

OVG 2022/23 ANNUAL REPORT

PRESENTATION TO THE PORTFOLIO COMMITTEE ON AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

14 NOVEMBER 2023



OFFICE OF THE
VALUER-GENERAL



OVG PERFORMANCE RATING SCALE

Target achieved	100%
Target not achieved	0%-99%



SUB-PROGRAMMES



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SUB-PROGRAMME: ADMINISTRATION

Purpose: To provide governance services for optimal operational performance of the OVG



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SUB-PROGRAMME: ADMINISTRATION

Performance indicator: Corruption and fraud prevention mechanisms implemented

INDICATORS	ANNUAL TARGET AS PER APP	ANNUAL ACHIEVEMENT	VARIANCE
<i>Corruption and fraud prevention mechanisms implemented</i>	<i>Corruption and fraud prevention mechanisms implemented</i>	<i>Corruption and fraud prevention mechanisms implemented</i>	-



SUB-PROGRAMME: VALUATIONS

Purpose: To determine credible values in line with the PVA

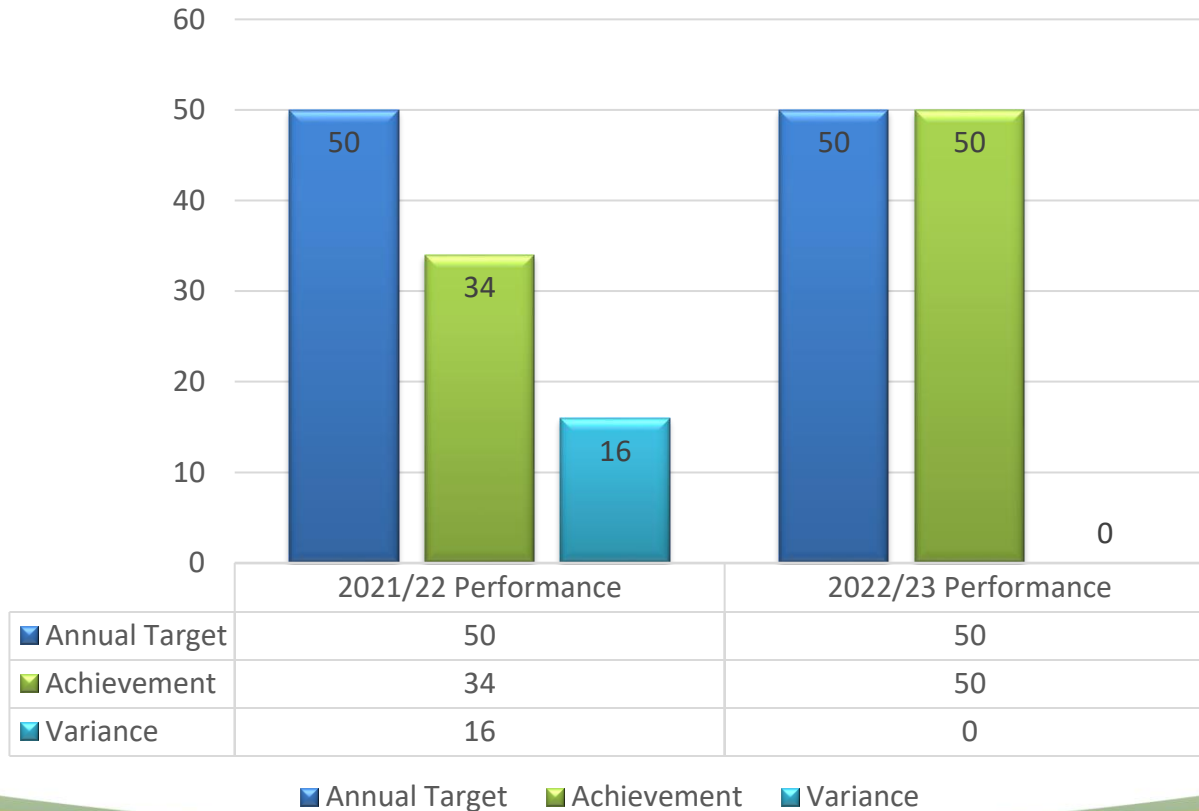


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SUB-PROGRAMME: VALUATIONS

Performance indicator: Number of average working days taken to issue out a valuation certificate

Annual Target: 50 Days

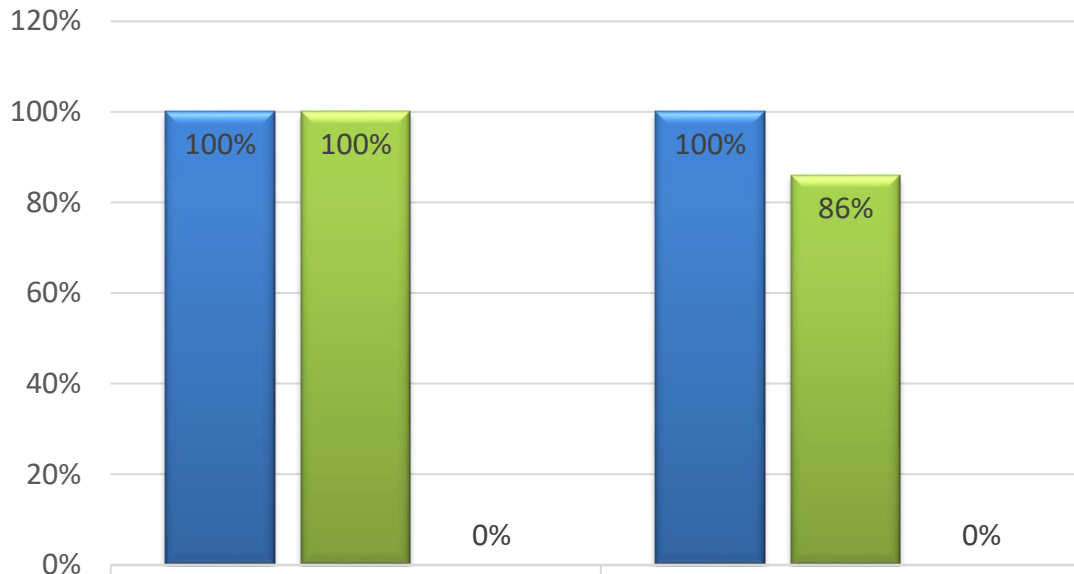


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SUB-PROGRAMME: VALUATIONS

Performance indicator: % completion of valuation requests submitted by clients within the specified times

Annual Target: 100%



	2021/22 Performance	2022/23 Performance
Annual Target	100%	100%
Achievement	100%	86%
Variance	0%	0%

■ Annual Target ■ Achievement ■ Variance



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SUB-PROGRAMME: VALUATIONS

Planned intervention

The OVG has initiated an organization design and development project which is analysing the current operating model, organization structure, valuations capacity. This project will advise the VG and Minister on the optimal operating model and required valuations capacity in the OVG in order to ensure that the OVG is able to meet its performance targets. The deliverables for this project are planned to be achieved by 31 October 2023. The OVG has also initiated a process for the review of PVA Regulations which will address some issues that negatively impacted the speed at which valuations are completed. The review of regulations is planned to be completed by the 31 October 2023.

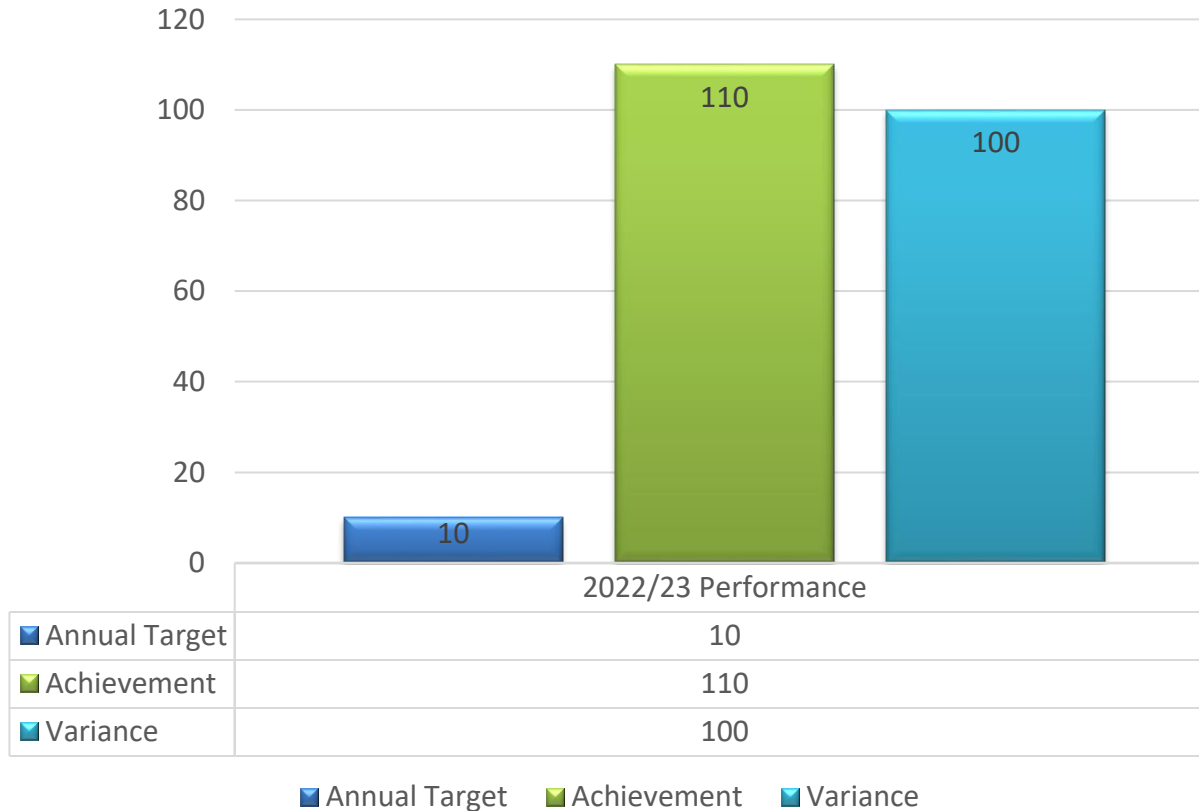
The DALRRD EXCO has mandated the CRLR, LRTR Branches and the OVG to analyse the extend and reasons for offer and compensation rejections and advise EXCO on the findings of the analysis including recommendations that can be implemented in mitigating the extend of rejections. The report on rejections analysis is planned to be concluded by 19 June 2023 for submission to DALRRD EXCO.



SUB-PROGRAMME: VALUATIONS

Performance indicator: Average number of working days taken to resolve queries after issuing the final valuation certificate

Annual Target: 10 Days



SUB-PROGRAMME: VALUATIONS

Comment

There were only 2 valuations which were received for this indicator. Both valuations took longer to resolve as they required the OVG to amend the values determined in a final valuation certificate.

The OVG had to request a legal opinion on the amendment of the values determined in a final valuations certificate. The initial legal opinion advised that the OVG cannot amend the values once a final certificate has been issued. Eventually the matter was resolved by another legal opinion which suggested that the OVG may amend the values determined in a final valuation certificate only where there are reasonable grounds to so.

The valuers did review the valuations certificates and submitted feedback and final certificates to the client. This matter has been concluded.



SUB-PROGRAMME: VALUATIONS

Performance indicator: Enhanced Data Management Capability

INDICATORS		ANNUAL TARGET AS PER APP	ANNUAL ACHIEVEMENT	VARIANCE
<i>Enhanced Data Capability</i>	<i>Management</i>	<i>Enhanced Data Management Capability</i>	<i>Not Achieved</i>	<i>No enhanced Data Management Capability</i>



SUB-PROGRAMME: VALUATIONS

Planned intervention

The achievement of this indicator primarily depended on the appointment of a suitable service provider to assist with the design project of the Enterprise Architecture Plan.

As at 31 March 2023 the procurement phase was at an advanced stage of finalization.



SUB-PROGRAMME: OPERATIONS

Purpose: To ensure the efficient and effective functioning of the Office of the Valuer-General



OFFICE OF THE
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SUB-PROGRAMME: OPERATIONS

Performance indicator: PVA MAP work supported by the OVG

Annual Target: PVA MAP work supported by the OVG

INDICATORS	ANNUAL TARGET AS PER APP	ANNUAL ACHIEVEMENT	VARIANCE
<i>PVA MAP work supported by the OVG</i>	<i>PVA MAP work supported by the OVG</i>	<i>Not Achieved</i>	<i>PVA MAP work supported by the OVG – Not Achieved</i>



SUB-PROGRAMME: VALUATIONS

Planned intervention

The PVA report recommendations are not yet approved by the Minister due to unforeseen delays in finalising and submitting the report to the Minister for her consideration and approval.

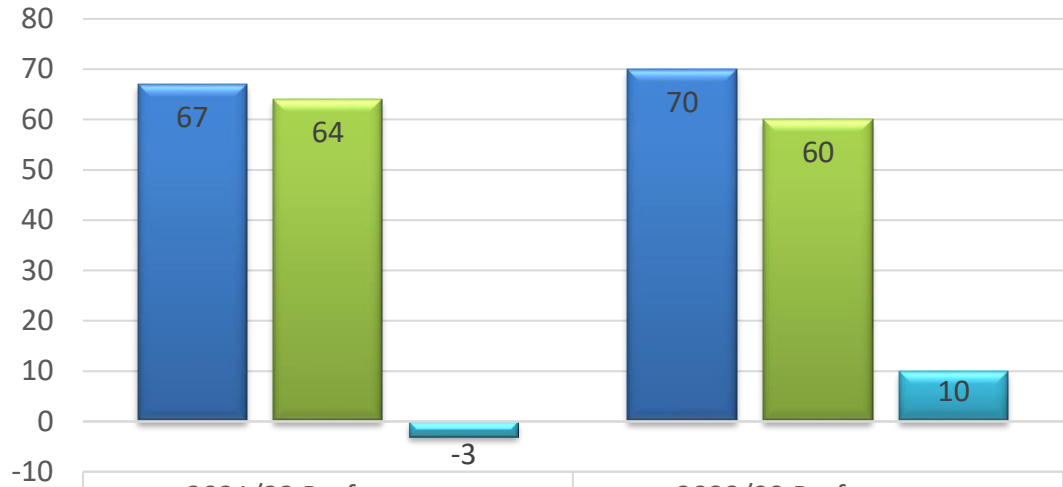
The Final PVA MAP report was submitted to DG: DALRRD (MAP Chairperson) on the 26 April 2023. Upon approval of the report an implementation plan will be drafted and submitted for approval.



SUB-PROGRAMME: OPERATIONS

Performance indicator: Number (#) of Funded Posts Filled in Line with the Approved Interim Structure

Annual Target: 70 Posts



	2021/22 Performance	2022/23 Performance
Annual Target	67	70
Achievement	64	60
Variance	-3	10

■ Annual Target ■ Achievement ■ Variance



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SUB-PROGRAMME: VALUATIONS

Planned intervention

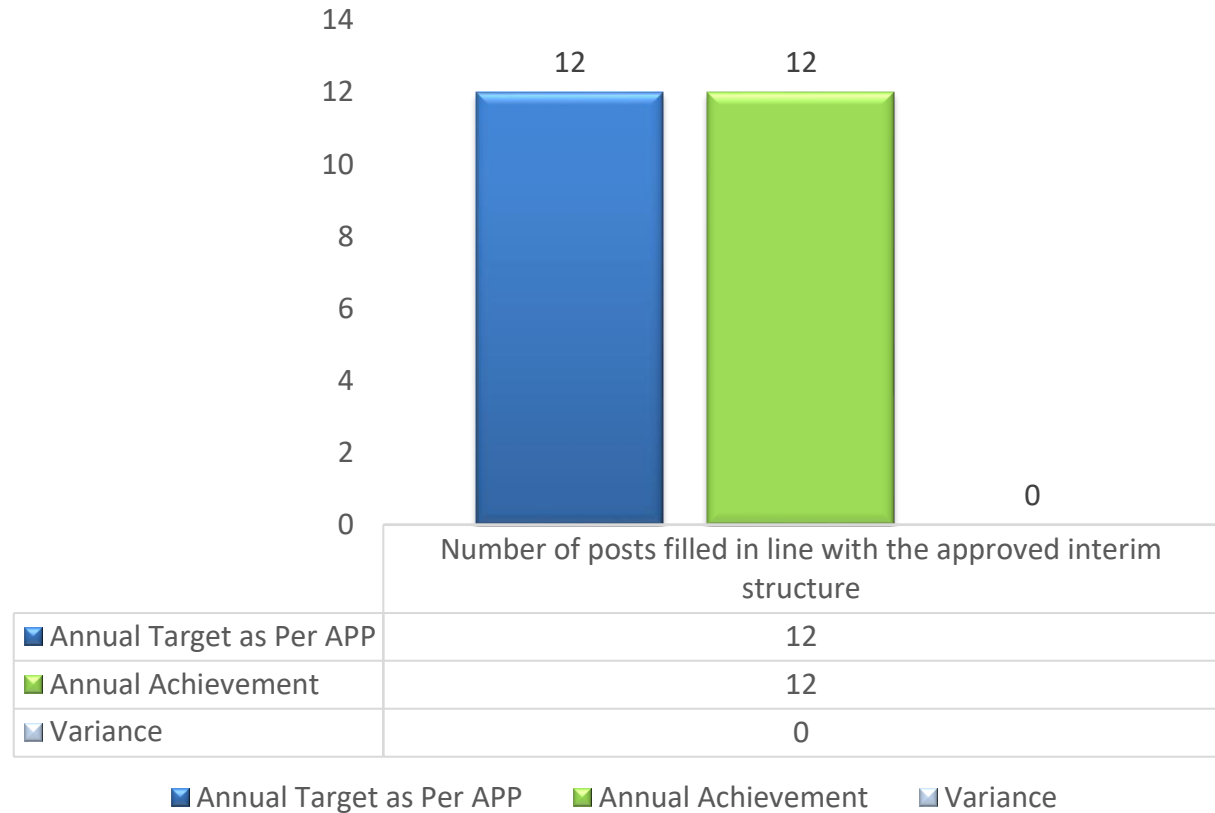
The OVG has initiated an organization design and development project which is analysing the current operating model, organization structure, valuations capacity. This project will advise the VG and Minister on the optimal operating model and required valuations capacity in the OVG in order to ensure that the OVG is able to meet its performance targets. The deliverables for this project are planned to be achieved by 31 October 2023.



SUB-PROGRAMME: OPERATIONS

Performance indicator: Number (#) of Valuation Performance Reports

Annual Target: 12 Reports



SUB-PROGRAMME: OPERATIONS

Performance indicator: Unqualified Audit Opinion

Annual Target: Unqualified Audit Opinion

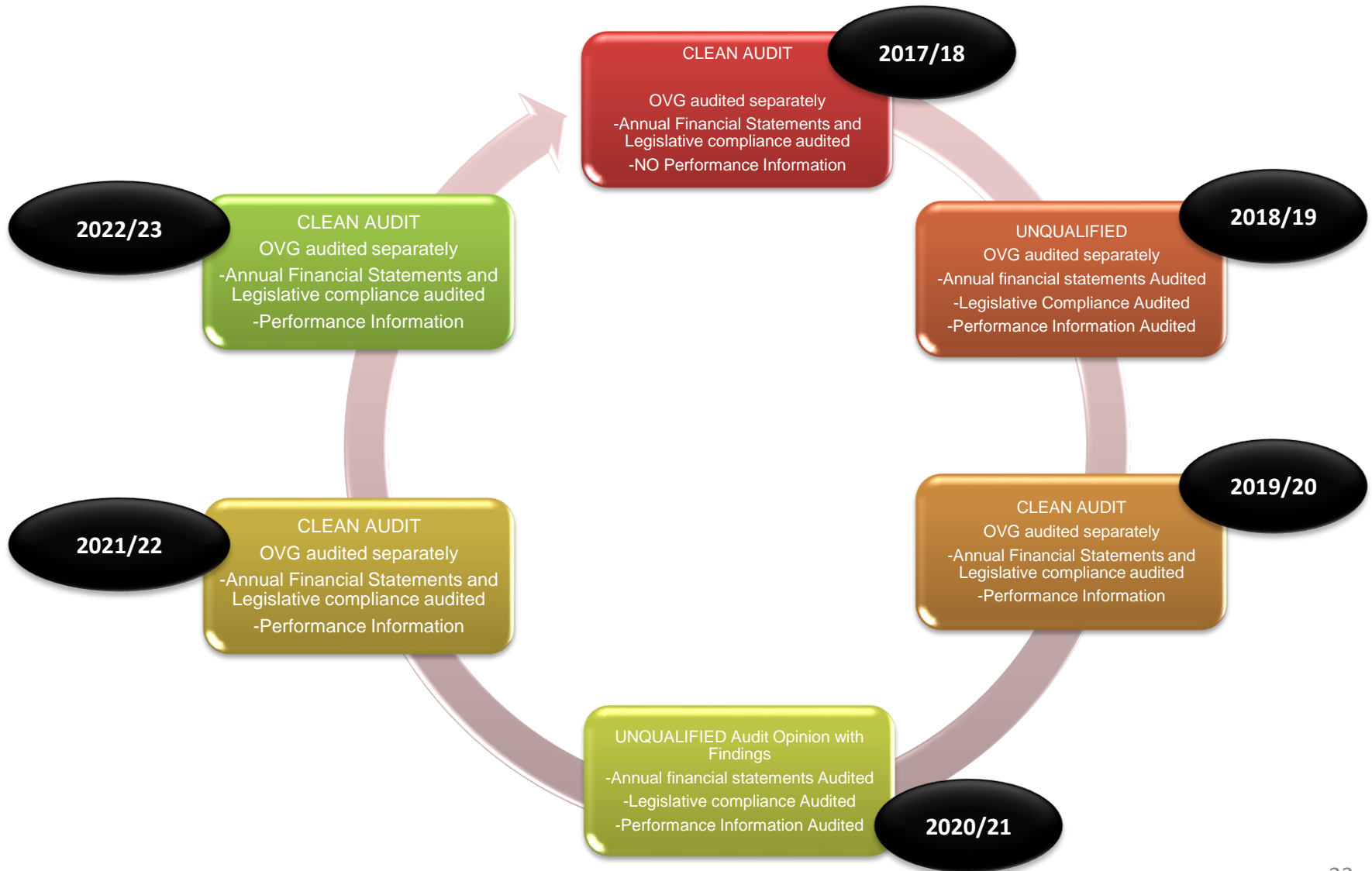
INDICATORS	ANNUAL TARGET AS PER APP	ANNUAL ACHIEVEMENT	VARIANCE
<i>Unqualified Audit Opinion</i>	<i>Unqualified Audit Opinion</i>	<i>Unqualified Audit Opinion</i>	-



FINANCIAL REPORT

AUDITOR GENERAL : AUDIT OUTCOME

TIMELINE



FINANCIAL PERFORMANCE

R	Annual Transfer Fund Allocation	2022/23 Actuals	% Movement
Transfer Allocation from Department 2020/21	107 172 000	107 172 000	
Other income		1 686 000	
Total	107 172 000	132 088 000	
Compensation of Employee	58 574 000	45 405 000	76%
Goods and Services	48 597 000	37 447 000	77%
Total operational expenditure	107 172 000	82 852 000	77%
Total Surplus/ (Deficit) from Operating Activities		26 006 000	

- The OVG realised Total Revenue of **R107.2 million** in the current year. The allocation decreased from R131.8 million in the 2021/22 financial year. The decrease is attributable to the reprioritisation budgets by the department.
- Expenditure amounted to **R82.9 million** in the 2022/23 financial year. The expenditure reflects a 21% increase from **R68.4 million** in 2021/22 financial year.

Management Report

- For the 2022/23 financial year:
 - a) Irregular Expenditure – Processes are underway to investigate this transactions.

RE YA LEBOHA



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