

DEPARTMENT OF TOURISM OF THE REPUBLIC OF SOUTH AFRICA

Annual Report 2015/16



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



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Drakensberg, KwaZulu-Natal province:
Flowers on the mountain in the Injasuthi Nature Reserve.
Photo: Mary Alexander, MediaClubSouthAfrica.com

PART A:

GENERAL INFORMATION

1. GENERAL INFORMATION OF DEPARTMENT

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2. LIST OF ACRONYMS AND ABBREVIATIONS

ACSA	Airports Company South Africa
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	broad-based black economic empowerment
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority
DPSA	Department of Public Service and Administration
DHA	Department of Home Affairs
EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
Fedhasa	Federated Hospitality Association of Southern Africa
FOSAD	Forum of South African Directors-General
FTE	full-time equivalent
GDP	Gross Domestic Product
GTAC	Government Technical Advisory Centre

HR	Human Resources
HRD	Human Resource Development
ICCA	International Congress and Convention Association
ICTSP	Information Communication Technology Strategic Plan
KPI	Key Performance Indicator
KSIA	King Shaka International Airport
NCOP	National Council of Provinces
NDP	National Development Plan
NGP	New Growth Path
NT	National Treasury
NTCE	National Tourism Careers Expo
NTIG	National Tourism Information Gateway
NTSS	National Tourism Sector Strategy
NVIF	National Visitors Information Framework
ORTIA	OR Tambo International Airport
PFMA	Public Finance Management Act



PGDS	Provincial Growth and Development Strategy
RETOSA	Regional Tourism Organisation of Southern Africa
RMC	Risk Management Committee
SADC	Southern African Development Community
SAT	South African Tourism
SATSA	Southern Africa Tourism Services Association
SDM	Service Delivery Model
SMMEs	small, medium and micro-sized enterprises
SMS	Senior Management Service
SP	Strategic Plan
SRI	Social Responsibility Implementation (Programme)
STR	State of Tourism Report
TBCSA	Tourism Business Council of South Africa

TDDS	Total Domestic Direct Spend
TEP	Tourism Enterprise Partnership
TIP	Tourism Incentive Programme
TKP	Tourism Knowledge Portal
TREP	Tourism Resources Efficiency Programme
TTFDS	Tourists' Total Foreign Direct Spend
UA	Universal Access
UNWTO	United Nations World Tourism Organization
WSP	Workplace Skills Plan
WTTC	World Travel and Tourism Council

3. FOREWORD BY THE MINISTER OF TOURISM

International tourist arrivals surged by 18,7% in the last quarter of 2015/16 compared to the previous year.



Derek Hanekom, MP
Minister of Tourism

Tourism policy and strategy has to keep pace with rapidly changing national and global economic conditions for the sector to remain a key driver of economic growth and development.

Tourism is back on a healthy growth path following an overall decline of 6,8% in arrivals in 2015 compared to 2014. International tourist arrivals surged by 18,7% in the last quarter of 2015/16 compared to the previous year. The sector is poised for growth in international arrivals, and domestic tourism is being developed through a variety of initiatives to make our country more accessible to all our people, providing more employment and opportunities for small business.

The Department of Tourism's initiatives during the past year have had a significant positive impact on the livelihoods of many South Africans. The amended tourism B-BBEE sector code was gazetted to address imbalanced ownership patterns and create more

opportunities for emerging black-owned businesses as well as more jobs. An enterprise and supplier development portal was also created to enhance partnerships between small black-owned and large tourism enterprises.

Draft regulations on tourist guiding were published for public comment in the Government Gazette. The improved regulatory environment, combined with increased training of guides, is set to improve the quality of guiding and to further enhance the visitor experience.

The Department's skills development and destination enhancement programmes continue to improve tourists' experience and to enhance the competitiveness of our tourism offering.

Tourism is a multi-faceted sector. Its development and growth depends on collaboration between the national, provincial and local levels of government, partnerships with trade and industry, and the support of host communities across South Africa. We are constantly putting our effort to improve interdepartmental collaboration, coordination across provinces and keeping engaged with industry.

I appreciate and value all stakeholders' contributions to the ongoing success of tourism in our country. I thank Deputy Minister Tokozile Xasa, Director-General Victor Tharage and his staff, and the board and staff of South African Tourism for their efforts and diligence over the past year.

I look forward to continue working closely with all stakeholders to translate the expected growth in tourism into more jobs and business opportunities, and to have a positive impact on our sustainable development goals.

A handwritten signature in black ink, appearing to read 'D Hanekom', written over a horizontal line.

Derek Hanekom, MP
Minister of Tourism



4. STATEMENT BY THE DEPUTY MINISTER OF TOURISM

Entrepreneurship is important in creating jobs and facilitating transformation. A dedicated programme was thus established to drive enterprise development, and our SMME development programme has been launched.



Ms Tokozile Xasa, MP
Deputy Minister of Tourism

Tourism is people-driven, and the Department of Tourism aimed to create an environment for sustainable employment and economic inclusive growth. Economic development is not possible without people development. This Annual Report 2015/16 reflects great strides in growing the capacity in this industry.

To give expression to the National Development Plan, our focus is on inclusive economic growth and job creation. The Department, together with its sector partners, has also made transformation an imperative.

The Women in Tourism Forum, which is aimed at addressing the economic inequalities and challenges faced by women in the sector, is growing. A Women in Tourism chapter was launched in the Western Cape and constituting provincial chapters is encouraged. We hosted the Women in Tourism Conference in November 2015. Partnerships were formed

in 2015 with a focus on women in the tourism sector, which include Travel Massive, a global initiative to connect people in the travel industry; independent experts in women empowerment across the industry; the South African Chefs Association with a view to developing female chefs, and Tshwane Tourism.

To further increase economic inclusivity in the tourism sector, the Department launched the Executive Development Programme for black women tourism managers in March 2016. Twenty black women are enrolled in the programme this year through a partnership with the UNISA Graduate School of Business Leadership. The programme is aimed at increasing the percentage of female managers with the required profile to progress to executive management positions in the tourism sector.

Our capacity-building programmes have yielded success. Altogether 582 candidates were selected for the chefs training programme, of whom 470 graduated. A total of 65% achieved distinctions and received merit awards. The wine appreciation training project ended in October 2015. Of the 270 learners who enrolled for the programme in Gauteng and the Western Cape, 245 graduated.

Tourism Buddies is an experiential hospitality training programme targeting unemployed youth, helping them to acquire skills and gain work experience to enhance their employability in the hospitality and tourism sector. The budget for the programme is R140 million. Since its inception, this programme has produced 2 654 graduates.

In the field of food safety, a pilot project trained 100 unemployed hospitality and tourism graduates from technical and vocational education and training institutions in this scientific discipline, with a 55% absorption rate into the labour market.

A vital aspect of hospitality is service excellence, as this has a significant effect on the visitor return rate. Our service excellence programme is becoming increasingly popular among the provinces and institutions, as it equips tourist attractions with skilled staff to render high-quality services to tourists.

The National Tourism Careers Expo 2015/16 was successfully hosted in the Free State Province. A total of 7 384 learners and 461 educators attended the event and acquired insight into tourism careers.

Finally, transformation is about inclusivity and removing barriers. Prior to the birth of our democracy, tourist activities were not enjoyed by all South Africans. The Department of Tourism, in collaboration with the other spheres of government and related government agencies, is developing an inventory of all government-owned parks and resorts, where discounted rates will be offered to designated groups. This social tourism initiative not only aims to boost domestic traveller numbers, but more importantly, to build a culture of travel.

A sincere thank you goes to all our partners in trade, government and civil society for their invaluable contribution to transforming this industry, and making it the vibrant, dynamic sector it is today.



Tokozile Xasa, MP
DEPUTY MINISTER OF TOURISM



5. REPORT BY THE ACCOUNTING OFFICER

The number of tourist arrivals to South Africa continue to grow every year, and its projected to increase from 9,1 million in 2016/17 to 10,2 million in 2018/19.



Nkhumeleni Victor Tharage
Accounting Officer

Policy mandate of the Department are as follows:

- The National Development Plan (NDP) is the 2030 vision for the country. It envisions rising employment, productivity and income as a way to ensure a long-term solution to achieve a reduction in inequality, an improvement in living standards, and a dignified livelihood for all South Africans. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The New Growth Path (NGP) includes tourism as one of the six pillars of economic growth.
- The National Tourism Sector Strategy (NTSS) provides a blueprint for the tourism sector in the pursuit of growth targets contained in the NGP.

Tourism contributes to considerable economic growth, services exports and social development. Tourism's direct contribution to gross domestic product (GDP) was R111,6 billion in 2014, or approximately 2,9% of total GDP, while its direct contribution to employment was 680 817 job opportunities, or 4,5% of total employment. The number of tourist arrivals to South Africa continue to grow every year, and the number of tourist arrivals is projected to increase from 9,1 million in 2016/17 to 10,2 million in 2018/19.

The identification of tourism as a key driver of inclusive economic growth, demands of us in NDT and industry to redouble our efforts, and deploy our resources appropriately in order to galvanise and realize the full potential of the sector in the development of our society.

5.1 Overview of the operations of the Department

The **Tourism Act, 2014 (Act 3 of 2014)** aims to promote the practise of responsible tourism for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors; provide for the effective domestic and international marketing of South Africa as a tourist destination; promote quality tourism products and services; promote growth in and development of the tourism sector, and enhance cooperation and coordination between all spheres of government in developing and managing tourism.

The act is informed by the White Paper on the Development and Promotion of Tourism, 1996.

5.2 Overview of the financial results of the Department

Programme	Adjustment appropriation	Virement	Final appropriation	Expenditure	Over/ (under) expenditure	Virement
	R'000	R'000	R'000	R'000	R'000	%
Administration	233 656	(6 278)	227 378	224 811	(2 567)	-2,69
Policy and Knowledge Services	1 206 214	(515)	1 205 699	1 195 525	(10 174)	-0,04
International Tourism	47 308	3 192	50 500	49 928	(572)	6,75
Domestic Tourism	307 000	3 601	310 601	307 130	(3 471)	1,17
Total	1 794 178	-	1 794 178	1 777 394	(16 784)	-

Virement

The Accounting Officer approved the virement in accordance with section 43 of the Public Finance Management Act (PFMA), 1999. The Accounting Officer approved a saving under a main division of a vote, which may be utilised on the condition that it does not exceed 8% of the amount appropriated under that division.

The virement from programme 1, Administration, was 2,69%, and 0,04% from programme 2, Policy and Knowledge Services. An amount of R3,192 million was shifted to programme 3, International Tourism mainly for compensation of employees and the funding of events at the Tourism Indaba. An amount of R3,601 million was shifted to programme 4, Domestic Tourism, again mainly for compensation of employees, and for the creation of a new transfer payment to the Southern Africa Tourism Services Association (SATSA).

Underspending

The Department spent 99,1% of its total budget for the 2015/16 financial year. All four programmes spent 99% of their respective budgets. The underspending in programme 2, Policy and Knowledge Services, amounted to R10,174 million. This was mainly due to the fact that applications received for tourism grading support, as a function of the Tourism Incentive Programme, were fewer than anticipated.

Roll-overs

No roll-over request was submitted to National Treasury.

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

The Department had no unauthorised expenditure. With regard to fruitless and wasteful expenditure, the majority related to travel expenditure (revised bookings and no-shows), which are reported as fruitless and wasteful pending an investigation. Once investigated, the expenditure will be accepted as valid or transferred to the departmental debt account for recovery.

5.4 Future plans of the Department

The Department has embarked on a process of reviewing its structure and strategy, which will culminate in a re-alignment of the organisational structure. Assistance was sourced from the Department of Public Service and Administration (DPSA) to guide the development of a Service Delivery Model (SDM).

The purpose of the SDM is to describe the operations of the Department. It is being developed to assist and support management in determining the most suitable operating model in order to meet mandated and overall service delivery expectations. It will further enhance existing management processes.

5.5 Public-private partnerships

The Department has no public-private partnerships registered with National Treasury.

5.6 Discontinued activities/activities to be discontinued

The Department has no discontinued activities, or activities to be discontinued.

5.7 New or proposed activities

The Department has no new or proposed activities.

5.8 Supply chain management

The Department received no unsolicited bids in the 2015/16 financial year. In order to avoid any irregular expenditure relating to supply chain management, the Department has established bid specification, evaluation and adjudication committees to manage bidding administration. These respective committees have been capacitated to deal with their assigned functions.

5.9 Gifts and donations received in kind from non-related parties

The European Union donated R120 million via National Treasury for the development of the Golden Gate Highlands National Park interpretation centre over a three-year period.

5.10 Exemptions and deviations received from National Treasury

In accordance with Treasury Regulation 6.3.1(a) and (b), National Treasury's approval was obtained to increase the budget for compensation of employees by R3,008 million, and to create new transfer payments to both the N12 Treasure Route (R300 000) and SATSA (R725 000). National Treasury also granted approval for an internal transfer of R110 000 between the United Nations World Tourism Organization (UNWTO) and the Regional Tourism Organisation of Southern Africa (RETOSA).

In addition, National Treasury approved the reclassification of R55 million of the Tourism Incentive Programme allocation from "goods and services" to "transfer payments".

5.11 Events after the reporting date

In light of the changes in the accounting policy for infrastructure projects, the Department reviewed the status of all projects, including those that were ceded from the then Department of Environmental Affairs and Tourism. All projects completed, terminated and/or deemed infeasible have now been formally removed from the Department's project management system. The Department now has a total of 97 active contracts relating to infrastructure projects, including community lodges, cultural villages, hiking trails, interpretation centres, and visitor information centres amongst others.

The Department will be working with the Government Technical Advisory Centre (GTAC) to review their effectiveness, draw lessons to improve their developmental impact and finalise these projects effectively and efficiently. We will continue to improve our project management capacity and systems, including strengthening our risk management efforts and enhance our capacity to monitor, evaluate and oversee the implementation of these projects.

5.12 Other

Forensic auditing of ten Social Responsibility Implementation (SRI) projects has been concluded. The findings include that funds were disbursed contrary to business plans; that project implementers appointed by the Department misused funds; that expenditure on project material and equipment was possibly misrepresented; that project implementers and officials of the Department failed to comply with the pertinent conditions of the memorandum of agreement, as well as that project implementers and provincial project managers (i.e. departmental officials managing projects in various provinces) failed to report accurately or at all on the progress of projects.

The following corrective actions have been instituted:

5.12.1 Institution of criminal proceedings

The Department referred all findings that disclose potential contravention of the law by the implementers and officials of the Department to the South African Police Service for further investigation and possible action. Cases have been opened in this regard.

In terms of the PFMA, the Accounting Officer must advise the Executive Authority, relevant treasury and the Auditor-General of any criminal charges it has laid against any person in terms of section 86 of the act. Accordingly, these matters have been brought to the attention of both the Executive Authority and the Auditor-General.

5.12.2 Institution of disciplinary proceedings

In accordance with the PFMA as it relates to allegations of financial misconduct, the Department ensured that investigations were conducted. Where allegations were confirmed, disciplinary hearings were held and recommended sanctions carried out.

5.12.3 Reporting

The Department acted in accordance with the Treasury Regulations, namely that the Accounting Officer must:

- as soon as the disciplinary proceedings are completed, report to the Executive Authority, the DPSA and the Public Service Commission on the outcome of such proceedings;
- ensure that the matter has been brought to the departmental Audit Committee's attention; and
- report the matter to Parliament.

There could be possible fruitless expenditure, depending on the outcome of the criminal cases, this will also be brought to the attention of National Treasury upon conclusion of the current legal processes.

The Executive Authority, National Treasury, DPSA and the Public Service Commission will be informed of the outcome of the criminal proceedings instituted against the alleged perpetrators for financial misconduct in terms of section 86 of the PFMA.

5.13 Acknowledgements or appreciation

I greatly appreciate the sterling work and commitment shown by our management and staff towards ensuring that our mandate is realised. As dedicated public servants, they continue to stretch their capacity to support our government's efforts to deliver even more. We are also grateful for the leadership and support of our Minister and Deputy Minister. In addition, we would like to extend our appreciation to the chairpersons of our Portfolio and Select Committees as well as all members of both committees for their continued support for our work.

5.14 Conclusion

The successful delivery of our targets and plans as set out in Annual Report 2015/16, which includes the annual financial statements, performance information and human resource information, depended on all staff, management and senior management throughout the branches of the Department.

5.15 Approval and sign-off

The annual financial statements set out on pages 115 to 193 have been approved by the Accounting Officer.



Mr Nkhumeleni Victor Tharage

Accounting Officer

Department of Tourism

Date: 31 May 2016

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

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

All information and amounts disclosed throughout Annual Report 2015/16 are consistent.

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

The report has been prepared in accordance with National Treasury's guidelines on annual reports.

The annual financial statements (part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by 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 of the integrity and reliability of the performance information, the human resource information and the annual financial statements.

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

In my opinion, Annual Report 2015/16 fairly reflects the operations, performance information, human resource information and financial affairs of the Department for the financial year ended 31 March 2016.



Mr Nkhumeleni Victor Tharage

Accounting Officer
Department of Tourism
Date: 31 May 2016

7. STRATEGIC OVERVIEW

7.1 Vision

Leading sustainable tourism development for inclusive economic growth in South Africa.

7.2 Mission

To grow an inclusive and sustainable tourism economy through:

- good corporate and cooperative governance;
- strategic partnerships and collaboration;
- innovation and knowledge management; and
- effective stakeholder communication.

7.3 Values

7.3.1 Performance values

- **Innovative:** Leveraging of resources and partnerships to optimise delivery to our stakeholders, and being responsive to change.
- **Ethical (good corporate governance):** Encapsulating the principles of integrity, transparency and accountability.
- **Customer focus:** Providing services and solutions in a manner that is efficient, effective and responsive.

7.3.2 Organisational values

- **Empowerment:** Create an environment conducive to growth and development for our people.
- **Integrity:** Act with integrity by maintaining the highest standards for accountability, serving with respect, honesty and trustworthiness.
- **Recognition:** Be an organisation that values its own people by ensuring fairness of systems and processes, being supportive as well as recognising and rewarding performance.

8. LEGISLATIVE AND OTHER MANDATES

8.1 Constitutional mandate

Part A of schedule 4 to the Constitution of the Republic of South Africa, 1996, lists tourism as a functional area of concurrent national and provincial legislative competence.

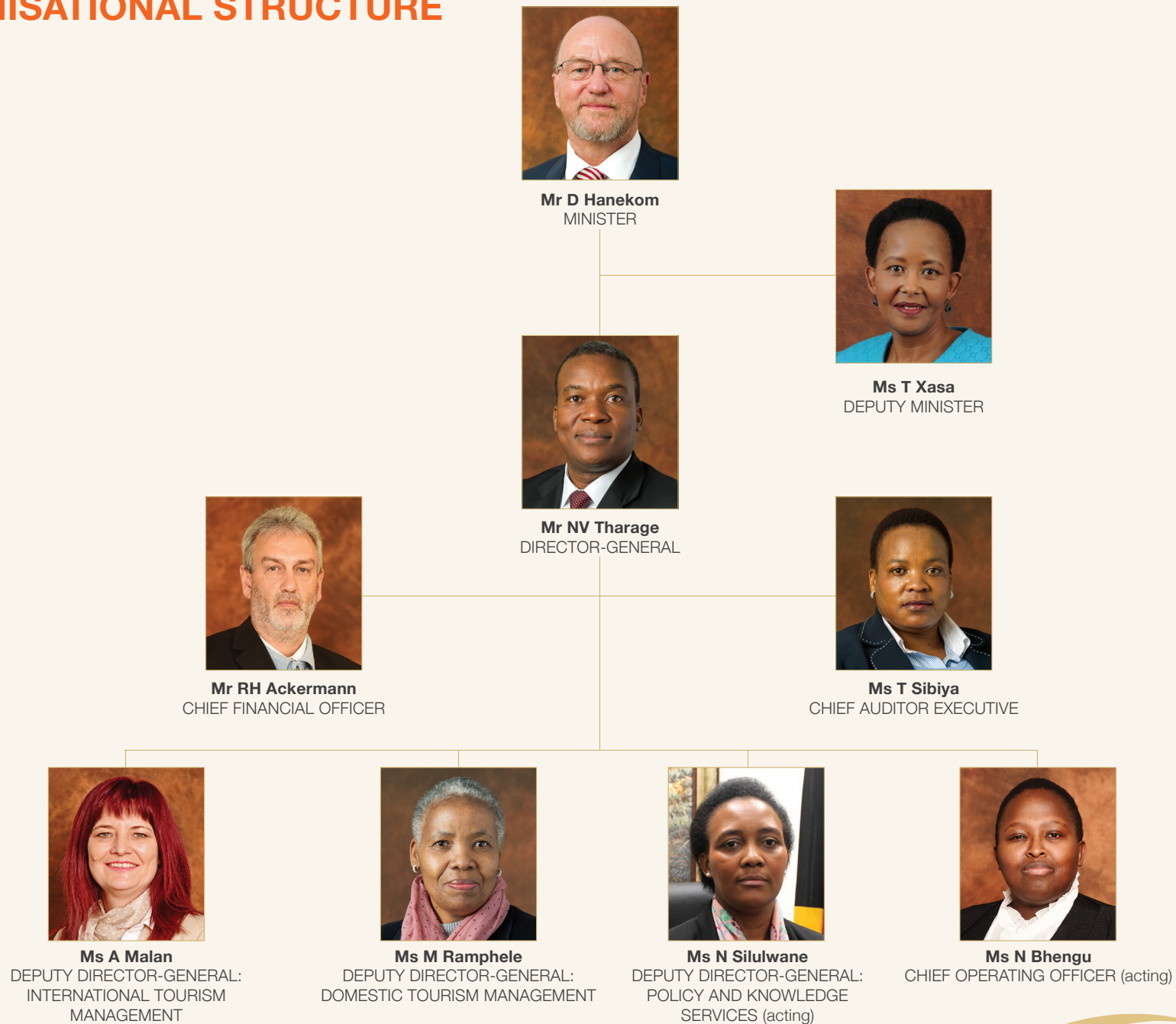
8.2 Legislative mandate

The **Tourism Act, 2014 (Act 3 of 2014)** aims to promote the practise of responsible tourism for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors; provide for the effective domestic and international marketing of South Africa as a tourist destination; promote quality tourism products and services; promote growth in and development of the tourism sector; and enhance cooperation and coordination between all spheres of government in developing and managing tourism.

8.3 Policy mandate

- NDP is the 2030 vision for the country. It envisions rising employment, productivity and incomes as a way to ensure a long-term solution to achieve a reduction in inequality, an improvement in living standards and ensuring a dignified existence for all South Africans. The NDP recognises tourism as one of the main drivers of employment and economic growth.
- The National Growth Path (NGP) includes tourism as one of the six pillars of economic growth.
- NTSS provides a blueprint for the tourism sector in the pursuit of growth targets contained in the NGP.
- The White Paper on the Development and Promotion of Tourism in South Africa, 1996, provides a framework and guidelines for tourism development and promotion in South Africa.

9. ORGANISATIONAL STRUCTURE



10. ENTITY REPORTING TO THE MINISTER

The table below indicates the single entity that reports to the Minister:

Name of entity	Legislative mandate	Financial relationship	Nature of operations
<i>South African Tourism (SAT)</i>	<ul style="list-style-type: none"> • Market South Africa as a domestic and international tourist destination. • Market South African products and facilities internationally and domestically. • Develop and implement a marketing strategy for tourism that promotes the objectives of the Act and the NTSS. • Establish a National Conventions Bureau with the approval of the Minister, to market South Africa as a business tourism destination by: <ul style="list-style-type: none"> o coordinating bidding for international conventions; and o liaising with other organs of state and suitable bodies to promote South Africa as a business events destination. • Implement and manage the national grading system for tourism. 	<i>Transfer payment</i>	<ul style="list-style-type: none"> • Marketing South Africa as a tourist destination internationally and domestically. • Market South African tourism products and facilities internationally and domestically. • Providing quality assurance for tourism products. • Marketing South Africa as a meetings destination, and providing support for bids to host business events and meetings.



PART B:

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa conducts certain audits on the performance information. The audit conclusion on the Department's performance against predetermined objectives is included in the report to management, with material findings being reported under the heading "Predetermined objectives".

Refer to page 112 of the Auditor-General's report published as part E, "Financial information".

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service delivery environment

Due to the complex and systemic nature of tourism, the general service delivery environment within which the Department functions is vulnerable to many factors that strongly affect the sector. These are mostly external factors over which the Department has little or no control. These factors include weather, social events such as terrorism and diseases, and economic events such as exchange rate fluctuations. All of these heavily influence potential tourists' destination choices. Technological factors, such as the rise of the internet and all other major strides made in digital technology, have also changed how tourists access information, plan and book their trips.¹

This environment continues to reflect a robust industry with significant potential for growth. However, growth may be limited, mainly by factors relating to access, which may include travel distance, the number and availability of transport modes such as flights, as well as visa regulations. Furthermore, the shortage of the required skills as well as limitations in support for small, medium and micro-sized enterprises (SMMEs) at various points of entry along the tourism value chain may also limit potential for tourism growth, which may directly or indirectly impinge upon transformation.²

While the external tourism environment is improving internationally, it also tends to include more and more destinations. According to Euromonitor,³ the notable trends in this regard include digitisation; changing demographics in the markets; more safety concerns such as violent crime, terrorism and disease, and an increased interest in family trips as well as natural, cultural and adventure tourism. In the context of the Southern African region, tourism is negatively affected by a lack of effective regional strategies and their implementation. This is in spite of the fact that tourism from the Southern African Development Community (SADC) accounts for a significant percentage of arrivals to South Africa. Tourists from the SADC region prefer South Africa for shopping, lifestyle, events, medical and educational activities. International tourists from outside the continent, however, spend more than SADC or domestic tourists in South Africa. The country's domestic tourism growth is also largely hampered by factors such as a lack of disposable income as well as a shortage of appropriate tourism products for lower-income families and potential domestic tourists.⁴

The policy choices and strategies of other government departments and entities can and do affect the outcomes that the National Department of Tourism seeks to achieve, in different ways. It is the systemic impact of these policies and strategies on the performance of the tourism sector that has necessitated collaboration and cooperation on matters of mutual interest.

¹ South African Tourism Environmental Scan. 2015. Pretoria: Blueprint Holdings, p.7.

² South African Tourism Environmental Scan. 2015. Pretoria: Blueprint Holdings, p.7.

³ Euromonitor. 2015. <http://www.portal.euromonitor.com/portal/analysis/tab>

⁴ Euromonitor. 2015. <http://www.portal.euromonitor.com/portal/analysis/tab>

The UNWTO⁵ reports that globally there is a notable trend towards the improvement of destination accessibility by means of more convenient visa arrangements. The year 2014 saw a reduction in the percentage of the global population required to obtain a visa before departure, having dropped from 77% of the world's population in 2008 to 62% in 2014. A total of 50 destinations have implemented improved visa facilitation by changing their policies from "Visa required" to either "E-visa", "Visa on arrival" or "No visa required", with 56% opting for visas on arrival. These global developments present an opportunity to SA to draw lessons from the experiences of these countries on the ease of travel facilitation particularly as pertains to immigration related aspects. The department continues to work with Department of Home Affairs (DHA) in the implementation of cabinet decision with respect to implementation of immigration regulations.

These regulations had negative unintended consequences on the tourism environment and resulted in government appointing an inter-ministerial committee to look at ways of minimising the negative impact on tourism and other affected areas. Among others, the committee made several recommendations on how to deal with security concerns as well as the unintended consequences of the immigration regulations on various sectors, including tourism.

The implementation of the recommendations of the Inter-ministerial committee (IMC) on the Immigration Regulations, as endorsed by Cabinet, has resulted, for example, in the implementation of an Accredited Tourism Company (ATC) program in China. The latter has contributed in the increase in tourist arrivals recorded from China during 2016. The Immigration Advisory Board is giving priority to the recommendations that require an amendment to the current Regulations in order for them to be implemented.

⁵ 20 World Tourism Organisation, 2014.

2.2 Service delivery improvement plan

The Department has compiled a Service Delivery Improvement Plan. The tables below highlight the key features of this plan, along with the achievements to date.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
1. Tourist guide appeals	Tourist-guiding sector	<p>Appeals are effectively dealt with as they are lodged. This process is determined by the Tourism Act, 2014.</p> <p>A recording system to capture appeals received and processed is in place.</p> <p>Clear procedures for staff to handle appeals.</p> <p>Measure the effectiveness of the services delivered during the appeal and identify areas for improvement.</p> <p>Tourist guides will be consulted on the service improvement plan in relation to handling appeals.</p> <p>Consultations will be held during the Regulations review process, where tourist guides will be consulted on, amongst other areas, the appeals procedures.</p>	<p>Appeals are effectively dealt with as they are lodged. This process is determined by the Tourism Act, 2014.</p> <p>A recording system to capture the appeals received and processed will be maintained.</p> <p>Tourist guides will be consulted on the service improvement plan in relation to handling appeals.</p>	<p>An appeal was received in March 2015 and was processed in the course of the 2015/16 financial year. The appeal was dealt with in line with the Tourism Act, 2014.</p> <p>The appeal documents were recorded and filed both electronically and manually. The procedures were guided by the Regulations in respect of Tourist Guides, 2001.</p> <p>Neither a recording system nor clear appeals-handling procedures for staff has been developed. This was due to the development of new draft regulations for tourist guiding, which are currently being finalised. Once finalised, clear operational procedures will be developed to inform staff on the processes to follow when handling appeals.</p> <p>The processes are informed by the Regulations in respect of Tourist Guides, 2001.</p> <p>Consultations were held with tourist guides during the 2015/16 financial year regarding the framework on the Draft Regulations, which included the process of lodging appeals.</p>

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>Information regarding the procedures for lodging appeals will be published and manually distributed to tourist guides.</p> <p>The National Registrar's contact details, as well as the role of the National Registrar in dealing with appeals, are to be published in guiding publications.</p> <p>The recourse for appellants who experience poor service is as follows:</p> <p>A written apology.</p> <p>Action taken to change the behaviour of the official(s) who may have provided poor service.</p> <p>Dealing with appeals effectively and efficiently will minimise the reputational risk to the Department and the tourism sector.</p> <p>The outcome of an appeal could set a precedent for the handling of similar appeals in the future.</p>	<p>Information regarding the procedures for lodging appeals will be published and manually distributed to tourist guides.</p> <p>The National Registrar's contact details, as well as the role of the National Registrar in dealing with appeals, are to be published in guiding publication.</p> <p>The recourse for appellants who experience poor service will be as follows:</p> <p>A written apology.</p> <p>Action taken to change the behaviour of the official(s) who may have provided poor service.</p> <p>Dealing with appeals effectively and efficiently will minimise the reputational risk to the Department and the tourism sector.</p>	<p>Pamphlets outlining the registration processes and requirements, including references for lodging complaints and appeals, were printed in the 2015/16 financial year. These pamphlets were distributed to key stakeholders during the year.</p> <p>Receipt of the notice of appeal was acknowledged within 24 hours.</p> <p>Continuous updates were provided to the appellant.</p> <p>The appeals process was clearly communicated to the appellant.</p> <p>The contact details of the National Registrar were included in the pamphlets mentioned above, and are also available online on the Department's website.</p> <p>There were no complaints received from the appellant in this regard.</p>



Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
2. National Tourism Information Gateways (NTIGs)	Public and tourists	<p>One NTIG maintained (OR Tambo International Airport (ORTIA)). One NTIG developed (King Shaka International Airport (KSIA)).</p> <p>The tourist information on the database is continuously updated.</p> <p>All the information disseminated is verified with sources for correctness and accuracy. Capacity-building for NTIG staff on national tourism products and key attractions, as well as other relevant skills, is critical to offer exceptional service.</p> <p>Visitor satisfaction questionnaire was introduced (as a pilot) to collect and analyse visitor satisfaction feedback information.</p>	<p>The desired service standard for NTIGs is to deliver a standardised and excellent service in all NTIGs. There are proposals to acquire more advanced methods of capturing visitor statistics, including the use of electronic devices that would be installed at these gateways. This will enable a more accurate analysis to determine whether the desired targets for each fiscal year are being achieved.</p> <p>The tourist information on the database will be continuously updated. Verification for correctness and accuracy of all the information to be disseminated will be done. Capacity-building for NTIG staff on national tourism products and key attractions as well as other relevant skills will be facilitated.</p> <p>Visitor satisfaction questionnaire to be rolled out to collect and analyse visitor satisfaction feedback and a report to be drafted quarterly. Strategic interventions to be identified to resolve issues raised in the visitor feedback questionnaire. The process of reviewing the questionnaire for long-term implementation is underway in consultation with Gauteng Tourism Authority and will be finalised for implementation in 2016/17 financial year. A suggestion box will be introduced to measure and monitor visitor satisfaction.</p>	<p>ORTIA and KSIA NTIGs are both operational, with the KSIA having commenced operations in March 2016. Currently, the visitor statistics are captured manually and reported monthly to monitor trends.</p> <p>The tourist information database is updated on an ongoing basis. Information is provided through face-to-face interaction, brochures and on the national tourism database; www.southafrica.net. Capacity-building on service excellence and tourism products and offerings particularly on World Heritage sites was conducted for NTIG officials (senior information officers).</p> <p>Visitor satisfaction questionnaire was introduced as a pilot in the fourth quarter of 2015/16 financial year. After this pilot, a review of the questionnaire was considered in consultation with the Research Directorate.</p> <p>No measure complaints were received from the visitor feedback.</p>

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>Visitors are offered face-to-face access to information by interacting with the NTIG staff from 6am to 10pm. Beyond 10pm, visitors have access to information through a touchscreen.</p> <p>The introduced pilot questionnaire has been designed to afford the visitors opportunity to submit their complaints.</p> <p>Our service promise, which is the service charter, based on the Principles of Batho Pele, is available at the NTIG desks.</p> <p>Current platforms to disseminate information include brochures/ booklets, touchscreens, national tourism database, and face-to-face interaction with Information Officers.</p> <p>Acknowledgement of receipt of complaints and the intent to resolve them occurs within 30 working hours if these complaints fall within the Department's area of responsibility. The final outcome is communicated within 30 working days.</p> <p>The NTIG desks aim to: Improve access to information; reduce visitor dissatisfaction; increase number of return visitors to the information desk; and increase the visitor compliments.</p>	<p>Visitors will continue to have access to face-to-face information provisioning with the NTIG staff from 6am to 10pm, and after 10pm through additional touchscreen devices.</p> <p>Safety installation and maintenance of the technological infrastructure will be prioritised in partnership with other stakeholders.</p> <p>Access to some of the tourist information will be packaged and presented in mobile applications to meet the expectations of technologically savvy visitors.</p> <p>In future, the process of dealing with and managing complaints, as drafted by the Complaints Officer of the Department will be adopted. All the complaints guidelines will be followed as stipulated.</p> <p>Sharing of the service promise (the service charter based on the principles of Batho Pele), will be published on the Tourism Knowledge Portal so that it can be easily accessed by the visitors.</p> <p>Platforms to disseminate information will continue to include brochures/booklets, touchscreens, national tourism database, face-to-face interaction with Information Officers as well as mobile applications.</p>	<p>Access to tourist information has been maintained throughout the financial year. Challenges experienced included the connectivity of the touchscreen, which ended up not functioning. However, this problem is being addressed with the redesign of the desk, which now includes more security measures to avoid unauthorised access to the desk.</p> <p>To date, the desk has not received tourist complaints relating to the service offered by the NTIG officials, as well as their limitations.</p> <p>Our service promise, informed by the Principles of Batho Pele was drafted in the current financial year.</p> <p>The information provisioning through the current platforms is ongoing at the two NTIG desks.</p> <p>This function has been delegated to the Complaints Officer who is appointed according to the Tourism Act 3 of 2014.</p> <p>The pilot visitor feedback questionnaire was introduced at ORTIA NTIG. The collection of visitor statistics that include the type of information requested as well as visitor numbers is ongoing. The Tourism Knowledge Portal and national tourism database with tourist information are functional and are accessed by visitors. Monitoring of usage of these systems is done on monthly basis.</p>



Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>On average, two information officers attend to about 5 000 visitors per month, and this translates to 168 visitors every 16 hours (from 6am to 10pm)</p> <p>One information officer attends to about 84 visitors per eight-hour shift; either between 6am to 2pm or 2pm to 10pm.</p>	<p>Acknowledgement of receipt of complaints and the intent to resolve them will occur within 24 working hours if these complaints fall within the Department's area of responsibility. The final outcome will be communicated within 20 working days.</p> <p>Information on procedures for lodging complaints will be made available via the departmental website.</p> <p>The NTIGs will continue to offer improved access to information by providing information through enhanced platforms such as online databases and mobile applications. Reduction in visitor dissatisfaction will be monitored through feedback mechanisms. Increase in number of return visitors to the information desk will be aimed by meeting the information needs and expectation of the visitors. Increase in visitor compliments will be monitored through feedback mechanisms.</p> <p>On average, two information officers will attend to about 5 500 visitors per month, and will translate to 184 visitors every 16 hours (from 6am to 10pm) One information officer will attend to about 92 visitors per eight-hour shift, either between 6am to 2pm or 2pm to 10pm.</p>	<p>According to statistics, two information officers attend to about 5 500 visitors per month, and this translates to 184 visitors every 16 hours (from 6am to 10pm)</p> <p>One information officer attends to about 92 visitors per eight-hour shift, either between 6am to 2pm or 2pm to 10pm.</p>

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
3. Management of tourist complaints	Tourists	<p>Acknowledge receipt of a tourist complaint within 24 hours.</p> <p>Refer tourist complaint to the relevant authority within four days of receiving complete information.</p> <p>Development of the regulations to give effect to the Tourism Act, 2014, in terms of the management and handling of tourist complaints.</p> <p>Engagement with stakeholders and role players in the management of tourist complaints.</p> <p>Publish the e-mail, telephone and fax details and procedure for referring tourist complaints in the Government Gazette.</p> <p>Provide the tourist with weekly written feedback on the status of the complaint.</p>	<p>Acknowledge receipt of a tourist complaint within 24 hours.</p> <p>Refer tourist complaint to the relevant authority within three days of receiving complete information.</p> <p>Development of the regulations to give effect to the Tourism Act, 2014, in terms of the management and handling of tourist complaints.</p> <p>Engagement with stakeholders and role players in the management of tourist complaints.</p> <p>Publish the e-mail, telephone and fax details and procedure for referring tourist complaints in the Government Gazette.</p> <p>Provide the tourist with weekly written feedback on the status of the complaint.</p>	<p>The Tourism Complaints Officer received a total number of 34 tourists' complaints in the 2015/16 financial year. Complaints are received via the dedicated email address created specifically for tourism complaints and through email addresses of officials of the Department and of the Ministry.</p> <p>A notification to acknowledge receipt of a complaints was sent to the complainant within 24 hours of receiving a complaint. The Tourism Complaints Officer facilitated a successful amicable resolution of 15 out of the 34 complaints received. 11 complaints were referred to the relevant authorities for handling. In this regards, complainant are advised accordingly and the relevant authority takes responsibility to update the complainant on the status of their complaints.</p> <p>Out of the 34 complaints, a total of 26 complaints have been closed. As at the end of the 2015/16 financial year. 8 complaints are being handled by the Tourism Complaints Officer for resolution between the complainant and the tourism business.</p>



Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>Development and publication of the regulations on the manner and procedure for lodging complaints with the tourism complaints officer.</p> <p>Tourists receive weekly telephonic and written updates on the status of the complaint until it is resolved.</p> <p>Provide feedback to the tourist on the outcome of the complaint within three days of the final determination by the relevant authority.</p> <p>Effective and efficient management of tourist complaints will enhance the tourism industry/sector.</p>	<p>Development and publication of the regulations on the manner and procedure for lodging complaints with the tourism complaints officer.</p> <p>Tourists receive weekly telephonic and written updates on the status of the complaint until it is resolved.</p> <p>Provide feedback to the tourist on the outcome of the complaint within two days of the final determination by the relevant authority.</p> <p>Effective and efficient management of tourist complaints will enhance the tourism industry/sector.</p>	

Batho Pele arrangements with beneficiaries (consultation, access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<p>1. Tourist guide appeals</p> <p>Tourist guides will be consulted on the Service Delivery Improvement Plan in relation to the handling of appeals. Consultations will be held during the regulations review process, where tourist guides will be consulted on, among other areas, the appeals procedures.</p> <p>Information regarding the procedures for lodging appeals will be published and manually distributed to tourist guides.</p>	<p>Tourist guides will be consulted on the Service Delivery Improvement Plan in relation to the handling of appeals.</p> <p>Information regarding the procedures for lodging appeals will be published and manually distributed to tourist guides.</p>	<p>Consultations were held with tourist guides during the 2015/16 financial year regarding the framework on the draft regulations, which included the process of lodging appeals.</p> <p>Pamphlets outlining the registration processes and requirements, including references for lodging complaints and appeals, were printed in the 2015/16 financial year. These pamphlets were distributed to key stakeholders during the year.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
<p>2. National tourism information gateways</p> <p>Visitor satisfaction questionnaire was introduced (as a pilot) to collect and analyse visitor satisfaction feedback information.</p> <p>Visitors are offered face-to-face access to information by interacting with the NTIG staff from 6am to 10pm. Beyond 10pm, visitors have access to information through a touchscreen.</p>	<p>Visitor satisfaction questionnaire to be rolled out to collect and analyse visitor satisfaction feedback and a report to be drafted quarterly. Strategic interventions to be identified to resolve issues raised in the visitor feedback questionnaire.</p> <p>The process of reviewing the questionnaire for long-term implementation is underway in consultation with Gauteng Tourism Authority and will be finalised for implementation in 2016/17 financial year.</p> <p>A suggestion box will be introduced to measure and monitor visitor satisfaction.</p> <p>Visitors are offered face-to-face access to information by interacting with the NTIG staff from 6am to 10pm. Beyond 10pm, visitors have access to information through a touchscreen.</p>	<p>Visitor satisfaction questionnaire was introduced as a pilot in the fourth quarter of 2015/16 financial year.</p> <p>After this pilot, a review of the questionnaire was considered in consultation with the Research Directorate.</p> <p>No complaints were received from the visitor feedback, except one incident where a Brazilian visitor visited the ORTIA NTIG desk to report their frustration with the late arrival of their shuttle, and the matter was addressed.</p> <p>Access to tourist information has been maintained throughout the financial year. Challenges experienced included the connectivity of the touchscreen, which ended up not functioning. However, this problem is being addressed with the redesign of the desk, which now includes more security measures to avoid unauthorised access to the desk.</p>

Current/actual arrangements	Desired arrangements	Actual achievements
3. Management of tourist complaints Engagement with stakeholders and role players in the management of tourist complaints. Publish the e-mail, telephone and fax details and procedure for referring tourist complaints in the Government Gazette.	Engagement with stakeholders and role players in the management of tourist complaints. Publish the e-mail, telephone and fax details and procedure for referring tourist complaints in the Government Gazette.	This function has been delegated to Legal Services and will be addressed by a newly established unit, which will specifically look into the handling of tourist complaints. The unit will provide guidelines on the processes to be followed. This function has been delegated to Legal Services and will be addressed by a newly established unit, which will specifically look into the handling of tourist complaints. The unit will provide guidelines on the processes to be followed.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
1. Tourist guide appeals The National Registrar's contact details, as well as role in dealing with appeals, are to be published in guiding publications.	The National Registrar's contact details, as well as role in dealing with appeals, are to be published in guiding publications.	The contact details of the National Registrar were included in the abovementioned pamphlets that were produced, and are also available on the Department's website.
2. National tourism information gateways Current platforms to disseminate information include brochures/booklets, touchscreens, national tourism database and face-to-face interaction with Information Officers.	Platforms to disseminate information will continue to include brochures/booklets, touchscreens, national tourism database, face-to-face interaction with Information Officers, as well as mobile applications.	The information provisioning through the current platforms is ongoing at the two NTIG desks.
3. Management of tourist complaints Tourists receive weekly telephonic and written updates on the status of the complaint until it is resolved.	Tourists receive weekly telephonic and written updates on the status of the complaint until it is resolved.	No complaints relating to tourism services have been received to date.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p>1. Tourist guide appeals</p> <p>Tourist guide appeals.</p> <p>Appeals to be acknowledged promptly.</p> <p>Official(s) dealing with the appeal to act in a professional manner at all times.</p> <p>The appellant to be kept informed of the set timelines for resolving the complaint.</p> <p>Information submitted by the appellant to be kept confidential.</p> <p>The recourse for appellants who experience poor service is as follows:</p> <p>A written apology.</p> <p>Action taken to change the behaviour of the official(s) who may have provided poor service.</p>	<p>Appeals to be acknowledged promptly.</p> <p>The recourse for appellants who experience poor service is as follows:</p> <p>A written apology.</p> <p>Action taken to change the behaviour of the official(s) who may have provided poor service.</p>	<p>Receipt of the notice of appeal was acknowledged within 24 hours.</p> <p>Continuous updates were provided to the appellant.</p> <p>There were no complaints received from the appellant in this regard.</p>
<p>2. National tourism information gateways</p> <p>Acknowledgement of receipt of complaints and the intent to resolve them occurs within 30 working hours if these complaints fall within the Department's area of responsibility. The final outcome is communicated within 30 working days.</p>	<p>Acknowledgement of receipt of complaints and the intent to resolve them will occur within 24 working hours if these complaints fall within the Department's area of responsibility. The final outcome will be communicated within 20 working days.</p>	<p>To date, the desk has not received tourist complaints relating to the service offered.</p> <p>This function has been delegated to the Complaints Officer who is appointed according to the Tourism Act 3 of 2014.</p>

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
3. Management of tourist complaints Tourist provided with weekly written feedback on the status of the complaint. Provide feedback to the tourist on the outcome of the complaint within five days of the final determination by the relevant authority.	Tourist provided with weekly written feedback on the status of the complaint. Provide feedback to the tourist on the outcome of the complaint within five days of the final determination by the relevant authority.	No complaints relating to tourism services have been received to date. No complaints relating to tourism services have been received to date.

2.3 Organisational environment

Some of the changes that affected the Department were the new electoral and legislative mandate, the appointment of the new Accounting Officer, as well as the recommendation flowing from the review of South African Tourism. These necessitated a review of the Department's strategic direction to determine how best to deliver on its mandate to stimulate transformation of the tourism sector and contribute to the creation of inclusive economic growth and job creation. This will require a reconfiguration of the departmental structure in the near future. The Department may need to embark on a change journey in order to identify and address the internal, organisational and cultural issues that limit its ability to effectively deliver on its mandate.

2.4 Key policy developments and legislative changes

Tourism operates within a dynamic and fast-changing environment. For the sector to remain agile, the Department had to commence with a review of the National Tourism Sector Strategy (NTSS). The objectives of the review were to consider changes in the external environment that required a shift in strategy to remain relevant; to give effect to the overarching national strategic plans and critical policy determinations; to provide strategic direction for the continued sustainable growth and development of the sector; to position tourism as a key lever of economic growth and development, and to ensure alignment with the NDP and the Tourism Act, 2014 (Act 3 of 2014).

Key considerations in the review process were global and domestic tourism trends and ensuring alignment between the NTSS and the NDP, which was finalised in 2012, as well as the Tourism Act, 2014 (Act 3 of 2014).

3. STRATEGIC OUTCOME ORIENTED GOALS

Government outcomes	Strategic outcome-oriented goals	Five-year target	Annual target	Significant achievements
Outcome 4: Decent employment through inclusive economic growth.	Increase the tourism sector's contribution to inclusive economic growth.	All tourism strategy interventions being implemented by 2020	NTSS reviewed.	The draft revised NTSS is in place.
			Interventions implemented in line with the NTSS: <ul style="list-style-type: none"> Two destination development plans for identified priority sites (Robben Island Museum and Walter Sisulu Botanical Gardens). Three priority areas supported during the Tourism Incentive Programme (TIP) pilot phase (market access, tourism grading and energy efficiency). Four capacity-building programmes implemented for the tourism sector: <ul style="list-style-type: none"> (i) Tourism Human Resource Development Strategy review and skills audit (ii) Executive development programme for black women managers (iii) Capacity- building programme for tourist guides (iv) Capacity-building for tourism practitioners and policymakers at local government level. Provide quality assurance for tourism products (6 493 accommodation establishments graded). 	

Government outcomes	Strategic outcome-oriented goals	Five-year target	Annual target	Significant achievements
Outcome 7: Comprehensive rural development.		None	100 rural enterprises supported for development.	101 rural enterprises supported for development.
			Local government tourism induction programme, with a focus on rural areas with tourism potential (six district municipalities).	Local government tourism induction programme, with a focus on rural areas with tourism potential (six district municipalities) was conducted. Additional workshop requested and funded by Nkomazi Municipality.
			N12 Treasure Route needs assessment report and programme of action.	N12 Treasure Route needs assessment report and programme of action done in North West, Northern Cape, Western Cape, Mpumalanga and Gauteng. This include stakeholder engagement and hosting workshops.
Outcome 11: Creating a better South Africa, and contributing to a better and safer Africa in a better world.		None	10 977 407 Number of international tourist arrivals achieved.	<p>8,903,773 tourist arrivals excluding transit for the period January to December 2015 (-6.8% compared to the same period in 2014).</p> <p><i>N.B: Figures available exclude transit data and they are not comparable to the target as the target include transit.</i></p> <p><i>Although reporting is for a specific financial year it should be noted that the arrivals target set is for a calendar year (January to December 2015). Therefore progress is fully report for the target set.</i></p>

Government outcomes	Strategic outcome-oriented goals	Five-year target	Annual target	Significant achievements
		None	R83,1 billion total tourist foreign direct spend in 2015/16.	<p>Total Tourist Foreign direct spend for the period January to December 2015 was R68,3 billion.</p> <p><i>N.B: Target set on spend was based on number of tourist including transit and achievement was based on number of tourist excluding transit due to the revised methodology by StatsSA. Therefore the target and achievement are not comparable.</i></p> <p><i>Although reporting is for a specific financial year it should be noted that the spend target set is for a calendar year (January to December 2015). Therefore progress is fully reported for the target set.</i></p>

Tourism's contribution to the economy is measured by jobs created, contribution to GDP, and revenue generated from tourism activity. Furthermore, as a services export sector, tourism is a significant earner of foreign currency. In the South African context, this growth should be underpinned by the principle of inclusivity to drive tourism-sector transformation.

An increase in tourism's economic contribution is driven by an increase in domestic and international tourist arrivals as well as an increase in tourist spend. Along with its partners, the Department is creating an environment conducive to this increase by ensuring a quality and diverse tourism offering as well as by developing sector capacity.

4. PERFORMANCE INFORMATION BY PROGRAMME

The activities of the Department of Tourism are organised in the following programmes:

Programme 1: Administration

Programme 2: Policy and Knowledge Services

Programme 3: International Tourism

Programme 4: Domestic Tourism

4.1 Programme 1: Administration

Purpose: To provide strategic governance and risk management, legal and corporate affairs, information technology, financial and supply chain management, internal audit and strategic communications support service to the Department.

Sub-Programmes: Governance Support; Chief Financial Officer; Corporate Affairs; Communications; Information Communications Technology; Internal Audit; Legal Services.

Strategic Objectives: To ensure economic, efficient and effective use of departmental resources; To enhance understanding and awareness of the value of tourism and its opportunities; To create an enabling legislative and regulatory environment for tourism development and growth; To contribute to economic transformation in South Africa.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Achieve good corporate and cooperative governance							
To ensure economic, efficient and effective use of departmental resources.	1. Number of strategic documents developed and implemented.	Strategic Plan and APP for 2015/16 reviewed.	Review of the SP and APP for 2016/17.	SP and APP for 2016/17 reviewed.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
		<ul style="list-style-type: none"> Annual Performance Report for 2013/14 was developed. Four quarterly reports on the implementation of the SP and APP were developed. Three quarterly Risk Mitigation Reports were analysed and submitted to Risk Management Committee (RMC). Secretariat provided for the RMC. 	Annual Performance Report for 2014/15 developed, as well as four quarterly reports on the implementation of the SP and APP.	Annual Performance Report for 2014/15 was developed, as well four quarterly reports on the implementation of the SP and APP.	None	None	N/A
	2. Number of public entity oversight reports prepared.	Four SAT oversight reports were prepared.	Four SAT oversight reports.	Four SAT oversight reports were prepared.	None	None	N/A
	3. Maximum vacancy rate of 8% maintained.	Vacancy rate as at 31 March 2015 was at 6%.	Maximum vacancy rate of 8%.	Vacancy rate as at 31 March 2016 was at 5,75%.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
	4. Percentage for women representation in Senior Management Service (SMS) and representation for people with disabilities.	<ul style="list-style-type: none"> Women representation as at 31 March 2015 was at 53%. Rate of people with disabilities as at 31 March 2015 was at 5,3%. Black representation as at 31 March 2015 was at 95,1%. 	Maintain minimum of 50% women representation in SMS and 5% representation for people with disabilities.	49% women representation in SMS and 5% representation for people with disabilities maintained.	Percentage of women representation not achieved by 1%.	Staff turnover often creates changes to the percentage levels. The Department addresses the shortfall by targeted recruitment. It can be noted that as of 1 April 2016, the rate has improved to 51% women representation.	The Department addresses the shortfall through targeted recruitment.
	5. Percentage implementation of Workplace Skills Plan (WSP).	100% development and implementation of WSP.	100% development of and implementation of WSP.	100% development of and implementation of WSP.	None	None	N/A
	6. Percentage compliance with prescripts on management of labour relations matters.	100% compliance in management and handling of grievances, misconduct, disputes and collective bargaining.	100% compliance in management and handling of grievances, misconduct, disputes and collective bargaining.	100% compliance in management and handling of grievances, misconduct, disputes and collective bargaining.	None	None	N/A
	7. Number of Employee Health and Wellness (EHW) programmes facilitated.	Four EHW programmes facilitated.	Four EHW programmes facilitated.	Four EHW programmes facilitated.	None	None	N/A



Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
	8. Development of Information Communication Technology Strategic Plan (ICTSP).	2014-2018 ICTSP developed.	100% implementation of phase 1 of the ICTSP.	100% implementation of phase 1 of the ICTSP.	None	None	N/A
	9. Number of quarterly and annual financial statements compiled and submitted.	Submission of four quarterly and one annual financial statement to National Treasury (NT) and Auditor-General of South Africa (AGSA).	Three quarterly and one annual financial statements to NT and AGSA.	Three quarterly and one annual financial statements were submitted to NT and AGSA.	None	None	N/A
	10. Percentage implementation of the annual internal audit plan.	100% implementation of the annual internal audit plan.	100% implementation of the annual internal audit plan.	100% implementation of the annual internal audit plan.	None	None	N/A
To enhance understanding and awareness of the value of tourism and its opportunities.	11. Department's FOSAD and Cabinet coordination and support system reviewed and implemented.	Protocol was reviewed and implemented.	Review and implementation of Department's Cabinet and cluster coordination protocol.	Department's Cabinet and cluster coordination protocol reviewed and implemented.	None	None	N/A
	12. Percentage implementation of the communication strategy (media engagement, branding, events management, internal and inter-governmental communications and community engagements/izimbizo).	91% implementation of the Department's communication strategy.	100% implementation of the Department's communication strategy.	100% implementation of the Department's communication strategy.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
To create an enabling legislative and regulatory environment for tourism development and growth.	13. Percentage of tourist complaints referred to appropriate authorities for resolution within agreed timeframes.	100% of tourist complaints referred to appropriate authorities for resolution within agreed time frame.	100% of tourist complaints referred to appropriate authorities for resolution within agreed timeframes.	100% of tourist complaints referred to appropriate authorities for resolution within agreed timeframes.	None	None	N/A
To contribute to economic transformation in South Africa.	14. Percentage of expenditure achieved on procurement from enterprises on B-BBEE contributor status level of contributor 1-8 (excluding government entities).	100% of expenditure on procurement from B-BBEE status level of contributor 1 to 8 enterprises achieved.	100% of expenditure achieved on procurement from enterprises on B-BBEE contributor status levels 1 to 8.	100% of expenditure achieved on procurement from enterprises on B-BBEE contributor status levels 1 to 8 achieved.	None	None	N/A

Narrative of highlights

Departmental strategic documents were developed and implemented. These included the 2016/17 review of both the Strategic Plan and the Annual Performance Plan APP; development of Annual Performance Report for 2014/15, as well as the implementation of four quarterly reports on the implementation of the Strategic Plan and the Annual Performance Plan. These have assisted the Department in promoting good corporate and cooperative governance.

The success of our Strategic Plan and the achievement of our performance targets in this Annual Report 2016/17 depends on us being able to take calculated risks and manage them in a way that does not jeopardise our mandate.

Changes to planned targets

None.



Sub-programme expenditure

	2015/16			2014/15		
Sub-programme name	Final appropriation	Actual expenditure	(Over)/under-expenditure	Final appropriation	Actual expenditure	(Over)/under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	27 894	26 028	1 866	30 851	30 834	17
Management	15 867	15 384	483	16 830	14 543	2 287
Corporate Affairs	146 340	146 122	218	142 874	140 000	2 874
Office Accommodation	37 277	37 277	-	34 406	34 406	-
Total	227 378	224 811	2 567	224 961	219 783	5 178

4.2 Programme 2: Policy and Knowledge Services

Purpose: To support sector policy development and evaluation, research and knowledge management, and the promotion of transformation and responsible tourism.

Sub-Programmes: Policy Development and Evaluation; Research and Knowledge Management; South African Tourism; Tourism Incentive Programme.

Strategic Objectives: To enhance understanding and awareness of the value of tourism and its opportunities; To create an enabling legislative and regulatory environment for tourism development and growth; To accelerate the transformation of the tourism sector; To facilitate tourism capacity-building programmes; To diversify and enhance tourism offerings; To provide knowledge services to inform policy, planning and decision-making.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Achieve good corporate and cooperative governance							
To enhance understanding and awareness of the value of tourism and its opportunities.	1. Number of platforms facilitated to improve tourism-sector stakeholder engagement and NTSS implementation.	N/A	Two National Tourism Stakeholder Forum meetings hosted.	Two National Tourism Stakeholder Forum meetings hosted.	None	None	N/A
To create an enabling legislative and regulatory environment for tourism development and growth.	2. Number of policy documents developed on the implementation of the Tourism Act, 2014 (Act 3 of 2014).	N/A	Two policies:				
			1. Review of the NTSS.	Draft revised NTSS is in place.	Gazetting, finalisation and awareness-raising on revised NTSS not completed.	Project implementation delays.	Gazetting of the NTSS for public comments to be fast-tracked to ensure consolidation of inputs, approval of the final NTSS and awareness creation of the revised NTSS.
			2. Development of new regulations for tourist guides.	New regulations for tourist guides developed.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Increase the tourism sector's contribution to inclusive economic growth.							
To accelerate the transformation of the tourism sector.	3. Number of initiatives supported to promote B-BBEE implementation.	<ul style="list-style-type: none">Amendment of Tourism B-BBEE Codes implemented.Feasibility assessment of creating a database of black-owned enterprises in the tourism sector was done.	One initiative:				
			Developing enterprise and supplier development programme to accelerate SMMEs' empowerment in the tourism sector.	Enterprise and supplier development programme to accelerate SMMEs' empowerment in the tourism sector developed.	None	None	N/A
To facilitate tourism capacity-building programmes.	4. Number of initiatives aimed at supporting tourism development and growth at local government level.	<ul style="list-style-type: none">Capacity-building of policymakers at local government was conducted.Local government tourism conference was hosted.	One initiative:				
			Capacity-building for tourism practitioners and policy makers at local government level.	Tourism capacity-building for tourism practitioners and policy makers at local government level facilitated and report developed.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
	5. Number of capacity-building initiatives to support the implementation of responsible tourism Universal Access (UA).	N/A	One initiative:				
			Support the implementation of UA in government-owned provincial parks, phase 1: <ul style="list-style-type: none">• UA stakeholder awareness.• Training of staff at government-owned provincial parks.	Implementation of UA in government-owned provincial parks supported, phase 1: <ul style="list-style-type: none">• UA stakeholder awareness held.• Training of staff at government-owned provincial parks done:	None	None	N/A
	6. Number of initiatives to support growth of the tourist-guiding sector.	Annual Tourist Guiding report on the current status of tourist-guiding sector was finalised.	Implementation of programme to capacitate tourist guides at two World Heritage Sites, namely: <ul style="list-style-type: none">• Robben Island Museum; and• Vredefort Dome	Programme to capacitate tourist guides implemented at two World Heritage Sites, namely: <ul style="list-style-type: none">• Robben Island Museum; and• Vredefort Dome	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
	7. Number of capacity-building programmes on tourism information systems, services and frameworks developed and implemented Visitor Information Centres (VIC).	N/A	Capacity-building on tourist information conducted at the eight world heritage sites: <ul style="list-style-type: none"> • Cradle of Humankind • Vredefort Dome • Mapungubwe Cultural Landscape • Robben Island • Greater St Lucia Wetlands • Cape Floral Kingdom • Richtersveld Cultural & Botanical Landscape. • uKhahlamba Drakensberg Park. 	Capacity-building on tourist information conducted at the eight world heritage sites: <ul style="list-style-type: none"> • Cradle of Humankind • Vredefort Dome • Mapungubwe Cultural Landscape • Robben Island • Greater St Lucia Wetlands Cape Floral Kingdom • Richtersveld Cultural & Botanical Landscape. • uKhahlamba Drakensberg Park. 	None	None	N/A
	8. Number of capacity-building initiatives aimed at supporting sector transformation (mentorship, executive development).	N/A	Executive development programme to capacitate black women managers developed.	Executive development programme to capacitate black women managers developed.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
To diversify and enhance tourism offerings.	9. Number of initiatives implemented for destination development.	N/A	One initiative:				
			Destination development plans for two identified priority sites <ul style="list-style-type: none">Robben Island MuseumWalter Sisulu Botanical Garden	Destination development plans for two identified priority sites done: <ul style="list-style-type: none">Robben Island MuseumWalter Sisulu Botanical Garden	None	None	N/A
	10. Number of initiatives to support the implementation of responsible tourism.	N/A	Two initiatives:				
			1. Tourism Resources Efficiency Programme (TREP) implemented.	TREP implemented.	None	None	N/A
			2. Pilot UA on-site assessment at two government-owned provincial parks.	Pilot UA on-site assessment at two government-owned provincial parks done.	None	None	N/A
	11. Number of priority areas supported under the Tourism Incentive Programme (TIP) to facilitate sustainable tourism growth and development.	N/A	Three priority areas supported during the pilot phase: <ul style="list-style-type: none">Market accessTourism gradingEnergy-efficiency	Three priority areas supported during the pilot phase: <ul style="list-style-type: none">Market accessTourism gradingEnergy-efficiency	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
To provide knowledge services to inform policy, planning and decision-making.	12. Number of monitoring and evaluation reports on tourism projects and initiatives.	<ul style="list-style-type: none">2013 State of Tourism Report (STR) was developed.2013/14 NTSS Annual Implementation Report was developed.Report on the evaluation of the Chef Training Programme (CTP) was developed.Report on tourism sustainability post land settlement was developed.	Three monitoring and evaluation reports developed:				
			1. 2014/15 STR.	2014/15 STR developed.	None	None	N/A
			2. Impact evaluation of completed and operational SRI projects.	Impact evaluation of completed and operational SRI projects done.	None	None	N/A
			3. 2014/15 NTSS implementation report.	2014/15 NTSS implementation report finalised.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
	13. Number of information systems, services and frameworks developed, implemented and maintained.	<ul style="list-style-type: none"> Visitor Information Knowledge Centre Database Tool was developed. Tourist Guide Central Database was developed. National Visitor Information Framework (NVIF) implementation (Visitor Information Centre national directory and operational guidelines developed). One NTIG maintained: One airport of entry (ORTIA) was developed. 	<p>Seven knowledge and information systems maintained (Five-year plan for Tourism Knowledge Portal (TKP) development enhancements completed):</p> <ul style="list-style-type: none"> TKP Electronic events calendar Tourism local government sub-page and assessment tool Responsible tourism sub-page and assessment tool Service excellence self-assessment tool VIC database tool. Tourist-guiding database tool 	Five-year plan for TKP development enhancements completed.	None	None	N/A



Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
			<ul style="list-style-type: none"> One NTIG maintained (ORTIA). One NTIG developed (King Shaka International Airport (KSIA). 	<ul style="list-style-type: none"> One NTIG maintained (ORTIA) One NTIG developed (King Shaka International Airport (KSIA). 	None	None	N/A
	14. Number of research studies conducted.	Five Research reports of studies conducted in collaboration with universities finalised.	Four research studies conducted in collaboration with universities: <ul style="list-style-type: none"> Local economic development Community participation Regional tourism competitive-ness Service excellence 	Four research studies conducted in collaboration with universities: <ul style="list-style-type: none"> Local economic development Community participation Regional tourism competitive-ness Service excellence 	None	None	N/A

Narrative of highlights

A high-level survey conducted by the Department together with its partners revealed that there was no tool to assess tourism offerings besides accommodation establishments for UA compliance. The Department has since developed a UA assessment tool to be utilised in conducting UA audits at government-owned provincial parks, which has been piloted at four such sites.

The State of Tourism Report, is used to monitor the performance of the tourism sector and it is based on secondary report. It intended to enable users to make informed decisions on tourism matters. The report analyses tourism sector performance both globally and in South Africa. Global performance is monitored by means of indicators such as tourist arrivals, tourism spend, tourism's economic contribution to global GDP (employment and financial), as well as global aircraft movements, as derived from secondary reports produced by the UNWTO, the World Travel and Tourism Council (WTTC), the International Congress and Convention Association (ICCA). South African tourism sector performance is analysed by means of indicators such as tourist arrivals, domestic tourism performance, tourism's contribution to the economy, passenger and aircraft movement to and from Airports Company South Africa (ACSA) airports, as well as the performance of the food and beverage industry, the accommodation subsector and the meetings industry.

The Department evaluated the impact of its completed and operational SRI projects on beneficiaries and local communities against initial project objectives. The evaluation was also aimed at determining how these projects were managed, and whether they were still owned by the same beneficiaries. Based on the evaluation, areas for intervention were identified to ensure sustainability, while criteria were also derived to identify sustainable projects for possible future funding. The recommendations and findings from the evaluation report will be used to inform future planning and implementation of SRI projects.

To accelerate economic inclusivity in the tourism sector, the Department launched the Executive Development Programme for black women managers in the sector in March 2016. The objective was to train black women through a partnership with the UNISA Graduate School of Business Leadership. Twenty participants have gone through the programme to date. The programme is aimed at increasing the percentage of women managers with the required profile to occupy executive management positions in the tourism sector, which will ultimately provide them with the knowledge to start and grow their businesses.

Changes to planned targets

None.

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
Policy and Knowledge Services Management	4 787	2 668	2 119	4 070	4 024	46
Policy Development and Evaluation	22 323	21 030	1 293	23 490	23 490	-
Research and Knowledge Management	29 586	28 098	1 488	22 124	22 124	-
South African Tourism	977 712	977 712	-	880 009	880 009	-
Tourism Incentive Programme	171 291	166 017	5 274	-	-	-
Total	1 205 699	1 195 525	10 174	929 693	929 647	46

4.3 Programme 3: International Tourism Management

Purpose: To provide strategic policy direction for the development of South Africa's tourism potential throughout various regions of the world.

Sub-Programmes: Americas and Western Europe; Africa & Middle East; Asia & Australasia and Eastern Europe.

Strategic Objectives: To facilitate tourism capacity-building programmes; To develop new source markets; To enhance regional tourism integration.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Increase the tourism sector’s contribution to inclusive economic growth.							
To facilitate tourism capacity-building programmes.	1. Number of initiatives facilitated to support SA missions in developing tourism.	N/A	One initiative facilitated:				
			Capacity-building programme (knowledge, insights & tools) for SA missions abroad.	Capacity-building programme (knowledge, insights and tools) for SA missions abroad, was implemented in the form of training provided to officials to be posted abroad. Presentation on capacity building for SA missions abroad for 37 trainees was conducted based on the requests from DIRCO.	Training sessions were not scheduled at the beginning of the year.	Training sessions were not scheduled at the beginning of the year. However, all training requested was conducted.	There are no further sessions planned which would require training of officials.
	2. Number of skills development opportunities facilitated through bilateral cooperation.	N/A	One tourism skills development opportunity facilitated.	Preparations for one tourism skills development opportunity (Chefs trainers’ skilling workshop) were done.	The Chefs trainers’ skilling workshop had not been conducted.	Availability of the partners was confirmed for outside the reporting period. It can be noted that the Chefs trainers’ skilling workshop has since been held from18 to 23 April 2016.	N/A.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under-performance
			Planned target 2015/2016	Actual achievement 2015/2016			
To develop new source markets.	3. Number of tourism source market development plans implemented.	N/A	20 ² Tourism source market development plans implemented.	Tourism source market development plans implemented in the following regions: Indonesia, Malaysia, Singapore (South-east Asia), Russia, Poland, Portugal, Turkey, Saudi Arabia, Egypt, Senegal, Mexico, Argentina, Chile.	The following engagements / exhibitions were not done: Canada, Ireland and Zambia.	The Department took a strategic decision to have all trade related interventions in markets to be driven by South African Tourism.	There are no additional countries to be done.
To enhance regional tourism integration.	4. Number of initiatives facilitated for regional integration.	N/A	One initiative:				
			Ministerial session at the 2015 Tourism Indaba.	Ministerial session at the 2015 Tourism Indaba hosted.	None	None	N/A

² Indonesia, Malaysia, Singapore (South-east Asia), Russia, Poland, Portugal, Turkey, Saudi Arabia, Zambia, Egypt, Senegal, Sweden, Norway, Denmark, Finland (Nordic Region), Ireland, Canada, Mexico, Argentina, Chile.

Narrative of highlights

Two exchange programmes were conducted, namely the technical exchange on the promotion of national parks as tourism attractions (best-practice study) and the exchange of best practices on culture and heritage (world heritage sites), which were both completed in line with international agreements. Response plans were provided for 12 priority source markets in order to grow the markets that are on the watch-list segment of SAT's portfolio, and to penetrate markets outside the portfolio. Trade seminars and engagements were held with travel agents and tour operators in conjunction with South African mission embassies.

Changes to planned targets

None.

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
International Tourism Management	4 097	4 097	-	3 582	3 582	-
Americas and Western Europe	17 039	16 830	209	15 589	15 529	60
Africa and Middle East	15 940	15 824	116	15 495	15 495	-
Asia, Australasia and Eastern Europe	13 424	13 177	247	10 503	10 488	15
Total	50 500	49 928	572	45 169	45 094	75

4.4 Programme 4: Domestic Tourism Management

Purpose: To provide strategy policy direction for the development and growth of sustainable domestic tourism throughout South Africa.

Sub-Programmes: Domestic Tourism Management: Southern Region; Domestic Tourism Management: Northern Region; Social Responsibility Implementation, Strategic Partners in Tourism.

Strategic Objectives: To enhance understanding and awareness of the value of tourism and its opportunities; To accelerate the transformation of the tourism sector; To facilitate tourism capacity-building programmes; To diversify and enhance tourism offerings; To create employment opportunities by implementing tourism projects.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Achieve good corporate and cooperative governance.							
To enhance understanding and awareness of the value of tourism and its opportunities.	1. Number of programmes coordinated to inculcate a culture of travel among South Africans.	Annual Tourism Month was hosted.	One programme:				
			1. 2015 Tourism Month coordinated.	2015 Tourism Month coordinated.	None	None	N/A

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
Strategic outcome-oriented goal: Increase the tourism sector's contribution to inclusive economic growth.							
To accelerate the transformation of the tourism sector.	2. Number of rural enterprises supported for development.	466	100 rural enterprises supported for development.	101 rural enterprises supported for development	1	TEP was able to support the additional 1 enterprise within the allocated budget and without any further cost implications.	N/A
To facilitate tourism capacity-building programmes.	3. Number of capacity-building programmes implemented.	NTCE hosted.	Five capacity-building programmes:				
			1. NTCE convened.	NTCE convened.	None	None	N/A
			2. Educator exposure programmes convened.	Educator exposure programme implemented in nine provinces.	None	None	N/A
			3. Tourism Human Resource Development (THRD) Strategy review: Phase one: Sector Skills Audit.	Draft report on the skills audit developed.	Final sector skills audit report outstanding.	Finalisation sector skills audit report affected by project delays.	The report on the Sector Skills Audit will be produced by end May 2016.
			4. Three hundred graduates recruited and placed for the Food Safety programme.	Three hundred Food Safety Assurer candidates were recruited, but not placed.	Three hundred Food Safety Assurer candidates were not placed.	Placement of the Three hundred Food Safety Assurer candidates was affected by project delays.	Appointment of service provider will be finalised in the first quarter of 2016/17 financial year through SRI.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
			5. Local government tourism induction programme, with a focus on rural areas with tourism potential (six district municipalities).	Local government tourism induction programme, with a focus on rural areas with tourism potential (six district municipalities) conducted.	Additional workshop requested and funded by Nkomazi Municipality.	None	N/A
To diversify and enhance tourism offerings.	4. Number of programmes implemented to enhance tourism offerings.	N/A	Four programmes implemented:				
			1. Implementation of service excellence standards for two tourism products (Manyane Game Reserve and Robben Island).	Implementation of service excellence standards for two tourism products (Manyane Game Reserve and Robben Island) done.	None	None	None
			2. Nine service excellence awareness-raising sessions conducted.	Nine service excellence awareness-raising sessions conducted.	None	None	None
			3. N12 Treasure Route needs assessment report and programme of action.	N12 Treasure Route needs assessment report and programme of action done.	None	None	None
			4. Provision of funding for the development of tourism interpretation signage at three WHS: <ul style="list-style-type: none"> Cradle of Humankind Vredefort Dome iSimangaliso Wetland Park. 	Funding provided for the development of tourism interpretation signage at two WHS: <ul style="list-style-type: none"> Cradle of Humankind. iSimangaliso Wetland Park. 	Transfer of funds not done for the Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTE).A).	The funds could not be transferred for the Vredefort Dome project due to project delays.	The project implementation will be completed in 2016/17 financial year.

Strategic objective	Performance indicator	Actual achievement 2014/2015	Actual performance against target		Deviation from planned target to actual achievement	Comment on deviations	Strategy to overcome under performance
			Planned target 2015/2016	Actual achievement 2015/2016			
To create employment opportunities by implementing tourism projects.	5. Number of full-time equivalent (FTE) jobs created through the SRI Programme per year.	3 037	3 008	3059	51	The 9 skills development youth training projects which are highly labour intensive and gives more FTEs than the infrastructure projects commenced in quarter one.	N/A

Narrative of highlights

To continue inculcating a culture of travelling among South Africans, the Department has hosted the 2015 Tourism Month campaign in Limpopo. The World Tourism Day celebrations were also intended to inspire and drive the demand for domestic tourism; spearhead geographic spread of less-visited provinces and regions; reduce seasonality and promote year-round leisure travel, and create awareness among communities of the importance of tourism and its social, cultural, political and economic value. Key interventions required to attract domestic tourists whilst protecting our current international markets were also highlighted. In addition, the celebrations were used to highlight opportunities that still remained unknown to the domestic market, which, if fully exploited, could create millions of opportunities for tourism operators, thereby contributing to economic growth and job creation. In this reporting year, the Department also supported 101 rural tourism enterprises through various business and market access training programmes.

Local government capacity-building programmes were implemented in seven identified rural municipalities. Altogether 416 participants took part in these programmes in the 2015/16 financial year. Some of the highlights included the establishment of local tourism organisations in three municipalities – two interim organisations in North West and one permanent organisation in Bushbuckridge. A business breakfast was hosted by local tourism organisations. This business breakfast initiative has been extended to eight of the provinces taking part in the provincial local government induction programme. The programme currently operates in partnership with UNISA, which follows up with a monitoring and evaluation tool in order to identify impact as well as future needs.

Changes to planned targets

None.

Sub-programme expenditure

	2015/16			2014/15		
Sub-programme name	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
Domestic Tourism Management	11 437	11 432	5	8 300	8 300	-
Domestic Tourism Management: Southern Region	14 816	14 566	250	14 976	14 976	-
Domestic Tourism Management: Northern Region	18 622	18 619	3	16 556	16 513	43
Social Responsibility Implementation	252 226	249 013	3 213	318 605	298 281	20 324
Strategic Partners in Tourism/ Small, Medium and Micro Enterprises Development	13 500	13 500	-	25 000	25 000	-
Total	310 601	307 130	3 471	383 437	363 070	20 367

5. TRANSFER PAYMENTS

5.1 Transfer payment to public entity: South African Tourism

Legislative mandate of South African Tourism

South African Tourism (SAT) is a public entity listed in schedule 3A to the PFMA that exists in terms of the Tourism Act, 2014 (Act 3 of 2014). The functions of SAT are to:

- market South Africa as a domestic and international tourist destination;
- market South African products and facilities internationally and domestically;
- develop and implement a marketing strategy for tourism that promotes the objectives of the Tourism Act and the NTSS;
- establish a national conventions bureau with the approval of the Minister, to market South Africa as a business tourism destination by:
 - coordinating bidding for international conventions; and
 - liaising with other organs of state and suitable bodies to promote South Africa as a business events destination; and
- implement and manage the national grading system for tourism.

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
South African Tourism (SAT)	<ul style="list-style-type: none"> • Marketing South Africa as a tourist destination internationally and domestically. • Marketing South Africa as a tourism brand. • Providing quality assurance for tourism products. • Marketing South Africa as a meetings destination, and providing support for bids. 	977 712	977 712	<ul style="list-style-type: none"> • Number of international tourist arrivals achieved: 8 903 773 (Jan-Dec 2015). • Number of domestic holiday trips achieved: 2 700 000 (Jan-Dec 2015). • Total tourism revenue achieved (TTFDS + TDDS): R91,7 billion (Jan-Dec 2015). • Total Tourist Foreign Direct Spend (TTFDS): R68,1 billion (Jan-Dec 2015). • Total Domestic Direct Spend (TDDS): R23,6 billion. • Average brand awareness percentage: 78%. • Number of graded accommodation establishments: 5 230. • Number of business events achieved in South Africa: 108.

5.2 Transfer payments to all organisations other than public entity

Transfer payments were made to departmental agencies (excluding the public entity, SAT), higher education institutions, foreign governments, non-profit institutions and households.

The Department complied with section 38(1)(j) of the PFMA, and the amounts transferred and the monitoring thereof are covered in a memorandum of agreement, the business plan, membership agreement or contract.

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 (R'000)	Reasons for unspent funds
Foreign governments and international organisations						
UNWTO	Foreign governments and international organisations	Membership fee	Not applicable	2 098	2 098	Not applicable
RETOSA	Foreign governments and international organisations	Membership fee	Not applicable	3 712	3 712	Not applicable
Higher education institutions						
University of Pretoria	Higher education institutions	National tourism research framework	Yes	1 174	-	Funds to be spent in 2016/17 financial year.
University of Venda	Higher education institutions	National tourism research framework	Yes	588	530	Funds to be spent in 2016/17 financial year.
University of KwaZulu-Natal	Higher education institutions	National tourism research framework	Yes	864	277	Funds to be spent in 2016/17 financial year.
University of Johannesburg	Higher education institutions	National tourism research framework	Yes	587	-	Funds to be spent in 2016/17 financial year.
Cape Peninsula University of Technology	Higher education institutions	National tourism research framework	Yes	587	587	Not applicable
Households						
Expanded Public Works Programme (EPWP)	Households	Development of tourism infrastructure projects	Yes	66 037	66 037	Not applicable
EPWP incentive	Households	Development of tourism infrastructure projects	Yes	9 735	9 735	Not applicable

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 (R'000)	Reasons for unspent funds
TIP						
Grading support	Household	Grading support	Yes	50	50	Not applicable
Leave gratuity	Households	Employee social benefits	Not applicable	2 141	2 141	Not applicable
Claims against the state	Households	Claims	Not applicable	526	526	Not applicable
Non-business entities						
Free State Tourism Authority	Non-business entities	NTCE	Yes	3 993	3 993	Not applicable
Tourism Accelerated Apprenticeship Programme	Non-business entities	Empowerment of tourism graduates	Yes	2 000	1 704	Not applicable
Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA)	Non-business entities	Training contribution	Yes	175	175	Not applicable
TIP						
Gauteng Tourism Authority	Non-business entities	Destination development	Yes	18 350	-	Funds to be spent in 2016/17 financial year.
Robben Island Museum	Non-business entities	Destination development	Yes	10 000	-	Funds to be spent in 2016/17 financial year.
South African National Biodiversity Institute	Non-business entities	Destination development	Yes	2 500	-	Funds to be spent in 2016/17 financial year.
South African National Parks	Non-business entities	Destination development	Yes	15 840	-	Funds to be spent in 2016/17 financial year.
South African Tourism	Non-business entities	Destination development (grading support)	Yes	15 000	-	Funds to be spent in 2016/17 financial year.
Non-profit institutions						
Strategic Partners in Tourism	Non-profit institutions	TEP SMME development	Yes	13 500	13 500	Not applicable
Tourism interpretive signage	Non-profit institutions	Tourism signage for world heritage sites	Yes	500	-	Service provider for implementation to be appointed in 2016/17 financial year.

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 (R'000)	Reasons for unspent funds
Federated Hospitality Association of South Africa (Fedhasa)	Non-profit institutions	Contribution to operations of Fedhasa	Yes	200	174	Not applicable
TIP						
National Heritage Project	Non-profit institutions'	Destination development	Yes	10 000	1 147	The remaining funds to be spent in 2016/17 financial year
Public corporations						
Industrial Development Corporation of South Africa	Public corporation	Destination development (energy efficiency)	Yes	30 000	-	Funds to be spent in 2016/17 financial year
Private enterprises						
Southern Africa Tourism Services Association (SATSA)	Private enterprises	Planning and development of public, private and community-based adventure tourism initiatives	Yes	724	-	Funds to be spent in 2016/17 financial year
N12 Treasure Route	Private enterprises	Contribution to operations	Yes	300	300	Not applicable
TIP						
Tourism grading support	Private enterprise	Tourism grading support	Yes	137		Funds to be spent in 2016/17 financial year
Market access support	Private enterprise	Market access support	Yes	12 920		Funds to be spent in 2016/17 financial year
Steve Biko Foundation Trust	Private enterprise	Destination development	Yes	13 661	3 172	Funds to be spent in 2016/17 financial year
South African National Parks	Private enterprise	Destination development	Yes	9 915	-	Funds to be spent in 2016/17 financial year
Nahakwe Lodge (Pty) Ltd	Private enterprise	Destination development	Yes	5 258	275	Funds to be spent in 2016/17 financial year

6. DONOR FUNDS

6.1 Donor funds received

The table below discloses details of donor funds received during the period 1 April 2015 to 31 March 2016:

Name of donor	European Union
Full amount of funding (R'000)	R120 000
Period of commitment	Three years
Purpose of the funding	Construction of an interpretive centre featuring dinosaur relics found in Golden Gate Highlands National Park. The centre will also be a tourist destination.
Expected outputs	Golden Gate Highlands National Park interpretive centre
Actual outputs achieved	Phase 1: Preparation of the business plan; development of concept design
Amount received (R'000)	R9 600
Amount spent by the Department (R'000)	R4 800
Reasons for unspent funds	In terms of the agreement, the second payment of R4,8 million will be transferred only after submission of the business plan.
Monitoring mechanism by the donor	Reporting structure via National Treasury.



Limpopo province:
Elephants at a water reservoir near Mopani Camp, Kruger National Park.
Photo: MediaClubSouthAfrica.com

PART C: *GOVERNANCE*

1. INTRODUCTION

The Department needs to conduct its business in a manner that creates public confidence in the state. This requires excellent systems for the management of public resources, ridding the system of any inefficiency. This will ensure that resources are managed effectively, efficiently and economically, and that there is sustainable and reliable service delivery.

In maintaining the highest standards of governance, the Department has, among other things, recognised risk management as an integral part of responsible management and has therefore adopted a comprehensive approach to the management of its risks. The details of this process are outlined in the Department's Risk Management Strategy. All decisions and processes of the Department must be in line with the principles of risk management and must occur in a manner consistent with the overall objective of reducing risk as far as this is reasonably practicable.

Effective corporate governance remains an integral part of the Department's strategic and operational activities. Furthermore, risk management is critical to the Department's ability to fulfil its mandate, meet the service delivery expectations of the public and our stakeholders, and live up to its own performance expectations.

2. RISK MANAGEMENT

Sound risk management enables us to anticipate and respond to changes in our internal and external environments, and thus, to make informed decisions under changing conditions.

To this end, the Department recognises that risk management is a valuable management tool, which increases its prospects of success through minimising the negative impact and optimising the opportunities emanating from its operating environment. The Department understands that risk management enables it to ensure that potential challenges are managed effectively. Risk management processes in the Department have added value through systematic identification, assessment, prioritisation and evaluation of key risks. The risk management strategy remains in synergy with the Department's goals and objectives.

The risk management process is also designed to complement effective strategic and operational planning. It assists in ensuring that management and staff members understand and are committed to the strategic focus areas defined in the Department's Strategic Plan. This includes an understanding of the key performance indicators (KPIs) against which the Department's success is measured.

The Department has developed a risk management framework, which includes policy, strategy and improvement plans. The risk management processes are aimed at:

- a) ensuring sustainable and efficient service delivery;
- b) assisting management in making informed decisions underpinned by appropriate tactical, project, fraud, strategic, operational and strategic risk assessment;
- c) avoiding fruitless and wasteful expenditure;
- d) instituting preventative measures to avoid fraud and corruption;
- e) advancing economical, efficient and effective utilisation of resources; and
- f) improving programme and project management.

The Department has a fully functioning Risk Management Committee (RMC), which ties together all risk-related governance matters. This committee functions and discharges its mandate adequately in terms of its charter and the management framework (strategies and plans). The RMC has further discharged its governance responsibilities relating to risk management as mandated by the PFMA, the Public Sector Risk Management Framework and the Treasury regulations. The committee has held four ordinary scheduled meetings during the period under review.

The Audit Committee also reviews the risk management reports at its regular quarterly meetings to determine the effectiveness of the Department's risk management activities.

3. FRAUD AND CORRUPTION

The Department has committed itself to actively combat and show zero tolerance for fraud and all other acts of dishonesty, whether from internal or external sources.

In implementing its Anti-Fraud and Corruption Strategy as well as its Whistle Blowing Policy, the Department has published the fraud and corruption reporting hotline number on its website. It has also disseminated information on fraud and corruption prevention, detection and reporting as well as on the Whistle Blowing Policy to staff.

Any detected fraudulent or corrupt activities are investigated and, where required, reported to the law enforcement agencies in accordance with our Anti-Fraud and Corruption Strategy. Furthermore, cases reported to the national anti-corruption hotline are referred to the office of the Director-General, who then appoints an investigation officer to investigate the allegations of fraud or corruption. Where fraud or corruption is detected or suspected, disciplinary proceedings, prosecution or actions aimed at the recovery of losses are initiated.

4. MINIMISING CONFLICT OF INTEREST

The Department has instituted measures to address conflicts of interest. SMS members are required to disclose their financial interests every year. In this regard, 100% compliance was reported during the period under review. To enhance the system of managing conflicts of interest, a database was developed to assist with the analysis of information in order to identify any conflict of interest.

With reference to the management of tenders, the relevant committee members are required to read, complete and sign declarations of interest. They are further required to pledge confidentiality and impartiality prior to the commencement of meetings. By signing the forms, members agree to act in good faith during bidding meetings. This process minimises conflicts of interest in supply chain management, specifically in bidding administration. If a member of the tender committee manages the line function relating to a specific tender, that member will not participate in the departmental adjudication committee.

Furthermore, supply chain management officials are required to sign Practice Note SCM 4 of 2003 of the Code of Conduct for Supply Chain Management Practitioners upon or before the start of each financial year. For the period under review, no conflicts of interest were reported.

5. CODE OF CONDUCT

The Department's code of conduct sets the minimum standards with which employees need to comply. It assists in promoting appropriate conduct in delivering services to communities. The service charter also helps the Department commit to certain standards in rendering public services. Any alleged breach of the code of conduct is regarded as misconduct, which the Department will investigate. Based on the outcome of the investigation, appropriate sanctions are imposed against implicated officials in terms of the Disciplinary Code and Procedure for the Public Service (Resolution 1 of 2003).

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Department has an internal Occupational Health and Safety Policy, which is aimed at safeguarding the interests of employees, all visitors and clients. This is done through the provision and maintenance of a working environment that is safe and without risks, as far as this is reasonably practicable. In order to ensure such an environment, the Department provides and maintains safe offices and equipment that pose no risk to the health of employees, visitors or clients.

The Department has also appointed health and safety representatives, fire marshals and first-aiders, who completed their basic first-aid and fire-fighting training. These officials conduct inspections in the workplace to minimise hazards that may affect and expose employees, visitors and clients to health risks. Further training will be conducted for additional members who have been appointed to the emergency team to ensure that there are enough personnel to attend to emergencies.

Additional fire equipment has been installed in the Department to ensure proper fire detection. Maintenance plans also exist for the servicing of all mechanical and electrical equipment.

Disposal of waste is monitored and done appropriately. Dedicated waste disposal spaces for various types of waste have been provided. Paper waste is disposed of separately to prevent fire. Information sessions and dry runs have been performed to educate employees on the emergency exit routes, and to test their knowledge on the evacuation procedures to be followed in case of an emergency.

An evacuation drill was conducted in the course of the financial year. Further drills will take place every six months to ensure the safety of all employees, visitors and clients.

The measures in place have equipped the employees with an awareness of health, safety and environmental issues. As a result, employees are able to assist in identifying potential hazards and report them to the building management team for immediate attention. This reduces the risk of any adverse events occurring.

The Health and Safety Committee continues to carry out its functions in terms of its terms of reference. The committee regularly reviewed health and safety measures, and made recommendations to management on all health and safety matters that required attention.

7. PORTFOLIO COMMITTEE ON TOURISM, AND SELECT COMMITTEE ON TRADE AND INTERNATIONAL RELATIONS

The Portfolio Committee on Tourism (in the National Assembly) and the Select Committee on Trade and International Relations (in the National Council of Provinces (NCOP)) were respectively established in terms of sections 55 and 69 of Chapter 4 of the Constitution. Their primary role is to oversee the actions of government, to assure Parliament of such oversight role, and to provide assurance that government is able to deliver services to all citizens.

Composition of committees

PORTFOLIO COMMITTEE ON TOURISM – NATIONAL ASSEMBLY	
AFRICAN NATIONAL CONGRESS (ANC)	Ms BT Ngcobo (Chairperson)
	Ms LS Makhubela-Mashele (Whip)
	Mr SD Bekwa
	Ms PE Adams
	Ms ST Xego-Sovita
	Ms EK Masehela
DEMOCRATIC ALLIANCE (DA)	Mr J Vos
	Mr GR Krumbock
	Mr AG Whitfield (alternate)
INKATHA FREEDOM PARTY (IFP)	Inkosi RN Cebekhulu
ECONOMIC FREEDOM FIGHTERS (EFF)	Ms A Matshobeni

SELECT COMMITTEE ON TRADE AND INTERNATIONAL RELATIONS - NCOP

AFRICAN NATIONAL CONGRESS (ANC)	NAME	PROVINCE
	Mr ER Makue (Chairperson)	Gauteng
	Mr SG Mthimunya (Whip)	Mpumalanga
	Ms MC Dikgale	Limpopo
	Mr BG Nthebe	North West
	Mrs Z Ntsha	Eastern Cape
	Ms GM Manopole (alternate)	Northern Cape
	Mr JP Parkies (alternate)	Free State
DEMOCRATIC ALLIANCE (DA)	Mr WF Faber	Northern Cape
	Mr JJ Londt	Western Cape
	Ms EC Van Lingen	Eastern Cape
	Mr F Essack (alternate)	Mpumalanga
ECONOMIC FREEDOM FIGHTERS (EFF)	Mr LG Mokoena	Free State
	Dr YC Vawda	Mpumalanga
INKATHA FREEDOM PARTY (IFP)	Mr M Khawula (alternate)	KwaZulu-Natal
UNITED DEMOCRATIC MOVEMENT (UDM)	Mr LB Gaehler (alternate)	Eastern Cape

PORTFOLIO COMMITTEE ON TOURISM (NATIONAL ASSEMBLY)

Workshop by the Department on the Tourism Act, 2014 (Act 3 of 2014) on 17 April 2015

The committee was provided with an overview of all the chapters of the Tourism Act, and the implications of each chapter were explained. The issues that were raised included the possible conflict between the Tourism Act and the Amended Immigration Regulations. The committee was of the opinion that the penalties imposed for the infringement or violation of the Act were set at a very low level and might need to be increased. In addition, a concern was raised that the Act does not sufficiently address job creation and transformation.

The Department was urged to implement programmes to expedite inclusive growth in the sector.

The Department indicated that it had commenced with the process of consulting the industry, addressing some of the issues raised, drafting the required regulations, and publishing these for comment. Some of the issues raised would be dealt with and incorporated in the amendments to the Act, which are to be introduced in 2016/17.

Committee oversight visit to the Eastern Cape (Buffalo City, Grahamstown and Nelson Mandela Bay), on 21-31 July 2015

The committee made the following recommendations:

- That the branding process of the province should form part of an integrated marketing strategy.
- That the Eastern Cape Parks and Tourism Agency should be reviewed.
- That tourism in the province should be aligned to improve the functions of tourism coordinating structures as well as research capacity.
- That the implementation of the Back-to-Basics campaign, the capacity-building of local government tourism officials as well as the development of an integrated tourism SMME support programme should be considered.
- That the Department should reconsider its position on cruise tourism and ensure that the National Conventions Bureau advises the Eastern Cape on developing a provincial conventions bureau as well as assist the province in bidding for specific events.
- That successful SRI projects should be used as examples to revive failed projects. It is essential to have contracts and handover documents available to ensure that projects remain operational.
- That a full report on the status of all SRI projects should be submitted.

The Department was commended for its support to tourism SMMEs in Buffalo City (East London).

The Department accepted all the recommendations and provided the following response:

- The Department is in the process of employing an engineer on a part-time basis from the 2016/17 to the 2018/19 financial years. A three-year contract will be concluded. This will enable collaboration with other institutions such as the Development Bank of Southern Africa to obtain engineering expertise.
- The full report on incomplete projects will be included in the status report of all SRI-funded projects to be submitted by the end April 2016 (according to the Budget Review and Recommendation Report).
- The Department has undertaken to review the South African Tourism Planning Toolkit for Local Government in order to simplify it.

Briefing by the Department on the 2014/15 quarterly performance reports (third and fourth quarter) and the 2015/16 first quarter performance report on 7 August 2015

The affordability of domestic tourism, geographic spread of tourist attractions and the lack of transformation in the industry were raised by the committee as concerns. The committee felt that the Department needed to work more closely with its counterparts in government who were in control of parks and tourist sites in order to identify ways to improve accessibility for all. There is also a need to improve Visitor Information Centres managed by municipalities.

The unintended consequences of the Amended Immigration Regulations that came into effect in June 2015 were a major concern to committee members. Another concern raised was the steady decline in the South African currency, which has a huge impact on SAT's ability to purchase advertising space to market South Africa abroad. There seemed to be confusion between the role of the Registrar of Tourist Guides and the Tourism Complaints Officer.

The Department implemented the following to address the matters raised by the Committee:

- To address the unintended consequences of the Amended Immigration Regulations, the Department has focused on implementing the recommendations of the Inter-Ministerial Committee.

- An agreement was made with National Treasury to make upfront transfers to mitigate the impact of currency loss.
- Internal capacity for SRI project management has been strengthened.
- The Department undertook to brief the committee on the respective roles of the National Registrar of Tourist Guides and the Tourism Complaints Officer. (This was partly addressed in a briefing on the Draft Tourist Guide Regulations presented to the committee on 13 May 2016.)

Briefing on Domestic Tourism in South Africa on 21 August 2015

The Department briefed the committee on the Domestic Tourism Growth Strategy. The committee felt that tourism should benefit rural communities. It emphasised the importance of domestic tourism and undertook to again invite the Department to give feedback on progress in this regard.

At that point, the Department should be in a position to give more information on research, projects and progress in terms of the Domestic Tourism Growth Strategy.

Joint oversight visit to KwaZulu-Natal by the Portfolio Committees on Tourism, Arts and Culture, and Environmental Affairs (Mtubatuba, iSimangaliso, St Lucia Ncome Museum, Isandlwana, Maluti Drakensberg Transfrontier Park (Bergville Municipality), Mandela Capture Site (Howick) and eThekweni Municipality), 14-18 September 2015

The lack of communication and cooperation between stakeholders, poor intergovernmental relations and the minimal involvement of local communities were raised as some of the biggest stumbling blocks for tourism development and job creation in the northern areas of KwaZulu-Natal.

Poor maintenance of infrastructure, littering as well as illegal dumping sites were also cited as barriers to development and tourism. Transformation was identified as another challenge. In addition, illegal tour operators posed a threat to law-abiding tourist guides and operators. Effective destination and niche marketing for the various districts, such as birding, heritage and culture was found to be lacking. Furthermore, the committees identified a need for information on possible funding options for SMMEs.

The Department noted these observations.

Briefing by the Department on the 2014/15 Annual Report on 16 October 2015

The committee raised the following matters:

The Department should submit a report on the potential of municipal resorts to boost domestic tourism. The committee also expressed a need for feedback on tourist-guide monitoring and implementation. When the forensic audit of SRI projects is concluded, the committee should be briefed on the outcomes. The committee also required continuous updates on the controls implemented by the Department to address misstatements in the financial reports, feedback on the role of local government in maintaining tourist attractions, as well as a briefing on the NTSS review once completed. Finally, the committee raised matters relating to the impact assessment of departmental programmes and the classification of EPWP transfers.

The Department has started to implement the following actions with regard to the matters raised by the committee:

- The Department is investigating the potential of municipal resorts.
- Updated information pamphlets on Tourist Guides were distributed to the committee.
- The Department is in the process of obtaining comments on its Draft Tourist-Guide Regulations. (As mentioned above, the committee was briefed on the draft regulations on 13 May 2016.)
- The Department is busy finalising the status report on SRI projects for submission to the committee.
- The Department explained the deviations from performance targets and has implemented additional controls to avoid misstatements.
- The Department has a programme that conducts impact assessments of selected internal projects.
- The matter of classification of the EPWP transfers in line with the Modified Cash Standards was discussed with National Treasury and resolved.
- The Department of Trade and Industry gazetted the B-BBEE codes on 20 November 2015 after the Department had completed the consultation process.

Briefing by the Department (Minister) on the SAT report and the outcomes of the Inter-Ministerial Committee on the Amended Immigration Regulations on 6 November 2015

- The committee welcomed the briefing on the SAT review, as well as the board restructuring and the remuneration of expert board members.
- It was felt that the South African brand should be rebuilt following the revised Amendments to the Immigration Regulations. A strong campaign is needed to communicate the changes. Having a single brand is important.
- The committee requested that the Department and SAT communicate the Revised Amended Immigration Regulations worldwide. South Africa had to be marketed aggressively to regain confidence.

The Department noted the committee's request to communicate the "new immigration regulations" and implemented the following in cooperation with SAT: A communication infographic has been developed communicating the requirements as per the Cabinet decision on the Revised Amended Immigration Regulations. This has been circulated through various channels, global partners and in-country offices. Communication is updated as and when new information is received. SAT has continued to use its marketing campaigns to improve brand positivity, particularly in core and investment markets.

Briefing on the second and third quarterly performance reports of 2015/16, on 29 January 2016

The committee requested that a list of all SMMEs supported by the Department be provided. More detail is needed on capacity-building programmes. It was also requested that the EPWP account be completed by the end of the financial year.

The Department did provide a list of all the SMMEs, and the EPWP account was finalised with Treasury. As requested, the Department will report regularly on the 2015/16 funded projects.



SELECT COMMITTEE ON TRADE AND INTERNATIONAL RELATIONS NCOP

Support with “Taking Parliament to the People” in the Eden district of the Western Cape, Oudtshoorn Municipality, 13-17 April 2015

The Domestic Tourism Management Branch attended, and supported the Minister as well as the Select Committee on Trade and International Relations.

Briefing on the Strategic Plan 2015/16-2019/20 and Annual Performance Plan 2015/16, on 6 May 2015

The committee raised various matters relating to the substandard condition of the NTIG at ORTIA. Members also made some suggestions on how to improve domestic tourism. The committee emphasised that greater coordination was required with other departments that affect tourism, such as Transport, Arts and Culture, Home Affairs, International Relations and Cooperation, etc. It was concluded that greater collaboration was needed between the Department and the select committee in respect of provincial matters.

The Department responded in the following ways:

- Regarding NTIGs, the Department supports a single national desk on the international side, and a provincial desk on the national/provincial side of airports. The Department took note of the comments in this regard.
- The Department noted the suggestions and ideas regarding domestic tourism.
- The Department prioritised support to South Africa's World Heritage Sites as tourism attractions, in terms of tourist guides and interpretative signage.
- The Department has indicated its availability to meet with the select committee at any time with regard to provincial matters.

Oversight visit to the Eastern Cape (Nelson Mandela Bay – Motherwell, Donkin Memorial and Visitor Information Centre) on 22 April 2015

The Department provided support to the committee. However, due to programme challenges experienced by the committee, they never visited the Motherwell project.

Briefing on the Tourism Incentive Programme on 29 July 2015

The presentation was well received and all questions were responded to at the meeting.

The chairperson indicated that the committee would call the Department back in 2016 to inform them on further progress, especially in terms of how many SMMEs have benefitted from the TIP.

Oversight visit to North West (Moses Kotane District, Pilanesberg area and Sun City Airport) on 18-21 August 2015

Regarding the presentation by the provincial tourism department, the select committee recommended that the provincial department:

- should develop a concrete business case and service delivery model to improve the North West tourism industry;
- must align its strategic objectives with the NDP, Provincial Growth and Development Strategy (PGDS) as well as Local Economic Development and Integrated Development Plans.
- must also determine clear timeframes for implementing its strategic objectives for development of the sector, in line with the Medium-Term Strategic Framework and with the National Department of Tourism's plans;
- needs to promote integrated planning between the different local governments and demonstrate how the province will grow the industry without merely depending on Sun City, including the construction of an international convention centre;
- should develop plans to address the land claims affecting the tourism industry; and
- should make a concerted effort to promote the B-BBEE codes to fast-track transformation in the tourism industry and facilitate inclusive economic growth and development, also including SMMEs and cooperatives.
- The committee expressed its concern about the lack of partnerships, empowerment, inclusiveness and transformation.
- The province should further more consider marketing the airport to all markets to ensure its sustainability. Funds are still needed to upgrade the parking area, runway, etc.
- A guest exchange initiative should also be considered between the lodges in the park and guesthouses. However, a programme should be implemented to ensure that the service levels are consistent for both lodges and guest houses.

The Department noted all the select committee's comments.

Joint oversight visit to KwaZulu-Natal by the Select Committee on Trade and International Relations and Select Committee on Economic and Business Development, 8-11 September 2015

The Department provided support for the committees' visit to iSimangaliso Wetland Park, the purpose of which was to meet with the management authority of iSimangaliso Wetland Park, the KwaZulu-Natal Tourism Board as well as the Provincial Department of Economic Development, Tourism and Environmental Affairs. The meeting explored the current and future prospects of the park and ascertained the extent to which new entrants from previously disadvantaged communities are able to access tourism and conservation areas. Issues such as tourism signage, SMME development, transformation and public access were raised. The poor working relationships between tour operators and the management authority of iSimangaliso was raised as a concern.

The Department noted the committees' observations.

Briefing on the 2014/15 Annual Report on 4 November 2015

The committee requested to be kept informed about the SRI forensic investigations, and specifically raised a concern about job opportunities that were only for a limited time, such as the EPWP opportunities created during the building phase of projects. Not all workers are trained to continue working in the tourism industry once the job opportunities terminate. Dual pricing was raised as a possible way to make domestic tourism affordable for locals. In addition, beneficiation of South African artists should be discussed with the Department of Arts and Culture. The committee also raised the issue of the Amended Immigration Regulations and asked about the Department's plans to create awareness. Further matters raised related to the Local Government Conference, the Tourism Planning Toolkit for Local Government, and the Department's research on post land settlements. The committee also requested copies of all reports mentioned in the presentation.

The Department implemented the following to address the matters raised by the committee:

- The Department will submit the final status report on the SRI forensic investigation to the committee.
- The Tourism Planning Toolkit for Local Government was provided to the committee. The 2015 Local Government Conference took a resolution that the South African Tourism Planning Toolkit for Local Government needed to be reviewed and simplified in order to maximise its usage. The Department is working with the provinces and local governments on this revision.
- The Department is finalising the report on post land settlement support to beneficiaries of land settlement.
- The Department provided the requested reports to the committee.

8. SCOPA RESOLUTIONS

The Department has no Standing Committee on Public Accounts (SCOPA) resolutions on which to report.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No matters were reported by the AGSA in the previous financial year, and no modifications were therefore applied to prior audit reports.



10. INTERNAL CONTROL UNIT

The Department does not have an internal control unit for various reasons, including limited budget allocation for employee compensation, and the size of the Department. However, the directorates of Financial Management and Supply Chain Management fulfil the function of an internal control unit by compiling submissions, forms, route forms and delegations so as to ensure compliance.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit Unit provides assurance and consulting services. It conducts its affairs in terms of an approved internal audit charter. The unit follows a risk-based audit approach, in terms of which the Department's risk strategy and the Internal Audit Unit's assessment of risks are the drivers of internal audit activities and the approved internal audit plan. The internal audit plan was formally adopted and approved by the Audit Committee.

Below are some of the audits performed by the Internal Audit Unit during the 2015/16 financial year:

- Assets management
- Departmental vehicles
- Application controls
- Performance audit: Integrated planning (Domestic Tourism Management)

- SRI
- Information and communications technology governance
- Pre-determined objectives
- Stakeholder management
- Occupational health and safety

Progress on the implementation of the plan was monitored and reported on at each Audit Committee meeting.

The primary purpose of the Audit Committee is to assist the Department in fulfilling its oversight responsibilities, and to ensure that the Department has and maintains effective, efficient and transparent systems of financial, risk management, governance and internal control by:

- (i) supporting management in respect of financial reporting and a system of internal control;
- (ii) enhancing business ethics and trust in the Department;
- (iii) ensuring and enhancing the independence of internal audit activity;
- (iv) ensuring that risks facing the Department are identified, and that appropriate procedures are implemented to manage and minimise risks;
- (v) ensuring the proper functioning of the audit process; and
- (vi) monitoring compliance with laws, regulations and codes of conduct.

The table below discloses relevant information on the Audit Committee members, both until and following 1 August 2015:

Until 1 August 2015

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Audit Committee term expired	Number of meetings attended
Prof H de Jager	DCom (Acc); CA (SA); RGA	External		1 August 2012	31 July 2015	2
Mr JR Rapoo	BComm (Law); Hons. BCompt	External		1 August 2012	31 July 2015	2
Mr R Rajcoomar	BCom (Hons); H-Dip Tax; Post Grad Dip Acc Sc; MBA	External		1 August 2012	31 July 2015	2
Ms KT Rapoo	Advanced Project Management; EDP Gibbs	External		1 August 2012	31 July 2015	2

Following 1 August 2015

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date resigned	Number of meetings attended
Prof H de Jager	DCom (Acc); CA (SA); RGA	External		1 August 2015		2
Mr R Rajcoomar	BCom (Hons); H-Dip Tax; Post Grad Dip Acc Sc; MBA	External		1 August 2015		2
Mr PR Minisi	LLB; Post Grad Certificate in Compliance Management.	External		1 August 2015		2
Ms HN Masedi	B. Compt Hons; M Com (Computer Auditing);	External		1 August 2015		2

12. AUDIT COMMITTEE REPORT

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

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

The department's system of internal control is designed to provide reasonable assurance, inter alia, that assets are safeguarded and that liabilities and working capital are efficiently managed. Based on the approved annual internal audit plan setting out the scope, control objectives and risks, for the period covered, various reports were submitted by the internal auditors.

The results of the internal and external audits indicated that controls have been operating as intended. The Audit Committee has considered management's responses to address matters and to facilitate corrective actions, improvements and monitoring the controls and procedures where findings were identified. Implementation of such corrective actions is monitored through the implementation of an issue tracking report and the follow-up review reports submitted to the committee on a regular basis.

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department revealed certain weaknesses, which were then raised with the Department.

The following internal audit work was completed during the year under review:

- Assets management;
- Departmental Vehicles;
- Application controls;
- Performance Audit: Integrated Planning (Domestic Tourism Management);
- Social Responsibility Implementation;
- ICT Governance;
- Pre-determined objectives;
- Stakeholder Management; and
- Occupational Health and Safety

In-Year Management and Monthly/Quarterly Report

The Department has reported monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by the Department.

Internal Audit

The Internal Audit Unit conducts its affairs in terms of an approved Internal Audit Charter. The charter is reviewed on an annual basis. The Internal Audit Unit follows a risk-based audit approach, whereby the department's Risk Strategy and the Internal Audit Unit's assessment of the risks drivers are taken into account.

The Internal Audit Plan was formally adopted and approved by the Audit Committee. Progress on the execution of the plan was monitored and reported on at each Audit Committee meeting.

The Audit Committee is therefore satisfied that the internal audit function (in house) is operating effectively and that it has addressed the risks pertinent to the Department in its Audit Plan.


Risk strategy

The Department has a risk management strategy in place and actively monitors and takes appropriate action against the risks identified as per the risk register.

Auditor-General SA Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved.

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



Prof Herman de Jager
Chairperson of the Audit Committee

29 July 2016





PART D:

HUMAN RESOURCE MANAGEMENT

Free State province:
A succulent plant pushes through a gap in the rocks
on the Koranna Mountains in the Eastern Free State.
Photo: Graeme Williams, MediaClubSouthAfrica.com

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 status of human resources in the Department

Human resources is one of the most strategic resources that is managed with great care and diligence within the Department.

An efficiently run Human Resources Component provides the Department with the requisite organisational structure and the concomitant human resources required to enable the Department to meet its needs in pursuit of its strategic goals by managing the Department's most valuable resources – its employees. The Human Resources Component is strategically positioned to:

- retain, engage and attract outstanding employees;
- promote a workforce that is diverse and inclusive;
- provide a safe and healthy , learning and working environment; and
- develop employees to their fullest potential.

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

- a. To recruit a suitably qualified, capable and skilled workforce
- b. To promote employment equity
- c. To have skilled, motivated, capacitated and empowered employees who are equipped to deliver the mandate of the department
- d. To develop high-quality leaders and managers who exemplify the core values of the public service and the Department, and are committed to service delivery
- e. To promote effective performance management systems
- f. To effectively manage employee health and wellness in the workplace,
- g. To coordinate special transformation programmes

- h. To promote sound labour relations between employer and employees

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

Workforce planning is about having the right people with the right skills in the right jobs at the right time and the right costs. It identifies the gap between current workforce capabilities and the workforce capabilities required to achieve the Department's strategic goals in an ever changing operational environment. This is what the department has been striving to achieve during the year under review.

Workforce planning is guided by the Department's strategy. The legal framework in this regard consists of the Employment Equity Act, Public Service Act and Public Service Regulations. During the year under review, the implementation of the Human Resources Strategy 2015-2018 continued in order to guide the process of attracting, recruiting and developing a skilled and capable workforce. This has been achieved and is exemplified by the quality and number of employees that have attracted into the organisation

In view of the large number of generic posts in the International Tourism Management and Domestic Tourism Management branches, a generic recruitment approach was developed for implementation on 1 April 2014.

Employee performance management

The Department annually commits to 100% implementation of the performance management development system (PMDS), as guided by the departmental PMDS Policy and relevant chapter of the Senior Management Service (SMS) Handbook. Workshops are conducted to provide knowledge and understanding on the development of performance agreement and work plans as well as on how to assess performance.

Employees' performance assessments are conducted at the end of the financial year, and performance outcomes implemented. Employees who performed outstandingly were afforded performance rewards and pay progression according to policy guidelines. Steps are taken to address poor performance such as retraining and other interventions

Employee wellness programmes

During the period under review, the Employee Health and Wellness (EHW) Unit managed to coordinate programmes that were in line with the EHW Public Service Strategic Framework (2008), which is composed of four strategic intents and policies, namely the HIV & Aids and TB Management Policy, the Health and Productivity Management Policy, the Occupational Health and Safety Management Policy and the Wellness Management Policy. The EHW Unit managed to implement the Wellness Management Policy by reaching an average of 22% of the departmental staff members during the wellness days coordinated once per quarter. Implementation of the HIV & Aids Management Policy saw an average of 13% of staff receiving HIV counselling and testing. As far as implementation of the Health and Productivity Management Policy and the Occupational Health and Safety Policy is concerned, 0,74% and 4% of cases were attended to in the Department. Adequate implementation of two additional policies, namely the Bereavement and Sports & Recreation policies, means that the Department's EHW programmes were fully functional during the period under review.

Achievements and challenges faced by the Department, as well as future human resource plans/goals

The Department has exceeded government's targets for persons with disabilities and currently stands at 4.9% representation for this group. At SMS level, the Department has reached 49.2% female occupation of posts and continues to pursue the 50% mark in the new financial year.

A 100% disclosure rate was recorded in respect of SMS members' financial interests.

Looking at future human resource plans/goals, the Department's existing human resource policies, procedures and systems (codes of practice) and the HR Strategy 2015-2018 provide an effective framework for recruiting, developing and retaining staff in a fair and supportive environment. To this end, the goals listed in the strategy are as follows:

- a) Strategic partnerships with core business
- b) Employee championship
- c) Organisational development and design
- d) Recruitment and employee life-cycle management, with two sub-categories:
 - I. Human resource utilisation
 - II. Human resource development

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel-related expenditure

The following tables summarise the final, audited personnel-related expenditure by programme and salary band. In particular, they provide 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 to 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	224 811	121 318	1 718	1 542	54	237
Policy and Knowledge Services	1 195 525	39 721	2 405	16 119	3.3	77
International Tourism	49 928	37 737	162	67	75.6	74
Domestic Tourism	307 130	54 130	46 962	1 762	17.6	106
Total	1 777 394	252 906	51 247	19 490	14.2	494

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

Salary band	Personnel expenditure (R'000)	% of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Skilled (levels 3-5)	5 335	3	30	177 833
Highly skilled production (levels 6-8)	52 433	20	190	275 963
Highly skilled supervision (levels 9-12)	120 499	47	216	557 866
Senior and top management (levels 13-16)	66 375	26	60	1 106 250
Contract	8 264	4	17	486 118
Total	252 906	100	513	492 994

Table 3.1.3 Salaries, overtime, homeowner's allowances and medical aid by programme for the period 1 April 2015 to 31 March 2016

Programme	Salaries		Overtime		Homeowner's allowances (HOAs)		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOAs as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	92 306	75	233	0	3 518	3	3 397	3
Policy and Knowledge Services	30 906	78	32	0	955	2	691	2
International Tourism	29 886	78	-	0	1 336	4	758	2
Domestic Tourism	42 632	75	20	0	1 463	3	1 398	2
Total	195 730	76	285	0	7 272	3	6 244	2

Table 3.1.4 Salaries, overtime, homeowner's allowances and medical aid by salary band for the period 1 April 2015 to 31 March 2016

Salary band	Salaries		Overtime		Homeowner's allowances (HOAs)		Medical aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOAs as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (levels 3-5)	3 669	69	48	1	391	3	323	6
Highly skilled production (levels 6-8)	38 233	73	169	0	2 281	2	2 533	5
Highly skilled supervision (levels 9-12)	93 462	76	67	0	3 185	4	2 591	2
Senior management (levels 13-16)	53 906	80	-	0	1 379	3	759	1
Contract	6 460	77	1	0	36	0	38	0
Total	195 730	76	285	0	7 272	3	6 244	2

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 Department's establishment, the number of employees, the vacancy rate and whether there are any staff additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations

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	278	259	7	4
Domestic Tourism	103	101	2.9	0
International Tourism	69	68	1.4	4
Policy & Knowledge Services	85	77	9.1	2
Total	535	505	5.6	10

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)	0	0	0	9
Skilled(3-5)	31	31	0	0
Highly skilled production (6-8)	202	192	5.0	1
Highly skilled supervision (9-12)	232	219	5.6	0
Senior management (13-16)	70	63	10.0	0
Total	535	505	5.6	10

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
Financial and related professionals	14	12	14.3	0
Senior Managers	68	61	10.3	0
Total	82	73	11.0	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	0	0	100	0	0
Salary Level 15	5	3	60	2	40
Salary Level 14	14	14	100	0	0
Salary Level 13	49	43	87.8	6	12.2
Total	69	61	88.4	8	11.6

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
Minister/ Deputy-Minister	2	2	100	0	0
Salary Level 16	1	1	1	0	0
Salary Level 15	5	4	80	1	20
Salary Level 14	14	14	14	0	0
Salary Level 13	48	43	89	4	11
Total	70	64	91	5	9

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2015 and 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
Minister/ Deputy-Minister	2	2	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	5	3	60	2	40.0
Salary Level 14	14	14	100	0	0
Salary Level 13	48	43	89.5	5	11.5
Total	70	63	90.0	7	10.0



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
Director: Knowledge Management (Vacant 1 April 2015) – The post was initially advertised within 6 months, interviews were held and none of the candidates were found to be appointable. The post was subsequently re-advertised and filled wef 1 May 2016

Reasons for vacancies not filled within six months
Director: Knowledge Management (Vacant 1 April 2015) – The post was initially advertised within 6 months, interviews were held and none of the candidates were found to be appointable. The post was subsequently re-advertised and filled wef 1 May 2016

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
No disciplinary steps taken – re-advertising a post dictates that the filling of a post will take longer

Reasons for vacancies not filled within six months
No disciplinary steps taken – re-advertising a post dictates that the filling of a post will take longer

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 and 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 to 31 March 2016

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated	Number of posts upgraded	% of upgraded posts evaluated	Number of posts down-graded	% of downgraded posts evaluated
Lower-skilled (levels 1-2)	1	0	0	0	0	0	0
Contract (levels 1-2)	8	0	0	0	0	0	0
Contract (levels 3-5)	2	0	0	0	0	0	0
Contract (levels 6-8)	3	0	0	0	0	0	0
Contract (levels 9-12)	1	0	0	0	0	1	0
Contract (band A)	2	0	0	0	0	0	0
Contract (band D)	1	0	0	0	0	0	0
Skilled (levels 3-5)	30	0	0	0	0	0	0
Highly skilled production (levels 6-8)	201	1	0.5	1	100	0	0
Highly skilled supervision (levels 9-12)	230	0	0	0	0	0	0
Senior management service band A	46	0	0	0	0	0	0
Senior management service band B	14	0	0	0	0	0	0
Senior management service band C	5	0	0	0	0	0	0
Senior management service band D	2	0	0	0	0	0	0
TOTAL	546	1	0.2	1	100	1	0

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

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

The upgrades included one pertaining to an employee with a disability and was informed by the implementation of Resolution 1 of 2012.

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation, accompanied by reasons for any deviation.

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation, by occupation, for the period 1 April 2015 to 31 March 2016

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Chief Financial Office	1	14	15	Retention
Total number of employees whose salaries exceeded the level determined by job evaluation				1
Percentage of total employed				0.2%

The relevant individual above was a white male.

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)	17	4	5	29.4
Skilled (Levels 3-5)	33	3	3	8.3
Highly skilled production (Levels 6-8)	196	24	23	10.4
Highly skilled supervision (Levels 9-12)	221	10	18	7.8
Senior Management Service Bands A	42	1	2	4.7
Senior Management Service Bands B	13	1	0	0
Senior Management Service Bands C	5	0	1	20
Senior Management Service Bands D	3	0	2	33.3
Total	530	43	54	10.2

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
Financial and related professionals	5	0	0	0
Senior managers	63	2	4	6.2
TOTAL	68	2	4	5.7

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	0	0
Resignation	23	42.6
Expiry of contract	13	24.1
Dismissal – operational changes	0	0
Dismissal – misconduct	1	1.9
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0
Retirement	3	5.6
Transfer to other Public Service Departments	14	25.9
Total	54	100.0

Total number of employees who left as a % of total employment

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
Financial and related professionals	5	0	0	5	100
Senior managers	63	6	9.5	49	77.7
TOTAL	68	6	8.8	54	79.4

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 (Level 1-2)	17	0	0	0	0
Skilled (Levels 3-5)	34	5	1.5	21	6.2
Highly skilled production (Levels 6-8)	196	11	5.6	124	63.2
Highly skilled supervision (Levels 9-12)	220	10	5.5	151	68.6
Senior Management (Level 13-16)	63	6	9.5	49	77.8
Total	530	32	6	345	65.1

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	23	3	3	3	24	1	3	3	63
Professionals	76	4	4	4	99	7	3	6	203
Technicians and associate professionals	55	0	1	1	40	6	2	4	109
Clerks	30	1	0	0	62	2	0	1	96
Service and sales workers	12	2	0	1	7	0	0	0	22
Plant and machine operators and assemblers	4	0	0	0	0	0	0	0	4
Elementary occupations	9	0	0	0	8	1	0	0	18
Total	209	10	8	9	240	17	8	14	515
Employees with disabilities	14	1	1	1	7	0	0	1	25

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	1	0	0	2	2	0	0	1	6
Senior Management	22	3	3	1	22	1	3	2	57
Professionally qualified and experienced specialists and mid-management	94	2	5	6	95	7	3	6	218
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	69	5	0	0	104	8	2	5	193
Semi-skilled and discretionary decision making	19	0	0	0	12	1	0	0	32
Unskilled and defined decision making	4	0	0	0	5	0	0	0	9
Total	209	10	8	9	240	17	8	14	515

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	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	2	0	0	0	2
Professionally qualified and experienced specialists and mid-management	5	0	0	1	4	0	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	2	0	0	16	0	0	0	24
Semi-skilled and discretionary decision making	2	0	0	0	1	0	0	0	3
Unskilled and defined decision making	1	0	0	0	3	0	0	0	4
Total	14	2	0	1	26	0	0	0	43
Employees with disabilities	0	0	0	0	0	0	0	0	0

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	2	0	0	0	1	0	0	1	4
Senior Management	22	3	2	1	19	1	2	2	52
Professionally qualified and experienced specialists and mid-management	66	2	5	6	72	7	4	5	167
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	49	1	0	0	69	9	1	3	132
Semi-skilled and discretionary decision making	11	0	0	0	10	1	0	0	22
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	150	6	7	7	171	18	7	11	377
Employees with disabilities	11	1	1	1	4	0	0	0	18

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	1	0	0	0	0	2
Senior Management	1	0	0	0	0	1	0	0	2
Professionally qualified and experienced specialists and mid-management	12	0	0	0	4	1	1	0	18
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	0	0	0	11	0	0	1	23
Semi-skilled and discretionary decision making	3	0	0	0	0	0	0	0	3
Unskilled and defined decision making	2	0	0	0	4	0	0	0	6
Total	30	0	0	1	19	2	1	1	54
Employees with Disabilities	0	0	0	1	1	0	0	0	2

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	
Correctional counselling	0	0	0	0	0	0	0	0	0
Final written warning	1	0	0	0	0	0	0	0	1
Suspended without pay	1	0	0	0	0	0	0	0	1
Resignation	1	0	0	0	0	0	0	0	1
Dismissal	0	0	1	0	0	0	0	0	1
Total	3	0	1	0	0	0	0	0	4

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	61	1	1	0	61	1	1	1	127
Professionals	66	0	2	0	60	1	0	1	130
Technicians and associate professionals	28	1	0	1	43	4	0	2	79
Clerks	64	1	0	0	48	2	1	1	117
Elementary occupations	5	0	0	0	5	0	0	0	10
Non-permanent employees	6	0	0	0	16	0	0	0	22
TOTAL	230	3	3	1	233	8	2	5	485
Employees with disabilities	8	0	0	0	1	0	0	1	10

3.7 Signing of performance agreements by SMS members

All SMS members 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.

Signing of performance agreements by SMS members as at 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	100
Salary level 16	0	0	0	100
Salary level 15	4	4	4	100
Salary level 14	-	14	14	100
Salary level 13	-	42	41	100
Total	5	61	60	100

NB: The one SMS member on salary level 13 was not expected to submit the performance agreement by the end of 31 March 2015, as the employee was still within the permitted grace period.

There was no failure to conclude performance agreements with SMS members in the reporting period, and therefore also no disciplinary steps instituted.

3.8 Performance rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

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

Race and gender	Number of beneficiaries	Number of employees	% of total employment	Cost (R'000)	Average cost per beneficiary (R)
African, female	131	232	56.5	1 541	1 175
African, male	102	194	52.6	1 165	11 418
Asian, female	6	8	87.5	138	19 676
Asian, male	4	7	57.1	72	18 024
Coloured, female	13	17	82.4	127	9 081
Coloured, male	1	9	0	0	0
Total blacks, female	150	257	59.1	1 806	11 882
Total blacks, male	107	210	50.5	1 237	11 667
White, female	13	13	100	212	16 296
White, male	5	8	62.5	120	24 012
Employees with a disability	14	25	56	182	12 992
TOTAL	289	513	56.5	3 557	12 264

Table 3.8.2 Performance rewards* by salary band for personnel below SMS level for the period 1 April 2015 to 31 March 2016

Salary band	Number of beneficiaries	Number of employees	% of total employees within salary band	Cost (R'000)	Average cost per beneficiary (R)
Skilled (levels 3-5)	22	30	73.3	89	4 045
Highly skilled production (levels 6-8)	102	190	53.7	720	7 059
Highly skilled supervision (levels 9-12)	134	216	62	1 752	13 075
Contract (levels 1-2)	0	8	0	0	0
Contract (levels 3-5)	0	2	0	0	0
Contract (levels 6-8)	1	3	33.3	18	18 000
Contract (levels 9-12)	1	3	100	22	22 000
TOTAL	260	452	57.5	2 601	10 004

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

Critical occupations	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
Financial and related professionals	10	12	83.3	132	13 200
Human resources & organisational development & related professions	18	21	85.7	250	13 889
Senior managers	30	61	49.2	986	32 867
TOTAL	58	94	61.7	1 368	59 956

Table 3.8.4 Performance-related rewards* (cash bonus) by salary band for SMS members for the period 1 April 2015 to 31 March 2016

Salary band	Number of beneficiaries	Number of employees	% of total within the salary band	Cost (R'000)	Average cost per beneficiary (R)	% of SMS wage bill	Personnel cost SMS (R'000)
Band A	19	43	44.2	538	28 316	0.8	41 411
Band B	6	14	42.9	241	40 167	0.4	16 466
Band C	3	3	100	133	44 333	0.2	6 539
Band D	1	3	33.3	44	44 000	0	6 341
TOTAL	29	63	46	956	32 965	1.4	70 757

*Performance rewards were for performance cycle 2014/15.

NB: The information above includes 12 employees (six females and six males) who transferred to the Department, while it excludes the 16 employees assessed in though transferred out of the Department.

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 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	0	0	0	0	0	0

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

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
N/A	0	0	0	0	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)	33	57.6	9	2	4	13
Skilled (levels 3-5)	158	72.7	30	6.6	5	96
Highly skilled production (levels 6-8)	1 288	66.0	175	38.4	7	1 321
Highly skilled supervision (levels 9 -12)	1 351	73.8	188	41.3	7	2 703
Top and Senior management (levels 13-16)	263	67.7	53	11.7	5	931
Total	3 093	69.8	455	100	7	5 064

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)
Highly skilled production (Levels 6-8)	259	100	10	35.7	26	274
Highly skilled supervision (Levels 9-12)	272	100	15	53.6	18	546
Senior management (Levels 13-16)	61	100	3	10.7	20	222
Total	592	100	28	100	21	1 042

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)	171	15	11
Skilled Levels 3-5)	734	36	20
Highly skilled production (Levels 6-8)	4 417	216	20
Highly skilled supervision(Levels 9-12)	5 452	238	23
Senior management (Levels 13-16)	1 546	65	24
Total	12 320	570	22

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 December 2015
Highly skilled supervision(Levels 9-12)	2	1	2	31
Total	2	1	2	31

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 payout for 2015/16 due to non-utilisation of leave for the previous cycle	378	13	29 077
Capped leave payouts on termination of service for 2015/16	2 336	53	44 075
Current leave payout on termination of service for 2015/16	425	38	11 184
Total	3 139	104	30 183

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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		SMS Member: Advocate M A Mopeli - Director: Employee Relations, Health and Transformation.
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		Dedicated Unit: Mr S V Nkosi: Deputy Director- Employee Health and Wellness and Ms M Sibande: Assistant Director –Employee Health and Wellness



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		<p>Introduction of the programme: Yes, the department has introduced this programme to its entire staff and it was championed by the Director General of the Department.</p> <p>Key services/elements: Counselling Services; Health Screening Services in last 4 quarters; Conducted HIV & AIDS Information Session during the World AIDS Day; and Employee Assistance Programme Services. Moreover, this unit operates within the scope of four (4) Employee Health and Wellness (EHW) Pillars which are: HIV&AIDS and TB Management Programmes, Wellness Management Programmes including Sports and Recreation Programmes as well as Bereavement Matters, Health and Productivity Management, and Occupational Health Management Programmes.</p>
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.		x	<p>Committee: The department has established Transformation and HR Consultative Forum where issues of Employee Health and Wellness including HIV & AIDS are discussed in line with the Public Service Regulations, 2001.</p>

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.		x	<p>Policy review: The policy review will take place during the course of 2016/2017 financial year. The unit has HIV Counselling and Testing (HCT) statistics reports and awareness campaigns on the implementation of the HIV&AIDS and TB Management policy.</p>
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		<p>Measures in place: There is a dedicated unit which specialises on Employee Health & Wellness including HIV and AIDS and TB in the workplace. This unit has measures in place to prevent discrimination of HIV-positive employees at work through HIV&AIDS and TB Management Policy, it further provides HIV counselling and wellness interventions on all four quarters in the financial year.</p>

7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	x	HIV Counselling and Testing (HCT) Services: The department had four interventions during the financial year 2015/2016, where staff members were encouraged to go HIV Test and this was done in collaboration with the Health Screening Program conducted in the department through Government Employee Medical Scheme (GEMS). The average percentage of employees reached was approximately 45% from the entire staff.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x	Monitoring and evaluation: The unit compiled four (4) reports on EHW quarterly intervention to assess the impact of health promotion programme per intervention and submit the report to the Department of Public Service and Administration (DPSA).

3.12 Labour Relations

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

Subject matter	Date
None	

Notes

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

Total number of Collective agreements	None
--	------

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

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

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	-
Verbal warning	0	-
Written warning	0	-
Final written warning	1	25
Suspended without pay	1	25
Fine	0	-
Demotion	0	-
Dismissal	1	25
Not guilty	0	-
Resignation	1	25
Total	4	100

Notes

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

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	% of total
Dishonesty	1	25
Misrepresentation	1	25
Improper conduct (Sexual Harassment)	2	50
Total	4	100

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

Grievances	Number	% of Total
Number of grievances resolved	7	70
Number of grievances not resolved	3	30
Total number of grievances lodged	10	100

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	1	50
Number of disputes dismissed	1	50
Total number of disputes lodged	2	100

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

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

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

Number of people suspended	2
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	125 days
Cost of suspension(R'000)	R117 302.60

3.13 Skills development

This section highlights the Department's efforts with regard to skills development.

Training needs identified for the period 1 April 2015 to 31 March 2016

Occupational categories	Gender	Number of employees as at 1 April 2015	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	0	0	48	0	48
	Male	0	0	41	0	41
Professionals	Female	0	0	16	0	16
	Male	0	0	16	0	16
Technicians and associate professionals	Female	0	0	25	0	25
	Male	0	0	23	0	23
Clerks	Female	0	0	18	0	18
	Male	0	0	17	0	17
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	1	0	1
Elementary occupations	Female	0	0	3	2	5
	Male	0	0	3	5	8
Gender sub-totals	Female	0	0	110	2	112
	Male	0	0	101	5	106
TOTAL		0	0	211	7	218

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

Occupational categories	Gender	Employment	Internship/ external bursars	Skills programmes & other short courses	Other forms of training/internal bursaries/CIP	Total
Legislators, senior officials and managers	Female	0	0	59	6	65
	Male	0	0	73	8	81
Professionals	Female	0	0	17	7	24
	Male	0	0	25	8	33
Technicians and associate professionals	Female	0	0	55	6	61
	Male	0	0	40	3	43
Clerks	Female	0	0	46	15	61
	Male	0	0	45	11	56
Elementary occupations	Female	0	0	0	2	2
	Male	0	0	0	5	5
Non- permanent employees	Female	0	23	0	0	23
	Male	0	7	0	0	7
Gender sub-totals	Female	0	0	177	36	213
	Male	0	0	183	35	225
TOTAL		0	0	360	71	438

3.14 Injuries on duty

The following table provides basic information on injuries on duty.

Injuries on duty for the period 1 April 2015 to 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	4	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	4	100

3.15 Utilisation of consultants

The following tables relate to 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
- (c) The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department

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

Project title	Total number of consultants who worked on project	Duration (work days)	Contract value in rand	Percentage ownership by HDI groups
OR-005196-Technical advisory services in related to renewable energy retro-fitment in the state owned tourism attractions PHAMBILI MERZ	6	12 Months	3 000 000	30%
OR-005161-Technical advisory services for the renewable energy retro-fitment pilot project PARSONS BRINCKERHOFF AFRICA	4	12 Months	4 131 355	26%
OR-005297-B-BBEE specialist to develop a simplified guide on the amended tourism B-BBEE codes MOLOTO BEE	4	15 Days	479 398	100%
OR-004922-Expect to assist the department to conduct Travel and Tourism Environmental Scan BLUE PRINT HOLDINGS	Not indicated	2 Months	365 500	60%
OR-005182-Drafting /Revision of the National Tourism Sector Strategy (NTSS) BLUE PRINT HOLDINGS	6	50 Days	314 495	60%
Total	16		8 290 748	

There were no consultant appointments using donor funds during the reporting year.

3.16 Severance packages

No employee-initiated severance packages were negotiated or granted during the period under review.



PART E:

FINANCIAL INFORMATION

Limpopo province:
Baobab trees stand out against the bushy landscape near Musina.
Photo: Graeme Williams, MediaClubSouthAfrica.com

Department of Tourism Vote 33
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2016

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 33: DEPARTMENT OF TOURISM

Report on the financial statements

Introduction

1. I have audited the financial statements of the Department of Tourism set out on pages 115 to 193, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with modified cash standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the MCS and the requirements of the PFMA.

Additional matter

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

Unaudited supplementary information

7. The supplementary information set out on pages 185 to 193 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Department of Tourism Vote 33
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2016

Report on other legal and regulatory requirements

8. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives of selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

9. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information of the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
- Programme 2 Policy and Knowledge Services on pages 44 to 53
 - Programme 3: International Tourism Management on pages 53 to 56
10. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPPI).
11. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

12. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2: Policy and Knowledge Services
- Programme 3: International Tourism Management

Additional matter

13. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matter:

Achievement of planned targets

14. Refer to the annual performance report on page(s) 44 to 56; 53 to 56 for information on the achievement of the planned targets for the year.

Compliance with legislation

15. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

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

Other reports

17. I draw attention to the following engagements that could potentially impact on the department's financial, performance and compliance related matters. My opinion is not modified in respect of these engagements that are either in progress or have been completed.

Department of Tourism Vote 33
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2016

Investigations

18. Government Technical Advisory Centre (GTAC) has been requested to review all EPWP projects to ensure finalisation of these projects in an effective and efficient manner. At the date of the report, the investigations had not commenced.

Auditor-General

Pretoria
28 July 2016



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Department of Tourism Vote 33
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

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Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per programme									
2015/16								2014/15	
Programmes	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	233 656	-	(6 278)	227 378	224 811	2 567	98.9	224 961	219 783
2. Policy and Knowledge Services	1 206 214	-	(515)	1 205 699	1 195 525	10 174	99.2	929 693	929 647
3. International Tourism	47 308	-	3 192	50 500	49 928	572	98.9	45 169	45 094
4. Domestic Tourism	307 000	-	3 601	310 601	307 130	3 471	98.9	383 437	363 070
TOTAL	1 794 178	-	-	1 794 178	1 777 394	16 784	99.1	1 583 260	1 557 594
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				6 770				3 504	
Aid assistance								9 600	
Actual amounts per statement of financial performance (total revenue)				1 800 948				1 596 364	
ADD									
Aid assistance									4 800
Actual amounts per statement of financial performance (total expenditure)					1 777 394				1 562 394

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	559 044	(39 339)	(55 725)	463 980	452 618	11 362	97.6	467 602	460 786
Compensation of employees	250 051	-	3 008	253 059	252 906	153	99.9	232 076	231 504
Salaries and wages	197 219	23 244	2 482	222 945	222 792	153	99.9	205 867	205 295
Social contributions	52 832	(23 244)	526	30 114	30 114	-	100	26 209	26 209
Goods and services	308 993	(39 339)	(58 733)	210 921	199 712	11 209	94.7	235 526	229 982
Administrative fees	273	46	(79)	240	240	-	100	193	191
Advertising	5 835	(2 369)	(657)	2 809	2 673	136	95.2	2 854	2 854
Minor assets	1 410	(1 134)	(7)	269	269	-	100	558	558
Audit costs: External	6 045	(1 060)	-	4 985	4 985	-	100	4 210	4 210
Bursaries: Employees	856	315	-	1 171	1 171	-	100	1 063	1 063
Catering: Departmental activities	1 868	213	(213)	1 868	1 868	-	100	3 109	1 709
Communication	5 515	(311)	(10)	5 194	5 194	-	100	5 040	5 036
Computer services	20 072	(957)	(6)	19 109	19 109	-	100	14 335	14 334
Consultants: Business and advisory services	28 511	(3 704)	(3 277)	21 530	19 490	2 040	90.5	3 357	3 357
Legal services	150	377	(7)	520	520	-	100	493	493
Contractors	52 895	269	(48 634)	4 530	4 530	-	100	2 653	2 653
Agency and support/outsourced services	2 030	(906)	-	1 124	1 124	-	100	3 131	3 130
Entertainment	196	(148)	(3)	45	45	-	100	55	55
Fleet services	1 561	(666)	-	895	895	-	100	1 221	1 221

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	2 107	(135)	126	2 098	2 083	15	99.3	2 275	2 275
Consumables: Stationery, printing and office supplies	4 145	(147)	38	4 036	3 958	78	98.1	4 098	4 098
Operating leases	25 223	9 167	-	34 390	34 390	-	100	32 139	32 139
Property payments	3 592	(254)	(3)	3 335	3 335	-	100	2 459	2 459
Travel and subsistence	45 966	(300)	(6 018)	39 648	33 062	6 586	83.4	35 104	31 168
Training and development	86 623	(35 735)	359	51 247	51 247	-	100	106 173	106 173
Operating payments	5 906	(1 213)	54	4 747	4 747	-	100	5 081	5 081
Venues and facilities	7 853	(555)	(396)	6 902	4 548	2 354	65.9	5 805	4 905
Rental and hiring	361	(132)	-	229	229	-	100	120	120
Transfers and subsidies	1 229 041	(48 563)	55 725	1 236 203	1 230 784	5 419	99.6	1 102 580	1 083 730
Departmental agencies and accounts	1 077 478	(56 942)	30 000	1 050 536	1 045 570	4 966	99.5	886 257	886 257
Higher-education institutions	3 809	-	-	3 809	3 800	9	99.8	3 720	3 720
Foreign governments and international organisations	6 004	-	-	6 004	5 810	194	96.8	8 612	8 552
Public corporations and private enterprises	-	47 191	25 725	72 916	72 915	1	100	-	-
Non-profit institutions	14 750	9 700	-	24 450	24 200	250	99	26 450	26 450
Households	127 000	(48 512)	-	78 488	78 489	(1)	100	177 541	158 751
Social benefits	-	2 141	-	2 141	2 141	-	100	2 032	2 031
Other transfers to households	127 000	(50 653)	-	76 347	76 348	(1)	100	175 509	156 720

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	6 093	87 322	-	93 415	93 413	2	100	12 816	12 816
Buildings	-	87 160	-	87 160	87 160	-	100	-	-
Machinery and equipment	5 750	463	-	6 213	6 211	2	100	10 718	10 718
Transport equipment	807	(777)	(30)	-	-	-	-	1 854	1 854
Other machinery and equipment	4 943	1 240	30	6 213	6 211	2	100	8 864	8 864
Software and other intangible assets	343	(301)	-	42	42	-	100	2 098	2 098
Payments for financial assets	-	580	-	580	579	1	99.8	262	262
TOTAL	1 794 178	-	-	1 794 178	1 777 394	16 784	99.1	1 583 260	1 557 594

Detail per programme 1: Administration									
2015/16								2014/15	
Sub-programmes	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Ministry	36 129	(2 852)	(5 383)	27 894	26 028	1 866	93.3	30 851	30 834
2. Management	18 859	(75)	(2 917)	15 867	15 384	483	97	16 830	14 543
3. Corporate Affairs	150 174	(5 856)	2 022	146 340	146 122	218	99.9	142 874	140 000
4. Office Accommodation	28 494	8 783	-	37 277	37 277	-	100	34 406	34 406
Total for sub-programmes	233 656	-	(6 278)	227 378	224 811	2 567	98.9	224 961	219 783

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 1: Administration - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	230 266	(2 366)	(6 511)	221 389	218 822	2 567	98.8	212 192	207 015
Compensation of employees	122 821	-	(1 503)	121 318	121 318	-	100	115 590	115 076
Salaries and wages	108 385	-	(1 953)	106 432	106 432	-	100	102 193	101 679
Social contributions	14 436	-	450	14 886	14 886	-	100	13 397	13 397
Goods and services	107 445	(2 366)	(5 008)	100 071	97 504	2 567	97.4	96 602	91 939
Administrative fees	116	42	(36)	122	122	-	100	85	83
Advertising	2 404	(1 167)	53	1 290	1 290	-	100	1 009	1 009
Minor assets	1 115	(956)	(9)	150	150	-	100	373	373
Audit costs: External	4 545	440	-	4 985	4 985	-	100	4 210	4 210
Bursaries: Employees	846	325	-	1 171	1 171	-	100	957	957
Catering: Departmental activities	981	(42)	(393)	546	546	-	100	1 805	405
Communication	3 797	170	(46)	3 921	3 921	-	100	3 913	3 909
Computer services	16 689	1 536	(2)	18 223	18 223	-	100	14 286	14 285
Consultants: Business and advisory services	3 670	(3 396)	1 268	1 542	1 542	-	100	260	260
Legal services	7	404	(7)	404	404	-	100	420	420
Contractors	1 563	143	1 093	2 799	2 799	-	100	1 478	1 478
Agency and support/outsourced services	2 007	(883)	-	1 124	1 124	-	100	3 111	3 110
Entertainment	190	(144)	(3)	43	43	-	100	52	52
Fleet services	1 561	(666)	-	895	895	-	100	1 220	1 220
Consumable supplies	1 585	16	(10)	1 591	1 591	-	100	1 676	1 676
Consumables: Stationery, printing and office supplies	2 459	38	(27)	2 470	2 470	-	100	2 678	2 678

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 1: Administration - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	25 223	9 167	-	34 390	34 390	-	100	32 139	32 139
Property payments	3 464	(162)	(3)	3 299	3 299	-	100	2 400	2 400
Travel and subsistence	27 085	(4 390)	(6 773)	15 922	13 355	2 567	83.9	17 954	15 099
Training and development	2 839	(1 117)	(4)	1 718	1 718	-	100	2 222	2 222
Operating payments	2 251	(539)	74	1 786	1 786	-	100	2 626	2 626
Venues and facilities	2 687	(837)	(183)	1 667	1 667	-	100	1 619	1 219
Rental and hiring	361	(348)	-	13	13	-	100	109	109
Transfers and subsidies	176	2 063	-	2 239	2 239	-	100	2 537	2 536
Departmental agencies and accounts	176	(1)	-	175	175	-	100	618	618
Households	-	2 064	-	2 064	2 064	-	100	1 919	1 919
Social benefits	-	1 538	-	1 538	1 538	-	100	1 919	1 919
Other transfers to households	-	526	-	526	526	-	100	-	-
Payments for capital assets	3 214	162	233	3 609	3 609	-	100	10 053	10 053
Machinery and equipment	2 900	434	233	3 567	3 567	-	100	7 984	7 984
Transport equipment	735	(735)	-	-	-	-	-	1 854	1 854
Other machinery and equipment	2 165	1 169	233	3 567	3 567	-	100	6 130	6 130
Software and other intangible assets	314	(272)	-	42	42	-	100	2 069	2 069
Payments for financial assets	-	141	-	141	141	-	100	179	179
TOTAL	233 656	-	(6 278)	227 378	224 811	2 567	98.9	224 961	219 783

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 1: Administration									
2015/16								2014/15	
1.1 Ministry	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic Classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	35 089	(2 621)	(5 383)	27 085	25 219	1 866	93.1	26 330	26 313
Compensation of employees	13 646	-	(175)	13 471	13 471	-	100	13 538	13 538
Goods and services	21 443	(2 621)	(5 208)	13 614	11 748	1 866	86.3	12 792	12 775
Transfers and subsidies	-	147	-	147	147	-	100	1 757	1 757
Households	-	147	-	147	147	-	100	1 757	1 757
Payments for capital assets	1 040	(443)	-	597	597	-	100	2 616	2 616
Machinery and equipment	1 040	(443)	-	597	597	-	100	2 616	2 616
Payments for financial assets	-	65	-	65	65	-	100	148	148
TOTAL	36 129	(2 852)	(5 383)	27 894	26 028	1 866	93.3	30 851	30 834

2015/16								2014/15	
1.2 Management	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic Classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	18 487	(1 468)	(2 917)	14 102	13 619	483	96.6	16 494	14 207
Compensation of employees	13 334	-	(2 017)	11 317	11 317	-	100	11 837	11 374
Goods and services	5 153	(1 468)	(900)	2 785	2 302	483	82.7	4 657	2 833
Transfers and subsidies	-	1 419	-	1 419	1 419	-	100	-	-
Households	-	1 419	-	1 419	1 419	-	100	-	-
Payments for capital assets	372	(75)	-	297	297	-	100	336	336
Machinery and equipment	372	(75)	-	297	297	-	100	336	336
Payment for financial assets	-	49	-	49	49	-	100	-	-
TOTAL	18 859	(75)	(2 917)	15 867	15 384	483	97	16 830	14 543

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 1: Administration - <i>continued</i>									
2015/16								2014/15	
1.3 Corporate Affairs	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Econimc Classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	148 196	(7 060)	1 789	142 925	142 707	218	99.8	134 962	132 089
Compensation of employees	95 841	-	689	96 530	96 530	-	100	90 215	90 164
Goods and services	52 355	(7 060)	1 100	46 395	46 177	218	99.5	44 747	41 925
Transfers and subsidies	176	497	-	673	673	-	100	780	779
Departmental agencies and accounts	176	(1)	-	175	175	-	100	618	618
Households	-	498	-	498	498	-	100	161	161
Payments for capital assets	1 802	680	233	2 715	2 715	-	100	7 101	7 101
Machinery and equipment	1 488	952	233	2 673	2 673	-	100	5 032	5 032
Software and other intangible assets	314	(272)	-	42	42	-	100	2 069	2 069
Payments for financial assets	-	27	-	27	27	-	100	31	31
TOTAL	150 174	(5 856)	2 022	146 340	146 122	218	99.9	142 874	140 000

2015/16								2014/15	
1.4 Office Accommodation	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Econimc Classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 494	8 783	-	37 277	37 277	-	100	34 406	34 406
Goods and services	28 494	8 783	-	37 277	37 277	-	100	34 406	34 406
TOTAL	28 494	8 783	-	37 277	37 277	-	100	34 406	34 406

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 2: Policy and Knowledge Services									
2015/16								2014/15	
Sub-programmes	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Policy and Knowledge Services Management	6 849	(1 269)	(793)	4 787	2 668	2 119	55.7	4 070	4 024
2. Policy Development and Evaluation	21 297	311	715	22 323	21 030	1 293	94.2	23 490	23 490
3. Research and Knowledge Management	29 882	4	(300)	29 586	28 098	1 488	95	22 124	22 124
4. South African Tourism	977 712	-	-	977 712	977 712	-	100	880 009	880 009
5. Tourism Incentive Programme	170 474	954	(137)	171 291	166 017	5 274	96.9	-	-
Total for sub-programmes	1 206 214	-	(515)	1 205 699	1 195 525	10 174	99.2	929 693	929 647

Detail per programme 2: Policy and Knowledge Services									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	129 937	(167)	(55 293)	74 477	69 280	5 197	93	44 990	44 944
Compensation of employees	40 168	-	(293)	39 875	39 721	154	99.6	33 388	33 388
Salaries and wages	29 065	6 376	29	35 470	35 316	154	99.6	29 915	29 915
Social contributions	11 103	(6 376)	(322)	4 405	4 405	-	100	3 473	3 473
Goods and services	89 769	(167)	(55 000)	34 602	29 559	5 043	85.4	11 602	11 556
Administrative fees	78	26	-	104	104	-	100	54	54
Advertising	1 773	(766)	-	1 007	871	136	86.5	901	901
Minor assets	117	(64)	-	53	53	-	100	29	29

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 2: Policy and Knowledge Services - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Bursaries: Employees	10	(10)	-	-	-	-	-	-	-
Catering: Departmental activities	250	78	-	328	328	-	100	522	522
Communication	777	(477)	-	300	300	-	100	257	257
Computer services	705	53	-	758	758	-	100	39	39
Consultants: Business and advisory services	21 155	269	(5 000)	16 424	16 119	305	98.1	1 436	1 436
Contractors	50 000	132	(50 000)	132	132	-	100	85	85
Agency and support/outsourced services	9	(9)	-	-	-	-	-	7	7
Entertainment	4	(4)	-	-	-	-	-	1	1
Consumable supplies	70	(19)	-	51	51	-	100	54	54
Consumables: Stationery, printing and office supplies	673	(172)	-	501	501	-	100	348	348
Travel and subsistence	6 344	642	-	6 986	4 620	2 366	66.1	3 220	3 174
Training and development	1 131	1 274	-	2 405	2 405	-	100	923	923
Operating payments	3 075	(856)	-	2 219	2 219	-	100	1 788	1 788
Venues and facilities	3 598	(264)	-	3 334	1 098	2 236	32.9	1 938	1 938

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 2: Policy and Knowledge Services - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	1 075 118	144	55 000	1 130 262	1 125 287	4 975	99.6	883 755	883 755
Departmental agencies and accounts	1 071 309	(56 941)	30 000	1 044 368	1 039 402	4 966	99.5	880 009	880 009
Higher-education institutions	3 809	-	-	3 809	3 800	9	99.8	3 720	3 720
Public corporations and private enterprises	-	46 891	25 000	71 891	71 891	-	100	-	-
Non-profit institutions	-	10 000	-	10 000	10 000	-	100	-	-
Households	-	194	-	194	194	-	100	26	26
Social benefits	-	144	-	144	144	-	100	26	26
Other transfers to households	-	50	-	50	50	-	100	-	-
Payments for capital assets	1 159	-	(222)	937	935	2	99.8	888	888
Machinery and equipment	1 130	29	(222)	937	935	2	99.8	859	859
Other machinery and equipment	1 130	29	(222)	937	935	2	100	859	859
Software and other intangible assets	29	(29)	-	-	-	-	100	29	29
Payments for financial assets	-	23	-	23	23	-	100	60	60
TOTAL	1 206 214	-	(515)	1 205 699	1 195 525	10 174	99.2	929 693	929 647

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 2: Policy and knowledge services									
2015/16								2014/15	
2.1 Policy and Knowledge Services Management	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	6 810	(1 272)	(793)	4 745	2 626	2 119	55.3	3 940	3 894
Compensation of employees	3 174	(744)	(793)	1 637	1 637	-	100	2 711	2 711
Goods and services	3 636	(528)	-	3 108	989	2 119	31.8	1 229	1 183
Transfers and subsidies	-	-	-	-	-	-	-	15	15
Households	-	-	-	-	-	-	-	15	15
Payments for capital assets	39	3	-	42	42	-	100	101	101
Machinery and equipment	39	3	-	42	42	-	100	101	101
Payments for financial assets	-	-	-	-	-	-	-	14	14
TOTAL	6 849	(1 269)	(793)	4 787	2 668	2 119	55.7	4 070	4 024

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification-Programme 2: Policy and knowledge services - <i>continued</i>									
2015/16								2014/15	
2.2 Policy Development and Evaluation	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	20 917	248	800	21 965	20 672	1 293	94.1	22 952	22 952
Compensation of employees	14 586	318	800	15 704	15 704	-	100	16 715	16 715
Goods and services	6 331	(70)	-	6 261	4 968	1 293	79.3	6 237	6 237
Transfers and subsidies	-	48	-	48	48	-	100	-	-
Households	-	48	-	48	48	-	100	-	-
Payments for capital assets	380	(7)	(85)	288	288	-	100	519	519
Machinery and equipment	380	(7)	(85)	288	288	-	100	490	490
Intangible assets	-	-	-	-	-	-	-	29	29
Payments for financial assets	-	22	-	22	22	-	100	19	19
TOTAL	21 297	311	715	22 323	21 030	1 293	94.2	23 490	23 490

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification-Programme 2: Policy and knowledge services - <i>continued</i>									
2015/16								2014/15	
2.3 Research and Knowledge Management	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	25 598	(94)	(300)	25 204	23 725	1 479	94.1	18 098	18 098
Compensation of employees	17 425	-	(300)	17 125	16 972	153	99.1	13 962	13 962
Goods and services	8 173	(94)	-	8 079	6 753	1 326	83.6	4 136	4 136
Transfers and subsidies	3 809	93	-	3 902	3 893	9	99.8	3 731	3 731
Higher-education institutions	3 809	-	-	3 809	3 800	9	99.8	3 720	3 720
Households	-	93	-	93	93	-	100	11	11
Payments for capital assets	475	4	-	479	479	-	100	268	268
Machinery and equipment	446	33	-	479	479	-	100	268	268
Software and other Intangible assets	29	(29)	-	-	-	-	-	-	-
Payments for financial assets	-	1	-	1	1	-	100	27	27
TOTAL	29 882	4	(300)	29 586	28 098	1 488	95	22 124	22 124

2015/16								2014/15	
2.4 South African Tourism	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	977 712	-	-	977 712	977 712	-	100	880 009	880 009
Departmental agencies and accounts	977 712	-	-	977 712	977 712	-	100	880 009	880 009
TOTAL	977 712	-	-	977 712	977 712	-	100	880 009	880 009

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification-Programme 2: Policy and knowledge services - <i>continued</i>									
2015/16								2014/15	
2.5 Tourism Incentive Programme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	76 612	951	(55 000)	22 563	22 257	306	98.6	-	-
Compensation of employees	4 983	426	-	5 409	5 408	1	100	-	-
Goods and services	71 629	525	(55 000)	17 154	16 849	305	98.2	-	-
Transfers and subsidies	93 597	3	55 000	148 600	143 634	4 966	96.7	-	-
Departmental agencies and accounts	93 597	(56 941)	30 000	66 656	61 690	4 966	92.5	-	-
Public corporations and private enterprises	-	46 891	25 000	71 891	71 891	-	100	-	-
Non-profit institutions	-	10 000	-	10 000	10 000	-	100	-	-
Households	-	53	-	53	53	-	100	-	-
Payments for capital assets	265	-	(137)	128	126	2	98.4	-	-
Machinery and equipment	265	-	(137)	128	126	2	98.4	-	-
TOTAL	170 474	954	(137)	171 291	166 017	5 274	96.9	-	-

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 3: International Tourism									
2015/16								2014/15	
Sub-programmes	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. International Tourism Management	3 480	217	400	4 097	4 097	-	100	3 582	3 582
2. Americas and Western Europe	17 332	(283)	(10)	17 039	16 830	209	98.8	15 589	15 529
3. Africa and Middle East	14 371	66	1 503	15 940	15 824	116	99.3	15 495	15 495
4. Asia, Australasia and Eastern Europe	12 125	-	1 299	13 424	13 177	247	98.2	10 503	10 488
Total for sub-programmes	47 308	-	3 192	50 500	49 928	572	98.9	45 169	45 094

Detail per programme 3: International Tourism									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	40 360	(408)	3 389	43 341	42 963	378	99.1	35 741	35 726
Compensation of employees	36 348	-	1 389	37 737	37 737	-	100	32 045	32 030
Salaries and wages	22 784	9 400	1 259	33 443	33 443	-	100	28 671	28 656
Social contributions	13 564	(9 400)	130	4 294	4 294	-	100	3 374	3 374
Goods and services	4 012	(408)	2 000	5 604	5 226	378	93.3	3 696	3 696
Administrative fees	18	-	(7)	11	11	-	100	20	20
Advertising	98	(55)	(17)	26	26	-	100	71	71
Minor assets	108	(89)	5	24	24	-	100	63	63
Bursaries: Employees	-	-	-	-	-	-	-	54	54
Catering: Departmental activities	71	(9)	204	266	266	-	100	28	28

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 3: International Tourism - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Communication	301	(28)	12	285	285	-	100	211	211
Computer services	10	(10)	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	67	67	67	-	100	102	102
Contractors	-	12	579	591	591	-	100	26	26
Agency and support/outsourced services	-	-	-	-	-	-	-	6	6
Entertainment	1	(1)	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	1	1
Consumable supplies	172	(186)	131	117	102	15	87.2	82	82
Consumables: Stationery, printing and office supplies	225	7	(1)	231	231	-	100	350	350
Property payments	-	-	-	-	-	-	-	1	1
Travel and subsistence	2 631	(182)	603	3 052	2 807	245	92	1 964	1 964
Training and development	16	(178)	324	162	162	-	100	147	147
Operating payments	223	237	50	510	510	-	100	446	446
Venues and facilities	138	70	50	258	140	118	54.3	124	124
Rental and hiring	-	4	-	4	4	-	100	-	-
Transfers and subsidies	6 004	403	-	6 407	6 213	194	97	8 652	8 592
Foreign governments and international organisations	6 004	-	-	6 004	5 810	194	96.8	8 612	8 552
Households	-	403	-	403	403	-	100	40	40
Social benefits	-	403	-	403	403	-	100	40	40

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 3: International Tourism - continued									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	944	-	(197)	747	747	-	100	774	774
Machinery and equipment	944	-	(197)	747	747	-	100	774	774
Transport equipment	30	-	(30)	-	-	-	-	-	-
Other machinery and equipment	914	-	(167)	747	747	-	100	774	774
Payments for financial assets	-	5	-	5	5	-	100	2	2
TOTAL	47 308	-	3 192	50 500	49 928	572	98.9	45 169	45 094

Appropriation per economic classification - Programme 3: International Tourism									
2015/16								2014/15	
3.1 International Tourism Management	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 374	(250)	400	3 524	3 524	-	100	3 516	3 516
Compensation of employees	2 918	67	-	2 985	2 985	-	100	2 689	2 689
Goods and services	456	(317)	400	539	539	-	100	827	827
Transfers and subsidies	-	403	-	403	403	-	100	-	-
Households	-	403	-	403	403	-	100	-	-
Payments for capital assets	106	59	-	165	165	-	100	66	66
Machinery and equipment	106	59	-	165	165	-	100	66	66
Payments for financial assets	-	5	-	5	5	-	100	-	-
TOTAL	3 480	217	400	4 097	4 097	-	100	3 582	3 582

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 3: International Tourism - <i>continued</i>									
2015/16								2014/15	
3.2 Americas and Western Europe	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	14 437	(224)	200	14 413	14 398	15	99.9	12 929	12 929
Compensation of employees	12 820	(133)	100	12 787	12 787	-	100	11 753	11 753
Goods and services	1 617	(91)	100	1 626	1 611	15	99.1	1 176	1 176
Transfers and subsidies	2 402	-	(110)	2 292	2 098	194	91.5	2 346	2 286
Foreign governments and international organisations	2 402	-	(110)	2 292	2 098	194	91.5	2 346	2 286
Payments for capital assets	493	(59)	(100)	334	334	-	100	314	314
Machinery and equipment	493	(59)	(100)	334	334	-	100	314	314
TOTAL	17 332	(283)	(10)	17 039	16 830	209	98.8	15 589	15 529

2015/16								2014/15	
3.3 Africa and Middle East	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	10 641	66	1 456	12 163	12 047	116	99	9 022	9 022
Compensation of employees	9 616	66	356	10 038	10 038	-	100	7 910	7 910
Goods and services	1 025	-	1 100	2 125	2 009	116	94.5	1 112	1 112
Transfers and subsidies	3 602	-	110	3 712	3 712	-	100	6 266	6 266
Foreign governments and international organisations	3 602	-	110	3 712	3 712	-	100	6 266	6 266
Payments for capital assets	128	-	(63)	65	65	-	100	205	205
Machinery and equipment	128	-	(63)	65	65	-	100	205	205
Payment for financial assets	-	-	-	-	-	-	-	2	2
TOTAL	14 371	66	1 503	15 940	15 824	116	99.3	15 495	15 495

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 3: International Tourism - <i>continued</i>									
2015/16								2014/15	
3.4 Asia, Australasia and Eastern Europe	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11 908	-	1 333	13 241	12 994	247	98.1	10 274	10 259
Compensation of employees	10 994	-	933	11 927	11 927	-	100	9 692	9 677
Goods and services	914	-	400	1 314	1 067	247	81.2	582	582
Transfers and subsidies	-	-	-	-	-	-	-	40	40
Households	-	-	-	-	-	-	-	40	40
Payments for capital assets	217	-	(34)	183	183	-	100	189	189
Machinery and equipment	217	-	(34)	183	183	-	100	189	189
TOTAL	12 125	-	1 299	13 424	13 177	247	98.2	10 503	10 488

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 4: Domestic Tourism									
2015/16								2014/15	
Sub-programmes	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Domestic Tourism Management	10 548	834	55	11 437	11 432	5	100	8 300	8 300
2. Domestic Tourism Management: Southern Region	12 085	1 713	1 018	14 816	14 566	250	98.3	14 976	14 976
3. Domestic Tourism Management: Northern Region	17 269	575	778	18 622	18 619	3	100	16 556	16 513
4. Social Responsibility Implementation	253 598	(3 122)	1 750	252 226	249 013	3 213	98.7	318 605	298 281
5. Strategic Partners in Tourism	13 500	-	-	13 500	13 500	-	100	25 000	25 000
Total for sub-programmes	307 000	-	3 601	310 601	307 130	3 471	98.9	383 437	363 070

Detail per programme 4: Domestic Tourism									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	158 481	(36 398)	2 690	124 773	121 553	3 220	97.4	174 679	173 101
Compensation of employees	50 714	-	3 415	54 129	54 130	(1)	100	51 053	51 010
Salaries and wages	36 985	7 468	3 147	47 600	47 601	(1)	100	45 088	45 045
Social contributions	13 729	(7 468)	268	6 529	6 529	-	100	5 965	5 965
Goods and services	107 767	(36 398)	(725)	70 644	67 423	3 221	95.4	123 626	122 091
Administrative fees	61	(22)	(36)	3	3	-	100	34	34
Advertising	1 560	(381)	(693)	486	486	-	100	873	873
Minor assets	70	(25)	(3)	42	42	-	100	93	93

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 4: Domestic Tourism - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Audit costs: External	1 500	(1 500)	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	52	52
Catering: Departmental activities	566	186	(24)	728	728	-	100	754	754
Communication	640	24	24	688	688	-	100	659	659
Computer services	2 668	(2 536)	(4)	128	128	-	100	10	10
Consultants: Business and advisory services	3 686	(577)	388	3 497	1 762	1 735	50.4	1 559	1 559
Legal services	143	(27)	-	116	116	-	100	73	73
Contractors	1 332	(18)	(306)	1 008	1 008	-	100	1 064	1 064
Agency and support/outsourced services	14	(14)	-	-	-	-	-	7	7
Entertainment	1	1	-	2	2	-	100	2	2
Consumable supplies	280	54	5	339	339	-	100	463	463
Consumables: Stationery, printing and office supplies	788	(20)	66	834	756	78	90.6	722	722
Property payments	128	(92)	-	36	36	-	100	58	58
Travel and subsistence	9 906	3 630	152	13 688	12 280	1 408	89.7	11 966	10 931
Training and development	82 637	(35 714)	39	46 962	46 962	-	100	102 881	102 881
Operating payments	357	(55)	(70)	232	232	-	100	221	221
Venues and facilities	1 430	476	(263)	1 643	1 643	-	100	2 124	1 624
Rental and hiring	-	212	-	212	212	-	100	11	11

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Detail per programme 4: Domestic Tourism - <i>continued</i>									
2015/16								2014/15	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	147 743	(51 173)	725	97 295	97 045	250	99.7	207 636	188 847
Departmental agencies and accounts	5 993	-	-	5 993	5 993	-	100	5 630	5 630
Public corporations and private enterprises	-	300	725	1 025	1 024	1	99.9	-	-
Non-profit institutions	14 750	(300)	-	14 450	14 200	250	98.3	26 450	26 450
Households	127 000	(51 173)	-	75 827	75 828	(1)	100	175 556	156 767
Social benefits	-	56	-	56	56	-	100	47	47
Other transfers to households	127 000	(51 229)	-	75 771	75 772	(1)	100	175 509	156 720
Payments for capital assets	776	87 160	186	88 122	88 122	-	100	1 101	1 101
Buildings and other fixed structures	-	87 160	-	87 160	87 160	-	100	-	-
Machinery and equipment	776	-	186	962	962	-	100	1 101	1 101
Transport equipment	42	(42)	-	-	-	-	-	-	-
Other machinery and equipment	734	42	186	962	962	-	100	1 101	1 101
Payments for financial assets	-	411	-	411	410	1	99.8	21	21
TOTAL	307 000	-	3 601	310 601	307 130	3 471	98.9	383 437	363 070

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 4: Domestic Tourism									
2015/16								2014/15	
4.1 Domestic Tourism Management	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 957	793	(370)	6 380	6 376	4	99.9	4 402	4 402
Compensation of employees	2 922	-	355	3 277	3 277	-	100	2 583	2 583
Goods and services	3 035	793	(725)	3 103	3 099	4	99.9	1 819	1 819
Transfers and subsidies	4 493	-	425	4 918	4 917	1	100	3 830	3 830
Departmental agencies and accounts	3 993	-	-	3 993	3 993	-	100	3 630	3 630
Public corporations and private enterprises	-	-	725	725	724	1	99.9	-	-
Non-profit institutions	500	-	(300)	200	200	-	100	200	200
Payments for capital assets	98	41	-	139	139	-	100	65	65
Machinery and equipment	98	41	-	139	139	-	100	65	65
Payments for financial assets	-	-	-	-	-	-	-	3	3
TOTAL	10 548	834	55	11 437	11 432	5	100	8 300	8 300

2015/16								2014/15	
4.2 Domestic Tourism Management: Southern Region	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11 293	1 273	1 003	13 569	13 569	-	100	13 545	13 545
Compensation of employees	9 008	-	1 003	10 011	10 011	-	100	9 329	9 329
Goods and services	2 285	1 273	-	3 558	3 558	-	100	4 216	4 216
Transfers and subsidies	750	47	-	797	547	250	68.6	1 250	1 250

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16								2014/15	
4.2 Domestic Tourism Management: Southern Region	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Non-profit institutions	750	-	-	750	500	250	66.7	1 250	1 250
Households	-	47	-	47	47	-	100	-	-
Payments for capital assets	42	28	15	85	85	-	100	177	177
Machinery and equipment	42	28	15	85	85	-	100	177	177
Payments for financial assets	-	365	-	365	365	-	100	4	4
TOTAL	12 085	1 713	1 018	14 816	14 566	250	98.3	14 976	14 976

Appropriation per economic classification - Programme 4: Domestic Tourism - <i>continued</i>									
2015/16								2014/15	
4.3 Domestic Tourism Management: Northern Region	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	15 118	625	478	16 221	16 218	3	100	14 391	14 348
Compensation of employees	10 826	-	478	11 304	11 304	-	100	9 758	9 715
Goods and services	4 292	625	-	4 917	4 914	3	99.9	4 633	4 633
Transfers and subsidies	2 000	9	300	2 309	2 309	-	100	2 000	2 000
Departmental agencies and accounts	2 000	-	-	2 000	2 000	-	100	2 000	2 000
Public corporations and private enterprises	-	-	300	300	300	-	100	-	-
Households	-	9	-	9	9	-	100	-	-
Payments for capital assets	151	(69)	-	82	82	-	100	159	159
Machinery and equipment	151	(69)	-	82	82	-	100	159	159
Payments for financial assets	-	10	-	10	10	-	100	6	6
TOTAL	17 269	575	778	18 622	18 619	3	100	16 556	16 513

Department of Tourism Vote 33
APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification - Programme 4: Domestic Tourism - <i>continued</i>									
2015/16								2014/15	
4.4 Social Responsibility Implementation	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	126 113	(39 089)	1 579	88 603	85 390	3 213	96.4	142 341	140 806
Compensation of employees	27 958	-	1 579	29 537	29 538	(1)	100	29 383	29 383
Goods and services	98 155	(39 089)	-	59 066	55 852	3 214	94.6	112 958	111 423
Transfers and subsidies	127 000	(51 229)	-	75 771	75 772	(1)	100	175 556	156 767
Households	127 000	(51 229)	-	75 771	75 772	(1)	100	175 556	156 767
Payments for capital assets	485	87 160	171	87 816	87 816	-	100	700	700
Buildings	-	87 160	-	87 160	87 160	-	100	-	-
Machinery and equipment	485	-	171	656	656	-	100	700	700
Payments for financial assets	-	36	-	36	35	1	97.2	8	8
TOTAL	253 598	(3 122)	1 750	252 226	249 013	3 213	98.7	318 605	298 281

2015/16								2014/15	
4.5 Strategic Partners in Tourism	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	13 500	-	-	13 500	13 500	-	100	25 000	25 000
Non-profit institutions	13 500	-	-	13 500	13 500	-	100	25 000	25 000
TOTAL	13 500	-	-	13 500	13 500	-	100	25 000	25 000

Department of Tourism Vote 33
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2016

1. Details of transfers and subsidies as per Appropriation Act (after virement)

Details of these transactions can be viewed in the note "Transfers and subsidies", as well as Annexure 1 (A-F) to the annual financial statements.

2. Details of specifically and exclusively appropriated amounts voted (after virement)

Details of these transactions can be viewed in note 1, "Annual appropriation", to the annual financial statements.

3. Details on payments for financial assets

Details of these transactions per programme can be viewed in the note "Payments for financial assets" to the annual financial statements.

4. Explanations of material variances from amounts voted (after virement)

4.1	Per programme	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
		R'000	R'000	R'000	R'000
Programme 1: Administration					
	Goods and services	100 071	97 504	2 567	2.6
Programme 2: Policy and Knowledge Services					
	Goods and services	34 602	29 559	5 043	14.6
	Transfers and subsidies	1 130 262	1 125 287	4 975	0.4
Programme 3: International Tourism					
	Goods and services	5 604	5 226	378	6.7
	Transfers and subsidies	6 407	6 213	194	3.0
Programme 4: Domestic Tourism					
	Goods and services	70 644	67 423	3 221	4.6
	Transfers and subsidies	97 295	97 045	250	0.3

Department of Tourism Vote 33

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2016

Programme 1: Administration

Explanation of variance: The variance is due to cost containment measures implemented by the Department as well as accruals related to audit fees, telephone account, travel and subsistence as well as property payments.

Programme 2: Policy and Knowledge Services

Explanation of variance: The variance within Goods and Services is due to cost containment measures implemented by the Department as well as accruals related to travel and subsistence. The variance within Transfers and Subsidies is due to an underspending on the Tourism Incentive Programme resulting from fewer than anticipated applications received by the Department.

Programme 3: International Tourism

Explanation of variance: The variance within Goods and Services is due to cost containment measures implemented by the Department as well as accruals related to travel and subsistence. The variance within Transfers and Subsidies is due exchange rate fluctuations when payments were made.

Programme 4: Domestic Tourism

Explanation of variance: The variance within Goods and Services is due to cost containment measures implemented by the Department as well as accruals related to training and development, venues and facilities and travel and subsistence. The variance within Transfers and Subsidies is due a payment for the Tourism Interpretive Signage which did not materialise due to a delay in receiving the relevant documentation from the province concerned.

Department of Tourism Vote 33

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2016

4.2	Per economic classification	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
		R'000	R'000	R'000	R'000
Current payments		463 980	452 618	11 362	2.4%
	Compensation of employees	253 059	252 906	153	0.1%
	Goods and services	210 921	199 712	11 209	5.3%
Transfers and subsidies		1 236 203	1 230 784	5 419	0.4%
	Departmental agencies and accounts	1 050 536	1 045 570	4 966	0.5%
	Higher education institutions	3 809	3 800	9	0.2%
	Public corporations and private enterprises	72 916	72 915	1	0.0%
	Foreign governments and international organisations	6 004	5 810	194	3.2%
	Non-profit institutions	24 450	24 200	250	1.0%
	Households	78 488	78 489	(1)	0.0%
Payment for capital assets		93 415	93 413	2	0.0%
	Buildings and other fixed structures	87 160	87 160	0	0.0%
	Machinery and equipment	6 213	6 211	2	0.0%
	Software and other intangible assets	42	42	0	0.0%
Payment for financial assets		580	579	1	0.2%

Explanation of variances: The bulk of the variance under Goods and Services is mainly due to cost containment measures implemented by the Department as well as accruals related to audit fees, telephone account, property payments, venues and facilities, travel and subsistence and training and development. The majority of the variance within Transfers and Subsidies is mainly due to an underspending on the Tourism Incentive Programme resulting from fewer than anticipated applications received by the Department.

Department of Tourism Vote 33
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2016

	Note	2015/16	2014/15
		R'000	R'000
REVENUE			
Annual appropriation	1	1 794 178	1 583 260
Departmental revenue	2	6 770	3 504
Aid assistance	3	-	9 600
TOTAL REVENUE		1 800 948	1 596 364
EXPENDITURE			
Current expenditure			
Compensation of employees	4	252 906	231 504
Goods and services	5	199 712	229 282
Total current expenditure		452 618	460 786
Transfers and subsidies			
Transfers and subsidies	7	1 230 784	1 083 730
Aid assistance	3	-	4 800
Total transfers and subsidies		1 230 784	1 088 530
Expenditure for capital assets			
Tangible assets	8	93 371	10 718
Intangible assets	8	42	2 098
Total expenditure for capital assets		93 413	12 816
Payments for financial assets	6	579	262
TOTAL EXPENDITURE		1 777 394	1 562 394
SURPLUS/(DEFICIT) FOR THE YEAR		23 554	33 970
Reconciliation of net surplus/(deficit) for the year			
Voted funds		16 784	25 666
Annual appropriation		16 784	25 666
Departmental revenue	13	6 770	3 504
Aid assistance	3	-	4 800
SURPLUS/(DEFICIT) FOR THE YEAR		23 554	33 970

Department of Tourism Vote 33
STATEMENT OF FINANCIAL POSITION
as at 31 March 2016

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
ASSETS			
Current assets		16 819	30 456
Cash and cash equivalents	9	16 130	29 534
Prepayments and advances	10	87	107
Receivables	11	602	815
Non-current assets		363	551
Receivables	11.4	363	551
TOTAL ASSETS		17 182	31 007
LIABILITIES			
Current liabilities		16 847	30 685
Voted funds to be surrendered to the revenue fund	12	16 784	25 666
Departmental revenue to be surrendered to the revenue fund	13	45	189
Payables	14	18	30
Aid assistance repayable	3	-	4 800
TOTAL LIABILITIES		16 847	30 685
NET ASSETS		335	322
Represented by:			
Recoverable revenue		335	322
TOTAL		335	322

Department of Tourism Vote 33
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2016

	Note	2015/16	2014/15
		R'000	R'000
Recoverable revenue			
Opening balance		322	191
Transfers:		13	131
Debts recovered (included in departmental receipts)		(149)	(36)
Debts raised		162	167
Closing balance		335	322
TOTAL		335	322

Department of Tourism Vote 33
CASH FLOW STATEMENT
for the year ended 31 March 2016

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		1 800 864	1 596 340
Annual appropriated funds received	1	1 794 178	1 583 260
Departmental revenue received	2	6 127	3 470
Interest received	2.2	559	10
Aid assistance received	3	-	9 600
Net (increase)/decrease in working capital		409	1 151
Surrendered to revenue fund		(32 580)	(11 233)
Surrendered to RDP fund/Donor		(4 800)	-
Current payments		(452 618)	(460 786)
Payments for financial assets		(579)	(262)
Transfers and subsidies paid		(1 230 784)	(1 088 530)
Net cash flow available from operating activities	15	79 912	36 680
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(93 413)	(12 816)
Proceeds from sale of capital assets	2.3	84	24
Net cash flow from investing activities		(93 329)	(12 792)
CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		13	131
Net cash flow from financing activities		13	131
Net increase/(decrease) in cash and cash equivalents		(13 404)	24 019
Cash and cash equivalents at beginning of period		29 534	5 515
Cash and cash equivalents at end of period	16	16 130	29 534

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Summary of significant accounting policies

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

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

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

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

6	Comparative information
6.1	Prior-period comparative information Prior-period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior-period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current-year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date when the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date when the adjustments become effective. The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

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7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: <ul style="list-style-type: none"> it is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and penalties) is measured at amounts receivable from collecting agents.
8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the Department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies, and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accrued expenditure payable Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the Department or in the case of transfers and subsidies when they are due and payable. Accrued expenditure payable is measured at cost.
8.4	Leases

8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	Aid assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose as well as any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

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10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the Department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments are expensed as per the service provider agreement.
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost, plus accrued interest where interest is charged, less amounts already settled or written off. Write-offs are made according to the Department's debt management policy.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, which is to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Loans and payables are recognised in the statement of financial position at cost.

16	Capital assets
16.1	Immovable capital assets Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1, unless the fair value of the asset has been reliably estimated, in which case the fair value is used. All assets acquired prior to 1 April 2002 (or a later date as approved by the office of the Accountant-General) may be recorded at R1. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature is added to the cost of the asset at the end of the capital project, unless the immovable asset is recorded by another department, in which case the completed project costs are transferred to that department.
16.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value, and where fair value cannot be determined, the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the office of the Accountant-General) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature is added to the cost of the asset at the end of the capital project, unless the movable asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.

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16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the Department commences with the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value, and where fair value cannot be determined, the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the office of the Accountant-General) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature is added to the cost of the asset at the end of the capital project, unless the intangible asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.</p>
17	<p>Provisions and contingents</p>
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>

17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department, or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.</p>
17.4	<p>Commitments</p> <p>Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities, thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is:</p> <ul style="list-style-type: none"> · approved by Parliament with funding, and the related funds are received; or · approved by Parliament without funding and is written off against the appropriation in the statement of financial performance; or · transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>

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19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and/or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, or not condoned and not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.</p>

21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with Modified Cash Standard requirements, except to the extent that it is impracticable to determine the period-specific effect or the cumulative effect of the change in policy. In such instances, the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with Modified Cash Standard requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error occurred, in accordance with Modified Cash Standard requirements, except to the extent that it is impracticable to determine the period-specific effect of the cumulative effect of the error. In such cases, the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Departures from the Modified Cash Standard requirements</p> <p>Management concluded that the financial statements present fairly the Department's primary and secondary information and that the Department complied with the Standard.</p>
24	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National Revenue Fund when the underlying asset is disposed and the related funds are received.</p>

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25	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National Revenue Fund when recovered or are transferred to the statement of financial performance when written off.</p>
26	<p>Related-party transactions</p> <p>A related-party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related-party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p>
27	<p>Key management personnel</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The Special Advisor to the Executing Authority is not part of the key management personnel as he/she should refrain from interfering in the administration and management of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
28	<p>Inventories (<i>effective from 1 April 2017</i>)</p> <p>At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value, or the lower of cost and replacement value.</p>

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1. Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (voted funds):

	2015/16		2014/15
	Final appropriation	Actual funds received	Appropriation received
	R'000	R'000	R'000
Administration	233 656	233 656	224 961
Policy and Knowledge Services	1 206 214	1 206 214	929 693
International Tourism	47 308	47 308	45 169
Domestic Tourism	307 000	307 000	383 437
TOTAL	1 794 178	1 794 178	1 583 260

2. Departmental revenue

	Note	2015/16	2014/15
		R'000	R'000
Sales of goods and services other than capital assets	2.1	165	163
Interest, dividends and rent on land	2.2	559	10
Sales of capital assets	2.3	84	24
Transactions in financial assets and liabilities	2.4	5 962	3 307
TOTAL DEPARTMENTAL REVENUE COLLECTED		6 770	3 504

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2.1 Sales of goods and services other than capital assets

	<i>Note</i>	2015/16	2014/15
	2	R'000	R'000
Sales of goods and services produced by the Department		165	163
Sales by market establishment		77	84
Other sales		88	79
TOTAL		165	163

2.2 Interest, dividends and rent on land

	<i>Note</i>	2015/16	2014/15
	2	R'000	R'000
Interest		559	10
TOTAL		559	10

2.3 Sale of capital assets

	<i>Note</i>	2015/16	2014/15
	2	R'000	R'000
Tangible assets		84	24
Machinery and equipment	27.2	84	24
TOTAL		84	24

2.4 Transactions in financial assets and liabilities

	<i>Note</i>	2015/16	2014/15
	2	R'000	R'000
Other receipts, including recoverable revenue		5 962	3 307
TOTAL		5 962	3 307

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3. Aid assistance

	2015/16	2014/15
	R'000	R'000
Opening balance	4 800	-
Transferred from statement of financial performance	-	4 800
Paid during the year	(4 800)	-
CLOSING BALANCE	-	4 800

3.1 Analysis of balance by source

	Note	2015/16	2014/15
	3	R'000	R'000
Aid assistance from Reconstruction and Development Programme (RDP)		-	4 800
CLOSING BALANCE		-	4 800

3.2 Analysis of balance

	Note	2015/16	2014/15
	3	R'000	R'000
Aid assistance repayable		-	4 800
CLOSING BALANCE		-	4 800

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4. Compensation of employees

4.1 Salaries and wages

	Note	2015/16	2014/15
	4	R'000	R'000
Basic salary		174 186	160 515
Performance award		3 430	4 955
Service-based		359	290
Compensative/circumstantial		2 162	1 686
Periodic payments		698	-
Other non-pensionable allowances		41 957	37 846
TOTAL		222 792	205 292

4.2 Social contributions

	Note	2015/16	2014/15
	4	R'000	R'000
Employer contributions			
Pension		22 500	20 176
Medical		7 578	6 004
Bargaining council		36	32
TOTAL		30 114	26 212
TOTAL COMPENSATION OF EMPLOYEES		252 906	231 504
Average number of employees		518	534

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5. Goods and services

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Administrative fees		240	193
Advertising		2 673	2 854
Minor assets	5.1	269	558
Bursaries (employees)		1 171	1 063
Catering		1 868	1 709
Communication		5 194	5 035
Computer services	5.2	19 109	14 335
Consultants: Business and advisory services		19 490	3 357
Legal services		520	493
Contractors		4 530	2 653
Agency and support/outsourced services		1 124	3 128
Entertainment		45	55
Audit cost – external	5.3	4 985	4 210
Fleet services		895	1 221
Consumables	5.4	6 041	6 374
Operating leases		34 390	32 139
Rental and hiring		229	120
Property payments	5.5	3 335	2 459
Travel and subsistence	5.6	33 062	31 169
Venues and facilities		4 548	4 904
Training and development		51 247	106 173
Other operating expenditure	5.7	4 747	5 080
TOTAL		199 712	229 282

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Note:

Expanded Public Works Programme (EPWP) project's training is included in the item Training and development. EPWP Salary and wages for 2015/16 is classified as transfer payments to Households

The increase in the item Consultants: Business and advisory services is mainly due to the appointment of project management related to the Tourism Incentive Programme as well as the Expanded Public Works Programme.

5.1 Minor assets

	Note	2015/16	2014/15
	5	R'000	R'000
Tangible assets		267	558
Machinery and equipment		267	558
Intangible assets		2	-
Software		2	-
TOTAL		269	558

5.2 Computer services

	Note	2015/16	2014/15
	5	R'000	R'000
State Information Technology Agency (SITA) computer services		9 585	6 848
External computer service providers		9 524	7 487
TOTAL		19 109	14 335

5.3 Audit cost – external

	Note	2015/16	2014/15
	5	R'000	R'000
Regularity audits		4 985	4 210
TOTAL		4 985	4 210

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5.4 Consumables

	Note	2015/16	2014/15
	5	R'000	R'000
Consumable supplies		2 083	2 277
Uniform and clothing		427	445
Household supplies		945	1 129
Building material and supplies		302	139
Communication accessories		-	1
IT consumables		246	301
Other consumables		163	262
Stationery, printing and office supplies		3 958	4 097
TOTAL		6 041	6 374

5.5 Property payments

	Note	2015/16	2014/15
	5	R'000	R'000
Municipal services		2 747	2 189
Property management fees		148	108
Property maintenance and repairs		54	-
Other (cleaning and fumigation services)		386	162
TOTAL		3 335	2 459

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5.6 Travel and subsistence

	<i>Note</i>	2015/16	2014/15
	5	R'000	R'000
Local		24 584	22 974
Foreign		8 478	8 195
TOTAL		33 062	31 169

5.7 Other operating expenditure

	<i>Note</i>	2015/16	2014/15
	5	R'000	R'000
Professional bodies, membership and subscription fees		2 502	2 349
Resettlement costs		388	600
Other (printing & publications and courier services)		1 857	2 131
TOTAL		4 747	5 080

6. Payments for financial assets

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Other material losses written off	6.1	78	262
Debts written off	6.2	501	-
TOTAL		579	262

6.1 Other material losses written off

	<i>Note</i>	2015/16	2014/15
Nature of losses	6	R'000	R'000
Losses (damage to vehicles due to accidents)		78	262
TOTAL		78	262

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6.2 Debts written off

	Note	2015/16	2014/15
Nature of debts written off	6	R'000	R'000
Other debt written off (departmental debt)		501	-
TOTAL		501	-
Note: <i>Other debt written off include the write off of legal fees payable by CATHSSETA and KZN Department of Economic Development and Tourism – R 363 758.78</i>			

7. Transfers and subsidies

		2015/16	2014/15
	Note	R'000	R'000
Departmental agencies and accounts	<i>Annex 1A</i>	1 045 570	886 257
Higher-education institutions	<i>Annex 1B</i>	3 800	3 720
Foreign governments and international organisations	<i>Annex 1C</i>	5 810	8 552
Public corporations and private enterprises	<i>Annex 1D</i>	72 915	-
Non-profit institutions	<i>Annex 1E</i>	24 200	26 450
Households	<i>Annex 1F</i>	78 489	158 751
TOTAL		1 230 784	1 083 730

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8. Expenditure for capital assets

	Note	2015/16	2014/15
		R'000	R'000
Tangible assets		93 371	10 718
Building and other fixed structures	29.1	87 160	-
Machinery and equipment	27.1	6 211	10 718
Intangible assets		42	2 098
Software	28.1	42	2 098
TOTAL		93 413	12 816

Note:
The Expanded Public Works Programme infrastructure projects are classified as Capital-work-in-progress. Previously classified as Transfer Payments.

8.1 Analysis of voted funds utilised to acquire capital assets

	2015/16	2014/15
	R'000	R'000
Tangible assets	93 371	10 718
Building and other fixed structures	87 160	-
Machinery and equipment	6 211	10 718
Intangible assets	42	2 098
Software	42	2 098
TOTAL	93 413	12 816

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8.2 Finance lease expenditure included in expenditure for capital assets

	2015/16	2014/15
	R'000	R'000
Tangible assets		
Machinery and equipment	1 223	1 637
TOTAL	1 223	1 637

9. Cash and cash equivalents

	2015/16	2014/15
	R'000	R'000
Consolidated Paymaster general account	23 802	35 337
Cash receipts	-	1
Disbursements	(7 727)	(5 859)
Cash on hand	55	55
TOTAL	16 130	29 534

Note:

An amount of R58 444,12 was paid into the departmental bank account (ABSA) and the interface with the Department's Paymaster general account took place in April 2016. As the Department is on modified cash accounting, this amount is not part of the cash and cash equivalent as stated above.

10. Prepayments and advances

	Note	2015/16	2014/15
		R'000	R'000
Travel and subsistence		87	57
Prepayments	10.1	-	50
TOTAL		87	107
10.1 Prepayments (Not expensed)			
Other		-	50
Total		-	50

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11. Receivables

				2015/16			2014/15
		R'000	R'000	R'000	R'000	R'000	R'000
	Note	Current	Non-Current	Total	Current	Non-Current	Total
Claims recoverable	11.1 Annex 3	31	-	31	360	-	360
Recoverable expenditure	11.2	55	-	55	63	-	63
Staff debt	11.3	146	-	146	196	-	196
Other debtors	11.4	-	363	363	-	551	551
Fruitless and wasteful expenditure	11.5	370	-	370	196	-	196
TOTAL		602	363	965	815	551	1 366

11.1 Claims recoverable

	Note	2015/16	2014/15
	11	R'000	R'000
National departments		31	215
Provincial departments		-	72
Public entities		-	73
TOTAL		31	360

11.2 Recoverable expenditure (disallowance accounts)

	Note	2015/16	2014/15
	11	R'000	R'000
Departmental suspense account		55	63
TOTAL		55	63

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11.3 Staff debt

	<i>Note</i>	2015/16	2014/15
	11	R'000	R'000
Departmental debt account		146	196
TOTAL		146	196

11.4 Other debtors

	<i>Note</i>	2015/16	2014/15
	11	R'000	R'000
Debt account – non-current		359	316
Departmental suspense accounts – non-current		4	11
Claims recoverable – public entities – non-current		-	224
TOTAL		363	551

11.5 Fruitless and wasteful expenditure

	<i>Note</i>	2015/16	2014/15
	11	R'000	R'000
Opening balance		196	-
Less amounts recovered		(196)	-
Transfers from note 23.1, "Fruitless and wasteful expenditure"		370	196
TOTAL		370	196

Department of Tourism Vote 33
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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12. Voted funds to be surrendered to the revenue fund

	2015/16	2014/15
	R'000	R'000
Opening balance	25 666	7 907
As restated	25 666	7 907
Transfer from statement of financial performance (as restated)	16 784	25 666
Paid during the year	(25 666)	(7 907)
CLOSING BALANCE	16 784	25 666

13. Departmental revenue to be surrendered to the revenue fund

	2015/16	2014/15
	R'000	R'000
Opening balance	189	11
As restated	189	11
Transfer from statement of financial performance (as restated)	6 770	3 504
Paid during the year	(6 914)	(3 326)
CLOSING BALANCE	45	189

14. Payables – current

	Note	2015/16	2014/15
		R'000	R'000
Other payables	14.1	18	30
TOTAL		18	30

14.1 Other payables

	Note	2015/16	2014/15
	14	R'000	R'000
Salary-related payables		18	30
TOTAL		18	30

Department of Tourism Vote 33
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15. Net cash flow available from operating activities

	2015/16	2014/15
	R'000	R'000
Net surplus/(deficit) as per statement of financial performance	23 554	33 970
Add back non-cash/cash movements not deemed operating activities	56 358	2 710
(Increase)/decrease in receivables – current	401	(317)
(Increase)/decrease in prepayments and advances	20	1 452
Increase/(decrease) in payables – current	(12)	16
Proceeds from sale of capital assets	(84)	(24)
Expenditure on capital assets	93 413	12 816
Surrendered to revenue fund	(32 580)	(11 233)
Surrendered to RDP fund/Donor	(4 800)	-
Net cash flow generated by operating activities	79 912	36 680

16. Reconciliation of cash and cash equivalents for cash flow purposes

	2015/16	2014/15
	R'000	R'000
Consolidated Paymaster general account	23 802	35 337
Cash receipts	-	1
Disbursements	(7 727)	(5 859)
Cash on hand	55	55
TOTAL	16 130	29 534

Department of Tourism Vote 33
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17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

			2015/16	2014/15
			R'000	R'000
Liable to	Nature			
Housing loan guarantees	Employees	Annex 2A	26	26
Claims against the Department		Annex 2B	14 689	15 215
Intergovernmental payables (unconfirmed balances)		Annex 4	539	31
TOTAL			15 254	15 272

Note:

The Department has only one housing guarantee. There is no possibility of any outflow or reimbursement.

Due to the sensitivity of claims against the Department that are currently within the legal domain, no indication can be provided on the possible outflow or reimbursement.

17.2 Contingent assets

		2015/16	2014/15
		R'000	R'000
Nature of contingent asset			
National Tourism Careers Expo partners/Black Magic – termination of contract and reimbursement of total amount paid		1 083	1 083
Been Around GP Advert Consulting CC – non-performance/breach of contract		2 805	2 805
Pilgrim's Rest tourism centre development		1 286	-
Total		5 174	3 888

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18. Commitments

	2015/16	2014/15
	R'000	R'000
Current expenditure		
Approved and contracted	67 352	75 728
Approved and not contracted	-	25 000
Total current expenditure	67 352	100 728
Capital expenditure		
Approved and contracted	502 253	871
Total capital expenditure	502 253	871
TOTAL COMMITMENTS	569 605	101 599

Commitment longer than a year

Three-year contract appointment of an ICT managed service - R7,8 million.

Security Services - R9,9 million

Expanded Public Works Programme multi-year contract payments for auditing services, training and infrastructure projects - R369,9 million

Tourism Incentive Programme projects linked to energy efficiency and destination development - R169,5 million

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19. Accruals and payables not recognised

	2015/16			2014/15
	R'000			R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	5 051	459	5 510	2 582
Capital assets	328	9	337	396
Other (assets and liabilities)	280	-	280	277
TOTAL	5 659	468	6 127	3 255
	2015/16			2014/15
	R'000			R'000
Listed by programme level				
Administration	2 988			2 079
Policy and Knowledge Services	819			194
International Tourism	513			215
Domestic Tourism	1 527			490
Other (assets and liabilities)	280			277
TOTAL	6 127			3 255

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19.1 Payables not recognised

			2015/16	2014/15
			R'000	R'000
Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	76	-	76	-
Other (compensation of employees)	-	2	2	-
TOTAL	76	2	78	-
			2015/16	2014/15
			R'000	R'000
Listed by programme level				
Administration			57	-
Domestic Tourism			21	-
TOTAL			78	-
			2015/16	2014/15
			R'000	R'000
Confirmed balances with other departments		<i>Annex 4</i>	78	166
TOTAL			78	166

Material accruals (above R100 000) relate to the following:

Audit fees	R317 903,10	External computer services	R276 334,14
Machinery and Equipment	R327 773,61	Travel and subsistence	R3 156 628,55
Telephone account	R245 329,33	Operating Payments	R111 327,39
Property payments	R194 227,68	Training and development	R308 653,00
Venues and facilities	R169 572,74		

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20 Employee benefits

	2015/16	2014/15
	R'000	R'000
Leave entitlement	7 760	7 386
Service bonus (13th cheque)	6 645	6 342
Performance awards	3 692	3 499
Capped leave commitments	3 994	4 176
Provision for long service awards	108	53
TOTAL	22 199	21 456

Note:

Leave entitlement includes a negative amount of R252 466,55 due to the utilisation of leave within the first quarter of the leave cycle.

21 Finance lease expenditure

2015/16	Machinery and equipment	Total
Not later than 1 year	1 170	1 170
Later than 1 year but not later than 5 years	462	462
Total lease commitments	1 632	1 632
2014/15	Machinery and equipment	Total
Not later than 1 year	1 321	1 321
Later than 1 year but not later than 5 years	1 434	1 434
Total lease commitments	2 755	2 755

General description of the material leasing arrangements

The Department has no material lease agreements. No vehicles are leased. All vehicle lease agreements have expired. No asset of the Department is sub-leased. Restrictions on finance leases for photocopiers are imposed on the Department and included under maintenance and repairs.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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22 Irregular expenditure

22.1 Reconciliation of irregular expenditure

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Opening balance		-	-
Irregular expenditure – relating to current year		39	-
Less: Current year amounts condoned		(39)	-
Irregular expenditure awaiting condonation		-	-

22.2 Details of irregular expenditure – current year

		2015/16
Incident	Disciplinary steps taken/criminal proceedings	R'000
Approval for a single source obtained after expenditure was incurred.	No disciplinary steps required – investigation conducted and expenditure condoned as valid.	39
TOTAL		39

22.3 Details of irregular expenditure condoned

		2015/16
Incident	Condoned by (condoning authority)	R'000
Approval for a single source obtained after expenditure was incurred.	Accounting Officer.	39
TOTAL		39

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23 Fruitless and wasteful expenditure

23.1 Reconciliation of fruitless and wasteful expenditure

	Note	2015/16	2014/15
		R'000	R'000
Opening balance		49	1 952
Prior-period error		-	-
As restated		49	1 952
Fruitless and wasteful expenditure – relating to prior year		-	-
Fruitless and wasteful expenditure – relating to current year		915	712
Less: Amounts resolved		(590)	(2 419)
Less: Amounts transferred to receivables for recovery	11.5	(370)	(196)
Fruitless and wasteful expenditure awaiting resolution		4	49

23.2 Analysis of awaiting-resolution per economic classification

	2015/16	2014/15
	R'000	R'000
Current	4	49
TOTAL	4	49

23.3 Analysis of current year's fruitless and wasteful expenditure

		2015/16
Incident	Disciplinary steps taken/criminal proceedings	R'000
Late cancellation/no-show/flight amendments with regard to travel bookings.	No disciplinary steps required – investigation conducted and expenditure recovered or found to be valid.	911
Late cancellation/no-show/flight amendments with regard to travel bookings.	Under investigation to determine liability.	4
TOTAL		915

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24 Related-party transactions

	2015/16	2014/15
	R'000	R'000
Payments made to South African Tourism		
Tourism Market Access	661	-
Tourism Indaba Support	9 897	-
Tourism Grading Support	15 000	-
Indaba Ministerial Roundtable Discussion	575	-
TOTAL	26 133	-

Note:

South African Tourism is a public entity of the Department under the Minister's portfolio

Programme 2: Policy and Knowledge services; sub programme South African Tourism's transfer payment has been included in Annexure 1A to the financial statements.

25 Key management personnel

	No. of individuals	2015/16	2014/15
		R'000	R'000
Political office-bearers	2	4 211	5 647
Officials:			
Level 15 to 16	5	6 930	7 089
Level 14	15	17 111	15 036
TOTAL		28 252	27 772

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26 Provisions

	2015/16	2014/15
	R'000	R'000
Expanded Public Works Programme	9 365	-
TOTAL	9 365	-

26.1 Reconciliation of movement in provisions – 2015/16

	2015/16	2014/15
	R'000	R'000
Opening balance	-	-
Increase in provision	9 302	-
Settlement of provision	-	-
Closing balance	9 302	-

27 Movable tangible capital assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016					
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	51 729	8	4 994	2 300	54 431
Transport assets	6 990	-	-	312	6 678
Computer equipment	23 111	8	4 529	1 790	25 858
Furniture and office equipment	13 228	-	338	129	13 437
Other machinery and equipment	8 400	-	127	69	8 458
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	51 729	8	4 994	2 300	54 431

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016					
	Cash	Non-cash	(Capital-work-in-progress current costs and finance lease payments)	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	6 211	-	(1 223)	6	4 994
Computer equipment	4 529	-	-	-	4 529
Furniture and office equipment	332	-	-	6	338
Other machinery and equipment	1 350	-	(1 223)	-	127
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	6 211	-	(1 223)	-	4 994

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016				
	Sold for cash	Non-cash disposals	Total disposals	Cash received (actual)
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	1 440	860	2 300	84
Transport assets	133	179	312	50
Computer equipment	1 307	483	1 790	34
Furniture and office equipment	-	129	129	-
Other machinery and equipment	-	69	69	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	1 440	860	2 300	84

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27.3 Movement for 2014/15

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015					
	Opening balance	Prior-period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	44 727	-	9 091	(2 089)	51 729
Transport assets	5 343	-	1 647	-	6 990
Computer equipment	19 308	-	5 660	(1 857)	23 111
Furniture and office equipment	12 492	-	829	(93)	13 228
Other machinery and equipment	7 584	-	955	(139)	8 400
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	44 727	-	9 091	(2 089)	51 729

27.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	1 372	6 671	8 043
Additions	2	205	207
Disposals	-	(190)	(190)
TOTAL MINOR ASSETS	1 374	6 686	8 060
	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	511	511
Number of minor assets at cost	444	5 996	6 440
TOTAL NUMBER MINOR ASSETS	444	6 507	6 951

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27.5 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015			
	Intangible assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	1 364	6 318	7 682
Additions	10	548	558
Disposals	(2)	(195)	(197)
TOTAL MINOR ASSETS	1 372	6 671	8 043
	Intangible assets	Machinery and equipment	Total
Number of R1 minor assets	-	544	544
Number of minor assets at cost	444	5 993	6 437
TOTAL NUMBER OF MINOR ASSETS	444	6 537	6 981

28 Intangible capital assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	3 961	42	-	4 003
TOTAL INTANGIBLE CAPITAL ASSETS	3 961	42	-	4 003

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016				
	Cash	Non-cash	Received current year, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000
SOFTWARE	42	-	-	42
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	42	-		42

28.2 Movement for 2014/15

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015					
	Opening balance	Prior-period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1 863	-	2 098	-	3 961
TOTAL INTANGIBLE CAPITAL ASSETS	1 863	-	2 098	-	3 961

29 Immovable tangible capital assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016				
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	-	65 923	(64 533)	1 390
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	65 923	(64 533)	1 390

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EPWP infrastructure projects completed and not handed over in 2015/2016

FS - Black Water Fly Fishing & Trout	R1 389 824
Subtotal	R1 389 824

EPWP infrastructure projects completed and handed over in 2015/2016

IP OR Tambo Heritage Route Project	R4 806 890
EC - Bongolo Dam	R8 283 921
EC - Ndlaambe Tourism Infrastructure	R17 730 664
EC - Grahamstown Caravan Park	R7 673 017
EC - Mthatha Visitor's Information Centre	R8 958 101
Western Cape False Bay Ecology Project	R17 080 411
Subtotal	R64 533 004
TOTAL	R65 922 828

29.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016				
	Cash	Non-cash	(Capital work-in-progress current cost)	Total
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	87 160	65 923	(87 160)	65 923
Other fixed structures	87 160	65 923	(87 160)	65 923
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	87 160	65 923	(87 160)	65 923

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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29.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016			
	Non-cash disposals	Total disposals	Cash received (actual)
	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	64 533	64 533	-
Other fixed structures	64 533	64 533	-
TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS	64 533	64 533	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

ANNEXURE 1A**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted appropriation	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Tourism	977 712	-	-	977 712	977 712	100	880 009
National Tourism Careers Expo (Eastern Cape Parks Agency)	-	-	-	-	-	-	3 630
National Tourism Careers Expo (Free State Tourism Authority)	3 993	-	-	3 993	3 993	100	-
Tourism Accelerated Apprenticeship Programme	2 000	-	-	2 000	2 000	100	2 000
Culture Art Tourism Hospitality and Sports Sector Education and Training Authority	176	-	(1)	175	175	100	230
Public Service Sector Education and Training Authority	-	-	-	-	-	-	388
Tourism Incentive Programme:							
Gauteng Tourism Authority	18 350	-	-	18 350	18 350	100	-
Robben Island Museum	10 000	-	-	10 000	10 000	100	-
South Africa National Biodiversity Institute (SANBI)	2 500	-	-	2 500	2 500	100	-
South Africa National Parks	15 840	-	-	15 840	15 840	100	-
South African Tourism	15 000	-	-	15 000	15 000	100	-
Tourism Grading Support	31 907	-	(26 941)	4 966	-	-	-
TOTAL	1 077 478	-	(26 942)	1 050 536	1 045 570		886 257

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

ANNEXURE 1A (continued)

Disclosure of unspent funds transferred to beneficiaries	Disclosure
South African Tourism	No unspent funds
National Tourism Careers Expo (Free State Tourism Authority)	No unspent funds
Tourism Accelerated Apprenticeship Programme (Fedhasa)	R1.7 million spend by entity as at 31 March 2016
Culture, Art, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA)	No unspent funds
Tourism Incentive Programme:	
Gauteng Tourism Authority	No funds spent as at 31 March 2016
Robben Island Museum	No funds spent as at 31 March 2016
South Africa National Biodiversity Institute (SANBI)	No funds spent as at 31 March 2016
South Africa National Parks	No funds spent as at 31 March 2016
South African Tourism	No funds spent as at 31 March 2016

ANNEXURE 1B**STATEMENT OF TRANSFERS TO HIGHER-EDUCATION INSTITUTIONS**

	TRANSFER ALLOCATION				TRANSFER			2014/15
NAME OF HIGHER-EDUCATION INSTITUTION	Adjusted appropriation	Roll-overs	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Cape Peninsula University of Technology	587	-	-	587	587	-	100	620
University of Johannesburg	587	-	-	587	587	-	100	620
University of Pretoria	1 174	-	-	1 174	1 174	-	100	1 240
University of Venda	597	-	-	597	588	9	100	620
University of Zululand/Kwa-Zulu Natal	864	-	-	864	864	-	100	620
TOTAL	3 809	-	-	3 809	3 800	9		3 720

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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ANNEXURE 1C

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

	TRANSFER ALLOCATION				EXPENDITURE				2014/15
NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	Adjusted appropriation Act	Roll Overs	Adjustments	Total available	Actual Transfer	% of Available funds transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers									
<i>Tourism Incentive Programme:</i>									
National Industrial Development Corporation of South Africa	-	-	30 000	30 000	30 000	100		30 000	-
Subtotal: Public corporations	-	-	30 000	30 000	30 000			30 000	-
Private enterprises									
Transfers									
N12 Treasure Route	-	-	300	300	300	100		300	-
Southern African Tourism Services Association	-	-	725	725	725	99.9		725	-
<i>Tourism Incentive Programme:</i>									
Tourism Grading Support	-	-	137	137	137	100		137	-
Market Access Support	-	-	12 920	12 920	12 920	100		12 920	-
<i>Destination Development:</i>									
Steve Biko Foundation Trust	-	-	13 661	13 661	13 661	100		13 661	-
South African National Parks	-	-	9 915	9 915	9 915	100		9 915	-
Nahakwe Lodge (PTY) LTD	-	-	5 258	5 258	5 258	100		5 258	-
Subtotal: Private enterprises	-	-	42 916	42 916	42 916			42 916	-
TOTAL	-	-	72 916	72 916	72 916			72 916	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS*for the year ended 31 March 2016***ANNEXURE 1D****STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANISATIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2014/15
FOREIGN GOVERNMENT/INTERNATIONAL ORGANISATION	Adjusted Appropriation	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Regional Tourism Organisation of Southern Africa (RETOSA)	3 602	-	110	3 712	3 712	100	6 266
United Nations World Tourism Organisation (UNWTO)	2 402	-	(110)	2 292	2 098	92	2 286
TOTAL	6 004	-	-	6 004	5 810		8 552

ANNEXURE 1E**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2014/15
NON-PROFIT INSTITUTIONS	Adjusted Appropriation	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Federated Hospitality Association of Southern Africa (Fedhasa)	500	-	(300)	200	200	100	200
Strategic Partners in Tourism	13 500	-	-	13 500	13 500	100	25 000
Tourism interpretive signage	750	-	-	750	500	67	1 250
Tourism Incentive Programme:							
National Heritage Project	-	-	10 000	10 000	10 000	100	-
TOTAL	14 750	-	9 700	24 450	24 200		26 450

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

ANNEXURE 1F

STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2014/15
HOUSEHOLDS	Adjusted Appropriation	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Expanded Public Works Programme	68 754	-	(2 717)	66 037	66 037	100	93 909
Expanded Public Works Programme incentive	58 246	-	(48 511)	9 735	9 735	100	47 450
Subtotal	127 000	-	(51 228)	75 772	75 772	100	141 359
Tourism Incentive Programme	-	-	-	-	-	-	15 361
Employee social benefits: Leave gratuity	-	-	2 141	2 141	2 141	100	2 031
Claim Against the State (Cash)	-	-	526	526	526	100	-
Tourism Grading Support	-	-	50	50	50	100	-
TOTAL	127 000	-	(48 511)	78 489	78 489		158 751

ANNEXURE 1G

STATEMENT OF AID ASSISTANCE RECEIVED

Name Of Donor	Purpose	Opening Balance	Revenue	Expenditure	Closing Balance
		R'000	R'000	R'000	R'000
Received in cash					
European Union	Construction of an interpretive centre featuring dinosaur relics found in the Golden Gate Highlands National Park	4 800	-	(4 800)	-
TOTAL		4 800	-	(4 800)	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

	2015/16	2014/15
NATURE OF GIFT, DONATION OR SPONSORSHIP	R'000	R'000
Made in kind		
Gift of movable assets	-	65
TOTAL	-	65

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2016 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2015	Guarantee draw-downs during the year	Guarantee repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2016	Guaranteed interest for year ended 31 March 2016	Realised losses not recoverable, i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Housing									
Nedbank Limited		130	26	-	-	-	26	-	-
TOTAL		130	26	-	-	-	26	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2016

ANNEXURE 2B

STATEMENT OF CLAIMS AGAINST THE DEPARTMENT AS AT 31 MARCH 2015

Nature of liability	Opening balance 1 April 2015	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2016
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
I CAN-ABCOR – Free State training project agreement	10 290	-	-	-	10 290
S Nhlumayo – applicant is claiming compensation arising from alleged unfair dismissal by the Department	526	-	(526)	-	-
Black Magic Communications – counter-claim against the National Tourism Careers Expo partners for repudiation of agreement	594	-	-	-	594
NS Neluvhola and 131 others – claim against the Department for terminating a contract with an implementing agent	3 085	-	-	-	3 085
Labour relations matter	720	-	-	-	720
TOTAL	15 215	-	(526)	-	14 689

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS*for the year ended 31 March 2016***ANNEXURE 3****CLAIMS RECOVERABLE**

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year-end 2015/16 *	
							Payment date up to six (6) working days after year-end	Amount
GOVERNMENT ENTITY	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015		
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENT								
* Department of Water and Sanitation	1	-	-	-	1	-	-	-
Department of Economic Development	30	-	-	-	30	-	04/04/2016	30
KZN - Department of Economic Development and Tourism	-	-	-	67	-	67	-	-
Department of Science and Technology	-	102	-	-	-	102	-	-
Department of Cooperative Governance	-	7	-	-	-	7	-	-
National Treasury	-	36	-	-	-	36	-	-
Office of the Public Service Commission	-	1	-	-	-	1	-	-
The Presidency	-	1	-	-	-	1	-	-
Department of Rural Development and Land Reform	-	-	-	43	-	43	-	-
Department of Transport	-	25	-	-	-	25	-	-
Eastern Cape Provincial Government: Department of Transport	-	-	-	5	-	5	-	-
Sub-total	31	172		115	31	287	-	30
OTHER GOVERNMENT ENTITIES								
CATHSSETA	-	-	-	297	-	297	-	-
Sub-total	-	-	-	297	-	297	-	-
TOTAL	31	172	-	412	31	584	-	30

*Paid in April 2016

All above claims recoverable department relate to compensation of employees.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS*for the year ended 31 March 2016***ANNEXURE 4****INTERGOVERNMENTAL PAYABLES**

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year-end 2015/16	
GOVERNMENT ENTITY	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Payment date up to six (6) working days before year-end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENT								
Current								
*Department of Economic Development	2	-	-	-	2	-	-	-
Department of Human Settlements	-	15	-	-	-	15	-	-
Department of International Relations and Cooperation	-	-	405	-	405	-	-	-
**Department of Justice and Constitutional Development	37	137	-	-	37	137	-	-
**Department of Government Printing Works	39	14	134	-	173	14	30/03/2016	134
South African Police Service	-	-	-	31	-	31	-	-
TOTAL	78	166	539	31	617	197	-	134

*Compensation of employees

**Goods and services

ANNEXURE 5**Movement of Capital Work-in-Progress****MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016**

	Opening balance	Current Year Capital WIP	Completed Assets (Current and Capital)	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES				
Other fixed structures	403 344	87 160	(2 700)	487 804
TOTAL	403 344	87 160	(2 700)	487 804

NOTES

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