to targets during the financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Higher Education and Training	13 202	12 917	285	14 880	14 866	14
Further Educations and Training	5 024	4 976	48	4 948	4 948	0
Total	18 226	17 893	333	19 828	19 814	14

4.8 Programme 8: Rural Development Coordination

Purpose of the Programme:

The purpose of this programme is to plan, facilitate development and social cohesion through participatory approaches in partnership with all stakeholders.

Strategic objectives:

Programme Name: Administration					
Strategic objectives	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
To plan, facilitate and coordinate the development of rural enterprises and industries through establishment of five Agri-Villages by 2020	0	1	0	1	Not Achieved due to budget reprioritisation.
To coordinate Social Facilitation programmes and projects by 2020	0	7	6	1	More than 50% achieved. No progress were made during the first quarter and thus no report was produced.

Performance indicators

Programme / Sub-programme:					
Performance Indicator	Actual Achievement 2014/2015	Planned Target 2015/2016	Actual Achievement 2015/2016	Deviation from planned target to Actual Achievement for 2015/2016	Comment on deviations
Number of Agricultural villages developed	0	1	0	1	Not Achieved due to budget reprioritisation.
Number of reports on integrated implementation of Comprehensive Rural Development Programme (CRDP) and WAR on Poverty in line with Outcome 7	0	4	3	1	More than 50% achieved. No progress were made during the first quarter and thus no report was produced.
Number of database developed and maintained on farms and state owned land available for sustainable agricultural development	0	1	1	0	Achieved
Number of reports on the implementation of Animal and Veld Management Programme	0	2	2	0	Achieved

Strategy to overcome areas of under performance

Reprioritising the development of Agri Villages in the 2016/17 financial year.

Changes to planned targets

No changes were made to targets during the financial year.

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2015/2016			2014/2015		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Development Planning & Monitoring	18 694	16 990	1 704	25 285	25 280	5
Social Facilitation	8 317	8 192	125	6 667	6 665	2
Total	27 011	25 182	1 829	31 952	31 945	7

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

None

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2015 to 31 March 2016

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
<i>Farmer support project beneficiaries</i>	<i>Households</i>	<i>Implementation of projects</i>	Yes	303 007	303 007	-

The table below reflects the transfer payments which were budgeted for in the period 1 April 2015 to 31 March 2016, but no transfer payments were made.

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

6 CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The tables below describes each of the conditional grants and earmarked funds paid by the department.

Conditional Grant 1: Comprehensive Agricultural Support Programme (CASP)

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	To expand the provision of agricultural support services and promote and facilitate agricultural development by targeting subsistence, emerging and commercial farmers.
Expected outputs of the grant	Improved agricultural infrastructure
Actual outputs achieved	Improved agricultural infrastructure
Amount per amended DORA	R171.012 million
Amount transferred (R'000)	R171.012 million
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	R168.807 million
Reasons for the funds unspent by the entity	Saving on compensation of employees
Monitoring mechanism by the transferring department	

Conditional Grant 2: Landcare

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	<i>To enhance a sustainable conservation of natural resources through a community based participatory approach; create job opportunities through the Expanded Public Works programme; and improve food security within previously</i>
Expected outputs of the grant	<i>Improved land use and natural resource preservation</i>
Actual outputs achieved	<i>Improved land use and natural resource preservation</i>
Amount per amended DORA	<i>R5.275 million</i>
Amount transferred (R'000)	<i>R5.275 million</i>
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	<i>R5.275 million</i>
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

Conditional Grant 3: Ilima/Letsema

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	<i>Universal access to agricultural support services</i>
Expected outputs of the grant	<i>Improved agricultural production</i>
Actual outputs achieved	<i>Improved agricultural production</i>
Amount per amended DORA	<i>R60.990 million</i>
Amount transferred (R'000)	<i>R60.990 million</i>
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	<i>R60.990 million</i>
Reasons for the funds unspent by the entity	
Monitoring mechanism by the transferring department	

Conditional Grant 4: EPWP

Department/ Municipality to whom the grant has been transferred	
Purpose of the grant	<i>To empower beneficiaries through public works activities with job creation and skills development</i>
Expected outputs of the grant	<i>Job creation and skills development</i>
Actual outputs achieved	<i>Job creation and skills development</i>
Amount per amended DORA	<i>R2.027 million</i>
Amount transferred (R'000)	<i>R2.027 million</i>
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	<i>R2.027 million</i>
Reasons for the funds unspent by the entity	-
Monitoring mechanism by the transferring department	

6.2 Conditional Grants and Earmarked Funds Received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2015 to 31 March 2016

Infrastructure Enhancement Allocation

Department who transferred the grant	<i>Provincial Treasury</i>
Purpose of the grant	<i>Upgrading and government</i>
Expected outputs of the grant	<i>Upgraded government</i>
Actual outputs achieved	<i>Upgraded government</i>
Amount per amended DORA	<i>R86.385 million</i>
Amount received (R'000)	<i>R86.385 million</i>
Reasons if amount as per DORA was not received	-
Amount spent by the department (R'000)	<i>R82.286 million</i>
Reasons for the funds unspent by the entity	<i>Machinery and Equipment ordered</i>
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

Disaster Management

Department who transferred the grant	<i>Provincial Treasury</i>
Purpose of the grant	<i>To manage the disaster within the</i>
Expected outputs of the grant	<i>Disaster relief</i>
Actual outputs achieved	<i>Disaster relief</i>
Amount per amended DORA	<i>R16.000 million</i>
Amount received (R'000)	<i>R16.000 million</i>
Reasons if amount as per DORA was not received	-
Amount spent by the department (R'000)	<i>R15.000 million</i>
Reasons for the funds unspent by the entity	<i>In a process to deliver the remaining</i>
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

Legal exposure

Department who transferred the grant	Provincial Treasury
Purpose of the grant	Assist with the legal exposure faced by the department
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DORA	R20.000 million
Amount received (R'000)	R20.000 million
Reasons if amount as per DORA was not received	
Amount spent by the department (R'000)	R20.000 million
Reasons for the funds unspent by the entity	
Reasons for deviations on performance	
Measures taken to improve performance	
Monitoring mechanism by the receiving department	

7. DONOR FUNDS

7.1. Donor Funds Received

The department did not receive any donor funding for the year under review.

8 CAPITAL INVESTMENT

8.1. Capital investment, maintenance and asset management plan

- Progress made on implementing the capital, investment and asset management plan.

The upgrading of Glen has been funded over the MTEF through the Infrastructure Enhancement Allocation fund, and work is continuing in this regard. Numerous projects have been completed in the past financial year, and others are in progress as is indicated below.

- Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance):

Glen Inn restaurant (completed under budget)
Administration Building (completed under budget)
Glen Village access road (completed within budget)
Remainder of IPJ Hall (completed within budget)

- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed:

Glen College Library; Construction phase. Estimated completion date is 31 March 2017.
Glen water purification plant; Concept phase. Estimated completion date is 31 March 2018.

- Plans to close down or down-grade any current facilities:

The Weltevrede Farm, where the old district office for Thabo Mofutsanyana was situated, has been handed back to the DOPW&I. The department is now occupying the L-shaped double storey building in the old government complex in Phuthaditjhaba.

The Ficksburg office has structural problems that are too costly to repair, and the building will be handed back to the DOPW&I.

- Progress made on the maintenance of infrastructure:

According to the Government Immovable Asset Management Act (GIAMA), the department has been submitting the annual User Infrastructure Asset Management Plan (U-IAMP) as is prescribed. The 2016/17 U-IAMP was submitted on 30 June 2015.

There is still no indication from National Treasury as to the funding of the provincial U-AMPS. Until funding is received, the department will not be able to carry out planned maintenance of its 38 government-owned service delivery sites across the province. The department only has funds available for day-to-day and emergency maintenance.

- Developments relating to the above that are expected to impact on the department's current expenditure.

None.

- Major maintenance projects that have been undertaken during the period under review:

None.

- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller:

The backlog is growing owing to insufficient funds with which to carry out planned maintenance.

- Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track?

Meaningful progress can only be made when funding for planned maintenance is received.

Infrastructure projects	2015/2016			2014/2015		
	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				136 737	102 826	33 911
Existing infrastructure assets	30776	26224	4552	41 582	37 726	3 856
- Upgrades and additions	24076	20047	4029	35 875	33640	2235
- Rehabilitation, renovations and refurbishments	0	0	0	0	0	0
- Maintenance and repairs	6700	6177	523	5 707	4 086	621
Infrastructure transfer	80 000	80 000	0	45 000	41 790	3 210
- Current	20 000	20 000	0	0	0	0
- Capital	60 000	60 000	0	45 000	41 790	3 210
Total	110776	106224	4552	223 319	182 342	40 977

PART C: GOVERNANCE

1. INTRODUCTION

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

2. RISK MANAGEMENT

The Department of Agriculture and Rural Development operates within the terms of an approved Risk Management Policy which provides guidance on how to develop and integrate risk management into the culture and strategic decision-making of the department. The department also applies the approved Risk Management Strategy which describes the methodology to be followed when implementing Risk Management in the department.

The Risk Management unit conducts risk assessments as required by section 3.2.1 of the Treasury Regulations. In this financial year, the Strategic Risk Assessment, the Operational Risk Assessment and the Fraud Risk Assessments were conducted and the reports thereof approved by the Accounting Officer.

The department has an effective Risk Management Committee comprising of one external and independent Chairperson and six (6) executive management officials. The Chief Audit Executive of the department is a standing invitee to the committee meetings. The Risk Management Committee functions in accordance with the approved Risk Management Committee Charter. The Chief Risk Officer is the Secretariat of the committee. The Committee meets on a quarterly basis to assess the effectiveness of the implementation of Risk Management within the department.

Risk Management was a standing agenda item in all Audit Committee meetings of the department. The Chief Risk Officer presented the Risk Management Committee reports and risk assessment reports to the Audit Committee. The risk management reports are interrogated by the Audit Committee and an opinion on the effectiveness of risk management is expressed by the committee. Four (4) Audit Committee meetings were attended during this financial year where the risk management reports were presented by the Chief Risk Officer and scrutinised by the Audit Committee.

The Risk Management unit has been able, to a satisfactory extent, integrate risk management into the culture of the department and all the activities in the approved Risk Management Implementation Plan pertaining to the implementation of risk management within the department were achieved. The departmental Risk Management Committee evaluated the progress on the implementation of mitigating strategies approved for all risks identified. The performance of the department has improved to a certain extent; however more will be required to fully mitigate the risks. This could be attributed due to the fact that a substantial number of risks required additional human resource capacity and funding to be mitigated, both of which were insufficient during the financial year due to pressures in the departmental budget. Some redesigning of control measures will be done to manage material risks which could hinder the achievement of departmental objectives.

3. FRAUD AND CORRUPTION

The department has a Fraud Prevention and Response Strategy and Whistle-blowing policy aimed at creating a culture which is intolerable to fraud and corruption within the department. It is also aimed at encouraging the employees and other stakeholders to continuously behave ethically in their dealings with, or on behalf of the Department of Agriculture and Rural Development. With the implementation of the strategy and fraud prevention implementation plan, the department has successfully raised awareness on fraud and corruption throughout the department which encouraged and improved an ethical culture within the department. The department has also identified, assessed and managed anti-corruption risks which might inhibit the achievement of critical departmental objectives.

The department has a Whistle-blowing Policy which is distributed to officials of the department with the aim of encouraging the protected disclosure of any suspected illegal acts within the department. Risk Management also makes presentations on fraud prevention as part of anti-corruption/ fraud awareness. Whistle-blowing posters with numbers of the Anti-corruption hotline have also been displayed at all notice boards around the department.

Any allegation of suspected fraud reported to the HOD or through the national hotline are investigated in line with the approved departmental policies and appropriate action taken as per the outcome of the investigation and applying sanctions which include redress in respect of financial losses.

4. MINIMISING CONFLICT OF INTEREST

The Department implemented various strategies to minimise conflict of interest during its Ethics and Integrity Management activities. The Department provided training and raised awareness on process to be followed where conflict of interest was identified. Training was provided on Code of Conduct, anti-corruption and whistle blowing, procedures and processes on how to apply and get approval for Remuneration on Work outside Public Services. Financial Disclosures were submitted to the Public Service Commission and the gift register was updated from time to time during the year under reporting.

The Department also established systems in relation to risks assessments and appropriate measures, reporting corruption, investigations were done and referrals were made to law enforcement where necessary.

5. CODE OF CONDUCT

The Code of Conduct indicates the spirit in which employees should perform their duties in the Public Service. The primary purpose thereof is to promote exemplary conduct and compliance with the Code which is expected to enhance professionalism and help to ensure confidence in the Public Service. The Department ensured that every official of the Department has signed receipt of a copy of the Code of Conduct. Training was also provided to staff members on the Code of Conduct during departmental Human Resource Road-shows conducted during the year under reporting.

Financial disclosures of Members of the SMS were submitted in the 2015/16 financial year. Progressive disciplinary actions by means of written warnings were initiated against three Members of Senior Management Services who submitted their disclosures after the due date, causing them and the Department not to comply with the time frame.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department of Agriculture and Rural Development is regarded as one of the high-risk sectors in both developing and industrialized countries, and is ranked as one of the three most hazardous industries together with mining and transport.

Machinery such as tractors and harvesters cause the highest frequency and fatality rates of accidents and injury.

Exposure to agrochemicals constitutes another major occupational hazard, which results in accidental and intestinal poisoning and invariably work-related cancers and reproductive impairments.

In order to remedy or minimise the risks in the Department has implemented the following measures during the year under reporting:

Occupational Health and Safety inspections were conducted and identified hazards reported to the Maintenance Section for mitigation and further management.

To mitigate the risk of exposure of Farm Workers to Hazardous Biological Agents (HBAs) and Hazardous Chemical Substances (HCSs), workers were trained on HBAs and HCSs by Trainers Accredited with AgriSETA as Facilitators/Assessors and Moderators. In addition officials are supplied with Personal Protective Clothing and Equipment (PPE) e.g Boots, Goggles, Gloves and Masks etc. Officials are trained on how to use these tools of trades and strategies are in place to ensure compliance.

In terms of machinery, Tractor Drivers were trained and on handling and In-Service-Training conducted on regular basis.

The Department established Occupational Health and Safety Committees in various units which are doing OHS inspections and provide reports and do referrals where necessary.

7. PORTFOLIO COMMITTEES

In performing the oversight responsibilities the legislature portfolio committees on finance and agriculture and rural development convened our department to present our financial and non-financial reports regularly on a quarterly basis to them for their consideration and approval.

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
13/2015 para 1.	<u>Irregular expenditure</u>	The Portfolio Committee noted with concern that	The investigations on the implementing	

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>the determination of the full extent of irregular expenditure for the 2014/15 financial year is not yet finalised. However, the Committee took note of the fact that there are technical matters which must be concluded on by National Treasury.</p> <p>The Portfolio Committee resolved that the Accounting Officer must finalise the investigations to determine the full extent of irregular expenditure before the end of the 2015/16 financial year.</p>	<p>agents for irregular expenditure is finalized and the relevant agreements were signed. The department is still awaiting the outcome of discussions between National Treasury, Provincial Treasury and the State Law Advisors on the irregular expenditure emanating from the deviation approval.</p> <p>Two officials had each a case of irregular expenditure that have been recorded so far. Both cases were recorded as follows: 1st case was recorded on 14 August 2014, of which the official thereof resigned on the 1 August 2015. With the second case, the hearing commenced on 28 January 2016 and then postponed to 23 and 24 March 2016. We are awaiting the response from the Disciplinary Committee about the outcomes of this second case.</p>	
<p>13/2015 Para 2.</p>	<p><u>Asset and Inventory management</u></p>	<p>The Portfolio Committee noted with concern that proper control systems to safeguard and maintain assets were not implemented, as management does not develop and monitor the implementation of action plans to address internal</p>		

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>control deficiencies.</p> <p>The Portfolio Committee resolved that the Accounting Officer must execute the following to strengthen the control environment:</p> <p>(a) Perform a complete review of the asset -and inventory registers to ensure completeness, ownership and accurate valuation, and</p> <p>(b) Develop an action plan for the migration from the CAR Asset register to the LOGIS Asset register within 60 days from the adoption of this resolution.</p>	<p>Asset count is correctly taking place and asset officials are currently verifying missing items. A list of items missing for the 5 consecutive years is currently being compiled for write off. Missing items are also being matched with items under new discoveries which meet the same description to reduce the missing. New missing items will therefore be disclosed accordingly in the financial statement.</p> <p>The department has over 45000 assets. The officials currently working under asset management are only able to conduct day to day activities like recording of new assets, conduct asset verifications to be able to report on monthly counts reports, bar code new assets, replace damaged bar code, respond to day to day asset enquiries from asset holders, attend to asset disposal, etc. Migration to LOGIS is an exercise that require another set of human capacity. This project is anticipated to take 8 to 12 months which would mean that no asset management activities would take place should the department decide to implement this function on our own.</p>	

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			A quotation was therefore requested from a consultant related to the migration of the asset register to LOGIS which amounted to R992 000.00 during 2015 financial year. The department has since put on hold due lack of funds. The function will considered in the year 2016/17	
3/2015 Para 3	<u>Supply Chain management, IT system controls and IT governance</u>	<p>The Portfolio Committee noted with concern that the AGSA reported that the fundamentals of key controls related to Supply Chain Management (SCM), IT system controls and IT governance remained stagnant.</p> <p>The Committee resolved that the Accounting Officer must urgently address the following and report progress to the Portfolio Committee within 60 days from the adoption of this resolution:</p> <p>(a) Funded key positions in IT, SCM, and Internal Audit must be filled;</p>	<p>The Department filled all funded key positions in IT and SCM and advertised those for Internal Audit.</p> <p>For IT: Deputy Director and Director IT were appointed on the 17 September 2015 and the 1st March 2016, respectively.</p> <p>For SCM: Deputy Director Demand and Acquisition was appointed on the 17</p>	

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Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		<p>(b) Competency needs of key officials must be addressed effectively;</p> <p>(c) A monitoring and evaluation system must be developed and implemented to measure compliance with laws and regulations in the key risk areas, and</p> <p>(d) Develop, approve and implement a Standard operating procedure related to Transfer payments.</p>	<p>September 2015. The Department also transferred a relevantly qualified Deputy Director within the department to SCM to do Asset Management.</p> <p>For Internal Audit: The Department is in the process of advertising two positions of Internal Auditors and targeted to be filled by 30 June 2016.</p> <p>The Department conducted Competency assessment for five (5) Senior Managers. Further assessments will be done in 2016/17 financial year</p> <p>Developed and implemented Standard Operating Procedure (SOP) per indicator. The SOP outlines inputs, processes and outputs requirements towards the achievement of the indicator. In 2016/17, not only the achievement against the APP, but inputs, processes and outputs against predetermined objectives will also be monitored.</p> <p>A transfer policy is already in place. The department is in a process to develop a standard operating procedure. Due date end of May 2016</p>	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3/2015 Para 4	<u>Investigations</u>	<p>The Portfolio Committee noted that there are investigations which were not yet finalised at the 2014/15 reporting date.</p> <p>The Committee resolved that the Accounting Officer must report the status and progress within 90 days from adoption of this resolution related to the following investigations:</p> <p>(a) Establishing a dairy project in the Free State in line with the department's Mohoma Mobung Initiative, covering the appointment process of the relevant service provider/implementing agent and all subsequent expenditure relating to the project during the 2012/13 financial year, and</p> <p>(b) Internal review conducted by the department of Agriculture and Rural Development on</p>	<p>No report has as yet received from National Treasury.</p> <p>Notice served for disciplinary hearing on the 16 July 2015 for a suspected theft that forms part of fraud. NEHAWU raised an appeal to MEC on the 28 October 2015 on ruling by the chair on in limine that the hearing should continue;</p>	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
		possible fraud with subsistence and transport claims submitted by staff.		

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department developed an action plan to address all findings raised by the AGSA in the Audit report as well as the management letter. Progress was reported monthly on the action plan by the responsible senior managers. The progress on the audit report was reported monthly to the Provincial Treasury and quarterly on the issues raised in the Management Letter. Progress was also reported to the Audit Committee.

10. INTERNAL CONTROL UNIT

The Department does not have the Internal Control Unit yet.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the internal audit

Internal Audit is a function established in terms of the Treasury Regulations 3.2.2 read with applicable sections of the PFMA, which must assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The overall objective of the Internal Audit Activity is to provide an independent, objective assurance, consulting and appraisal activity, established as a service to management, and designed to add value and improve the operations of the department.

Summary of audit work done

For the period ending 31 March 2016, the Internal Audit Activity, through the execution of its annual plan, managed to evaluate and contribute to the improvement of risk management, controls and governance processes. Its performance has assisted the department to improve the controls which guides the implementation of its programmes and has therefore made a significant contribution towards the achievement of the goals of the department.

Key activities and objectives of the audit committee

The Department's Audit Committee is constituted in terms of Sections 76(4) (d) and 77 of the Public Finance Management Act 1 of 1999 as amended, read in conjunction with paragraphs 3.1 to 3.1.16 of the Treasury Regulations. It must among others, review the following;

- a) the effectiveness of the internal control systems;
- b) the effectiveness of the internal audit function;
- c) the risk areas of the institution's operations to be covered in the scope of internal and external audits;
- d) the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- e) any accounting and auditing concerns identified as a result of internal and external audits
- f) the institution's compliance with legal and regulatory provisions; and
- g) the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations

Its objective is to assist the Accounting Officer in fulfilling his oversight responsibilities of the financial reporting processes, the system of internal controls, the audit process, and the Department processes for monitoring compliance with laws and regulations and the code of conduct

Attendance of audit committee meetings by audit committee members

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

Name	Qualifications	Internal or external	Date appointed	Date Resigned	No. of Meetings attended
Dr K Laubscher	BCom (Hons), M.s, Ph.D	External	27 Sep 2013	-	4
Me T Mnqeta	BComm	External	27 Sep 2013	-	4
Mr S Mthombeni	B.Admin, MBA, MSPA, CPA	External	27 Sep 2013	-	4
Adv. D Block	B.luris, LLB	External	27 Sep 2013	-	4

12. AUDIT COMMITTEE REPORT



agriculture & rural development

Department of
Agriculture and Rural Development
FREE STATE PROVINCE

AUDIT COMMITTEE REPORT

(DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT)

1. Report of the Audit Committee

We are pleased to present our report for financial year ended 31 March 2016.

2. Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and has met at least four (4) times per annum as per the approved audit committee charter. The attendance of the members was as follows:

Members	Dates of Audit Committee Meeting			
	30/07/15	17/08/15	29/10/15	09/03/16
Dr. JM Laubscher	√	√	√	√
Adv. D Block	√	√	√	√
Mr. S Mthombeni	√	√	√	√
Me. T Mnqeta	√	√	√	√

3. Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.

The Audit Committee also reports that it has adopted the Audit Committee Charter as its appropriate formal terms of reference, and has regulated its affairs in compliance with this charter and discharged all its responsibilities as contained therein.

4. The effectiveness of Internal Control.

- 4.1. The management of assets still remains a challenge in the department, and the Audit Committee recognizes the effort of management to improve control over assets. The quarterly Internal Audit reports still reveal that much still need to be done to ensure that controls put in place by management are applied consistently throughout, as a result other strategies need to be devised, that will ensure proper accountability over assets.
- 4.2. The risk monitoring reports presented quarterly to the Audit Committee, indicates average progress by management to address identified risks.
- 4.3. The Audit Committee has evaluated the Annual Financial Statements and has noted that no changes to the accounting policy were made for the financial year which ended 31/03/2016.
- 4.4. Although much of the issues raised by the Auditor-General involving internal controls were responded to, management still need to ensure the elimination of these matters, paying particular attention to those raised repeatedly in previous financial periods.
- 4.5. The Audit Committee is satisfied with the contents and quality of monthly and quarterly reports prepared and issued by the Department of Agriculture and Rural Development in terms of the PFMA and Division of Revision Act. However suggestions have been made in this regard, to further enhance the quality of these reports.
- 4.6. The Audit Committee has recently approved the Combined Assurance Plan, compiled from the risk assessment process and shall monitor its progress through the related reports, to ensure the assurance coverage on the key risk areas affecting the department.

Moreover, the Audit Committee takes note of the efforts of management in improving the effectiveness of the governance processes and is pleased to have noticed that the inputs made were largely implemented.

5. Evaluation of Financial Statements

The Audit Committee has:

- 5.1. Reviewed the draft Annual Financial Statements, and can concur that the Annual Financial Statements were prepared in accordance with the preparation guide and specimen Financial Statements issued by National Treasury and in compliance with all applicable laws and regulations,
- 5.2. Reviewed and discussed the unaudited annual financial statements to be included in the annual report with the Auditor General and the Chief Financial Officer,
- 5.3. Reviewed the Department's compliance with legal and regulatory provisions,
- 5.4. Reviewed the information on the predetermined objectives to be included in the annual report,
- 5.5. Reviewed the quality and timeliness of the financial statements availed to it for oversight purposes during the year such as interim financial statements.
- 5.6. Reviewed the most significant adjustments which resulted from the audit
- 5.7. Reviewed the audit report containing issues raised by the Auditor-General for this financial year.
- 5.8. Also made significant invaluable inputs to the HOD and management

6. Internal Audit

The Audit Committee has approved relevant planning documents for Internal Audit for the 2015/16 financial year, and has received and reviewed the quarterly Internal Audit reports and concludes that, even though issues of capacity is still a challenge in the unit, the Internal Audit Activity has been effective in discharging its responsibilities emanating from the Internal Audit Charter and in terms of its three year strategic and the annual plan. This is despite having reprioritized two audits planned for the financial year under review.

7. Auditor -General South Africa

Lastly, the Audit Committee has reviewed the draft audit report tabled on the 30th July 2016, and accepts the conclusion of the Auditor-General of South Africa on the Annual Financial Statements.

Thank you

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Dr. J M Laubscher

Chairperson of the Audit Committee

Date: 31 May 2016

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The Department has an approved MTEF HR Plan which is about determining the demand for and supply of employees that are critical to achieving strategic objectives, analysing the gap between the demand and supply and developing a plan that seeks to close the gap. The total workforce of the department was 1096 and the vacancy rate was 3.7% at the end of 2015/16 financial year.

The plan entails the overview of the Department; strategic direction of the department; environmental scan; workforce analysis (Supply and Demand); HR gap analysis; priority departmental HR planning Issues; budget analysis; action plan and monitoring and evaluation of the implementation of the action plan.

Key priorities identified in the plan includes amongst other, skills development, filling of posts management of the staff establishment etc. A total of 29 new employees were appointed mainly in the core business of the department such as Extension Services and Veterinary services. Training was provided to 120 staff members during the year under reporting. Bursaries were allocated to 61 staff members to further their studies in both graduate and post graduate qualifications and 50 interns were appointed during the year under reporting.

The department has Recruitment and Selection Policy and Plan as well as the Staff Retention Policy and Plan.

The performance of staff members was conducted on an audited evidence based approach whereby both the audit non-financial performance indicators as well as financial performance indicators were assessed in line with the audit report. The MPAT results were also taken into considerations when performance assessments were made.

The Department of Agriculture and Rural Development is regarded as one of the high-risk sectors in both developing and industrialized countries, and is ranked as one of the three most hazardous industries together with mining and transport.

In order to remedy or minimise the risks in the Department has implemented the various OHS activities such as inspections, training, awareness and has established unit inspection committees to provide reports and referrals where necessary.

HIV and AIDS programmes as well as employee productivity management were also implemented and figures are reflected on tables below under Human Resource chapter.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2015 and 31 March 2016

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	157 878	115 973	1713	1 698	73.5	107
Sustainable Resource Management	30 583	22 465	0	0	73.5	21
Farmer Support and Development	399 179	82 307	641	142	21.0	76
Veterinary Services	54 030	45 047	0	161	83.4	41
Research	47 019	25 998	0	13	55.3	24
Agric Economics	9 784	8 987	0	0	92.0	8
Structured Agricultural Training	17 894	15 037	133	0	84.0	14
Rural Development	25 182	14 599	0	0	58.0	13
Total	741 549	330 413	2 487	2 014	46.0	304

Table 3.1.2 Personnel costs by salary band for the period 1 April 2015 and 31 March 2016

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	9 362	2.8	84	111.5
Skilled (level 3-5)	77 954	23.6	480	162
Highly skilled production (levels 6-8)	112 102	34	345	325
Highly skilled supervision (levels 9-12)	99 424	30.1	157	633
Senior and Top management (levels 13-16)	33 427	10.1	29	1153
Total	332 269	100	1095	304

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2015 and 31 March 2016

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	99 815	86.1	712	0.6	4 945	4.3	6 220	5.4
Sustainable Resource Management	19 561	87.1	0	0	466	2.1	912	4.1
Farmer Support and Development	69 223	84.1	1	0	3 566	4.3	5 620	7
Veterinary Services	38 609	86	13	0.02	1 502	3.3	2 512	6.0
Research	22 543	87	735	2.8	920	3.5	1155	4.0
Agriculture Economics	7 855	87	0	0	173	2.0	290	3.2
Structured Agricultural Training	12 635	84	158	1.1	628	4.2	1016	7.0
Rural Development	12 653	87	0	0	434	3.0	652	4.5
Total	282 895	86	1619	0.5	12634	4.0	18377	6.0

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

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	7 980	85.2	153	1.6	575	6.1	695	7.4
Skilled (level 3-5)	61 330	78.7	1 110	1.4	6 179	7.9	7 844	10.1
Highly skilled production (levels 6-8)	92 104	82.1	191	0.2	4 077	3.6	6 957	6.2
Highly skilled supervision (levels 9-12)	86 377	86.9	97	0.1	1 168	1.2	2 595	2.6
Senior management (level 13-16)	31 273	91.0	0	0	650	1.9	368	1.1
Total	279 064	83.7	1 551	0.5	12 649	3.8	18459	5.5

3.2. Employment and Vacancies

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

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

This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2016

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	420	403	4.0	0
Sustainable Resource Management	49	48	2.0	0
Farmer Support and Development	302	290	4.0	0
Veterinary Services	126	122	3.2	0
Research	94	91	3.2	0
Agric Economics	19	18	5.3	0
Structured Agricultural Training	54	51	5.6	0
Rural Development	35	35	0	0
Total	1099	1058	3.7	0

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2016

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)	54	46	14.2	0
Skilled(3-5)	495	480	3.0	0
Highly skilled production (6-8)	352	345	2.0	0
Highly skilled supervision (9-12)	166	159	4.2	0
Senior management (13-16)	32	28	12.5	0
Total	1099	1058	3.7	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2016

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Engineering Technician	26	26	0	0
Engineer	7	7	0	0
State Veterinarian	12	10	16.7	0
Veterinary Technologist	7	6	14.3	0
TOTAL	52	49	5.8	0

3.3. Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	2	1	50	1	50
Salary Level 14	5	5	100	0	0
Salary Level 13	23	20	87.0	3	13.0
Total	32	28	87.5	4	12.5

Table 3.3.2 SMS post information as on 30 September 2015

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	2	2	100	0	0
Salary Level 14	5	5	100	0	0
Salary Level 13	23	20	86.6	3	13.0
Total	32	29	90.6	3	9.4

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2015 and 31 March 2016

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level 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 within 6 months of becoming vacant but within 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	1	0	0
Salary Level 14	0	0	0
Salary Level 13	3	0	0
Total	4	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2015 and 31 March 2016

Reasons for vacancies not advertised within six months
All vacancies advertised

Reasons for vacancies not filled within twelve months
N/a

Notes

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

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2015 and 31 March 2016

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within six months
None

Notes

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

3.4. Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2015 and 31 March 2016

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	54	0	0	0	0	0	0
Skilled (Levels 3-5)	495	13	2.6	5		0	0
Highly skilled production (Levels 6-8)	352	5	1.4	0	0	0	0
Highly skilled supervision (Levels 9-12)	166	0	0	0	0	0	0
Senior Management Service Band A	23	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	2	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
Total	1099	10	0.9	0	0	0	0

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2015 and 31 March 2016

Gender	African	Asian	Coloured	White	Total
Female	3	0	0	0	3
Male	6	0	0	0	6
Total	9	0	0	0	9
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 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2015 and 31 March 2016

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2015 and 31 March 2016

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0

3.5. Employment Changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2015 and 31 March 2016

Salary band	Number of employees at beginning of period-1 April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	48	2	1	2.1
Skilled (Levels3-5)	516	6	43	8.3
Highly skilled production (Levels 6-8)	347	11	14	4.0
Highly skilled supervision (Levels 9-12)	137	12	11	8.0
Senior Management Service Bands A	20	1	2	10.0
Senior Management Service Bands B	5	1	1	20.0
Senior Management Service Bands C	2	0	1	50.0
Senior Management Service Bands D	2	1	1	5.0
Contracts	56	16	44	78.6
Total	1133	50	118	10.4

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2015 and 31 March 2016

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Engineering Technician	26	0	0	0
Engineer	7	0	0	0
State Veterinarian	12	0	2	16.7
Veterinary Technologist	5	1	0	0
TOTAL	52	1	2	3.8

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

Table 3.5.3 Reasons why staff left the department for the period 1 April 2015 and 31 March 2016

Termination Type	Number	% of Total Resignations
Death	12	10.17
Resignation	18	15.25
Expiry of contract	44	37.29
Dismissal – operational changes	0	0
Dismissal – misconduct	0	0
Dismissal – inefficiency	0	0
Discharged due to ill-health	1	0.85
Retirement	33	27.97
Transfer to other Public Service Departments	10	8.47
Other	0	0
Total	118	100
Total number of employees who left as a % of total employment		10.41

Table 3.5.4 Promotions by critical occupation for the period 1 April 2015 and 31 March 2016

Occupation	Employees 1 April 2015	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
Engineering Technicians	26	0	0	21	80.7
Engineers	7	0	0	4	57.1
Veterinarians	12	0	0	5	41.6
Veterinary Technologists	5	0	0	4	80
TOTAL	52	0	0	34	65.3

Table 3.5.5 Promotions by salary band for the period 1 April 2015 and 31 March 2016

Salary Band	Employees 1 April 2015	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)	52	0	0	35	67.3
Skilled (Levels3-5)	535	0	0	429	80.1
Highly skilled production (Levels 6-8)	362	3	0.8	239	66
Highly skilled supervision (Levels 9-12)	154	4	2.6	123	79.8
Senior Management (Level 13-16)	30	1	3.3	26	86.6
Total	1 113	8	0.7	852	76.5

3.6. Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	0	0	2	7	1	0	1	25
Professionals	87	2	0	27	82	4	0	17	219
Technicians and associate professionals	98	2	0	31	90	5	1	12	239
Clerks	67	1	0	1	121	0	0	15	205
Service and sales workers	73	0	0	0	50	0	0	0	123
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	2	0	0	0	0	0	0	0	2
Plant and machine operators and assemblers	33	1	0	0	2	0	0	0	36
Elementary occupations	109	1	0	1	98	0	0	0	209
Total	483	7	0	62	450	10	1	45	1058
Employees with disabilities	8	0	0	3	3	0	0	1	15

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	0	0	0	0	3
Senior Management	13	0	0	2	8	0	0	1	24
Professionally qualified and experienced specialists and mid-management	52	0	0	41	49	1	0	16	159
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	131	4	0	18	160	5	1	26	345
Semi-skilled and discretionary decision making	266	3	0	1	204	4	0	2	480
Unskilled and defined decision making	18	0	0	0	29	0	0	0	47
Total	483	7	0	62	450	10	1	45	1058

Table 3.6.3 Recruitment for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	0	0	0	0	1	0	0	0	1
Professionally qualified and experienced specialists and mid-management	3	0	0	0	3	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	0	0	1	3	0	0	1	7
Semi-skilled and discretionary decision making	1	0	0	0	3	0	0	0	2
Unskilled and defined decision making	5	0	0	0	4	0	0	0	9
Total	13	0	0	1	14	0	0	1	29
Employees with disabilities	8	0	0	3	3	0	0	1	15

Table 3.6.4 Promotions for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	15	0	0	2	8	0	0	1	26
Professionally qualified and experienced specialists and mid-management	35	0	0	35	38	0	0	15	123
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	114	4	0	5	112	4	0	0	239
Semi-skilled and discretionary decision making	238	2	0	1	186	2	0	0	429
Unskilled and defined decision making	15	0	0	0	20	0	0	0	35
Total	417	6	0	43	364	6	0	16	852
Employees with disabilities	4	1	0	1	3	0	0	0	9

Table 3.6.5 Terminations for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	3	0	0	1	3	0	0	2	9
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	8	0	0	0	4	0	0	1	13
Semi-skilled and discretionary decision making	27	0	0	0	12	1	0	0	40
Unskilled and defined decision making	1	0	0	0	1	0	0	0	1
Total	40	0	0	1	20	1	0	3	64
Employees with Disabilities	4	1	0	1	3	0	0	0	9

Table 3.6.6 Disciplinary action for the period 1 April 2015 to 31 March 2016

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
None finalized									

Table 3.6.7 Skills development for the period 1 April 2015 to 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0
Professionals	46	0	0	4	35	0	0	1	86
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	21	0	0	0	13	0	0	0	34
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	67	0	0	4	48	0	0	1	120
Employees with disabilities	1	0	0	0	0	0	0	0	1

3.7. Signing of Performance Agreements by SMS Members

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

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2015

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	3.4
Salary Level 16	1	1	1	3.4
Salary Level 15	2	2	2	6.8
Salary Level 14	5	5	4	13.8
Salary Level 13	23	20	20	68.9
Total	32	29	28	96.5

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2016

Reasons
The one outstanding Performance Agreement not signed on time was due to an SMS Member being in a serious vehicle accident and was only able to assume duty again in July 2015, where-after the agreement was signed.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2016

Reasons
None, since the SMS Member not complying was hospitalized following a vehicle accident and he submitted immediately upon his return to work.

3.8. Performance Rewards

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

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2015 to 31 March 2016

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	55	484	11.4	560	10 187
Female	54	449	12	537	9 937
Asian					
Male	0	0	0	0	0
Female	0	1	0	0	0
Coloured					
Male	1	7	14.3	12	11 735
Female	1	10	10	6	6 279
White					
Male	7	62	11.3	156	22 337
Female	15	45	33.3	287	19 139
Total	133	1 058	12.6	1 558	11 717

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2015 to 31 March 2016

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)	5	46	10.9	20	4 000	0.21
Skilled (level 3-5)	68	480	14.2	360	5 294	0.50
Highly skilled production (level 6-8)	32	345	8.7	342	11 400	0.30
Highly skilled supervision (level 9-12)	24	159	14.5	544	23 652	0.54
Total	129	1 030	12.5	1 266	9 814	0.42

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2015 to 31 March 2016

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Engineering Technicians	7	26	26.9	102	14 571
Engineers	0	7	0	0	0
Veterinarians	1	10	10	28	28 000
Veterinary Technologists	2	6	33.3	25	12 744
Total	10	49	20.4	155	15 500

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2015 to 31 March 2016

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	4	20	20	291	72 750	46
Band B	0	5	0	0	0	480
Band C	0	1	0	0	0	345
Band D	0	2	0	0	0	159
Total	4	28	14.3	291	72 750	1 030

3.9. Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2015 and 31 March 2016

Salary band	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	1	0.29	1	0.33	0	0
Highly skilled supervision (Lev. 9-12)	6	4.38	5	3.65	1	0.01
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	7	0.31	6	0.56	1	0.09

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2015 and 31 March 2016

Major occupation	01 April 20YY		31 March 20ZZ		Change	
	Number	% of total	Number	% of total	Number	% Change
Veterinarians	4	30.16	4	36.36	0	0
Vet Technician	1	20	1	16.66	0	0
Engineer	1	12.5	1	14.28	0	0

3.10. Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2015 to 31 December 2015

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)	195	89.2	29	4.7	7	85
Skilled (levels 3-5)	1620	88	249	40.1	7	969
Highly skilled production (levels 6-8)	1508	84.2	219	35.3	7	1755
Highly skilled supervision (levels 9 -12)	537	83.4	80	12.7	7	1069
Top and Senior management (levels 13-16)	109	93.6	17	2.7	6	360
Total	3969	86.15	594	31.87	6.68	4238

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2015 to 31 December 2015

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	688	100	31	54.7	22	385
Highly skilled production (Levels 6-8)	464	100	24	40	19	522
Highly skilled supervision (Levels 9-12)	78	100	0	8.3	16	166
Senior management (Levels 13-16)	0	0	5	0	0	0
Total	1230	100	0	100	21	1073

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

Table 3.10.3 Annual Leave for the period 1 January 2015 to 31 December 2015

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	1043	46	23
Skilled Levels 3-5)	12817.92	500	26
Highly skilled production (Levels 6-8)	8011.25	343	23
Highly skilled supervision(Levels 9-12)	3689	150	25
Senior management (Levels 13-16)	644	30	21
Total	26205.17	1069	24.51

Table 3.10.4 Capped leave for the period 1 January 2015 to 31 December 2015

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 20ZZ
Lower skilled (Levels 1-2)	0	0	0	27
Skilled Levels 3-5)	57	19	3	60
Highly skilled production (Levels 6-8)	42	7	6	63
Highly skilled supervision(Levels 9-12)	0	0	0	50
Senior management (Levels 13-16)	0	0	0	70
Total	99	26	8	58

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

Table 3.10.5 Leave payouts for the period 1 April 2015 and 31 March 2016

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay-out for 2015/16 due to non-utilisation of leave for the previous cycle	224767	6	37461
Capped leave pay-outs on termination of service for 2015/16	182141	7	26020
Current leave pay-out on termination of service for 2015/16	310345	19	16333
Total	492489	26	18941

3.11. HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr T. Ndumo – SMS Me. BVC Thithi – Manager
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		Four (4) employees R195 000 for 2015/16 financial year
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.	X		To increase job performance and productivity HIV & Aids Management Programme Health and Productivity Management Programme Health and Safety Management Programme Wellness Management Programme
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.			In the process of re-establishing a new committee, most members have left the department
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			The policies are not due for review as yet, will be reviewed after three years
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.	X		Addressed through Development of the following Employee Health & Wellness Policies: SHERQ Management Policy; HIV&AIDS TB & STI Management Policy & Wellness Management Policy. Key elements : -Equality -Non- discrimination -Non- Mandatory testing -Confidentiality -Treatment Care and Support -Access to Human rights
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the	X		▪ HIV AND aid, TB&STI Policy has been developed,

Question	Yes	No	Details, if yes
results that you have you achieved.			<p>approved and implemented which creates a conducive environment for Voluntary Counselling and Testing for officials.</p> <ul style="list-style-type: none"> ▪ During 2015/16 financial year, 8 HCT campaigns were conducted and 215 officials tested. Stigma related to HIV&AIDS might be associated with the low uptake but Information sessions are conducted to address this.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<p>No. of condoms distributed</p> <ul style="list-style-type: none"> • Males • Female <p>Number of Employees tested for HIV</p> <ul style="list-style-type: none"> • Males • Females <p>Number of Employees Tested HIV Positive</p> <ul style="list-style-type: none"> • Males • Female <p>Number of Employees screened for TB</p> <p>Number of Employees referred for clinical diagnosis</p> <p>Number of workplace sexual harassment cases reported and resolved</p> <p>Number of Employees screened for Non- Communicable Diseases:</p> <ul style="list-style-type: none"> • High Blood Pressure • Diabetes • Obesity • Cholesterol • Mental Illness (Stress) <p>Number of Employees Referred for further management</p> <ul style="list-style-type: none"> • High BP • Diabetes <p>Number of Employees currently enrolled in Disease Management programme for Non-Communicable Diseases</p> <p>Percentage of employees who retired due to ill-health by the end of financial year (31 March)</p> <p>SHERQ Management:</p>

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Question	Yes	No	Details, if yes
			<p>Number of work related injuries reported (IOD)</p> <p>Number of fatal work related injuries which occurred</p> <p>Number of Health and Safety Committees meetings held</p> <p>Percentage of departmental service points audited for OHS compliance</p> <p>Wellness Management:</p> <p>Number of Employees reached with Health Promotion messages</p> <p>Number of educational sessions held</p> <p>Number of employees and dependants assessed for psychosocial stressors and referred for wellness intervention</p> <p>Percentage of employees who received Garnishee Orders during the past 12 month.</p>

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2015 and 31 March 2016

Subject matter	Date
Total number of Collective agreements	None

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2015 and 31 March 2016

Outcomes of disciplinary hearings	Number
Total number of Disciplinary hearings finalised	None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2015 and 31 March 2016

Type of misconduct	Number
Total	None

Table 3.12.4 Grievances logged for the period 1 April 2015 and 31 March 2016

Grievances	Number	% of Total
Number of grievances resolved	10	
Number of grievances not resolved	3	
Total number of grievances lodged	13	

Table 3.12.5 Disputes logged with Councils for the period 1 April 2015 and 31 March 2016

Disputes	Number	% of Total
Number of disputes upheld	2	50
Number of disputes dismissed	2	50 *
Total number of disputes lodged	7 *	

* Represents % of finalised total.

** Six disputes at Arbitration Level in Councils; one directly to Labour Court

Table 3.12.6 Strike actions for the period 1 April 2015 and 31 March 2016

Total number of persons working days lost	None
Total costs working days lost	N/A
Amount recovered as a result of no work no pay (R'000)	N/A

Table 3.12.7 Precautionary suspensions for the period 1 April 2015 and 31 March 2016

Number of people suspended	None
Number of people who's suspension exceeded 30 days	N/A
Average number of days suspended	N/A
Cost of suspension(R'000)	N/A

3.13. Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2015 and 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 20YY	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	11	0	0	0	0
	Male	16	0	0	0	0
Professionals	Female	103	0	48	17	65
	Male	116	0	71	10	81
Technicians and associate professionals	Female	108	0	0	0	0
	Male	131	0	0	0	0
Clerks	Female	162	0	1	3	4
	Male	94	0	0	4	4
Service and sales workers	Female	50	0	0	0	0
	Male	73	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Plant and machine operators and assemblers	Female	2	0	0	0	0
	Male	34	0	0	0	0
Elementary occupations	Female	100	12	0	0	12
	Male	111	12	0	0	12
Sub Total	Female	536	12	48	20	81
	Male	577	12	71	13	97
Total		1 113	24	119	33	178

Table 3.13.2 Training provided for the period 1 April 2015 and 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	11	0	0	0	0
	Male	16	0	0	0	0
Professionals	Female	103	0	36	26	62
	Male	116	0	50	16	66
Technicians and associate professionals	Female	108	0	0	0	0
	Male	131	0	0	0	0
Clerks	Female	162	0	13	0	13
	Male	94	0	21	0	21
Service and sales workers	Female	50	0	0	0	0
	Male	73	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	2	0	0	0	0
Plant and machine operators and assemblers	Female	2	0	0	0	0
	Male	34	0	0	0	0
Elementary occupations	Female	100	12	0	0	12
	Male	111	12	0	0	12
Sub Total	Female	536	12	49	26	87
	Male	577	12	71	16	99
Total		1 113	24	120	42	186

3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2015 and 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	3	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	3	100

3.15. Utilisation of Consultants

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

- (a) The rendering of expert advice;
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2015 and 31 March 2016

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

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

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

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2015 and 31 March 2016

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

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

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2015 and 31 March 2016

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

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2015 and 31 March 2016

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

PART E: FINANCIAL INFORMATION

1. REPORT OF THE AUDITOR GENERAL

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

2. ANNUAL FINANCIAL STATEMENTS

Insert the department's word version of the audited annual financial statements.

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