



NATIONAL ECONOMIC DEVELOPMENT
AND LABOUR COUNCIL

ANNUAL REPORT 2023 | 24







NATIONAL ECONOMIC DEVELOPMENT
AND LABOUR COUNCIL

ANNUAL REPORT 2023 | 24



CONTENTS

PART A: GENERAL INFORMATION	4
1. PUBLIC ENTITY'S GENERAL INFORMATION	6
2. LIST OF ABBREVIATIONS/ACRONYMS	7
3. FOREWORD BY THE MINISTER OF EMPLOYMENT AND LABOUR	11
4. MESSAGES FROM THE CONVENORS	14
5. EXECUTIVE DIRECTOR'S OVERVIEW	23
6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT	25
7. STRATEGIC OVERVIEW	26
8. LEGISLATIVE AND OTHER MANDATES	27
9. ORGANISATIONAL STRUCTURE	28
PART B: PERFORMANCE INFORMATION	32
1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES	34
2. OVERVIEW OF PERFORMANCE	34
3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	38
4. CAPITAL INVESTMENT	81
PART C: GOVERNANCE	82
1. GOVERNANCE	84
2. THE ACCOUNTING AUTHORITY	84
3. MANAGEMENT COMMITTEE	85
4. REMUNERATION OF BOARD MEMBERS	88
5. RISK MANAGEMENT	90
6. INTERNAL AUDIT	90
7. AUDIT AND RISK COMMITTEE	91
8. COMPLIANCE WITH LAWS AND REGULATIONS	92

9.	FRAUD AND CORRUPTION	93
10.	MINIMISING CONFLICT OF INTEREST	93
11.	CODE OF CONDUCT	93
12.	HEALTH, SAFETY AND ENVIRONMENTAL ISSUES	93
13.	SOCIAL RESPONSIBILITY	94
14.	AUDIT COMMITTEE REPORT	94
15.	B-BBEE COMPLIANCE PERFORMANCE INFORMATION	98

PART D: HUMAN RESOURCE MANAGEMENT 100

1.	INTRODUCTION	102
2.	HUMAN RESOURCE OVERSIGHT STATISTICS	102

PART E: PFMA COMPLIANCE REPORT 106

1.	IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES	108
2.	FRUITLESS AND WASTEFUL EXPENDITURE	110
3.	ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 55(2)(B)(I) &(III)	111
4.	LATE AND/OR NON-PAYMENT OF SUPPLIERS	111
5.	SUPPLY CHAIN MANAGEMENT	112

PART F: FINANCIAL INFORMATION 114

1.	REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT	116
2.	ANNEXURE TO THE AUDITOR'S REPORT	122
3.	ANNUAL FINANCIAL STATEMENTS	125



PART A

GENERAL INFORMATION



1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:

National Economic Development and Labour Council (Nedlac)

PHYSICAL ADDRESS:

14A Jellicoe Avenue, Rosebank, 2196

POSTAL ADDRESS:

P.O. Box 1775, Saxonwold, 2132

TELEPHONE NUMBER/S:

(011) 328 4200

EMAIL ADDRESS:

info@nedlac.org.za

WEBSITE ADDRESS:

www.nedlac.org.za

EXTERNAL AUDITORS:

Contact telephone number: 012 426 8000

BANKERS:

Bank Name: Standard Bank

2. LIST OF ABBREVIATIONS/ACRONYMS

AA	Accounting Authority
AfCFTA	African Continental Free Trade Area
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AGOA	Africa Growth and Opportunity Act
APP	Annual Performance Plan
ARC	Audit and Risk Committee
BMA	Border Management Agency
BUSA	Business Unity South Africa
CBAM	Carbon Border Adjustment Mechanism
CCMA	Commission for Conciliation, Mediation and Arbitration
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CLRRTT	Cost-of-Living Rapid Response Task Team
CoFI	Conduct of Financial Institutions
CMP	Customs Modernisation Programme
CPD	Continual Professional Development
DAA	Distribution Agency Agreement
DBE	Department of Basic Education
DC	Development Chamber
DCDT	Department of Communications and Digital Technology
Dirco	Department of International Relations and Cooperation
DMRE	Department of Mineral Resources and Energy
DoH	Department of Health
DoT	Department of Transport
DPE	Department of Public Enterprises
DPSA	Department of Public Service and Administration
DSBD	Department of Small Business Development
DSD	Department of Social Development
dtic	Department of Trade, Industry and Competition
DWCP	Decent Work Country Programme

EPWP	Expanded Public Works Programme
ECSA	Engineering Council of South Africa
ESA	Employment Services Amendment Bill
ESOPS	Employee Share Ownership Plans
ETI	Employment Tax Incentive
EU	European Union
Exco	Executive Council
FSCA	Financial Sector Conduct Authority
GRAP	Generally Recognised Accounting Practice
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
GITT	Government Incentives Task Team
GRAP	Generally Recognised Accounting Practice
HPL	Health Promotion Levy
HRDC	Human Resources and Development Council
HRDSA	Human Resources Development Strategy of South Africa
HREC	Human Resources and Ethics Committee
HRSD	Human Resource Skills Development
Icasa	Independent Communications Authority of South Africa
ILO	International Labour Organisation
IRP	Integrated Resource Plan
IMF	International Monetary Fund
IRERC	Interim Rail Economic Regulator Capacity
IRP	Integrated Resource Plan
IoDSA	Institute of Directors of South Africa
IT	Information Technology
LLRTT	Labour Law Reform Task Team
LMC	Labour Market Chamber
LRA	Labour Relations Act
Manco	Management Committee
Mistra	Mapungubwe Institute for Strategic Reflection
MTBPS	Medium-Term Budget Policy Statement
MTEF	Medium-Term Expenditure Framework

MTT	Ministerial Task Team
NCCGBVF	National Council on Gender-Based Violence and Femicide
NCOP	National Council of Provinces
NDP	National Development Plan
Necom	National Energy Crisis Committee
Nedlac	National Economic Development and Labour Council
Nersa	National Energy Regulator of South Africa
NIP	National Infrastructure Plan
NLCC	National Logistics Crisis Committee
NWRIA	National Water Resource Infrastructure Agency
NRRTT	Nedlac Rapid Response Task Team
NRWDI	National Radioactive Waste Disposal Institute
NWRIA	National Water Resource Infrastructure Agency
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational Health and Safety
PAMA	Public Administration Management Act
PCC	Presidential Climate Commission
PESP	Presidential Employment Stimulus Programme
PFMA	Public Finance Management Act
PFMPC	Public Finance and Monetary Policy Chamber
PRASA	Passenger Rail Agency of South Africa
PSA	Proudly South African
PSA	Public Service Act
PSPF	Public Sector Participation Framework
PYEI	Presidential Youth Employment Incentives
RQF	Request for Quotations
RWMFB	Radioactive Waste Management Fund Bill
SACU	South African Customs Union
SALGA	South African Local Government Association
SAPO	South African Post Office
SAPS	South African Police Service
SARS	South African Revenue Service
SGBs	School Governing Bodies

SLA	Service Level Agreement
SMC	Supply Chain Management
SMME	Small, Medium and Micro Enterprises
SORE	Social Ownership of Renewable Energy
StatsSA	Statistics South Africa
Teselico	Technical Sectoral Liaison Committee
TIC	Trade and Industry Chamber
TIPS	Trade and Industrial Policy Strategies
UI	Unemployment Insurance
UIF	Unemployment Insurance Fund
USA	United States of America
VSS	Victim Support Services
WABU	Workers Affected by Unrest
WTO	World Trade Organisation



FOREWORD BY THE MINISTER OF EMPLOYMENT AND LABOUR

Minister Nomakhosazana Meth

We are living in an era of rapid economic transformation, technological advancement, and societal evolution, the imperative for a collaborative approach to address the complexities of the labour market, economic development, and societal wellbeing has never been more pronounced. NEDLAC stands as a beacon of such collaboration, embodying the spirit of social dialogue and consensus. As we journey through the 21st century, NEDLAC's role becomes increasingly vital in fostering sustainable economic growth, ensuring equitable labour practices, and promoting social justice.

Nevertheless, NEDLAC operates within a labour market beset by a myriad of challenges, both internal and external. The global economy encountered significant hurdles during the 2023/24 period, marked by economic volatility, geopolitical tensions, and the ongoing impacts of climate change. These factors contributed to supply chain disruptions, inflationary pressures, and financial market uncertainties, presenting formidable obstacles for businesses and policymakers worldwide. Despite these challenges, global efforts to cultivate resilience and sustainable growth persisted as a foremost priority.

South Africa was also confronted by numerous economic challenges throughout the 2023/24 period. Persistent issues included elevated unemployment rates, sluggish economic growth, and entrenched structural inequalities. The nation grappled with substantial energy deficiencies, exacerbated by frequent load shedding, impacting both businesses and households. Furthermore, inflationary pressures and a volatile global economic landscape further strained South Africa's economic resilience. Despite these adversities, ongoing initiatives to implement economic reforms and promote inclusive growth aimed to enhance the nation's economic prospects.

Challenges surrounding unemployment remain profound. The unemployment rate has remained persistently high, exacerbated by structural economic disparities, skills mismatches, and sluggish job creation in key sectors. Measures to address these issues have encompassed government initiatives aimed at stimulating job creation through infrastructure projects and youth employment programs. However, the scale of unemployment continues to pose a critical concern, impacting social

stability and hindering economic growth prospects within the country. Resolving these challenges necessitates sustained efforts in education, skills development, fostering entrepreneurship, and creating an enabling business environment conducive to workforce expansion.

Progress was made in areas such as energy security, freight, and logistics. Efforts to combat crime, corruption, and the triple challenges of inequality, unemployment, and poverty are intensifying. There is consensus among social partners on the imperative nature of promptly addressing these challenges, as their resolution will undoubtedly yield a significant impact on unemployment rates.

Amid these challenges, NEDLAC has proven itself more than a mere forum for discussion; it has emerged as a catalyst for transformative change. Its achievements span from shaping pivotal labour legislation to influencing macroeconomic policies that have steered the country towards a more inclusive economy. NEDLAC's contributions have not only impacted policy formulation but also cultivated a culture of negotiation and compromise essential for fostering a thriving democracy.

As Government, we have tabled labour law proposals incorporating inputs from organized business and labour sectors. While acknowledging the lamentable pace of progress, we urge social partners to expedite the process in the forthcoming fiscal year. These proposals aim to render our labour market more responsive to job creation while safeguarding job security. The impetus for these labour law reforms stems from significant transformations in our labour market, driven by globalization, technological advancements, and the aftermath of the COVID-19 pandemic. These changes necessitate a comprehensive overhaul of existing labour laws to establish a framework aligning with the needs of both workers and employers.

We take pride in NEDLAC's outstanding performance, which continues to surpass expectations. In the 2023/24 financial year, NEDLAC achieved a commendable performance rating of 93%. Among its notable accomplishments, the Governance Task Team successfully concluded the review of the revised NEDLAC Bill and Constitution, fortifying NEDLAC's ongoing relevance and efficacy. NEDLAC also effectively concluded engagements on five Bills and four policy matters, encompassing critical areas such as the Mine Health and Safety Amendment Bill, the Employment Services Amendment Bill, and the Electricity Pricing Policy. The NEDLAC Annual Summit convened successfully on 8 September 2023, under the theme "Resilience in the Face of Adversity: Social Partner's Preparedness for Crises," underscoring its pivotal role in addressing contemporary challenges.

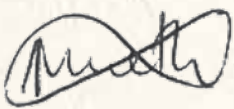
Looking forward, NEDLAC's role assumes heightened importance as the global economy undergoes profound transformations propelled by technological innovation, climate change, and evolving geopolitical dynamics. These transformations present both opportunities and challenges. For South Africa, the imperative of fostering a resilient, inclusive, and sustainable economy remains paramount. NEDLAC stands uniquely poised to confront these challenges by convening diverse stakeholders to harness a spectrum of perspectives and expertise, thereby formulating forward-thinking policies grounded in the South African context's realities.

One pressing issue necessitating NEDLAC's attention is the future of work. Automation, artificial intelligence, and other technological advancements are reshaping the labour market at an unprecedented pace. While these innovations hold potential for driving economic growth and

enhancing living standards, they also pose significant risks, including job displacement and exacerbating inequality. NEDLAC's pivotal role lies in navigating these changes, ensuring equitable distribution of the benefits of technological progress and implementing measures to support those adversely affected.

Another critical area demanding attention is environmental sustainability. Climate change poses an existential threat globally, with South Africa not immune to its impacts. Transitioning to a low-carbon economy entails transformative shifts in energy production, industrial practices, and consumption patterns. NEDLAC's inclusive approach is pivotal in facilitating dialogue to devise strategies that balance environmental imperatives with economic and social considerations. As NEDLAC evolves, it must continue adapting to the evolving landscape, enhancing its capacity for inclusive dialogue and effective policy formulation.

In conclusion, the Government extends gratitude to fellow social partners; Organised Business, Organised Labour, and Community Constituencies for their unwavering dedication to ensuring NEDLAC's relevance and efficacy. Special commendation is reserved for NEDLAC Executive Director Ms Lisa Seftel and the NEDLAC secretariat for their adept guidance during challenging times, ensuring consensus among social partners. Government remains resolute in its commitment to contributing meaningfully social dialogue.



MINISTER NOMAKHOSAZANA METH

NEDLAC Government Leader

DATE: 24 JULY 2024



BUSINESS OVERALL CONVENOR

Kaizer Moyane

This year South Africa celebrates 30 years of democracy. A long way from 1994, the country has experienced many changes, some good and others not so good. Over the years, South Africans have had moments to cheer and reasons to cringe. There are things in which we have excelled and others in which we have failed spectacularly. We have seen our economy grow, jobs created and debt levels falling. We have also witnessed years of deterioration, with little to no economic growth, rising unemployment at alarming rates, a dwindling tax base and soaring debt levels. A health pandemic also worsened an already bad situation. Yet, through all these ups and downs, the National Economic Development and Labour Council (Nedlac) has been present. Nedlac has played a significant and stabilising role in our economy, democracy and society in general. All the policies and laws that regulate our labour market were rigorously debated in Nedlac before they found their way onto our statute books. Thus a reflection on the achievements of the last 30 years of SA's democracy would not be complete without acknowledging the central role and critical contributions of Nedlac.

As the country enters a new phase of our maturing democracy, where cooperation between various players will become even more urgent, Nedlac should continue to play a pivotal role in nation-building. The Governance Task Team finally finished its review of the Constitution and the founding legislation to ensure that Nedlac is more representative and is fit for purpose as it enters the next decade or two. The restructured organisation will see streamlined administration and enhanced facilitation of social dialogue among social partners.

The year under review once again saw some key policies and legislation being processed through Nedlac. Nedlac was also active in facilitating dialogue sessions on a range of areas that affect the economy, the labour market and society at large. Through the dedicated efforts of the Energy Security workstream, some key deliverables were achieved, which are already bearing fruit as evidenced in Eskom's improved electricity availability factor. In other areas, such as improving food security, the Nedlac social partners continue to explore sustainable solutions through dialogue.

Of course, the success of Nedlac and social dialogue depends, to a large extent, on the cooperation

of government departments and social partners. While most government departments generally fulfil their legal obligation to table for engagement in Nedlac their proposed legislation with socio-economic implications, there are some that appear to actively shun Nedlac. For instance, last year I lamented the deliberate bypassing of Nedlac by the Department of Health when it introduced the Control of Tobacco Products and Electronic Systems Delivery Bill in Parliament without the social partners' inputs. This year we saw the Department of Home Affairs inexplicably fail to table in Nedlac its Immigration Policy, despite the policy's obvious significant socio-economic impacts. Hopefully this unfortunate tendency will not persist, especially as the country continues to seek collaborative ways to tackle our persistent problems of enduring high unemployment, deepening poverty, and growing inequality.

While the organisation should be praised for the impressive work it delivers as a platform for social dialogue, a sober and honest reflection is equally necessary where things could improve. One such area is the latest round of labour law reforms. Despite the clear call by the President during his State of the Nation Address in 2021 for a review of the labour laws to ensure they do not stifle entrepreneurship and small businesses, the negotiation process in Nedlac is still ongoing. Although the delay is not necessarily an indication of lack of progress, the reality is that a lot of businesses, especially SMMEs, have suffered or even closed down while negotiations continue. The result was growing unemployment, especially among the youth.

Finally, I am pleased that, despite a challenging fiscal environment and dwindling budgets, Nedlac has once again achieved a successive clean audit, which is testimony to sound management practices and controls that aid good governance. Credit must go to the Executive Director and her team for their discipline. I also extend my thanks to the Business representatives and other social partners who continue to prioritise the work of Nedlac even in the face of challenges. The institution continues to be a glowing example of social dialogue the world over largely due to their commitments and sacrifices. I have no doubt that this labour of love will continue as we face the challenges ahead.

Kaizer Moyane

Overall Convenor – Business



COMMUNITY OVERALL CONVENOR

Thulani Tshefuta

In 2023 Statistics South Africa (StatsSA) released the 2022 Census Report. The majority of the Census Socio-economic Indicators confirm that South Africa is in a greatly improved position compared to 1993/94, challenges notwithstanding. This ushered the significant period of marking the 30 years of democracy since the 1994 democratic breakthrough. As the apex platform of social dialogue in South Africa, Nedlac had meaningful engagements with both processes (2022 Census Report and 30 Years of Democracy).

In the year 2023/24, Nedlac continued to deepen social dialogue in finding solutions to the socio-economic challenges of our country. Amongst others, the agenda of Nedlac covered important policy issues, including Employment Services Amendment Bill, Electricity Pricing Policy, Norms and Standards for Public Schools Infrastructure, and Water Resource Infrastructure Agency Bill. Nedlac further facilitated dialogue on critical themes such as Government Budget Planning, Indlulamithi Scenarios 2035, Employment Tax Incentive, Integrated Resource Plan, SMMEs and Cooperatives Funding Policy, Cost of Living, revamped Human Resource Development Strategy, amongst others.

In addition, the Nedlac Amendment Bill is of critical importance. This has enabled the streamlining and better functioning of Nedlac importance to acknowledge that the Governance Task Team concluded its long overdue work, leading to the adoption of the revised Constitution governance structures. This is a step in the right direction towards building a structure of Nedlac that is fit-for-purpose.

It is commendable that Nedlac achieved 93% of the Annual Performance Plan (APP) for the year under review, which is a 14% positive improvement from 79% in the preceding year.

In the same period, the Community Constituency continued with its endeavours of capacity building and repositioning its base as the broad representative voice of civil society on national platforms.

The Community Constituency has been consistent in convening its annual Policy School as a platform for broad-based civil society organisations to account about the work of Nedlac, consult and source mandate for the tasks ahead, and use the platform for strategic reflection and planning for the year ahead. We further boosted our operational capacity with the placement of five (5) interns who are also exposed to the entire spectrum of Nedlac's work.

As part of strengthening our voice and improving the quality of our contribution, the Community has been providing technical capacity building to its leaders. Our representatives have been attending the Leadership Development Programme with the University of Pretoria,,and the Macro-Economic Modelling course with the Economic Modelling Academy (EMA).

During the course of the year, the Community Constituency meaningfully participated in the following level activities, inter alia:

- With the support of the ILO, we hosted a capacity building workshop on Just Energy Transition (JET);
- 2nd Presidential Health Compact Summit;
- International Research Conference on Skills for a Just Transition;
- Hemp and Cannabis Phakisa Action Lab; and
- We hosted the AGOA Civil Society Forum, and participated in the main AGOA Summit.

The Community Constituency had the honour of participating in a bilateral engagement with the Director-General of the ILO, Gilbert F. Houngbo, to share notes on the work of civil society at Nedlac, previous and future areas of collaboration with the ILO. The ILO DG was specifically interested in exploring the role that can be played by civil society towards his call for "Building a Global Coalition for Social Justice".

As broadly mandated by structures of civil society, the Community Constituency remains committed to champion its advocacy of critical socio-economic and long standing campaigns around education, skills development, economic growth and inclusion, job creation, increased support for cooperatives and the informal sector, anti-poverty, implementation of the NHI, graduating the SRoD into a Basic Income Grant, improved delivery of basic services, and the disciplined implementation of the Presidential Social Sector Framework Agreement.

In light of the electoral outcomes of the 2024 National and Provincial Elections, South Africa has been emerged by a Government of National Unity (GNU). The deliberations and recommendations of the 2023 National Dialogue on Coalition Governments must serve as a basis for building the structures, processes and work of the GNU. Nedlac must take an interest in entrenching democracy through social dialogue and civic education.

As part of its core mandate, Nedlac must rise to the occasion and lead the processes of the much needed National Dialogue. These processes of engagement and social dialogue must go beyond the confines of the current Nedlac structures to include all other necessary stakeholders in developing the social compact that will guide the work of the GNU in collaboration with all social partners. In the spirit of not leaving anyone behind, the Community Constituency is already working on plans which will undertake wide community- based consultations in this regard.

We wish to thank the Executive Director, our Constituency Coordinator Rejoyce Mudzanani, and the entire Secretariat of Nedlac for their continued support over this period. We further wish to acknowledge the leadership of civil society for the sense of urgency they bring into our national discourse.

Thulani Tshefuta

Overall Convenor: Community Constituency (Civil Society)





GOVERNMENT OVERALL CONVENOR

Thembinkosi Mkalipi

Nedlac remains at the pinnacle of social dialogue in South Africa, playing a crucial role in the formulation of legislation and policy, ensuring that the interests and perspectives of all parties are considered in the decision-making process. It addresses a wide range of issues, including employment laws, trade, industrial policy, and development strategies, aiming to create a more inclusive and balanced economy.

By fostering a platform for dialogue among government, Organised Business, Organised Labour, and Community constituencies, Nedlac has promoted social and economic stability. This collaborative approach has been instrumental in addressing and mitigating conflicts that could disrupt economic progress.

Nedlac, as institution, operates within the context of considerable uncertainty in the world. The African Economic Outlook 2024 states that African countries continue to contend with significant structural challenges and multiple severe shocks, including heightened food and energy prices driven by geopolitical tensions such as Russia's invasion of Ukraine, climate issues affecting agriculture and energy production, and persistent political instability. The continent has also seen its fair share of conflicts, displacing many people.

According to Statistics South Africa (StatsSA), the working-age population increased by 137,000 (0.3%) in the first quarter of 2024 compared to the fourth quarter of 2023. The number of employed persons increased by 22,000 to 16.7 million in Q1: 2024, and the number of unemployed persons increased by 330,000 to 8.2 million compared to Q4: 2023, resulting in an increase of 352,000 (1.4%) in the labour force. This increase in employment and unemployment resulted in a 0.8% rise in the unemployment rate to 32.9% in the first quarter of 2024.

The Nedlac annual report comes as the government celebrates 30 years of democracy. These three decades have highlighted, among other things, the significant progress made in eradicating the legacy of apartheid through the establishment of democratic institutions, the enactment of laws and policies, and the creation of a democratic, unitary state with new values and culture aligned

with the Constitution. Key macroeconomic policy reforms in the early years set the tone for the subsequent three decades. However, growth stagnated in the third decade of democracy. Despite this, there have been major successes in expanding infrastructure for the delivery of basic services.

While significant progress has been made, challenges such as economic inequality, unemployment, education disparities, healthcare access, crime and violence, corruption, land reform, and political stability persist. Addressing these challenges requires concerted efforts from various stakeholders, including government, academia, civil society, and the private sector. Strategies must prioritise inclusive economic growth, education reform, healthcare improvement, crime prevention, anti-corruption measures, land reform, and the strengthening of democratic institutions.

This annual report also comes at a time when South Africa is preparing for national general elections for the seventh administration. As we anticipate implementing the programme of the new administration, there is consensus among social partners that we must double our resolve to address the stubborn challenges of unemployment, poverty, and inequality. Furthermore, the country is beginning to turn the tide on load shedding and congestion at logistical ports, which are critical for economic growth. Nedlac social partners are also actively engaged in labour reforms aimed at stimulating economic growth.

Reflecting on Nedlac's performance, it had achieved 93% in the Annual Performance Plan (APP) for the 2023/24 financial year. Nedlac concluded the review of the revised Nedlac Bill and the Nedlac Constitution, and finalised engagements on five Bills and four policy matters. These included the Mine Health and Safety Amendment Bill, Employment Services Amendment Bill, and Electricity Pricing Policy. Furthermore, Nedlac has continued to strengthen its governance and protocols to remain fit for purpose.

One thing that drives Nedlac social partners is the shared vision of addressing the economic and social crises faced by the country through a consensus-driven approach. However, the challenge lies in agreeing on the modalities of how to handle and address these issues. I have no doubt that our experience and commitment will be invaluable in achieving what needs to be done.

Allow me to express my gratitude to my fellow Nedlac convenors who have tirelessly ensured the organisation remains effective, to our social partners for their meaningful engagements during difficult times, to the Nedlac Executive Director and staff for their commitment and hard work, and to my government colleagues for their unwavering support.

Thank you.

Thembinkosi Mkalipi

Government Overall Convenor



LABOUR OVERALL CONVENOR

Gerald Mkhomazi Thwala

2024 will go down in the annals of modern South African history. Whilst none of us can predict with completely certainty on whether it will mark a turn for the better or worse, ours as Organised Labour and indeed Social Partners is to work together and with government, to improve the lives of workers and ordinary South Africans, to grow the economy and create decent jobs, capacitate the state and tackle crime and corruption.

Important work has been done at Nedlac over the past year. Key initiatives impacting upon the lives of workers included:

- Engagements on the implementation of the Energy Action Plan that has seen an excellent turnaround at Eskom and drastic decreases in load shedding.
- Similar discussions underway to see how social partners can support government's efforts to ensure all South Africans have access to water.
- Remarkable work done to ensure the cause of decent work and fair labour practises is placed firmly at the heart of South Africa's trade relations with Europe and America and perhaps, most importantly, that the foundations for the African Continental Free Trade Area are built providing for the integration and unlocking of Africa's full economic potential.
- Many engagements have taken place on government's budgets; however, these need to be elevated to deepen social partners' understanding of the challenges the fiscus is facing and, more critically, to ensure that the inputs of workers and communities feature in the budgets tabled before Parliament.
- Extensive and difficult engagements have taken place on amendments to the labour laws. These will always be deeply sensitive matters for millions of workers who all too often are denied the rights they are entitled to under the law. It is critical that we engage on labour law reforms in a manner that ensures we protect the rights of the vulnerable and improve the levels of compliance. We must avoid looking for shortcuts, but rather find sustainable solutions to our challenges.
- We are heartened by the positive spirit on work done by social partners with government to ensure a smooth implementation of the two-pot pension reforms from 1 September.

This lays a solid basis for future pension reforms that will provide relief to millions of indebted workers and boost retirement savings.

These lay a positive foundation for the work ahead of us. We are in uncharted waters with the Government of National Unity following the election results. This will mean a shift in how we do things at Nedlac. It will be a learning curve for the new Cabinet. We trust that the 7th administration will view Nedlac as a critical partner in its important work.

Whilst much of Nedlac's activities are centred around government's legislative agenda, we need to reflect more, as social partners, on what further interventions are needed to grow the economy, create decent permanent jobs and reduce poverty and inequality. Where consensus and practical opportunities allow, we should lead from the front with social or sectoral compacts. Most importantly we should be guided at all times by the need to improve the lives of our people.

Gerald Mkhomazi Thwala

Overall Convenor: Organised Labour





EXECUTIVE DIRECTOR'S OVERVIEW

Lisa Seftel

Nedlac made important strides in the year under review. We achieved all but one of our performance targets and have received an unqualified audit with reduced findings from the previous year.

We concluded a process started in 2017 to review and renew our governance documents. In January 2024, the Nedlac Executive Council passed a revised Nedlac Bill and Constitution. Once implemented, these documents will see Nedlac operate more effectively and will open the door for improved social partner representation and inclusivity.

I was very pleased with the results of our Annual Stakeholder Survey where social partners were 78% satisfied with the work that Nedlac does and how we operate. 92% of stakeholders were satisfied with Nedlac's work programme. The satisfaction of external stakeholders is mirrored by staff satisfaction, who gave Nedlac a satisfaction rating of 84%.

While we have an organisation that works for its social partners and staff, there have been challenges with respect to Nedlac's impact and the efforts of the social partners. In the year under review, we concluded engagements on five Bills and four policy matters, but a significant number of important legislative and regulatory instruments with socio-economic implications were not fully engaged upon at Nedlac, as is required per legislation and protocol.

Our annual Parliamentary Tracker looked at the number of Bills Nedlac had considered since the beginning of this term of office, whether they had reached Parliament, been concluded by Parliament and whether the issues raised in the Nedlac processes were incorporated in draft legislation. By the end of the financial year, 19 of the 25 Bills considered had been tabled in Parliament and by the time Parliament closed, 17 Bills (68%) had been passed by Parliament, with four assented to by the President.

We continued to curate social dialogues on important socio-economic issues and track progress toward addressing key challenges facing our country, including rising food prices, energy, and freight and logistics.

The Presidential Climate Commission (PCC), housed at Nedlac, made significant inputs on energy planning, while also exploring innovative options relating to the social ownership of energy assets. It intensified its engagements with communities, especially in Mpumalanga, where workers and communities are likely to be most affected by the consequences of South Africa's energy transition.

We made sure that what social partners advocate in society is also implemented internally. Solar power has been installed at Nedlac offices, and improved occupational health and safety (OHS) provisions, including a second entrance and ramp, were introduced to the Nedlac Chamber Room.

Due to the government's fiscal constraints, the Nedlac budget was cut by 9% during the year under review. Nevertheless, I believe we were still able to fulfil our mandate. We received an unqualified audit opinion from the Auditor-General of South Africa (AGSA). At the end of the year, we had a surplus of R1.9 million, which was significantly reduced in comparison to prior years.

This demonstrates that we have improved our financial management. An area for improvement remains supply chain management (SCM), particularly our ability to specify the niche services we sometimes need to procure.

The work of Nedlac would not be possible without the support, energy and determination of staff, social partners and government to make a difference. I would like to thank them all.

Ms Lisa Seftel

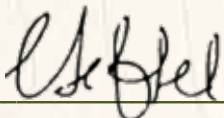
Executive Director

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

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

- All information and amounts disclosed in this annual report are consistent with the Annual Financial Statements (AFS) audited by Auditor General South Africa.
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the Guidelines on the Annual Report, as issued by National Treasury.
- The AFS (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.
- The Accounting Authority is responsible for the preparation of the AFS and for the judgements made in this information.
- The Accounting Authority is responsible for designing, establishing and implementing a system of internal control to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information, and the AFS.
- The external auditors were engaged to express an independent opinion on the AFS.
- In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the public entity for the financial year ended 31 March 2024.

Yours faithfully



Ms Lisa Seftel
Executive Director

Date: 31 July 2024

7. STRATEGIC OVERVIEW

Nedlac is “the vehicle by which government, labour, business and community organisations will seek to cooperate, through problem-solving and negotiation, on economic, labour and development issues and related challenges facing the country”. Nedlac is established in law through the Nedlac Act, No. 35 of 1994, and operates in terms of its own constitution.

7.1 *Vision*

To promote growth, equity and participation through social dialogue.

7.2 *Mission*

To give effect to the Nedlac Act by ensuring effective public participation in labour market and socio-economic policy and legislation, and to facilitate consensus and cooperation between government, labour, business and the community in dealing with South Africa’s socio-economic challenges.

7.3 *Values*

We respect and promote:

- Accountability;
- Transparency;
- Integrity and ethical conduct;
- A spirit of partnership;
- Problem-solving; and
- Consensus-seeking.

8. LEGISLATIVE AND OTHER MANDATES

Nedlac Act, No. 35 of 1994

Nedlac is a statutory body established through the Nedlac Act No. 35 of 1994. The Nedlac Act sets out the objectives, powers and functions of Nedlac.

Nedlac Constitution

The Nedlac Constitution sets out the composition of Nedlac, which includes an executive council (Exco), four chambers, a management committee (Manco), and a secretariat. It further details the composition and powers of these structures, as well as admission criteria for members.

Labour Relations Act, No. 66 of 1995

Section 77 of the Labour Relations Act (LRA), No. 66 of 1995, sets out a role for Nedlac to give disputing parties, who seek to protest to promote or defend socio-economic interests of workers, an opportunity to find resolution.

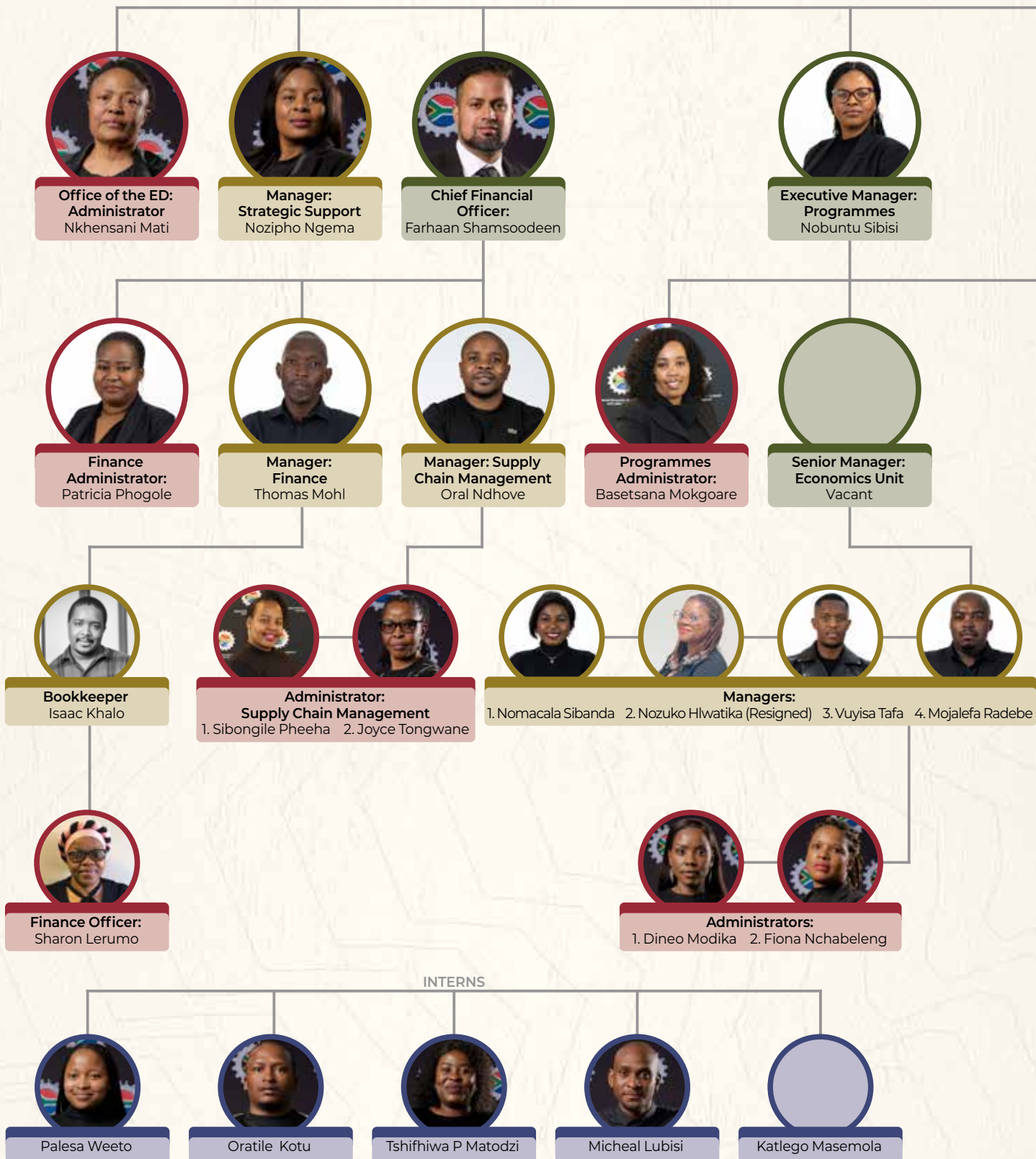
Public Finance Management Act, No. 1 of 1999

Nedlac is a Schedule 3(a) public entity and is required to follow the prescripts of the Public Finance Management Act (PFMA).

Climate Change Bill, 2024

The Climate Change Bill has been considered and adopted by the two houses of parliament, the National Assembly and the National Council of Provinces (NCOP), and now awaits the signature of the President for assenting into law.

9. ORGANISATIONAL STRUCTURE





Executive Director:
Lisa Seftel



Senior Manager:
Corporate Services
Moipone Molete



Manager:
Communications
Vacant



Senior Manager:
Labour & Development
Vacant



Corporate Services Administrator:
Cindy Zulu



Human Resources Administrator:
Buyi Vilakazi



Manager: Human Resources
Nthabiseng Koopedi



Manager: Information Technology
Benedict Mokgothu



Manager: Facilities
Charlotte Kopano Van Rooyen



Managers:

1. Busisiwe Milisi 2. Nolwazi Mthembu 3. Priscilla Mashabane 4. Tsholo Lelaka



Office Support:

1. Baby Skhosana 2. Prudence Zwane 3. Samuel Mulwela 4. Thuli Radebe



Administrators:

1. Bongani Mahlalela 2. Ruth Mofokeng (Retired) 3. Nosipho Javu

CONSTITUENCY OFFICERS



Administrator:
Community Constituency
Rejoyce Mudzanani



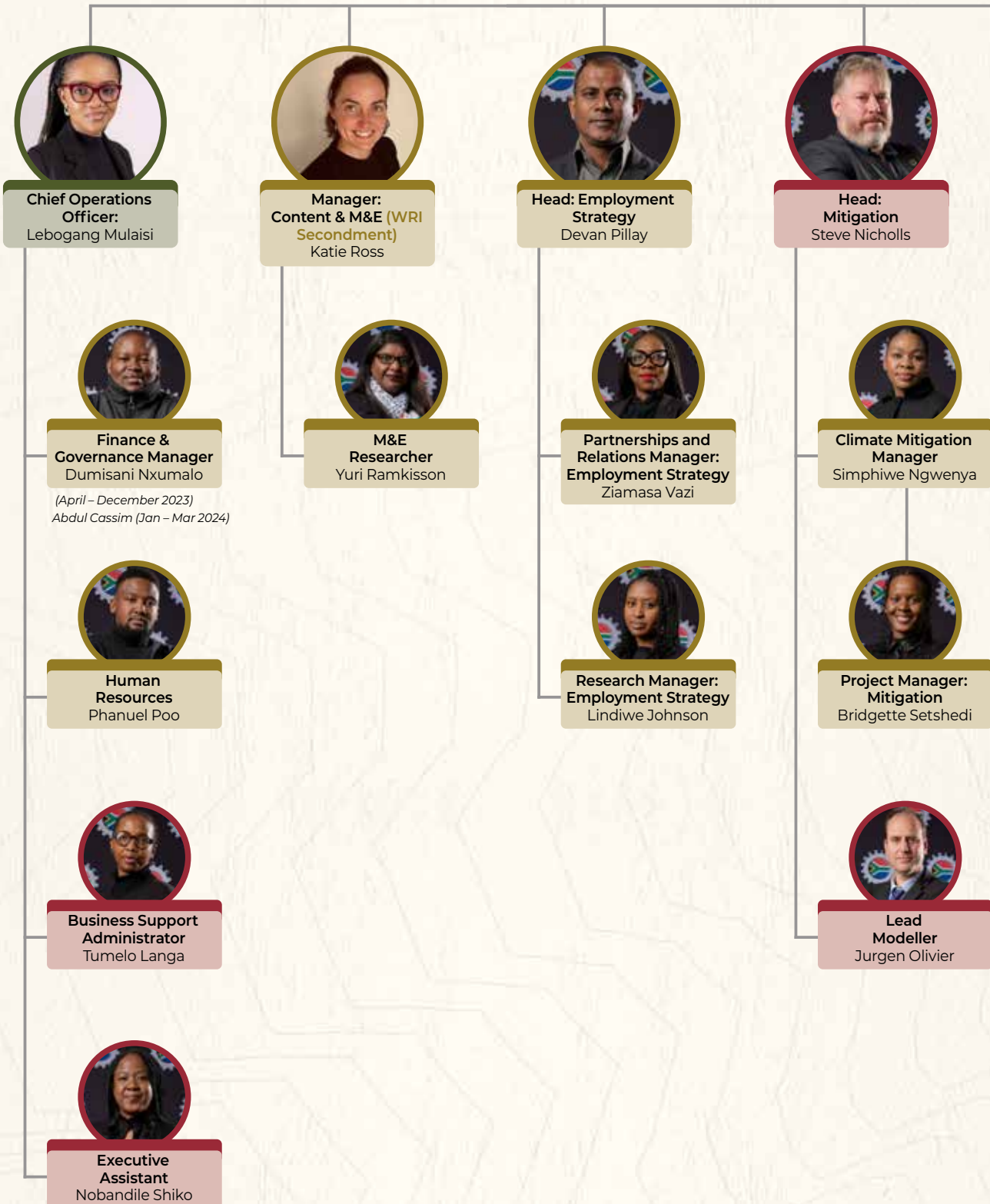
Coordinator:
Labour Constituency
Nonhlanhla Ngubane



Coordinator:
Business Constituency
Lisa Peega



Coordinator:
Government Constituency
Stephen Rathai





Executive Director:
Crispian Olver



Head: Climate Finance & Innovation
Dipak Patel



Climate Finance Manager: Markets (GIZ Secondment)
Christelle Beyers



Climate Finance Manager: Municipal Project Support
Khwezikazi Windvoel



Head Climate Change Adaptation
Dhesigen Naidoo



Adaptation Manager: Research
Michelle Hiesterman
(April – August 2023)
Dumisani Nxumalo (Jan – Mar 2024)



Adaptation Manager: Municipal Support
Mandy Jayakody



Head: Communication & Outreach
Blessing Manale



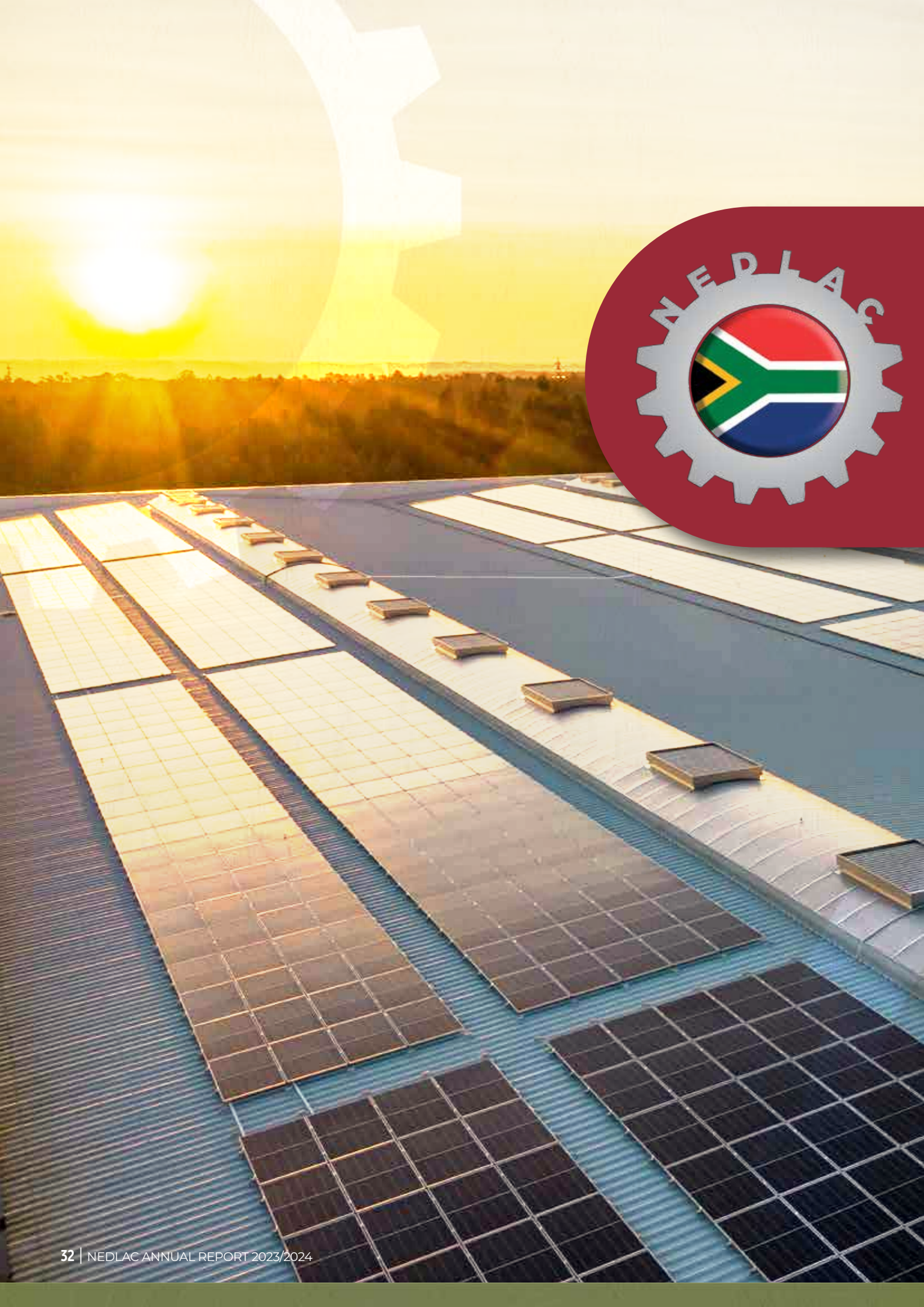
Senior Communications Specialist
Nthabiseng Masinge



Communication Coordinator
Ignicious Masilela



Secretary to the Commission
Nonhlanhla Jones/
Buthelezi



PART B

PERFORMANCE INFORMATION



1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/Auditor currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the Report to Management, with material findings being reported under the Predetermined Objectives heading in the Report on Other Legal and Regulatory Requirements section of the Auditor's Report.

Refer to page 116 of the Auditor's Report, published as Part F: Financial Information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

"We live in a world that is at a very strange moment in time. It has been described recently as a 'poly-crisis', because as soon as you get accustomed to managing one crisis you're being hit by another one and another, one and another one, and that is what it has felt like in the last few years."

These are the words of Mia Mottley, Prime Minister of Barbados, speaking at the 20th Nelson Mandela Annual Lecture in eThekweni on 12 November 2022. The Executive Director quoted her at Nedlac's Annual Summit in September 2023 to describe the environment that Nedlac and its social partners faced at the time.

By the end of the financial period, the systemic challenges facing South Africa had not changed. However, there has been a greater movement to address the binding constraints facing the South African economy, which can, in turn, favourably impact poverty, unemployment, and inequality.

The following statistics drawn from the Nedlac Economic and Employment Trends demonstrate the environment in which Nedlac operated:

- **Gross Domestic Product (GDP)** has been marginal during the year, at 0.3% at the end of 2023 and contracting by 0.1% in the first quarter of 2024.
- **Debt:** The February 2023 budget projected an optimistic fiscal scenario with debt reaching 72.5% of GDP by 2025/26. However, a more cautious update in the October Medium-Term Budget Policy Statement (MTBPS) revised this estimate upward to 77.7% due to lower-than-expected revenue.
- **Debt-to-GDP ratio:** South Africa has a high debt-to-GDP ratio compared to other upper middle-income countries with high levels of inequality. In 2021, South Africa's debt-to-GDP ratio was 68.8%, exceeding the 57.6% average of the listed countries. The escalating debt levels in South

Africa have driven up debt-service costs, which consume a large portion of the government's expenditure, consequently squeezing spending on other core expenditure items.

- **Capital spending:** After a long-term increasing trend in per capita spending, the government has reduced real per capita spending since the COVID-19 pandemic, and continues to do so over the medium term (MTEF). In the 2026/27 fiscal year, spending after interest payments is expected to be just over R1,000 less than it was in 2010, and nearly R5,000 less than in 2020.
- **Investment:** Private participation in infrastructure investments has been growing in South Africa, reflecting electricity sector investments. Despite this, South Africa is still failing to attract large-scale foreign investment, according to the World Bank (Feb).
- **Unemployment:** At the end of the third quarter of 2023, overall unemployment stood at 32.1%, while unemployment among 15 – 24-year-olds stood at 59.4%.
- **Informal employment:** In comparison to other countries considered by the ILO in a study, South Africa recorded the smallest proportion of informal employment. In 2022, South Africa recorded a 34.5% share of informal employment, notably lower than Peru's 74.4%.
- **Tax income:** There is a significant concentration within South Africa's corporate sector, highlighting the country's reliance on the tax contributions of high-income earners. Just over 700 companies with taxable income exceeding R100 million represented less than 0.1% of tax-paying companies in 2020. Yet, they contributed over 65% of the assessed tax.
- **Inflation** in 2023 averaged at 8.25%, but reduced at the beginning of 2024.
- **Impact of load shedding:** The manufacturing sector has been the worst affected by load shedding, leading to 17% lower manufacturing employment, about 6.5 times larger than the average of all industries.
- **Impact of climate change:** 2023 has been the hottest year on record, and Southern Africa has faced increased frequency and severity of droughts and floods, which have affected water, food, and infrastructure.

Some of the reforms that bode well for inclusive economic growth that occurred during the period under review include:

- Through the National Energy Crisis Committee (Necom), additional capacity has been added to the energy grid as quickly and efficiently as possible, including by improving the performance of Eskom's existing fleet, accelerating procurement of new capacity from solar, wind, gas and battery storage, and supporting households and businesses to invest in rooftop solar (OV:13).
- Raising the licensing threshold for embedded generation has led to more than 6,800 MW of projects being formally registered with the National Energy Regulator of South Africa (Nersa) by April 2024 (OV:14).

- Private sector participation has been introduced in container terminal operations, and the Transnet ports' backlog has stabilised. An interim economic regulator is in place, and progress has been made in separating rail infrastructure ownership from operations and corporatising the National Ports Authority (OV:18).
- To create systemic solutions to ensure water security, a number of reforms have been introduced, including establishing the National Water Resource Infrastructure Agency Bill, updating the Raw Water Pricing Strategy, and establishing a Water Partnerships Office to facilitate private investment in water infrastructure (OV:20, 21).
- To address the insufficient allocation of digital spectrum, in March 2022, the Independent Communications Authority of South Africa (Icasa) concluded the auction of high-demand spectrum through which six (6) mobile operators were awarded spectrum with a value of over R14 billion. Analogue transmission was switched off on 31 July 2023 for frequencies above 694 Mhz. The remaining services should be switched off by the end of 2024.
- Progress is being made to remedy deficiencies which the Financial Action Task Force identified to get South Africa off its grey list.
- A significant number of Bills have been passed by Parliament to unlock and enable government reform, including the Public Service Amendment Act, Climate Change Bill, Electricity Regulation Amendment Bill, and the Public Procurement Bill.

Nedlac and its social partners have been instrumental in achieving some of these reforms and benefiting from them. This opens new pathways for social partners to advance socio-economic outcomes through Nedlac.

2.2. Organisational Environment

The organisational environment of Nedlac is very stable, as is reflected in the feedback from social partners and staff in our third Annual Stakeholder Survey set out below.

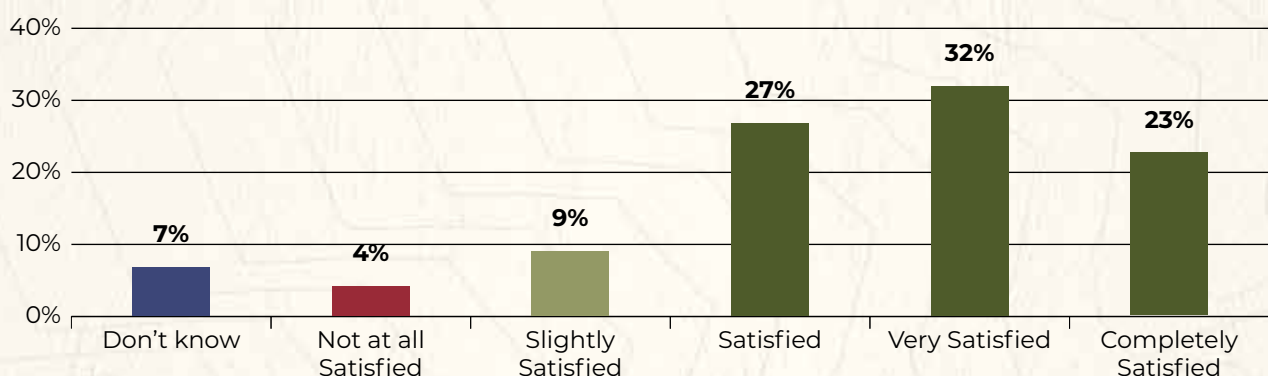


Figure 1: Overall Level of Stakeholder and Staff Satisfaction



Figure 2: Satisfaction Levels: Stakeholders and Staff

The Presidential Climate Commission (PCC), which has been housed at Nedlac since the middle of the 2022/23 financial year, has consolidated its operations and staffing. A new organogram, consisting of 24 posts, was developed with job profiles and job evaluations. The PCC also conducted a study to determine its future institutional reform after the promulgation of the Climate Change Bill, 2018.

At the end of the period, Nedlac had a staff of 57, including 17 Males, 40 Females, 48 Blacks, 1 Coloured, 5 Indians, 3 Whites and 1 Disability.

A new pay scale was determined, leading to greater equity among Nedlac staff members and informing a Comprehensive Remuneration Strategy.

Changes were made to Nedlac offices, including introducing solar energy, a ramp, and a second entrance to the Nedlac Chamber Room, improving occupational health and safety (OHS).

A new policy on the Prevention and Elimination of Harassment was introduced, and the following policies and procedures were revised:

- Enterprise Risk Management Policy;
- Fraud Prevention Policy;
- Disciplinary Code and Procedure;
- Grievance Policy and Procedure;
- Supply Chain Management Policy;
- Capacity Building for Constituency Policy; and
- Audit and Risk Committee Charter.

2.3. Key Policy Developments and Legislative Changes

The South African Parliament recently passed the Climate Change Bill. The Bill aims to establish a comprehensive legal framework for addressing climate change. It is designed to regulate activities contributing to climate change and to ensure a coordinated response across all levels of government and society. It sets ambitious goals for transitioning to a low-carbon and climate-resilient economy.

The Climate Change Bill formalises the PCC to oversee the country's climate change response and advise on the just transition.

2.4. Progress Towards Achievement of Institutional Impacts and Outcomes

In respect of Nedlac's contribution to the 2019-24 Medium-Term Strategic Framework, the following can be reported in respect of priority one and two:

Priority	Nedlac's Contribution 2024/25
Priority 1: Building a Capable, Ethical and Developmental State	<ul style="list-style-type: none"> Nedlac processes contribute to the enrichment of policies and legislation. Nedlac social partners contribute to the development of the MTBPS and national budget. Nedlac dialogues contribute towards building understanding between government and social partners.
Priority 2: Economic Transformation and Job Creation	<ul style="list-style-type: none"> Nedlac and PCC engagements have focused on critical socio-economic issues, including the energy crisis, future energy planning, food security, the increasing cost of living, employment creation, labour market reform, and OHS.

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Nedlac had sixteen (16) planned targets in the Annual Performance Plan (APP) for the 2023/24 financial year, of which 13 applicable targets were met. A summary is displayed in the table below:

Programme	Number of annual targets	Number of applicable targets	Number of targets achieved	Number of targets not Achieved	Overall Achievement (%)
Administration	8	8	7	1	88%
Core Operations	4	2	2	0	100%
Capacity Building	1	1	1	0	100%
Presidential Climate Commission	3	3	3	0	100%
Summary	16	14	13	1	93%

One target was not met. Two awards of over R500 000 issued to suppliers were not met within two (2) months from the closing date of adverts. In the first instance, the large number of responses required a longer period than anticipated to evaluate the Request for Quotation (RFQ), and in the second instance, negotiations were required with the prospective service provider before the tender could be awarded.

Two (2) targets were not applicable in the Programmes Department because no agreements were concluded in the year under review and no Section 77 notices were finalised.

3.1. Programme 1: Administration

This programme aims to build an organisation with the competencies, capabilities, and resources to deliver on the organisation's strategy successfully:

3.1.1 Receiving an Unqualified Audit Opinion

The target relates to Nedlac obtaining an unqualified audit opinion for the 2022/23 financial year by 31 March 2024. This was achieved in quarter two after Nedlac received the 2022/23 Audit Report from the AGSA.

3.1.2 Stakeholder Satisfaction Survey

The Nedlac APP has an indicator with the following target: 75% or more annual feedback received per annum from social partners indicating they are satisfied that Nedlac performs its work efficiently by 31 March each year. The survey was conducted in the fourth quarter and the average positive response was 78%. The table below summarises the overall results:

3.1.3 Facilities Management

- 3.1.3.1 The general upkeep of Nedlac facilities was managed, and all annual maintenance plan targets were met.
- 3.1.3.2 A new emergency exit door and a wheelchair ramp were erected to facilitate movement from the Chamber Room during emergency evacuations. The internal entry/exit door was also extended for ample access and exit.
- 3.1.3.3 A 12kw solar power inverter was installed to provide power to the server room and guard house during load shedding.
- 3.1.3.4 OHS awareness and training were undertaken.

3.1.4 Information Technology Systems and Performance

- 3.1.4.1 All Information Technology (IT) incidents were resolved within the Service Level Agreement (SLA) time frames, and as a result, the service desk achieved 94.93% performance in 2023/24.
- 3.1.4.2 The fibre uptime for both voice and data was 99% for 2023/24.
- 3.1.4.3 Workstations beyond their warranty period underwent assessment and were replaced where necessary.
- 3.1.4.4 The Microsoft Office 365 E1 license was upgraded to an E3 license.
- 3.1.4.5 A cybersecurity service provider was appointed to perform a cybersecurity penetration and vulnerability assessment, and provide corrective measures.
- 3.1.4.6 Telkom was appointed as the new voice and data service provider for the following three years.

3.1.5 Staff Training

The following training was implemented:

- 3.1.5.1 Beginner, intermediate and advanced Microsoft training;
- 3.1.5.2 Conflict management, minute taking and report writing for administrators;
- 3.1.5.3 Reception training for office support staff;
- 3.1.5.4 Coaching for all levels of staff;
- 3.1.5.5 Leadership development through the University of Pretoria for managers and above. The first cohort was concluded, and the second cohort commenced in November 2023;
- 3.1.5.6 The Institute of Directors of South Africa (IoDSA) director training for three (3) members of management;
- 3.1.5.7 An Executive Development Programme for one (1) senior manager; and
- 3.1.5.8 Study support for eleven (11) staff members.

3.1.6 Revised Nedlac Constitution and Act

The Governance Task Team, which has been operating since 2017, concluded its work in the year under review. The final products of the task team, which have been approved by the Nedlac Exco, are:

- A new Nedlac Bill, which will replace the current Act. The changes mainly relate to improving the functioning of Nedlac and representivity. The Bill was submitted to the Minister of Employment and Labour for further processing by the Cabinet and Parliament.
- A revised Nedlac Constitution to facilitate the operation and practices of the Council and its structures, and align the Constitution to what, in many instances, is happening in practice.
- A revised Nedlac Protocol for tabling and considering issues at Nedlac.

3.1.7 Parliamentary Tracker

The Nedlac secretariat developed a Parliamentary Tracker for the second year in a row, which tracked the progress of 25 Bills considered by Nedlac over the last five years (2019/20 to 2023/24). As of 31 March 2024, two (2) Bills had been signed into law by the President, six (6) Bills are awaiting assent by the President, 11 were being considered by the NCOP, and six (6) were still to be introduced by the National Assembly.

Programme 1: Administration									
Purpose: This programme aims to build an organisation with competent competencies, capabilities, and resources to deliver on the organisation's strategy successfully.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement for 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
1.1	Nedlac accounts for the use of its financial resources	Unqualified AGSA Report obtained	Unqualified audit opinion for 2020/21 financial year obtained	Unqualified audit opinion for 2021/22 financial year obtained by 31 March 2023	Unqualified audit opinion for 2022/23 financial year obtained by 31 March 2024	Unqualified audit opinion for 2022/23 financial year obtained by 31 March 2024	Unqualified audit opinion for 2022/23 financial year obtained by 31 March 2024	Not applicable	Not applicable
1.2	Nedlac is efficient	Annual Stakeholder Satisfaction Survey completed	75% positive responses achieved in respect of stakeholder satisfaction of social partners in relation to the effective functioning of Nedlac	73% positive responses received	75% or more annual feedback received per annum from social partners indicating that they are satisfied that Nedlac performs its work efficiently by 31 March each year	78% feedback received from social partners indicating that they are satisfied that Nedlac performs its work efficiently by 31 March 2024	The percentage of social partners satisfied was 2% higher than the target	The survey results demonstrate the high level of performance of the Nedlac staff leading to greater than anticipated social partner satisfaction	

Programme 1: Administration									
Purpose: This programme aims to build an organisation with competent competencies, capabilities, and resources to deliver on the organisation's strategy successfully.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement for 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
1.3	Nedlac is efficient building	Percentage of annual Facilities Maintenance Plan implemented	100% of facility-related complaints resolved within agreed time frames	80% of Facilities Maintenance Plan implemented	90% of annual Facilities Maintenance Plan implemented	100% of annual Facilities Maintenance Plan implemented	The achievement exceeded the target by 10%	Appointment of a re-active maintenance service provider assisted with eliminating procurement bottlenecks for reactive maintenance leading to timeous achievement of targets	
1.4	Nedlac is efficient IT facilities	Percentage of IT-related incidents resolved within agreed time frames	92% of reasonable IT complaints resolved within agreed time frames	96.5% of IT-related complaints resolved within agreed time frames	90% of IT-related incidents resolved within agreed time frames	94.93% of IT-related incidents resolved within agreed time frames	The actual achievement was higher than the target by 4.93%	The service provider relocated the service desk support to a new department solely dedicated to managing end user support	
1.5	Nedlac is efficient procurement processes completed timeously	Percentage of awards over R500 000 issued to suppliers within two (2) months from the closing date of adverts	100% of awards over R500 000 issued to suppliers within two (2) months from the closing date of adverts	100% of awards over R500 000 issued to suppliers within two (2) months from the closing date of adverts	100% of awards over R500 000 issued to suppliers within two (2) months from the closing date of adverts	85% of awards over R500 000 issued to suppliers within two (2) months from the closing date of adverts	15% of awards over R500 000 issued to suppliers after two (2) months from the closing date of adverts	Internal audit RFQs: The large number of responses required a longer period than anticipated to evaluate the RFQs Voice and data tender: Due to the tender prices coming in higher than anticipated, a negotiation process needed to be undertaken before the tender could be awarded. This process delayed the finalisation of the tender.	

Programme 1: Administration									
Purpose: This programme aims to build an organisation with competent competencies, capabilities, and resources to deliver on the organisation's strategy successfully.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement for 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
1.6	Staff developed through training interventions	Percentage of training initiatives set out in the training plan implemented	Target not able to be calculated	80% of the training budget spent by the end of the financial year	80% of training initiatives set out in the training plan implemented	83% of training initiatives set out in the training plan implemented	The achievement was 3% higher than planned	A concerted effort was made to ensure that training plan interventions were implemented	
1.7	Governance is effective	Revised governance documents	Percentage of milestones of the Governance Task Team implementation plan implemented	100% milestones of the Governance Task Team achieved	80% of milestones for the 2022/23 year met	80% of milestones for the 2023/24 year met (if applicable)	100% of the milestones for the 2023/24 year met	The achievement was 20% higher than planned.	The Governance Task Team achieved its target for the year. There was no over-achievement on the milestone plan, as the 80% target was put in place to mitigate against unforeseen challenges that may have hindered the task team to achieve its target.
1.8	Monitoring and evaluation processes enable effective decision-making	Monitoring and evaluation products	Number of monitoring and evaluation products produced	One (1) x planned M & E product delivered on time	Two (2) x monitoring products produced	1 x monitoring and evaluation product produced	1 monitoring and evaluation product was produced, namely the Parliamentary Tracker	Not Applicable	Not Applicable

3.2. Programme 2: Programmes (Core Operations)

The programme's objective is to ensure that the leadership of business, community, government, and labour cooperate to identify and implement ways to address relevant and important social and economic issues. The programme manages engagement processes on policies and legislation, dialogues, and other activities, which are set out below.

3.2.1 Public Finance and Monetary Policy Chamber

The Public Finance and Monetary Policy Chamber (PFMPC) seeks to reach consensus and make agreements for placing before Exco all matters pertaining to financial, fiscal, monetary and exchange rate policies, the coordination of fiscal and monetary policy, related to elements of macroeconomic policy and the associated institutions of delivery.

3.2.1.1 Processes

One (1) process was concluded as per the following table:

Policy or Bill	Originating Government Department	Nedlac Structure, where Matter was Considered	Summary of Matter and Deliberations at Nedlac	Time Lines for Considering the Matter
Electricity Pricing Policy	Department of Mineral Resources and Energy (DMRE)	Energy Security Workstream	The policy seeks to balance several competing objectives, inter alia, affordable electricity tariffs for low-income consumers and cost-reflective electricity tariffs for other consumers. Social partners provided inputs to enhance the Bill. There were no areas of disagreement.	Tabled on 11 April 2023. Signed off by Overall Convenors on 05 January 2024.

3.2.1.2 Dialogue Sessions

Seven (7) dialogue sessions were concluded as set out in the table below:

Dialogue Subject Matter	Originating Government Department	Nedlac Structure where Matter was Considered	Summary of Deliberations at Nedlac	Time Lines for Considering the Matter
Government Budget Planning	National Treasury	PFMPC	Social partners engaged on the current local and global socio-economic environment and how it affects fiscal and budgetary decisions. Social partners made inputs on fiscal policy and expenditure choices to inform the MTBPS process.	Convened: 28 July 2023. Report submitted: 11 August 2023.
Indlulamithi Scenarios - South Africa 2035	Mapungubwe Institute for Strategic Reflection (Mistra) & Indlulamithi Trust	Manco & PFMPC	The dialogue provided a platform for the Indlulamithi Trust to present their new scenarios and was attended by members of the Nedlac Executive Council, Mistra and the leadership of the Indlulamithi Trust.	Convened: 27 October 2023. Report submitted: 15 November 2023.
National State Enterprise Bill	Department of Public Enterprises (DPE)	PFMPC	The Minister of Public Enterprises, Mr. Pravin Gordhan, presented the Bill and social partners provided input.	Convened: 30 November 2023. Report submitted: 20 December 2023.
Socio-economic Impact of Health Promotion Levy (HPL)	National Treasury	PFMPC	The National Treasury provided updates on progress regarding the review of HPL and its socio-economic impact. Social partners provided input.	Convened: 12 December 2023. Report submitted: 04 January 2024.
Employment Tax Incentive (ETI)	National Treasury	PFMPC	Social partners engaged on the impact assessment studies on ETI. They provided recommendations for further engagements on this matter.	Convened: 09 February 2024. Report submitted: 29 February 2024.
Wheeling	DMRE	Energy Security Workstream	Social partners engaged on hurdles to "wheeling", and third-party transmission of electricity. Speakers included representatives from the DMRE, Eskom Transmission, experts, traders and municipalities.	Convened: 04 April 2023. Report submitted: 24 April 2024.

Dialogue Subject Matter	Originating Government Department	Nedlac Structure where Matter was Considered	Summary of Deliberations at Nedlac	Time Lines for Considering the Matter
Integrated Resource Plan (IRP 2023)	DMRE	Energy Security Workstream	The session capacitated social partners on critical issues relating to the IRP, to provide informed inputs into the public comment process.	Convened: 30 January 2024. Report submitted: 12 February 2024.

3.2.1.3 Other Activities

The table below reports on the presentations received and other activities undertaken in the PFMPC and its sub-committees.

Structure	Issue	Date	Performance
PFMPC	Unclaimed assets	31 August 2023	The Financial Sector Conduct Authority (FSCA) presented its recommendations on unclaimed assets, including identifying beneficiaries, taxation, management, and reporting.
PFMPC	Organisation for Economic Co-operation and Development (OECD) Economic Survey	28 March 2023	The OECD presented the 2023 OECD Economic Survey of South Africa, which included recommendations on the economic outlook for the country.
Nedlac Anti-corruption Task Team	The National Anti-Corruption Strategy	12 May 2023	On 12 May 2023, the National Anti-Corruption Advisory Council presented the implementation of the National Anti-Corruption Strategy. The presentation focused on draft recommendations and measures to address corruption.
Medium-Term Budget Policy Statement	Special Exco	10 November 2023	The Minister of Finance presented the MTBPS. Social partners provided input.
National Budget	Special Exco	15 March 2024	The Minister of Finance and National Treasury presented the National Budget. Social partners provided input.

3.2.2 Trade and Industry Chamber

The Trade and Industry Chamber (TIC) seeks to reach consensus and make arrangements for bringing all matters pertaining to the economic and social dimensions of trade, industrial, mining, agricultural, and services policies and the associated delivery institutions before the social partners.

3.2.2.1 Processes

One process was concluded by the end of the reporting period as per the table below. The Department of Health (DoH) initially committed to table the Control of Tobacco Products and Electronic Systems Delivery Bill at the request of the social partners. However, this did not materialise and at the end of 2023, the Bill was tabled in Parliament without it being considered by Nedlac.

Policy or Bill	Originating Government Department	Nedlac Structure, where Matter was Considered	Summary of Matter and deliberations at Nedlac	Time Lines for Considering the Matter
The Radioactive Waste Management Fund Bill (RWMFB)	DMRE	TIC	This Bill seeks to establish a Trust Fund that will be responsible for collecting funds from generators of radioactive waste to be disbursed to the National Radioactive Waste Disposal Institute (NRWDI). The Fund will be used to manage high-level radioactive waste such as nuclear, fuel and associated waste. Social partners made inputs to enhance the Bill. There were no areas of disagreement.	Tabled on 14 September 2023 Signed off by Overall Convenors on 08 December 2023.

3.2.2.2 Technical Sector Liaison Committee

The Technical Sectoral Liaison Committee (Teselico) is a specialist sub-committee of the TIC at Nedlac, set up to discuss matters of international trade. The aim is to ensure that the South African position at bilateral and multilateral negotiating forums is informed through deliberation, and supported by constituencies.

Three (3) dialogue sessions were concluded as set out in the table below:

Dialogue	Originating Government Department	Nedlac Structure where a Matter was Considered	Summary of Deliberations	Time Lines for Preparing a Report
TIC Strategic Dialogue Session	The Department of Trade, Industry, and Competition (the dtic)	TIC	The TIC members engaged with the Minister of Trade, Industry and Competition on the work of Nedlac and the dtic.	Convened: 25 January 2024. Report submitted: 14 February 2024.
Regulatory impediments affecting SMME's and Cooperatives in South Africa	Department of Small Business Development (DSBD)	SMME Workstream – TIC	The DSBD presented the findings from its study and provided social partners with an opportunity to share their inputs on measures to address the impediments on SMMEs.	Convened: 17 January 2024. Report submitted: 31 January 2024.
Work of the World Trade Organisation (WTO).	the dtic	Teselico of the TIC	South Africa's Ambassador to the World Trade Organisation (WTO) shared information on the Africa Group's Policy Space for the Industrial Development Paper which was being developed by Africa for submission to the WTO. Social partners provided inputs.	Convened: 22 August 2023. Report submitted: 11 September 2023.

3.2.2.3 Other Activities Undertaken by the Trade and Industry Chamber

The table below reports on the presentations received and other activities undertaken in the Trade and Industry Chamber (TIC).

Structure	Issue	Date	Performance
TIC	PCC focus areas	25 May 2023	The PCC presented its work for social partners to identify possible areas of collaboration between the PCC and the TIC. Issues included the manufacturing of NEVs and risks associated with the introduction of the Carbon Border Adjustment Mechanism (CBAM).
TIC	Closure of the Ashton Canning Factory and mitigation for job losses	25 May 2023	The CCMA provided regular updates on mitigating the closure of the Ashton Canning Factory in the Western Cape to prevent job losses. The matter will be reviewed in August 2025.

Structure	Issue	Date	Performance
TIC	Enhancing efficiencies in the movement of goods and people through South African borders	27 July 2023 23 August 2023	The Border Management Agency (BMA) presented progress on enhancing efficiencies in the movement of goods and people through the South African borders. On 23 August 2023, the BMA further briefed the TIC on the models it utilises to manage South African borders.
TIC	Green Hydrogen Commercialisation Strategy	23 August 2023	The dtic presented the Green Hydrogen Commercialisation Strategy, which seeks to address South Africa's energy crisis and position South Africa as a global player in the green economy.
TIC	Customs Modernisation Programme (CMP)	28 September 2023	SARS presented the CMP 4IR pilot project on 28 September 2024. The project aims to improve processes pertaining to customs and trade facilitation.
TIC and Teselico	South African access to the United States market and the Africa Growth and Opportunity Act (AGOA)	19 October 2023	The Minister of Trade, Industry and Competition presented South African access to the United States market and the AGOA, outlining the expected outcomes from the AGOA Forum - 2023.
TIC and SMME Work-stream	SMMEs and Co-operatives Funding Policy	23 November 2023	The Department of Small Business Development (DSBD) presented the SMMEs and Co-operatives Funding Policy. The Policy seeks to provide a holistic, coordinated and pragmatic framework for strengthening the provision of finance towards the sector to improve access to finance for SMMEs and co-operatives.
TIC	Regulations relating to the Ownership and Licensing of Pharmacies	28 September 2023	Organised business presented their concerns on the Draft Regulations relating to the Ownership and Licensing of Pharmacies. Social partners agreed that further engagements with the NDoH were necessary to address the challenges encountered by communities due to limited issuing of licenses. The NDoH indicated that the matter was still being addressed through the court processes. Consequently, the department could not engage with social partners on this matter. It was, however, willing to engage with Nedlac should the Regulations be amended in future.
TIC	Regulations relating to the Labelling and Advertising of Foodstuffs	22 February 2024	The NDoH presented the Regulations relating to the Labelling and Advertising of Foodstuffs. It was agreed that the social partners should engage further on them, once formally tabled by the DoH after public comments.

Structure	Issue	Date	Performance
Teselico	African Continental Trade Area (AfCFTA) Competition Protocol	22 May 2023	The Competition Commission presented the AfCFTA Competition Protocol which addresses issues such as international cartels, mergers and anti-competitive practices by dominant firms.
Teselico and TIC	Engagements with the United States of America (USA) State Department's Special Envoy for Labour & African Growth and Opportunity Act (AGOA)	31 July 2023	The USA State Department's Special Envoy for Labour & AGOA provided input on the threats faced by South Africa in relation to hosting the AGOA Summit. The discussions also focused on the role that the USA State Department's Office could play in supporting South African efforts in advocating for labour rights and enhancing trade agreements between Africa and the USA.
Teselico	AGOA	2 – 4 November 2023	Nedlac social partners and the secretariat participated in the AGOA Forum.
Teselico	Trade opportunities between South Africa and the European Union (EU)	22 November 2023	The dtic presented the existing and possible trade opportunities between South Africa and the EU.
Teselico	Preparation for the 13th Ministerial Conference (MC13) of the WTO	2 and 12 February 2024	A preparatory conference was held to enable social partners to formulate an agreed country position in preparation for the 13th WTO Ministerial Conference.
Teselico	13th WTO Ministerial Conference	26 to 29 February 2024	Nedlac social partners and the Nedlac Manager of Trade & SMMEs attended the conference in Abu Dhabi.
Teselico	International trade	Various	Updates were received from the dtic on progress in respect of international trade agreements or negotiations in respect of the WTO, Trade in Services within the SADC, AGOA, AfCFTA and Brics, plus related matters.
Teselico	Social clauses in trade agreements	19 February 2024	An inception meeting was held between a service provider and the Nedlac research reference group on research commissioned in this regard.
Freight and Public Transport Work-stream	Freight and public transport matters	26 March 2023	The workstream received presentations on: <ul style="list-style-type: none"> • National Rail Policy; • High-speed Rail Framework; • Public Sector Participation Framework (PSPF); • National Rail Master Plan; • Devolution of Commute Rail Strategy; and • Interim Rail Economic Regulator Capacity (IRERC).

Structure	Issue	Date	Performance
	Work of the National Logistics Crisis Committee (NLCC)	19 September 2023. 26 March 2024.	Progress reports were received especially in respect of making improvements to operational performance.
	Passenger Rail Agency of South Africa	26 July 2023, and 26 March 2024.	PRASA outlined its plan to increase its commuter fare by 18% for short-distance travel and a 10% increase for long-distance travel from the 2023/2024 financial year. These were subsequently not implemented.
	Public transport	26 March 2024	Presentations were received on: <ul style="list-style-type: none"> • NDoT's draft Public Transport Subsidy Policy from NDoT. It was agreed that the policy should be tabled at Nedlac for engagements. • Modernisation of the technical infrastructure on depot and platforms, fleet renewal and signalling.
Employee Share Ownership Task Team	Employee Share Ownership Plans (ESOPS)	Various	The task team contracted a service provider to conduct a study on ESOPS/Schemes and the feasibility of their implementation within the South African context. The desktop research has been concluded. The task team held several engagements with government and its agencies to understand the support offered to companies to fund the implementation of ESOPS. It also considered benchmarking international implementation standards and examined legislative enablers.
Economic and Employment Indicators & Trends	Economic Unit	Monthly	Nedlac published twelve (12) monthly Economic and Employment Trends Reports, with the following sub-topics: GDP, employment, household expenditure, government spending, investments and international trade, and sector analysis.

3.2.2.4 Energy Workstream - Manco Task Team

The table below reports on the presentations received and other activities undertaken in the Energy Manco task team.

Energy Workstream	Work of the Energy Council of South Africa	5 March 2023	Work being done by the Energy Council of South Africa, on 04 July 2023. Progress on the Implementation of the Social Compact to support Eskom, on 04 July 2023. Progress on the Eskom unbundling process, on 04 July 2023.
	South Africa's Energy Security Challenges	6 June 2023	Professor Mark Swilling presented challenges faced by South Africa's energy security and the mitigation measures to address such challenges.
	Progress on implementation of Social Compact to support Eskom	4 July 2023	Social partners reviewed their progress on the implementation of the social compact and recommended that the Nedlac Energy Security Workstream should continue to monitor progress on matters that were being implemented. The meeting also received a presentation on the progress of the Eskom unbundling process.
	Electricity Market Design	05 September 2023	An international perspective on electricity market design and the role of the transmission system operator.
Energy work stream sub-committees	Load shedding	Various	The Load Shedding Task Team engaged on the options available to customers to enable suitable load shedding schedules that would mitigate the negative impact of load shedding on the economy.
	Energy Crisis Communication Plan	Various	The task team received feedback from the Government Communication and Information System (GCIS) on implementing the Energy Crisis Communication Plan. The task team further considered a communication strategy that sought to consolidate common messaging by social partners to educate the public and dispel myths regarding the electricity crisis.
Energy Workstream	Technical briefing sessions on IRP 2023	05 and 12 March 2024	The sessions provided a forum for social partners to generate ideas on the crucial matters of the IRP in preparation for the forthcoming IRP 2023 processes. They looked at the cost assumptions and the implications of the IRP 2023 for employment creation and air pollution.

3.2.3 Labour Market Chamber

The Labour Market Chamber (LMC) seeks to reach a consensus on all matters pertaining to the world of work and the associated institutions of delivery.

3.2.3.1 Processes

Three (3) processes were concluded, and one process was ongoing at the end of the reporting period. The table below sets out the details:

Policy or Bill	Originating Government Department	Nedlac Structure, where Matter was Considered	Summary of Matter and Deliberations at Nedlac	Time Lines for Considering the Matter
Mine, Health and Safety Amendment Bill (MHSA)	Department of Mineral Resources and Energy (DMRE)	Labour Market Chamber (LMC)	The purpose of the Bill is to streamline administrative processes, strengthen enforcement provisions, reinforce offences and penalties, and amend certain definitions. Social partners provided input to enhance the Bill.	Tabled: 01 November 2022 Signed off by Overall Convenors: 26 June 2023
Employment Services Amendment Bill (ESA)	Department of Employment and Labour	LMC	The Bill's purpose is to extend the scope of the Act to cover private employment agencies not operating for gain, regulate the employment of foreign nationals in South Africa, and recruit, place, and employ South Africans working in other countries. Social partners provided input to enhance the Bill.	Tabled: 18 July 2023 Signed off by Manco: 20 October 2023
National Labour Migration Policy	Department of Employment and Labour	LMC	The policy aims to enable a safe, orderly, and regular migration for employment of highly, semi- and low-skilled workers to and from South Africa in pursuit of the country's national priorities.	Tabled: 24 January 2024 The engagements were ongoing by the end of the reporting period.

Policy or Bill	Originating Government Department	Nedlac Structure, where Matter was Considered	Summary of Matter and Deliberations at Nedlac	Time Lines for Considering the Matter
Reforms to Labour Legislation	Department of Employment and Labour	Labour Law Reforms Task Team of the LMC	<p>The task team engaged on the following issues:</p> <ul style="list-style-type: none"> Proposed amendments to the definition of unfair labour practice, remedies for unfair dismissal and unfair labour practice, inclusion of a maximum earnings threshold, and enquiry by an arbitrator. The reduction of protection of senior employees from dismissal, procedurally unfair dismissals, and relaxation of the laws for small businesses in the context of the current economic situation. Proposals in relation to protest action, demarcation disputes, closed shop agreements, and time frames for conciliation. Codes of Good Practice on dismissals and dismissals based on operational requirements. Think pieces on regulatory reforms to enable a just transition to a low-climate economy, legislative and regulatory reforms for workers who are not employees, remote work, and labour market inefficiencies. 	Ongoing

3.2.3.2 Dialogue Sessions

Two (2) dialogue sessions were held as set out in the table below:

Dialogue	Originating Government Department	Nedlac Structure, where a Matter was Considered	Summary of Deliberations	Time Lines for Preparing a Report
National Labour Migration Policy (Dialogue)	Department of Employment and Labour	LMC	The Department of Employment and Labour unpacked the policy, and social partners provided preliminary input. The session sought to enhance social partners' capacity to provide informed input during engagements on the policy when it is tabled.	Convened: 27 November 2023 Report submitted: 18 December 2023
Productivity Ecosystems for Decent Work in South Africa	International Labour Organisation (ILO)	LMC	The ILO updated social partners on the progress of productivity ecosystem projects, challenges, and opportunities.	Convened: 05 December 2023 Report submitted: 22 December 2023

3.2.3.3 Other Activities

The table below reports on presentations and other activities undertaken by the LMC and sub-committees:

Issue	Performance
Decent Work Country Programme (DWCP)	The DWCP has set up a Skills Development Technical Working Group to review the current activities and outline priorities and deliverables from the projects undertaken by the ILO from a skills development perspective for South Africa. The service provider has developed an inception report. The ILO commissioned a research study to review South Africa's DWCP. The Steering Committee discussed and considered the report on 31 October 2023.
Skills Development	The HRSD Task Team engaged on: <ul style="list-style-type: none"> The Human Resources and Development Council (HRDC) social compact. The draft and final reconceptualised Human Resources Development Strategy of South Africa (HRDSA). Master's Skills Plan. Recommendations by the Ministerial Task Team (MTT) on Student Funding. <p>The task team's work was ongoing by the end of the reporting period.</p>

Issue	Performance
Demarcation Disputes and Awards	The Committee considered 38 demarcation awards from the Commission for Conciliation, Mediation and Arbitration (CCMA) in line with the Labour Relations Act. These were resolved within 21 working days from the date of receipt by Nedlac.
Section 77(1)(b) Notice from Cosatu in the Free State	A Section 77(1)(b) notice which was lodged by Cosatu in the Free State on 02 July 2022 relating to the unreliable supply of water and electricity to various workplaces and households in the Maluti -A- Phofung Municipality in Qwaqwa. It was still being considered by the end of the reporting period. Some progress in addressing the concerns from Cosatu was reported by the Office of the Premier in the Free State. This included signing a Distribution Agency Agreement (DAA) by Eskom and the municipality.
Unemployment Insurance Fund (UIF)	<p>The UIF Modernisation Task Team which was established to address the operational and strategic challenges faced by the UIF focused on the following:</p> <ul style="list-style-type: none"> • Addressing challenges of CCMA Temporary Employer/Employee Relief Scheme (TERS.) • Closing out the Covid-19 TERS and Workers Affected by Unrest (WABU), including following up on fraud and corruption in this scheme. • Modernisation of UI systems to improve the claims turnaround time and address challenges facing the provision of maternity benefits. • Addressing challenges faced by employers with compliance certificates. • Escalation interventions to strengthen the UI's response to challenges brought by social partners; and • Communication of the UIF to its claimants. <p>Three (3) sub-committees of the task team were established to:</p> <ul style="list-style-type: none"> • Oversee the operational challenges within the UI Fund; • Engage on the compliance issues at a technical level; and • Engage on matters pertaining to the CCMA TERS, including the delays of addressing claims. <p>The task team engaged on the proposed restructuring plan of the UI and Compensation Fund. By the end of the reporting period, the task team's work was put on hold without matters being concluded.</p>

3.2.4 Development Chamber

The Development Chamber seeks to reach consensus on all matters pertaining to urban and rural development, employment creation and social issues.

3.2.4.1 Four processes were concluded as per the table below:

Policy or Bill	Originating Government Department	Nedlac Structure where Matter was Considered	Summary of Matter and Deliberations at Nedlac	Time Lines for Considering the Matter
Victims Support Services Bill	Department of Social Development	Development Chamber (DC)	The purpose of the Bill is to provide a framework to guide and inform the provision of integrated and multidisciplinary services aimed at addressing the needs of victims of violent crimes and coordinate all activities and services offered by various government departments. The Bill further assists with monitoring the quality of services rendered. Social partners provided input to enhance the Bill.	Tabled: 14 November 2022 Signed off by Overall Convenors: 12 May 2023
Amendments to the Regulations Relating to Minimum Uniform Norms and Standards for Public School Infrastructure	Department of Basic Education	DC	The Regulations are periodically reviewed to ensure that the norms and standards remain current.	Tabled: 28 March 2023 Signed off by Manco: 19 May 2023
Admission Policy for Ordinary Public Schools	Department of Basic Education	DC	The purpose of the Policy is to provide a framework for developing admission policies for all schools and provides all provincial departments, districts, and school governing bodies (SGBs) with guidelines for the development of admission policies for public schools.	Tabled: 28 March 2023 Signed off by Manco: 25 August 2023

Policy or Bill	Originating Government Department	Nedlac Structure where Matter was Considered	Summary of Matter and Deliberations at Nedlac	Time Lines for Considering the Matter
National Water Resource Infrastructure Agency Bill	The Department of Water and Sanitation	DC	The purpose of the Bill is to establish the South African National Water Resources Infrastructure Agency Limited as a state-owned company which will administer, fund, operate, maintain and provide advisory services in respect of national water resources infrastructure. Social partners provided input to enhance the Bill.	Tabled: 03 May 2023 Signed off by Overall Convenors: 24 August 2023

3.2.4.2 Dialogue Sessions

Five (5) dialogue sessions were concluded as set out in the table below:

Dialogue	Originating Government Department	Nedlac Structure, where a Matter was Considered	Summary of Deliberations	Time Lines for Preparing a Report
Acceleration Plan to achieve the National Development Plan (NDP) by 2030	The Presidency	DC	The Presidency presented the Acceleration Plan to achieve the 2030 NDP targets. The Plan proposes interventions to achieve the 2030 NDP targets. Social partners provided input.	Convened: 06 September 2023 Report submitted: 26 September 2023
2022 Census National Results	StatsSA	DC	StatsSA shared the results of the 2022 National Census and lessons learned from the digital census. Social partners provided input to improve the digital census in the future.	Convened: 29 November 2023 Report submitted: 14 December 2023

Dialogue	Originating Government Department	Nedlac Structure, where a Matter was Considered	Summary of Deliberations	Time Lines for Preparing a Report
Water Shortages and Related Issues	Department of Water and Sanitation	DC	Participants unpacked water challenges such as water shortages, clean water distribution, water treatment and infrastructure maintenance and the effects of climate change on water security. Social partners provided input and a Water Workstream was established to engage further on challenges and recommendations to address the identified issues.	<p>Convened: 02 August 2023</p> <p>Report submitted: 23 August 2023</p>
Integrated Rural Development Sector Strategy (IRDSS)	Department of Agriculture, Land Reform and Rural Development (DALRRD)	DC	The DALRRD presented the Strategy and obtained input from the social partners to enhance its proposed provisions.	<p>Convened: 20 February 2024</p> <p>Report submitted: 11 March 2024</p>
Disaster Preparedness	PCC and Nedlac	DC	Social partners and key stakeholders responsible for disaster management exchanged information on disaster preparedness. Participants discussed mechanisms for detecting potential disasters, timely response capabilities, encountered challenges, and proposals for enhancing preparedness and responsiveness.	<p>Convened: 19 March 2024</p> <p>The report was being developed by the end of the reporting period.</p>

3.2.4.3 Other Activities

The table below reports on presentations and other activities undertaken by the DC and sub-committees.

Issue	Performance
Water Workstream	<p>The workstream was established by the DC to engage and build understanding among social partners on the challenges facing the water and sanitation sector. This includes engaging on the enhancement of water infrastructure, water treatment, water and sanitation services, and water distribution. The workstream received presentations on the following:</p> <ul style="list-style-type: none"> • Action plans developed on Green, Blue and No Drop reports; • Continual Professional Development (CPD) of the sector; • The enforcement function of the Engineering Council of South Africa (ECSA); and • The National Water Strategy from the Department of Water and Sanitation.
Presidential Employment Stimulus Programme (PESP) & Presidential Youth Employment Incentives (PYEI)	<p>On 27 September 2023, the Presidency outlined progress on the implementation of the PESP and PYEI.</p>
Next Generation Radio Frequency Spectrum Policy	<p>The Department of Communications and Digital Technology (DCDT) presented the Policy on 17 January 2024, which aims to ensure the economic inclusion of all South Africans and bridge the digital divide. However, the Policy was not formally tabled and subsequently approved by Cabinet and implemented without engagement at Nedlac.</p>

3.2.4.4 Emerging Issues

The table below reports on presentations and other activities undertaken.

Issue	Performance
Covid-19 Close-Out Report and Legacy	<p>The Covid-19 Close-out Report on the Lessons and Legacy of the Nedlac response to Covid-19 was finalised and launched at the Nedlac Summit on 08 September 2023.</p>

Issue	Performance
<p>Covid-19 Legacy: Nedlac/ National Institute for Occupational Health (NIOH) Training Programme</p>	<p>The NIOH and Nedlac Workplace Training and Awareness Programme convened 11 webinars during the reporting period and a number of training videos and infographics for workplaces. The purpose was to educate stakeholders on how to manage communicable diseases in the workplace, as well as engage, produce and share Covid-19 related OHS information and other resources that workplaces can use to advocate, educate, and inform workplaces, especially workers. The webinars focused on the following:</p> <ul style="list-style-type: none"> • Compliance in OHS webinar on 30 March 2023; • Hazardous Biological Agents (HBAs) webinar on 20 April 2023; • Guidance on the management of risks and risk assessments at places of work on 01 June 2023; • Covid-19 control measures and current practices on 22 June 2023; • Communicable diseases in the workplace on 27 July 2023; • Cleaning and disinfection in the workplace on 28 September 2023; • Pertinent vaccines for the workplace on 26 October 2023; • Update on Long Covid-19 on 23 November 2023; • Ethical dilemmas in the workplace during Covid-19 on 29 February 2024; • Medical incapacity related to Covid-19 on 14 March 2024; and • Long Covid-19 on 23 November 2023. <p>The programme rolled out training videos on:</p> <ul style="list-style-type: none"> • Managing workers who test positive for Covid-19, published on 20 September 2023; and • Cleaning and disinfection in the workplace, published on 28 September 2023.
<p>Cost-of-Living Increases Nedlac Rapid Response Task Team (COLI NRRTT)</p>	<p>The COLI NRRTT was established to build an understanding, engage and identify areas of collaboration to address and mitigate the impact of high food and fuel prices. The task team discussed the following issues:</p> <ul style="list-style-type: none"> • Reducing red tape in the distribution of food and food donations to vulnerable communities and groups. • Legal opinions and legal clarity regarding liability legislation on food labelling and food donations. The social partners built an understanding of the definitions related to systems and requirements for food donations and selling of foods that are past their “Best Before” dates. • The Essential Food Price Monitoring Report from the Competition Commission. • StatsSA consumer price increases data. • Progress on the work of the Department of Social Development (DSD), including food parcels, R350 grants and support provided through DSD centres. • The review of the formula to determine fuel prices by the South African Reserve Bank, considering the impact of fuel hikes on inflation.

Programme 2: Core Operations									
Purpose: The purpose of this programme is to ensure that the leadership of business, community, government and labour cooperate to identify and implement ways to address relevant and important social and economic issues.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
2.1	Successful Social Dialogues to Enhance Engagement	Percentage of dialogue reports submitted to social partners within 14 working days of convening of dialogue	100% of dialogue reports were submitted to social partners within 14 working days of convening of dialogue	100% of dialogue reports submitted to social partners within 14 working days of convening of dialogue	100% of dialogue reports submitted to social partners within 14 working days of convening of dialogue	100% of dialogue reports submitted to social partners within 14 working days of convening of dialogue (15 out of 15)	Not applicable	Not applicable	
2.2	Agreements on Key Socio-economic Issues Reached	Percentage of agreements successfully concluded within nine (9) months of an issue being tabled at Nedlac, except where stipulated exclusions apply	75% of agreements successfully concluded within nine (9) calendar months of issue being tabled at Nedlac, except where stipulated exclusions apply	No agreements were concluded, as there were no agreements tabled during the financial year	100% of agreements successfully concluded within nine (9) months of an issue being tabled at Nedlac, except where stipulated exclusions apply	Not applicable. No agreements were concluded, as there were no agreements tabled during the financial year	Not applicable	Not applicable	No matters requiring an agreement were tabled, consequently, no agreements were concluded in this period

Programme 2: Core Operations									
Purpose: The purpose of this programme is to ensure that the leadership of business, community, government and labour cooperate to identify and implement ways to address relevant and important social and economic issues.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
2.3	Processes Successfully Enabled	Completed processes	Percentage of reports on processes concluded within six months from the date of tabling at the relevant structure, except where stipulated exclusions apply.	100% of reports on processes concluded within six months from the date of tabling at the relevant structure, except where stipulated exclusions apply	100% of processes were concluded within six (6) months of being tabled at 31 March 2024, except where stipulated exclusions apply	80% of processes concluded within six (6) months of being tabled by 31 March 2024, except where stipulated exclusions apply	100% of processes were concluded within six (6) months of being tabled at Nedlac. (8 out of 8)	The target was achieved and exceeded by 20%	The set target was exceeded as engagements were concluded on all legislative processes matters that were tabled and were reporting in this period. This resulted to 100% processes being concluded instead of 80%
2.4	Percentage of Section 77 Final Reports Produced within Five (5) Working Days from Date of the Resolution of Section 77 Notices	Reports arising out of Section 77 notices prepared expeditiously	Percentage of Section 77 final reports produced within five (5) working days from date of the resolution of Section 77 notices	100% of Section 77 final reports produced within five (5) working days from date of the resolution of Section 77 notices	100% of Section 77 final reports produced within five (5) working days from date of the resolution of Section 77 notices	100% of Section 77 final reports produced within five (5) working days from date of the resolution of Section 77 notices	Not applicable. No Section 77 final reports were concluded in this period, as no Section 77 resolutions were made. The consideration of the existing Section 77 notice is still underway	Not applicable. No Section 77 resolutions were finalised, as a result, no S77 Reports were concluded in this period	

3.2.5 Members who participated in the structures under Programme Two

3.2.5.1 Public Finance Monetary Chamber

The following table lists the members of the Public Finance Monetary Chamber. The chamber held two (2) meetings during the 2023/24 financial year.

Business	Government	Labour
Bondi, Paul (<i>Convenor</i>)	Maseko, Basil (<i>Convenor</i>)	Ajam, Riefdah
Brits, Mark	Momoniati, Ismail	Lekota, Moses (<i>Convenor</i>)
Gable, Jeff	Thela, Alvinah	Mahlangu, Jan
Mande, Kyle		Parks, Matthew
Masego, Mathobela		Sekgota, Phochana
Mhlanga, Thulebona		Tengela, Tengo
Sibanda, Tyson		
Smith, Stephen		
Rasikhuthuma, Vhuyani		
Van der Westhuizen, Yvonne		

3.2.5.2 Electricity Pricing Policy

The following table lists the members of the Electricity Pricing Policy Task Team. The task team held seven (7) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Khambule, Happy	Tebello, Radebe	Maraba, Joseph	Croukamp, Marius
Mphahlele, Nkopodi		Nemaxwi, Vusani	Parks, Matthew
Mondli, Fanele		Nhlapho, Gift	
Motsa, Bongani			
Rohrs, Sue			

3.2.5.3 Energy Security Workstream

The following table lists the members of the Energy Security Workstream. The workstream held seven (7) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Dawson, Nic	Ngam, Lizo Desmond	Bantsijang, Matthews	Croukamp, Marius
Dlamini, Gilly	Mapongwana, Bulelwa	Beare, Mark	Du Plessis, Gideon
Hamman, Christoff	Monyahi, Lawrence	Currin, Michael	Klopper, Chris
Khambule, Happy	Ndlovu, Nhlanhla	Dicks, Rudi	Mahlangu, Jan
Khuliso, Nesengani	Radebe, Tebello (Lead)	Jacobs, David	Parks, Matthew
Langenhoven, Henk	Peek, Bobby	Josias, Pila	Reyneke, Deon
Makhetha, Tebele		Maraba, Joseph	Rondganger, Micardo
Maphalala, Nhlanhla		Mkhize, Welile	
Melamu, Mosidi		Mpofu Mthokozisi	
Mondi, Fanele		Murathi, Mmboniseni	
Motsa, Bongani		Musker, Saul	
Mphahlele, Nkopodi		Mthobeli, Kolisa	
Naicker, Mona		Nxumalo, Lindiwe	
Tebele, Luthuli		Ngidi, Nhlanhla	
Tlale, Carrington		Nkadimeng, Donald	
		Nhlapo, Gift	
		Padayachee, Vally	
		Shunmagum, Eric	

3.2.5.4 Trade and Industry Chamber

The following table lists the members of the Trade and Industry Chamber. The chamber held 11 meetings including the TIC Strategic Dialogue Session during the 2023/24 financial year.

Business	Government	Labour
Boshoff, Theo (<i>Convenor</i>)	Adams, Faried (<i>Convenor - retired</i>	Benjamin, Ashley
Langenhoven, Henk	<i>July 2023)</i>	Domingo, Tshiamo
Lasserre, Jean Claude	Gilbert, Adele (<i>TIC Convenor, from</i>	Ehrenreich, Tony (<i>Convenor</i>)
Lawrence, Michael	<i>December 2023)</i>	Eppel, Simon
Maree, Juanita	Kruger, Niki	Matsha, Ngoako
Penfold, Deidre	Mazibuko, Thobile	Mngomezulu, Mayoyo
Sibanda, Tyson	Mlangeni, Thembekile	Moni, Lucky
Theron, Paul	Mohlala, Bridget	Mosehla, Mampho
Qwabe, Kgaugelo	Moitse, Palesa	Ndhlovu, Siphon
	Ramulongo, Tendani	Parks, Matthew
		Tengela, Tengo
		Vlok, Etienne

3.2.5.5 Teselico Sub-Committee

The following table lists the members of the Teselico Sub-Committee. The committee held five (5) meetings during the 2023/24 financial year.

Business	Government	Labour
Alastair, Tempest (<i>Guest</i>)	Adams, Faried (<i>retired July 2023)</i>	Benjamin, Ashley
Boshoff, Theo (<i>Alternate</i>)	Gilbert, Adele	Elsley, Trenton
Braude, Wolfe	Kruger, Niki	Eppel, Simon
Du Preez, Maria (<i>Alternate</i>)	Mazibuko, Thobile	Grant, Matthew (<i>Alternate</i>)
Grant, Catherine	Mlangeni, Thembekile	Mayoyo, Mngomezulu
Lamprecht, Norman	Mohlala, Bridget	Sibanyoni-Mugambi, Zazi (<i>From</i>
Lawrence, Michael	Mpyana, Duduzile	<i>February 2024)</i>
Maloyi, Lunga (<i>Alternate</i>)	Van Renen, Elizabeth (<i>Alternate</i>)	Swart, Karel
Matlou, Setati		Tengela, Tengo
Penwell, Lunga (<i>Alternate</i>)		
Sibanda, Tyson (<i>Alternate</i>)		
Theron, Paul		

3.2.5.6 SMME Workstream

The following table lists the members of the SMME Workstream. The committee held three (3) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Maloyi, Lunga	Bale, Lawrence	Gilbert, Adele	Delpont, Eben
Mhlambi, Muzi	Kganyago, Laura Joyce	Masogo, Mhlanganisi	De Klerk, Eddie
Mhlanga, Thulebona	Litha, Lebohang	Mohlala, Bridget	Duma, Siphokazi
Papo, Lolo	Nkonka, Ntombi	Mohoto, Mojalefa	Molete, Boitumelo
Setati, Matlou	Ntsinde, Hamilton	Phetla, Godfrey	Ndhlovu, Siphon
Theron, Paul	Daluxolo		Parks, Matthew
	Nzimande, Mbusi		Sikwebu, Chris (From August 2023)

3.2.5.7 Freight and Public Transport Workstream

The following table lists the members of the Freight and Public Transport Workstream. The workstream held three (3) meetings during the 2023/24 financial year.

Business	Labour	Government	Community
Penfold Deidre	Ehrenreich, Tony	Dicks, Rudi	Nkosi, Zodwa
Pelser, Werner	Parks, Matthew	Bodibe, Neo	Radebe, Tebello
Parman, Natasha	Ronganger, Micardo	Eckersley, Charlotte	Rakoto, Samuel
Mabizela,, Bongani	Van Vuuren, Cobus	Costa, Anthony	Zwane, Tumelo
Magafela, Siganeke		Kani, Yolisa	
Maloyi, Lunga		Duma, Khule	
Maree, Juanita		Lilly, Morobane	
Nhlapo, Masela		Devina, Vijiam	
Qwabe, Kgaugelo		Lekganyane, Thembi	
Sibanda, Tyson		Tshwaelo, Metlhape	
		Makaepea, Ngwako	
		Manamela, Lesiba	
		Richard, Malope	
		Morobane, Lilly	
		Manamela, Lesiba	
		Malope, Richard	
		Neo, Bodibe	
		Mc Patie, Lloyd	
		Metlhape, Tshwaelo	

Business	Labour	Government	Community
		Modise, Kgomotso	
		Moleme, Kagiso	
		Mudzielwana, Tshifhiwa	
		Naidoo, Irvin	
		Shaw, Andrew	
		Somaru, Mala	
		Vijiam, Devina	
		Witi, Jongikhaya	
		Zenani, Nana	

3.2.5.8 Social Clause Research Reference Group

The following table lists the members of the Social Clause Research Reference Group. The committee held one (1) meeting during the 2023/24 financial year.

Business	Government	Labour
Braude, Wolfe	Mlangeni, Thembekile	Eppel, Simon
Theron, Paul	Van Reenen, Elizabeth	Tengela, Tengo

3.2.5.9 Employee Share Ownership Schemes/Plan (ESOPS) Task Team

The following table lists the members of the ESOPS Task Team. The task team held six (6) meetings during the 2023/24 financial year.

Business	Government	Labour
Arnold, Margaret	Adams, Faried	Benjamin, Ashley
Boshoff, Theo	Dondashe, Thembakazi	Du Plessis, Gideon
Chauke, Nyiko	Gilbert, Adele	Ehrenreich, Tony
Jagjivan, Divya	Gwabeni, Andile	Eppel, Simon
Langenhoven, Henk	Koka, Kwathi	Kokela, Joe
Mhlanga, Thulebona	Madonsela, Lindiwe Cathrine	Lekota, Moses
Mochine, Moses	Maki, Mzoxolo	Matsha, Ngoako
Ntungu, Masindi	Mohlala, Bridget	Moni, Lucky
Pask, Duncan	Rozana, Marcia	Molete, Boitumelo
Qwelane, Kgolo	Tsatsi, Nomvula	Ndhlovu, Siphon
Sibanda, Tyson	Tsotetsi, Kaemete	Ntshauba, Meshack
		Tengela, Tengo
		Sithole, Sinenhlanhla

3.2.5.10 Government Incentives Task Team

The following table lists the members of the Government Incentives Task Team (GITT). The task team held seven (7) meetings during the 2023/24 financial year.

Business	Government	Labour
Boshoff, Theo	Gilbert, Adele	Ehrenreich, Tony
Da Molo, Virgilio	Hanival, Stephen	Munyai, Rendani (<i>From August 2023</i>)
Qwabe, Kgauhelo	Mohlala, Bridget	Vlok, Etienne
Sibanda, Tyson		

3.2.5.11 Radioactive Waste Management Fund Bill Task Team

The following table lists the members of the Radioactive Waste Management Fund Bill (RWMFB) Task Team. The task team held four (4) meetings during the 2023/24 financial year.

Business	Government	Labour
Boshoff, Theo	Gilbert, Adele	Ehrenreich, Tony
Khambule, Happy	Mohlala, Bridget	Tengela, Tengo
Nesengani, Khuliso	Nhlapho, Gift	
	Tsatsi, Nomvula	
	Zibi, Zukile	

3.2.5.12 Development Chamber (DC)

The following table lists the members of the Development Chamber. The chamber held three (3) meetings during the 2023/24 financial year:

Business	Community	Government	Labour
Cowley, Kevin	Josopu, Thembinkosi	Mabuda Phathutshedzo	Cele, Siyabonga
Ferrao, Vitor	Kganyago, Laura	Mthombeni, Adam	Malema, Solly
Jantjies, Sanelisiwe	Mponzo, Matthews		Molete, Boitumelo
Mathe, Khulekani	Qakaza, Lucas		Ndhlovu, Sipho
Muavha, Tsakane	Tsebe, Herman Puleng		Parks, Matthew
Phasha, Tebogo	<i>(Deceased April 2024)</i>		Sele matsela, Godfrey
Qwabe, Kgauhelo			Ziervogel, Kurt
Xaba, Fani,			

3.2.5.13 Amendments to the Regulations Relating to Minimum Uniform Norms and Standards for Public School Infrastructure Task Team.

The following table lists the members of the Amendments to the Regulations Relating to Minimum Uniform Norms and Standards for Public School Infrastructure Task Team. The task team held one (1) meeting during the 2023/24 financial year.

Business	Community	Government	Labour
Ally, Mustak	Bale, Lawrence	Gela, Noluvuyo	Klopper, Chris
Jantjies, Sanelisiwe	Lebenya, Palesa	Mafoko, Ramasedi	Mafunda, Khusta
Kuzwayo, Andile	Masutha, Mukovhe	Misser, Shalili	Modise, Brenda
Leyden, Siohban	Matlakala, Conti	Ndlebe, James	Molete, Boitumelo
Pretorius, Daniel	Rakabe, Mokgadi	Sithole, Ronald	Ndhlovu, Siphon
			Parks, Matthew
			Selematsela, Godfrey
			Solomon, Faseega

3.2.5.14 Admission Policy for Ordinary Public Schools Task Team

The following table lists the members of the Admission Policy for Ordinary Public Schools Task Team. The task team held three (3) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Ally, Mustak	Bale, Lawrence	Gela, Noluvuyo	Ajam, Riefda
Jantjies, Sanelisiwe	Lebenya, Palesa	Mafoko, Ramasedi	Delport, Piet
Kuzwayo, Andile	Masutha, Mokovhe	Misser, Shalili	Harriam, Hema
Muavha, Tsakane	Matlakala, Conti	Ndlebe, James	Klopper, Chris
Paterson, Kate	Rakabe, Mokgadi	Nkosana, Thakgedi	Leukers, Ingrid
Pretorius, Daniel		Ntema, Sello	Mafunda, Khusta
		Sithole, Ronald	Malekane, Jeff
		Tefu, Khomotso	Manthata, Mamaile
			Masondo, Gregory
			Molete, Boitumelo
			Ndhlovu, Siphon
			Parks, Matthew
			Selematsela, Godfrey
			Solomon, Faseega

3.2.5.15 Victims Support Services Task Team

The following table lists the members of the Victim Support Services (VSS) Task Team. The task team held two (2) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
De Villiers, Jahni	Gavu, Siphelele	Kolwane, Buti	Mdolo, Kedibone
Jantjies, Sanelisiwe	Gotyana, Jimmy	Legodu, Civil	Molete, Boitumelo
Kuzwayo, Andile	Moleko, Wilhemina	Magangoe, Siza	Nyman, Patricia
Leyden, Siobhan	Thwala, Thobekile	Makwiramiti, Anthony	Parks, Matthew
Muavha, Tsakane	Zuma, Bongwiwe	Malope, Sibusiso	
		Mchunu, Linton	
		Mtshotshisa, Luyanda	

3.2.5.16 National Water Resource Infrastructure Agency Task Team

The following table lists the members of the National Water Resource Infrastructure Agency (NWRIA) Task Team. The task team held six (6) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Brandt, Loffie	Gavu, Siphelele	Bofilatos, Eustathia	Mahlangu, Jan
Campbell, Chris	Gotyana, Jimmy	Conrad, Greve	Mitchell, Barry
Crosby, Annelize	Manzini, Peace	Karin, Sebastian	Molete, Boitumelo
Doyle, Sandra	Mfulo, Thandiwe	Lusenga, Lindiwe	Ndhlovu, Siphon
Jantjies, Sanelisiwe	Ngidi, Dudu	Mabuda, Phathutshedzo	Ntuli, Lawrence
Kuzwayo, Andile	Qakaza, Lucas	Makalima, Zuko	Parks, Matthew
Mphahlele, Nkopodi		Maseko, Sibusiso	
Muavha, Tsakane		Mbele, Nozipho	
Schmidt, Chris		Mdakane, Phumzile	
Sibanda, Tyson		Milne, Lynette	
		Moripe, Nchedi	
		Mosupye, Mercy	
		Naidoo, Bronwyn	
		Nel, Paul	
		Ramsden, Peter	
		Rapelang, Billy	
		Sigwaza, Thoko	

3.2.5.17 Human Resource Skills Development Task Team

The following table lists the members of the Human Resource Skills Development (HRSD) Task Team. The task team held four (4) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Ally, Mustak	Jajula, Tundo	Chabani, Blondie	Dinwa, Wiseman
De Villiers, Jahni	Josopu, Thembinkosi	Fhedzisani, Mashau	Ehrenreich, Tony
Jack, Bev	Matlakala, Conti	Gasa, Nolwazi	Engelbrecht, Andre
Jantjies, Sanelisiwe	Ndlovu, Nhlanhla	Gumbi, Nomsa	Mahlangu, Jan
Leyden, Siobhan	Nzimande, Mbusi	Kgare, Nonhle	Mdoda, Xolani
Muavha, Tsakane		Khuluvhe, Mamphokhu	Mosehla, Mampho
Naidoo, Tholsia		Khuzwayo, Zamokwakhe	Mtshweni, Themba
		Lefika, Masilo	Nhlapo, Babsy
		Lumka, Maliviwe	Parks, Matthew
		Mamashela, Ntsoaki	Tau, Mike
		Manyike, Rodney	Van Kramberg, Lazelle
		Matheko, Elliot	
		Mgiba, Reineth	
		Mncwabe, Sibongile	
		Mvalo, Zukile	
		Nthite, Makkie	
		Ntombela, Nomfundo	
		Nyewe, Olwethu	
		Rathai, Stephen	
		Sishi, Nkosinathi	
		Socikwa, Marcia	

3.2.5.18 Water and Sanitation Workstream

The following table lists the members of the Water and Sanitation Workstream. The task team held six (6) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Booyesen, Heather	Kganyago, Laura	Muir, Anet	Grobler, Rick
Campbell, Chris	Mponzo, Matthews	Bofilatos, Eustathia	Mitchell, Barry
Crosby, Annelize	Qakaza, Lucas	Chikwanda, Miriam	Molete, Boitumelo
Makwela, Matome	Tsebe, Hermen Puleng	Harigobin, Shantal	Ntuli, Lawrence
Mphahlele, Nkopodi	<i>(Deceased April 2024)</i>	Luyaba, Lubabalo	Parks, Matthew
Mudau, Stephinah		Mabulu, Mlami	
Penfold, Deidre		Manyakanyaka, Babalwa	
Phasha, Tebogo		Matoti, Comfort	
Rama, Dhiraj		Moodley, Candice	
Schmidt, Chris		Phillips, Sean	
		Sigwaza, Thoko	
		Singh, Lesha	

3.2.5.19 Labour Market Chamber

The following table lists the members of the Labour Market Chamber (LMC). The chamber held three (3) meetings during the 2023/24 financial year:

Business	Government	Labour
Cowley, Kevin	Lefika, Masilo	Conradie, Gizelle
De Villiers, Jahni	Mamashela, Ntsoaki	Mbongwe, Mduduzi <i>(Convenor)</i>
Dwayi, Innocent	Mkalipi, Thembinkosi <i>(Convenor)</i>	Mulaisi, Lebogang <i>(Resigned - May 2023)</i>
Goldberg, Jonathan <i>(Convenor)</i>	Ramabulana, Unathi	Nett, Louisa
Jantjies, Sanelisiwe	Rathai, Stephen	Parks, Matthew
Kuzwayo, Andile		Phiri, Thandeka
Motlhamme, Motsamai		
Muavha, Tsakane		
Ranchod, Aruna		

3.2.5.20 Labour Law Reform Task Team

The following table lists the members of the Labour Law Reform (LLR) Task Team. The task team held eight (8) meetings during the 2023/24 financial year.

Business	Government	Labour
De Villiers, Jahni	Lefika, Masilo	Mbongwe, Mduduzi
Dwayi, Innocent	Mamashela, Ntsoaki	Mulaisi, Lebogang (<i>resigned -</i>
Goldberg, Jonathan	Mkalipi, Thembinkosi	<i>May 2023</i>)
Jantjies, Sanelisiwe	Ramabulana, Unathi	Parks, Matthew
Leyden, Siobhan	Rathai, Stephen	Phiri, Thandeka
Motlhamme, Motsamai		Van Rooyen, Nick
Muavha, Tsakane		
Phasha, Tebogo		

3.2.5.21 Mine Health and Safety (MHS) Task Team

The following table lists the members of the Mine Health and Safety (MHS) Task Team. The task team held eight (8) meetings during the 2023/24 financial year.

Business	Government	Labour
Balfour, Thuthula	Dube, Nonhlanhla	Barry, Brendan
Brown, Ursula	Mamogale, Stella	Molete, Boitumelo
Deysel, Willie	Masekoa, Olga	Parks, Matthew
Jantjies, Sanelisiwe	Mbonambi, Xolile	Stehring, Franz
Kuzwayo, Andile	Ngwenya, Thabo	Van Niekerk, Nico
Leyden, Siobhan	Ntome, Jeannifer	
Motlhamme, Motsamai		
Muavha, Tsakane		
Ngubane, Mxolisi		
Phakathi, Sizwe		

3.2.5.22 Decent Work Country Programme Steering Committee

The following table lists the members of the Decent Work Country Programme (DWCP). The steering committee held two (2) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
De Villiers, Jahni	Horn, Pat	Letoaba, Kgomotso	Diale, Amogelang
Jack, Bev	Lukuko, Thando	Ndebele, Siphon	Mahlangu, Thabo
Jantjies, Sanelisiwe	Mabuza, Thulani	Petersen, Georgina	Modise, Brenda
Kuzwayo, Andile	Matlakala, Conti	Tinyani, Lufuno	Molete, Boitumelo
Lukhele, Sifiso	Naude, Louise		Mtsweni, Gertrude
Motlhamme, Motsamai	Zwane, Tumi		Ndhlovu, Siphon
Phasha, Tebogo			

3.2.5.23 National Labour Migration and Employment Services Task Team

The following table lists the members of the National Labour Migration and Employment Services Task Team. The task team held four (4) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Crosby, Annelise	Bale, Lawrence	Bobani, Mantombi	Ajam, Riefdah
De Villiers, Jahni	Kganyago, Laura	Masilela, Mmathule	Benjamin, Ashley
Kuzwayo, Andile	Matlakala, Conti	Mkalipi, Thembinkosi	Masiza, Nkosazana
Jack, Bev	Mfulu, Thandi	Morotoba, Sam	Motlhamonyane, Pillot
Jacobs, Marisa	Mmemezi, Humprey	Rathai, Stephen	Parks, Matthew
Jantjies, Sanelisiwe	Zwane, Tumelo	Ratshivhanda, Martin	
Muavha, Tsakane		Tloane, Esther	

3.2.5.24 Unemployment Insurance Modernisation Task Team

The following table lists the members of the Unemployment Insurance (UI) Modernisation Task Team. The task team held nine (9) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Cowley, Kevin	Bale, Lawrence	Barlow, Albertina	Keyter, Martle
Goldberg, Jonathan	Josopu, Thembelani	Dlwengu, Welile	Mahlangu, Jan
Jantjies, Sanelisiwe	Kganyago, Laura	Fakir, Farzana	Parks, Matthew
Kuzwayo, Andile (until October 2023)	Mfulu, Thandiwe	Gaserotse, Bokamoso	
	Ntsinde, Humphrey	Gqoli, Viwe	
Mashilo, Bongani	Tshefuta, Thulani	Hattingh, Trevor	
Mathe, Khulekani		Kgantse, Shimane	

Business	Community	Government	Labour
Moyane, Kaizer		Makgamatho, Malesela	
Muavha, Tsakane		Makweya, Raymond	
Singer, Natalie		Maruping, Teboho	
		Mconywa, Mpumi	
		Mjo, Onke	
		Mkalipi, Thembinkosi	
		Mkhonto, Lucky	
		Nape, Maeleletse	
		Ndaba, Nokuzola	
		Nkosi, Simiso	
		Puzi, Feziwe	
		Rahavaloo, Allan	
		Taukobong, Rachel	
		Yawa, Mzi	

3.2.5.25 Cost-of-Living-Increase Rapid Response Task Team

The following table lists the members of the Cost-of-Living-Increase Rapid Response Task Team. The task team held eleven (11) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Ackerman, Gareth	Horn, Pat	Adams, Faried (<i>retired - July 2023</i>)	Carstens, Sonja
Boshoff, Theo	Louw, Oagile	Baig, Aneesa	Ehrenreich, Tony
Du Plessis, Andy	Mabuza, Thulane	Bryer, Megan	Molete, Boitumelo
Jantjies, Sanelisiwe	Mashishi, Phumzile	Campbell, Penny	Ndhlovu, Sipho
Macingwane, Xoliswa	Mfulo, Thandiwe	Gilbert, Adele	Parks, Matthew
Maloyi, Lunga	Moreotsenye, Diteko	Maake, Raphi	
Mathobela, Masego	Ndhlovu, Nhlanhla	Makwiramiti, Anthony	
Mhlanga, Thulebona		Manjezi, Nangamso	
Momodu, Neo		Maroga, Millicent	
Muavha, Tsakane		Masilela, Mmathule	
Phasha, Tebogo		Mohlabi, Steve	
Qwabe, Kgauhelo		Sasayi, Sibusiso	
Setati, Matlou		Tuckeldoe, Roger	
Sibanda, Tyson		Van Reenen, Natalie	
		Zwane, Kagiso	

3.3 Programme 3: Capacity Building

Programme 3: Capacity Building									
Purpose: To enhance the ability of social partners to engage on and negotiate on social and economic issues through the provision of tools of the trade, training and technical support.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement for 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
3.1	Enhanced Constituency' Capacity Building	Constituency capacity building interventions implemented	Percentage Constituency capacity building interventions implemented	80% Constituency training interventions planned and requested were completed	The capacity building indicator of 70% of interventions to be implemented was not met. However, more capacity building was delivered this year as compared to the previous year.	70% of Constituency capacity building interventions implemented	100% of the capacity building interventions were implemented	The achievement was 20% higher than planned	All capacity building interventions requested by Constituencies were implemented during the year under review

3.3.1 The following occurred

- 3.3.1.1** Community Constituency convened a 2-day Policy School in March 2024 attended by 100 delegates while Labour Constituency convened a 3-day successful Labour school.
- 3.3.1.2** Ten delegates from the Community and Labour constituencies started Economic Modelling Academy (EMA) training in February 2024 for a period of six months.
- 3.3.1.3** Ten members from Business, Community and Labour Constituencies started a University of Pretoria leadership and Development programme in November 2023 which is to end in April 2024.
- 3.3.1.4** Organised Labour and Community constituencies were supported to attend the AGOA Forum in November 2023 in Johannesburg and Organised Labour was supported to send an additional delegate to the WTO 13th Ministerial Conference in February 2024.

3.4 Programme 4: Presidential Climate Commission (PCC)

This programme aims to build a compact between social partners around the Just Climate Transition through an inclusive, transparent, action-oriented process informed by science.

3.4.1 Policy Recommendations

3.4.1.1 Closure of the Komati Power Station

After extensive stakeholder engagement to understand the Just Transition considerations, the review of the Komati Power Station decommissioning resulted in recommendations adopted by the PCC in its 12th ordinary session on 17 November 2023. These recommendations were submitted to the President on 10 December 2023.

3.4.1.2 Social Ownership of Renewable Energy

In response to the need for decentralised energy generation and inclusive risk-sharing in the Just Energy Transition, the PCC commissioned a study to investigate Social Ownership of Renewable Energy (SORE). Policy recommendations for decentralised and inclusive energy ownership were made and adopted during the 13th Commission meeting on 16 February 2024 and submitted to the President on 7 March 2024.

3.4.2 Scientific Knowledge Documents

3.4.2.1 Climate Finance Landscape Report

In collaboration with key institutions, the PCC documented South Africa's climate finance landscape, detailing financial flows for climate response measures, including mitigation, adaptation, and

implementation. These flows were categorised by source, type, and magnitude. Commissioned at the start of the financial year, the report was concluded on 24 November 2023.

3.4.2.2 Recommendations on the Draft Integrated Resource Plan 2023

At the start of the financial year, the PCC focused on finalising its Electricity Recommendations for the Future Electricity Mix and Planning. Using this report and additional modelling, the PCC provided technical recommendations for South Africa's Integrated Resource Plan (IRP 2023), published by the DMRE. The detailed technical assessment was completed and approved at the Commission meeting on 16 February 2024.

3.4.3 Public Awareness

3.4.3.1 Energy Dialogue Series

During the second and third quarters of the financial year, the PCC held three (3) dialogue series covering the Future of the Grid, Green and Renewable Hydrogen, and the Transition to NEVs.

3.4.3.2 Social Ownership of Renewable Energy

To formulate the PCC's recommendations on social ownership of renewable energy, a structured and robust dialogue series was convened. Six (6) dialogues sessions were convened and engaged experts from various energy and economic disciplines to explore potential ownership models for broader societal participation, especially by labour and community constituencies. These dialogues were supported by a literature review report, focused on the Mpumalanga and Eastern Cape regions.



Programme 4: Presidential Climate Commission									
Purpose: This programme aims to build a compact between social partners around the just climate transition through an inclusive, transparent, action-oriented process informed by science.									
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/24	Actual Achievement 2023/24	Deviation from Planned Target to Actual Achievement 2023/24	Reasons for Deviation	
4.1 Policy Recommendations made to Advance a Just Transition	Policy recommendations	Number of documents incorporating policy recommendations adopted by the PCC	Not applicable (new target)	Two (2) policy recommendations completed and adopted by the Commission	Two (2) documents incorporating policy recommendations adopted	Komati Recommendations Report Social Ownership Models in the Energy Transition	Not applicable	Not applicable	
4.2 Scientific Knowledge Documents Produced which Inform the Planning and Implementation of a Just Transition	Scientific briefing documents	Number of scientific briefing documents released	Not applicable (new target)	Two (2) of the scientific briefing documents completed, signed off and published on the PCC website	Two (2) scientific briefing documents completed	The South African Climate Finance Landscape Report PCC Recommendations on the Draft IRP 2023	Not applicable	Not applicable	
4.3 Increased Public Awareness on a Just Transition to Improve Consensus on the Just Transition Framework	Public dialogues	Number of consolidated reports on identified series of public dialogues produced within 30 days of the last dialogue session	Not applicable (new target)	Two (2) of the public dialogues implemented and reports produced within 30 days of the last dialogue session	Two (2) consolidated reports on the identified series of public dialogues produced within 30 days of the last dialogue session	Energy Dialogue Series Social Ownership of Renewable Energy Stakeholder Dialogue Report	Not applicable	Not applicable	

3.5 Linking Performance with Budgets

The table below sets out the financial performance of Nedlac per Programme. Programme One includes all salaries and general expenditures and is therefore allocated the most funding.

Programme Four expenditure includes service-in-kind-expenditure of R27 million in 2023/24 (R3 million in 2022/23). This expenditure relates to in-kind services received and recognised as expenditure in line with the GRAP standards. The approved budgets were not exceeded in both financial years, as this is purely an accounting entry.

Programme	2022/2023			2023/2024		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1	47,056	36,355	10,701	48,256	46,394	1,862
Programme 2	19,559	13,331	6,228	8,937	11,169	(2,232)
Programme 3	7,500	2,678	4,822	7,500	5,712	1,788
Programme 4	12,553	15,877	(3,324)	42,813	57,662	(14,849)
Special Projects	12,000	12,000	-	-	-	-
TOTAL	98,668	80,241	18,427	107,506	120,937	(13,431)

4. CAPITAL INVESTMENT

The following upgrades were undertaken during the period under review:

- a. A new emergency exit door and a wheelchair ramp were erected to facilitate movement from the Chamber Room during emergency evacuations. The internal entry/exit door was also extended for ample access and exit.
- b. A 12kw solar power inverter to power the server room and guard house during load shedding was installed.



PART C

GOVERNANCE



1. Governance

1.1 Introduction

Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

1.2 Portfolio Committees

Nedlac presented to the Department of Employment and Labour Portfolio Committee on the following dates:

13 September 2023

18 October 2023

07 November 2023

1.3 Executive Authority

The Executive Authority of Nedlac is the Minister of Employment and Labour. In terms of statutory requirements, quarterly progress reports are provided to the Minister.

2. The Accounting Authority

According to the Nedlac Act, the Accounting Authority of Nedlac is the Executive Council (Exco), which approves Nedlac's annual financial and non-financial performance and all Nedlac policies. Furthermore, the Exco is convened to discuss national social and economic issues.

The following table lists the members of the Executive Council (Exco). The council held seven (7) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Baxter, Roger	Bale, Lawrence	Adams, Faried (<i>Retired</i>)	Ajam, Riefdah
Campbell, Chris	Frye, Isobel	<i>August 2023</i>	Ehrenreich, Anthony
Constant, Michelle	Gotyana, Ntobeko	Deputy-Minister Moloji,	Kayter, Martle
Coovadia, Cas	Melvin	Boitumelo	Lekota, Moses
Dludlu, John	Josopu, Thembinkosi	Hanival, Stephen	Losi, Zingiswa
Gore, Adrian	Kganyago, Laura	Minister Patel, Ibrahim	Luzipo, Nontembeko
Kunene, Bongsi	Matlakala, Conti	Minister Nxesi, Thulas	Mahlangu, Jan
Zoleka, Lisa	Matsela, Zacharia	Mkalipi, Thembinkosi	Mbongwe, Mduduzi

Business	Community	Government	Labour
Mabasa, Mike	Mfulo, Thandiwe Alina	Momoniati, Ismail	Moloto, Narius
Mathe, Khulekani	Moreotsenye, Diteko	Mseme, Laura	Mosima, Maredi
Mavuso, Busi	Mpanza, Skhumbuzo	Mthombeni, Adam	Mphela, Pat
Mohale, Bonang	Naidoo, Kugesh	Ndebele, Siphon	Parks, Matthew
Moyane, Kaizer	Ndlovu, Nhlanhla	Rathai, Stephen	Phetoe, Solly
Nicolaou, Stavros	Ntingane, Nkele		Selematsela, Godfrey
Penfold, Deidre	Nzimande, Mbusi		Thobejane, Edward
Setladi, Zelda	Ntsinde, Daluxolo		Twala, Gerald
	Hamilton		Van Meelis, Tanya
	Radebe, Tebello		Vavi, Zwelinzima
	Tsebe, Herman		Ntshalintshali, Bheki
	Tshefuta, Thulani		<i>(Retired April 2023)</i>
	Zwane, Tumelo		

3. Management Committee

A Manco oversees and coordinates Nedlac's operational work. The Manco has two (2) standing committees: the Human Resources and Ethics Committee and the Audit and Risk Committee (ARC).

The following table lists the members of the Manco. The committee held six (6) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Bondi, Paul	Bale, Lawrence	Adams, Faried	Ajam, Riefdah
Boshoff, Theo	Josopu, Thembinkosi	Mamashela, Ntsoaki	Cele, Mabutho
Goldberg, Jonathan	Kganyago, Laura	Mkalipi, Thembinkosi	Ehrenreich, Anthony
Kuzwayo, Andile	Mpanza, Skhumbuzo	Mseme, Laura	Keyter, Martle
Maloyi, Lunga	Ndlovu, Nhlanhla	Mthombeni, Adam	Lekota, Moses
Mathe, Khulekani	Nzimande, Mbusi	Rathai, Stephen	Mbongwe, Mduduzi
Moyane, Kaizer	Radebe, Tebello	Thela, Alvinah	Moloto, Narius
Setladi, Zelda	Tshefuta, Thulani		Mulaisi, Lebogang
			Parks, Matthew
			Phetoe, Solly
			Selematsela, Godfrey
			Thobejane, Edward
			Twala, Gerald

3.1 Audit and Risk Committee

The following table lists the members of the ARC. The committee held four (4) ordinary meetings and three (3) special meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Setladi, Zeldi (1 April 2023 - 31 March 2024)	Naidoo, Kugesh (1 April 2023 - 31 December 2023)	Mathabathe, Seswai (1 April 2023 - 31 December 2023)	Hugo, Jacques (1 April 2023 - 31 December 2023)
-	Pardesi, Juanita (1 January 2024 - 31 March 2024)	Tsotetsi, Moeketsi (1 January 2024 - 31 March 2024)	Hoosen, Waheed (1 January 2024 - 31 March 2024)

3.2 Human Resources and Ethics Committee

The following table lists the members of the Human Resources and Ethics Committee. The Committee held six (6) meetings during the 2023/24 financial year.

Business	Community	Government	Labour
Motlhamme, Motlhamme	Zwane, Tumi,	Mamashela, Ntsoaki,	Mahlangu, Jan,

3.3 Presidential Climate Commission

The members of the PCC are listed below. The Commission held four (4) of its ordinary quarterly meetings and three (3) special meetings, as per below.

No.	Name	Portfolio
1	HE President Cyril Ramaphosa	President of the Republic of South Africa
2	Minister BD Creecy	Minister of Forestry, Fisheries and the Environment
3	Ms Maropene Ramokgopa	Minister in The Presidency
4	Ms Thoko Didiza	Minister of Agriculture, Land Reform and Rural Development
5	Ms Thembi Nkadimeng	Minister of Cooperative Governance and Traditional Affairs
6	Mr BE Nzimande	Minister of Higher Education, Science and Technology
7	Mr SG Mantashe	Minister of Mineral Resources and Energy
8	Mr Pravin Gordhan	Minister of Public Enterprises
9	Mr Ebrahim Patel	Minister of Trade and Industry
10	Ms Sindisiwe Chikunga	Minister of Transport

No.	Name	Portfolio
11	Mr Enoch Godongwana	Minister of Finance
12	Ms Mmamoloko Khensani Kubayi	Minister of Human Settlements
13	Mr Senzo Mchunu	Minister of Water and Sanitation
14	Dr Kgosientsho Ramokgopa	Minister in the Presidency: Minister of Electricity

No.	Name	Portfolio
1.	Mr Valli Moosa	Commission Deputy Chair
2.	Dr Crispian Olver	PCC Executive Director and Ex-Officio Commissioner
3.	Ms Ayakha Melithafa	Youth Activist: Project 90by2030
4.	Dr Brian Mantlana	Impact Area manager for Holistic Climate Change: CSIR
5.	Ms Joanne Bate	Chief Operations Officer: IDC
6.	Ms Mapaseka Lukhele	GM Corporate Sustainability: Transnet
7.	Ms Shamini Harrington	Chair: BUSA Environment Sub-Committee
8.	Ms Princess Tsakani Nkambule	Executive Chairperson: Black Business Council
9.	Ms Joanne Yawitch	Head: Just Energy Transition Project Management Unit
10.	Mr Mbulaheni Mbodi	Eskom Office Bearer: NUMSA
11.	Mr Jacques Hugo	Vice President Youth & Development: FEDUSA
12.	Mr Mac Chavalala	NUMSA Regional Chairperson / SAFTU President
13.	Dr Bongani Mwale	Head of Project Management for the Sci-Bono Discovery Centre
14.	Ms Louise Naude	Low-carbon Frameworks Programme Manager: WWF-SA
15.	Mr Bobby Peek	Director: Groundwork
16.	Mr Bantu Holomisa	Non-Exec Chairperson: Champions of the Environment Foundation
17.	Ms Melissa Fourie	Climate Justice Advocate and Environmental Lawyer
18.	Ms Makoma Lekalakala	Chief Executive Officer: Earthlife Africa
19.	Mr Nikisi Lesufi	NEC Member: SANCO
20.	Bishop Malusi Mpumlwana	General Secretary: SA Council of Churches
21.	Mr Janse Rabie	AgriSA, Head: Natural Resources
22.	Ms Zama Khanyile	Divisional Executive for Venture Capital and Corporate Finance at NEF
23.	Mr Lungisa Fuzile	BASA Chair, CEO of Standard Bank, SA
24.	Dr Shafick Adams	Executive Manager at the Water Research Commission
25.	Ms Mbalenhle Precious Baduza	Deputy-Secretary of Climate Justice Coalition
26.	Councillor Kenalemang R Phukuntsi	Mayor of the Tswelopele Local Municipality
27.	Alderman Geordin Hill-Lewis	Mayor of Cape Town

The 10th Commission meeting of the PCC was convened on 9 June 2024 and received an update on the Just Energy Transition Investment Plan and electricity planning projects underway in the government. The meeting further received a submission from the youth-led Climate Change Initiatives and a presentation from the Automobile Business Council.

The 11th Commission meeting focused on the Just Energy Transition (JET) Investment Plan update delivered by the Presidency and the Green Hydrogen Commercialisation Strategy delivered by the COO of the IDC on behalf of Minister Ebrahim Patel.

The 12th Commission meeting focused on the COP28 negotiation position, consideration and adoption of the Komati Recommendations, an update on the JET Implementation Plan, Weather and Climate Analysis Update, consideration of the PCC's South African Climate Finance Landscape Report and the Survey on Climate Change and Just Transition Perception and Attitudes.

The 13th meeting focused on key components of the draft of the Integrated Resource Plan (IRP) and South Africa's achievements at COP28 held in Dubai, United Arab Emirates, in December 2023. It also received progress on the enactment of the Climate Change Bill, which, amongst other things, will establish the PCC as a permanent Schedule 3A Public Entity.

Three special meetings of the commission were convened as follows:

- (i) On 19 April 2023, the PCC handed over to the President and Chair of the Climate Commission its Recommendation on the JET Investment Plan and South Africa's Future Electricity Planning.
- (ii) In October 2023, the PCC received a draft Implementation Plan (JET-IP) for the period under review from the JET PMU office in the Presidency.
- (iii) Following the adoption of its recommendations on Komati, the PCC handed these over to the President during a special session on 10 November 2023.

4. Remuneration of Board Members

4.1 *Manco and Exco*

Members of Manco and Exco are not remunerated for their meeting attendance. However, they are allowed to claim travel and related costs under Nedlac's Travel, Accommodation, and Catering Policy.

4.2 *Audit and Risk Committee*

Only the Chairperson of the ARC is remunerated. Members can claim for travel and related costs in terms of Nedlac's Travel, Accommodation and Catering Policy. The ARC Chairperson is remunerated for meeting attendance and preparation in line with the National Treasury approved rates as follows:

No.	Name	Remuneration
1	Pangwa, Velile	R36 434
	Total	R36 434

4.3 Presidential Climate Commission

Commissioners of the PCC are remunerated for meeting attendance and preparation in line with the National Treasury approved rates. Mr Gideon Serfontein is an independent finance expert and a member of the Finance and Governance Committee, the only member of this committee eligible for remuneration.

The table below sets out the remuneration paid in respect of the PCC Commissioners and Finance & Governance Committee members eligible for remuneration.

No.	Name	Remuneration
1	Mbulaheni Mbodi	R175 231
2	Ayakha Melithafa	R138 595
3	Phillipine Lekalakala	R137 874
4	Shamini Harrington	R100 230
5	Jaqcues Hugo	R167 824
6	Risimati Mac Chavalala	R90 709
7	Melissa Fourie	R167 985
8	Beatrice Nkambule	R100 027
9	Louise Naudé	R189 306
10	Lebogang Mulaisi	R18 528
11	Joanne Yawitch	R130 675
12	Nicholaas Janse Rabie	R80 846
13	Mbalenhle Baduza	R113 763
14	Gideon Serfontein	R39 475
15	Sven Peek	R41 050
16	Valli Moosa	R62 493
	TOTAL	R1 754 611

5. Risk Management

- 5.1 The Enterprise Risk Management Policy was reviewed.
- 5.2 A Risk Register was in place, which was presented to the ARC that monitored significant risks.
- 5.3 Key strategic risks were focused on mitigating the ineffective social dialogue and social compacting, the inability to achieve consensus between social partners and/or conclude processes, and insufficient clarity in the minds of public on the role of Nedlac and the PCC.
- 5.4 Operationally, the entity focused on the risk of cyber security, insufficient IT tools of trade, digitisation of processes, and weak financial management.

6. Internal Audit

The scope of Internal Audit is to provide an independent and objective assessment on the adequacy of the system of internal controls, recommend improvements in controls, assess compliance with policies and procedures, and evaluate sound business practices. Nedlac outsources the Internal Audit function, with an internal audit firm appointed on a three-year contract.

- 6.1 The responsibilities of the Internal Audit function are to:
 - 6.1.1 Review the reliability and integrity of financial and operational information and the means used to identify, measure, classify and report such information.
 - 6.1.2 Review the systems established by management to ensure compliance with the policies, plans, procedures, laws and regulations that could have a significant impact on operations, and determine whether the organisation is complying.
 - 6.1.3 Review the means of safeguarding assets and verifying the existence of assets.
 - 6.1.4 Appraise the economy and efficiency with which resources are employed, and identifying opportunities to improve operating performance.
 - 6.1.5 Review operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned.
 - 6.1.6 Review compliance of the entity to the ICT Governance Framework, including assessing the ICT general controls.
- 6.2 The following internal audits were completed during the 2023/24 financial year:
 - 6.2.1 AFS Review;
 - 6.2.2 Annual Audit of Performance Information;
 - 6.2.3 Governance Review;
 - 6.2.4 Human Resources and Payroll Management Review;
 - 6.2.5 Supply Chain Management Review;
 - 6.2.6 Follow-up Review;

- 6.2.7 Financial Discipline Review;
- 6.2.8 IT General Controls Review; and
- 6.2.9 APP Review.

7. Audit and Risk Committee

The primary role of the ARC is to ensure the integrity of the financial reporting and audit process and to oversee the maintenance of sound internal control and risk management systems. Key responsibilities of this committee are to:

- Ensure Nedlac's financial statements and performance reporting are understandable and reliable;
- Ensure that Nedlac establishes a thorough risk management process and has effective internal controls;
- Review the organisation's policies; and
- Review all internal and external audit findings.

The term of the Audit Committee ended on 31 December 2023, and a new Audit Committee was appointed, commencing on 1 January 2024. Two members were retained in the new committee. The table below discloses relevant information on the Audit Committee members.

Name	Qualifications	Internal or External	If internal, Position in the Public Entity	Date Appointed	Date Resigned	No. of Meetings Attended
Velile Pangwa (Independent Chair)	<ul style="list-style-type: none"> • B.Com Honours in Accounting • Management Financial Accounting Diploma • B.Com in Accounting 	External	Not applicable	1 January 2021	Not applicable	7
Zelda Setladi (Business)	<ul style="list-style-type: none"> • B.Com in Accounting Management • Accounting and Finance Diploma • Financial Accounting Diploma • Bookkeeping Diploma • Certificate in Executive Management Programme on Industrial Relations (IR) and HRM 	External	N/A	1 January 2021	N/A	5
Seswai Mathabathe (Government) (term ended 31 December 2023)	<ul style="list-style-type: none"> • Bachelor of Accounting Science 	External	Not applicable	1 January 2021	31 December 2023	4

Name	Qualifications	Internal or External	If internal, Position in the Public Entity	Date Appointed	Date Resigned	No. of Meetings Attended
Kugesh Naidoo (Community) (term ended 31 December 2023)	<ul style="list-style-type: none"> Bachelor of Accounting Science Honours Degree Bachelor of Accounting Science 	External	Not applicable	1 January 2021	31 December 2023	5
Jacques Hugo (Labour) (term ended 31 December 2023)	<ul style="list-style-type: none"> Master of Business Administration Certificate in Labour Law Diploma in Labour Dispute Resolution Practice Diploma in Business Management 	External	Not applicable	1 January 2021	31 December 2023	5
Zintle Gcasamba (Government) (new appointment)	<ul style="list-style-type: none"> BTech Internal Auditing National Diploma in internal 	External	N/A	1 January 2024	N/A	0
Waheed Hoosen (Labour) (new appointment)	<ul style="list-style-type: none"> Masters (LLM) Bachelor of Laws (LLB) Computer Operations Diploma Certificate in Labour Law 	External	N/A	1 January 2024	N/A	2
Juanita Pardesi (Community) (new appointment)	<ul style="list-style-type: none"> MBA Diploma in Accounting & Financial Management Executive Development Programme IWFSA Executive Development Programme Management Development Programme 	External	Not applicable	1 January 2024	Not applicable	2

8. Compliance with Laws and Regulations

Nedlac complies with all relevant laws and regulations, including, but not limited to, labour laws, OHS laws, and the PFMA.

9. Fraud and Corruption

- 9.1 Nedlac has a Fraud Prevention Policy and Fraud Prevention Plan that set out how the institution will prevent, detect, investigate, and address fraud and corruption. The policy was reviewed in the year under review.
- 9.2 One case was reported through Nedlac's independent fraud hotline, although it did not relate to fraud. The HREC, acting at an Ethics Committee, considered it. The Ethics Committee's Report was tabled at the ARC, and the case is still ongoing.
- 9.3 Mechanisms are in place to report fraud and corruption, including an independent fraud hotline. Awareness is undertaken at least once per annum amongst staff.

10. Minimising Conflict of Interest

All staff members are required to sign annual Declarations of Interest. Disclosures of Conflict of Interest are requested in governance meetings and for procurement processes. The Code of Conduct (see below) also regulates Conflict of Interest.

11. Code of Conduct

- 11.1 The Nedlac Exco approved a Code of Ethics in the third quarter of 2021/22. The Code of Ethics defines Nedlac's values-based behaviours and regulates the conduct of the constituencies and the secretariat across all governance structures. The Code of Ethics is based on the Public Service Code of Conduct and the King Codes on Corporate Governance, and covers the performance of staff in the work environment, the protection of Nedlac's assets, and how to address conflicts of interest. It makes provision for a process to be followed when there is a breach or an allegation of a breach.
- 11.2 All staff are required to sign annual Declarations of Interest. Disclosures of Conflict of Interest are requested in governance meetings and for procurement processes.

12. Health, Safety and Environmental Issues

The OHS Committee is functioning and an OHS Awareness Session was convened. The OHS Committee undertook training in Contractor and Process Management.

13. Social Responsibility

Through the Asset Management process, items of property, plant and equipment with a zero book value (which were no longer in use) were identified and disposed of in terms of the Asset Management Policy to a school within the Gauteng Department of Education.

14. Audit Committee Report

The Nedlac Audit and Risk Committee (ARC) is pleased to present its report for the financial year ended 31 March 2024.

Audit and Risk Committee responsibility

The Audit and Risk Committee (ARC) is a Standing Committee of the Executive Council and is therefore accountable to and assist the Executive Council in fulfilling its oversight responsibilities.

In line with its responsibilities arising from Section 51(1)(a)(ii); 76(4)(d) of the Public Finance Management Act, 1999 and Treasury Regulation 27.1, the ARC is required to produce a record of its engagements and deliberations reports to its supporting structure, the Management Committee and Executive Council of the institution.

The ARC has adopted appropriate formal terms of reference outlined in its Audit and Risk Committee Charter. The Charter set out the principles upon which the ARC will fulfil its oversight responsibilities. It is in this light that during the year under review, the ARC has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein and the related accounting policies and practices.

Audit and Risk Committee members and attendance

The Audit and Risk Committee consists of the members from each of the Nedlac Constituencies made up of Business, Community, Government, Labour and an independent Chairperson as listed hereunder.

The ARC is required to meet quarterly as per the approved Audit and Risk Committee Charter of Nedlac. During the 2023/24 financial year, four (4) ordinary and three (3) special meetings were held as follows:

Ordinary meetings	Special meetings
15 May 2023	19 July 2023
16 August 2023	12 October 2023
15 November 2023	11 January 2024
14 February 2024	

The term of the Audit and Risk Committee ended on 31 December 2023, and a new Committee was appointed, commencing on 1 January 2024. Two members were retained in the new committee. The membership period and number of meetings of the ARC for the 2023/24 financial year is as follows:

No	Name of Member	Period of membership	Number of Meetings attended
1.	Velile Pangwa (Independent Chair)	January 2021 - March 2024	7
2.	Mr. Kugesh Naidoo (Community)	April 2020 - December 2023	5
3.	Mr Seswai Mathabathe (Government)	October 2020 - December 2023	4
4.	Mr Jacques Hugo (Labour)	January 2021 - December 2022	5
5.	Ms. Zelda Setladi (Business)	January 2021 - March 2024	5
6.	Ms. Juanita Pardesi (Community)	January 2024 – March 2024	2
7.	Mr. Waheed Hoosen (Labour)	January 2024 – March 2024	2
8.	Ms. Zintle Gcasamba (Government)	January 2024 – March 2024	0

As we bid farewell to our esteemed colleagues, I would like to also extend a warm welcome to our new members who are joining the committee. I would like to express gratitude to our departing members and extending a warm welcome to our new additions. Together, we will continue to strive for excellence.

Stakeholder Engagements

The Committee has in its engagement been able to engage with the following Nedlac stakeholders and structures:

- Management Committee (Manco)
- Nedlac Management
- Internal Audit
- Auditor-General of South Africa

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in Nedlac and reported to both the Manco and Exco of Nedlac, reveals that, as in the previous year, some control weaknesses remain from the previous reporting periods which requires management attention, although improvement has been made.

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

No.	Audit Project
1.	Review of the AFS
2.	Annual audit of performance information
3.	Governance Review
4.	Human Resources and Payroll Management Review
5.	Supply Chain Management Review
6.	Follow-up Review
7.	Financial Discipline Review
8.	IT General Controls Review
9.	APP Review

We acknowledge that during the year under review, management has made efforts to identify and address the control weakness that have been consistent over the past few financial years.

The Audit and Risk Committee acknowledges and appreciates, once again, efforts underway by management and the governance structures of Manco and Exco, to address areas of concern raised by combined assurers.

Risk Management

Management ensured that a risk register was in place throughout the financial year which was presented to the Audit and Risk committee. To ensure oversight, the significant risks were monitored by the Audit and Risk Committee and EXCO regularly. Emerging risks were also identified and responded to during the period.

Management is encouraged to keep track of the identified risks as recorded in the Strategic Plan and Annual Performance Plans to ensure that all these areas are addressed in the 2024/25 financial year.

In-Year Management and Quarterly Report

Management has reported quarterly as required by the PFMA. In addition, at all Audit and Risk Committee meetings management has presented quarterly reports for review and or consideration by the Audit and Risk Committee.

Evaluation of Financial Statements

The Audit and Risk Committee reviewed the Annual Financial Statements prepared by management and recommended them for audit subject to recommended refinements of the Audit Committee being implemented.

Evaluation of Performance Information

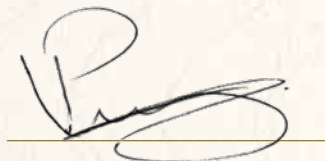
The Audit and Risk Committee further evaluated the performance information and recommended it for audit subject to recommended refinements of the Audit Committee being implemented.

Auditor General's Report

The Audit and Risk Committee notes with appreciation, the Unqualified Audit Opinion issued by the Auditor General of South Africa. This is the first time Nedlac has achieved a Clean Audit Opinion. Management is commended for the sterling work done in achieving this milestone. The Audit and Risk Committee is also comforted by the Auditor General, the Internal Auditors and management's commitment to addressing the findings raised from the 2023/24 financial year's audit.

The Audit and Risk Committee therefore appreciates the work of the Auditor-General on the Annual Financial Statements as well as the performance Information and is of the opinion that the Audited Annual Financial Statements together with Performance Information be accepted and read together with the report of the Auditor-General.

In conclusion, the Audit and Risk Committee Chairperson expresses his gratitude to all the members of the Audit and Risk Committee. We would also like to thank all the stakeholders who participated in the audit processes by both the Internal Audit and the Auditor General, the efforts and team effort has paid off and we wish to see a stronger and more compliant Nedlac in the future.



Mr Velile Mpangwa

Chairperson of the Audit Committee: NEDLAC

Date: 31 July 2024

15. B-BBEE Compliance Performance Information

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the dtic.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes / No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	Not applicable	
Developing and implementing a Preferential Procurement Policy	Yes	A Supply Chain Management (SCM) Policy has been developed and approved and includes clauses in respect of preferential procurement
Determining qualification criteria for the sale of state-owned enterprises	Not applicable	
Developing criteria for entering into partnerships with the private sector	Yes	The SCM Policy refers to Treasury Regulation 16, which must be complied with.
Determining criteria for the award of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment	Not applicable	





PART D

HUMAN RESOURCE MANAGEMENT



1. Introduction

During the year under review, progress was made in the following areas in respect of human resources:

- Eleven (11) new appointments were made, nine (9) of which were for PCC and two (2) for Nedlac.
- The Disciplinary and Grievance Policies and Procedures, as well as the Prevention of the Harassment Policy and Procedures, were reviewed and amended.
- 83% of the training budget was spent on training interventions for 34 staff members.
- In respect of disciplinary matters:
 - One (1) final written warning was issued, and
 - One (1) CCMA case of unfair dismissal continues.

2. Human Resource Oversight Statistics

2.1 Personnel-related Expenditure

Personnel Cost by Programme/Activity/Objective

Programme/activity/ Objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of Total Exp. (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Programme 1 & 2	57 563	33 641	58	34	989
Programme 3	5 712	1 534	26	3	511
Programme 4	57 338	23 956	41	20	1,217

Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	% of Personnel Exp. to Total Personnel Cost (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Top Management	4 723	8%	2	2 361
Senior Management	14 202	24%	7	2 028
Professional Qualified	25 326	42%	24	1 013
Skilled	13 878	23.47%	23	603
Semi-skilled	1 001	1%	4	250
Unskilled	0	0	0	0
TOTAL	59 130	100%	60	6 255

Performance Rewards

Programme/Activity/Objective	Performance Rewards	Personnel Expenditure (R'000)	% of Performance Rewards to Total Personnel Cost (R'000)
Top Management	44	4 723	15.95%
Senior Management	60	14 202	21.73%
Professional Qualified	83	25 326	29.99%
Skilled	81	13 878	23,47%
Semi-skilled	7	1 001	2.74%
Unskilled	0	0	0
TOTAL	275	59 130	100%

Costs

Personnel Training Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of Employees Trained	Ave. Training Cost per Employee
939	59 130	2%	34	27,6

Employment and Vacancies

Programme/Activity/Objective	2022/2023 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of Vacancies
Top Management	2	2	2	0	0%
Senior Management	6	8	6	2	1.2%
Professional Qualified	19	30	24	6	10%
Skilled	21	24	24	0	0%
Semi-skilled	4	4	4	0	0%
Unskilled	0	0	0	0	0%
TOTAL	49	68	60	8	11.2%

Employment Changes

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Employment at End of the Period
Top Management	2	0	0	2
Senior Management	5	1	0	6
Professional Qualified	15	7	1	21
Skilled	22	3	1	24
Semi-skilled	4	0	0	4
Unskilled	0	0	0	0
TOTAL	48	11	2	57

Reasons for Staff Leaving

Reason	Number	% of Total No. of Staff Leaving
Death	0	0
Resignation	1	1.75%
Dismissal	0	0
Retirement	1	1.75%
Ill Health	0	0
Expiry of Contract	0	0
Other	0	0
TOTAL	2	3.50%

Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	1
Dismissal	0
TOTAL	1

Equity Target and Employment Equity Status

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	45.5%	0	1.2%	0	1.2%	1	6.0%
Senior Management	2	45.5%	0	1.2%	2	1.7%	0	6.0%
Professional Qualified	5	45.5%	0	1.2%	0	1.7%	0	6.0%
Skilled	4	45.5%	0	1.2%	0	1.7%	1	6.0%
Semi-skilled	1	45.5%	0	1.2%	0	1.7%	0	6.0%
Unskilled	0	0	0	0	0	0	0	0
TOTAL	12	45.5%	0	1.2%	3	1.2%	2	6.0%

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	38.2%	0	1.2%	0	1.2%	1	5.1%
Senior Management	1	38.2%	0	1.2%	0	1.2%	0	5.1%
Professional Qualified	13	38.2%	0	1.2%	2	1.2%	0	5.1%
Skilled	18	38.2%	0	1.2%	0	1.2%	0	5.1%
Semi-skilled	3	38.2%	0	1.2%	0	1.2%	0	5.1%
Unskilled	0		0	1.2%	0	1.2%	0	5.1%
TOTAL	37	38.2%	0	1.2%	2	1.2%	1	5.1%

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	1	1	1
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	0	1	1	1



PART E

PFMA COMPLIANCE REPORT



1. Irregular, Fruitless and Wasteful Expenditure and Material Losses

1.1 Reconciliation of Irregular Expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening Balance	251	245
Add: Irregular Expenditure Confirmed	667	230
Less: Irregular Expenditure Condoned	0	224
Less: Irregular Expenditure Not Condoned and Removed	0	0
Less: Irregular Expenditure Recoverable	0	0
Less: Irregular Expenditure Not Recoverable and Written Off	0	0
Closing Balance	918	251

Another follow-up with the National Treasury will be done regarding amounts previously requested for condonement that were not fully condoned, with a view to clearing the irregular expenditure balance.

1.2 Reconciling Notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure that was Under Assessment	251	21
Irregular Expenditure that Relates to the Prior Year and Identified in the Current Year	0	0
Irregular Expenditure for the Current Year	667	230
TOTAL	918	251

a) Details of Irregular Expenditure (Under Assessment, Determination, and Investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure Under Assessment	918	251
Irregular Expenditure Under Determination	0	0
Irregular Expenditure Under Investigation	0	0
TOTAL	918	251

b) Details of Irregular Expenditure Condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure Condoned	0	223
TOTAL	0	223

c) Details of Irregular Expenditure Removed - (Not Condoned)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure Not Condoned and Removed	0	0
TOTAL	0	0

d) Details of Irregular Expenditure Recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure Recoverable	0	0
TOTAL	0	0

e) Details of Current and Previous Year Irregular Expenditure Written Off (Irrecoverable)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular Expenditure Written Off	0	0
TOTAL	0	0

2. Fruitless and Wasteful Expenditure

a) Reconciliation of Fruitless and Wasteful Expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening Balance	1,453	1,465
Add: Fruitless and Wasteful Expenditure Confirmed	0	0
Less: Fruitless and Wasteful Expenditure Recoverable	4	12
Less: Fruitless and Wasteful Expenditure Not Recoverable and Written Off	0	0
Closing Balance	1,449	1,453

b) Reconciling Notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and Wasteful Expenditure that was Under Assessment	0	0
Fruitless and Wasteful Expenditure that Relates to the Prior Year and Identified in the Current Year	0	0
Fruitless and Wasteful Expenditure for the Current Year	0	0
TOTAL	0	0

c) Details of Fruitless and Wasteful Expenditure (Under Assessment, Determination, and Investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and Wasteful Expenditure Under Assessment	0	0
Fruitless and Wasteful Expenditure Under Determination	0	0
Fruitless and Wasteful Expenditure Under Investigation	0	0
TOTAL	0	0

d) Details of Fruitless and Wasteful Expenditure Not Recoverable and Written Off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and Wasteful Expenditure Written off	0	0
TOTAL	0	0

3. Additional Disclosure relating to Material Losses in terms of PFMA Section 55(2)(b)(i) &(iii)

a) Details of Material Losses through Criminal Conduct

Material Losses through Criminal Conduct	2023/2024	2022/2023
	R'000	R'000
Theft	0	0
Other Material Losses	0	0
Less: Recoverable	0	0
Less: Not Recoverable and Written Off	0	0
TOTAL	0	0

4. Late and/or Non-payment of Suppliers

Description	Number of Invoices	Consolidated Value
Valid Invoices Received	1,578	38,771,164
Invoices Paid Within 30 Days or Agreed Period	1,460	32,715,252
Invoices Paid After 30 Days or Agreed Period	118	6,055,912
Invoices Older than 30 Days or Agreed Period (Unpaid and Without Dispute)	0	0
Invoices Older than 30 Days or Agreed Period (Unpaid and in Dispute)	0	0

The invoices were not submitted timeously to the Finance Unit due to the following:

- Queries that were sent to service providers regarding the invoice amount or details which required a lot of back and forth until finally resolved.
- End users delaying submission of invoices to the Finance Unit.

5. Supply Chain Management

5.1 Procurement by Other Means

Project Description	Name of Supplier	Type of Procurement by Other Means	Value of contract
Zoom License for PCC	Zoom	Sole source	R79,775,44
CaseWare Annual License	Adapt IT	Sole source	R95,541,03
Fourth International Conference on Public Procurement Law	African Procurement Law Unit	Sole source	R10,400,00
Organised Labour Delegates - Economic Modelling Academy Executive Course in Multi-Sector Macro-Economic Modelling	The Economic Modelling Academy	Sole source	R491,625,00
IoDSA Training for the Senior Manager: Corporate Services	Institute of Directors South Africa	Sole source	R41,597,00
CIPS Training for the Supply Chain Manager	Harvesthouse Consulting and Training South Africa	Single source	R16,231,10
Community Constituency - Economic Modelling Academy Executive Course in Multi-Sector Macro-Economic Modelling	The Economic Modelling Academy	Sole source	R491,625,00
IoDSA Training for the Manager: Economic Unit	Institute of Directors South Africa	Sole source	R47,076,49
Training for Senior Manager: Corporate Services	Institute of Directors South Africa	Sole source	R5,846,60
Sage Payroll Annual License Deviation Approval	Sage South Africa (Pty) Ltd	Sole source	R37,585,45
TOTAL			R1,317,303,11

5.2 Contract Variations and Expansions

Project description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Original Contract Value	Value of Previous Contract Expansion/s or Variation/s (if applicable)	Value of Current Contract Expansion or Variation
Office 365 Backups	Vox Telecommunications	Expansion	-	R46,496,80	-	R35,493,60
Climate Adaptation Tender	One World Group	Variation	Nedlac 2022-23-06	R2, 525, 100,00	-	R378,765,00
Coaching and Mentoring Programme	Media Holding Investment (Pty) Ltd	Expansion	RFQ11375	R998,545,00	-	R349,140,00
Diesel Supply	Anchor Petroleum CC	Expansion	REQ10328	R149,675,40	R22,451,31	R59,967,00
Employee Wellness Programme	ICAS	Variation		R100,788,06	-	R4,922,00
Voice and Data Services	Vox Telecommunications	Expansion	Nedlac 2019/03	R1,879, 159,71	R720,459,77	R103,010,70
TOTAL				R5,699, 764,97	R742,911.08	R931,298,30



PART F

FINANCIAL INFORMATION



Report of the auditor-general to Parliament on the National Economic Development and Labour Council

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the National Economic Development and Labour Council (Nedlac) set out on pages 125 to 167, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Nedlac as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

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

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

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

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 122, forms part of our auditor's report.

Report on the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to programme 2: core operations presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest:
- Percentage of dialogues reports submitted to social partners within 14 working days of convening of dialogue
 - Percentage of agreements successfully concluded within nine months of an issue being tabled at Nedlac, except where stipulated exclusions apply
 - Percentage of reports on processes concluded within six months from the date of tabling at the relevant structure, except where stipulated exclusions apply
 - Percentage of section 77 final reports produced within five working days from date of

the resolution of section 77 notices.

12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information presented in the annual performance report in the prescribed manner and is comparable and understandable
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected material performance indicators.

Other matters

16. I draw attention to the matters below.

Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievement. This information should be
18. considered in the context of the material findings on the reported performance information.
19. The table that follows provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on page 62 - 63.

Core operations

Targets achieved: 50% Budget spent: 125%		
Key indicator not achieved	Planned target	Reported achievement
Percentage of agreements successfully concluded within nine months of an issue being tabled at Nedlac, except where stipulated exclusions apply	100%	0%
Percentage of section 77 final reports produced within five working days from date of the resolution of section 77 notices	100%	0%

Material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: core operations. Management subsequently corrected all the misstatements and I did not include any material findings in this report.

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South

Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

25. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Auditor-General
Pretoria
31 July 2024

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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

conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 51(1)(a)(iv);51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 54(2)(c'); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2) Section 57(b)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	TR 8.2.1; 8.2.2 TR 16A 3.1; 16A3.2; 16A3.2(a) TR 16A6.1; 16A6.2(a) & (b); 16A6.2(e);16A6.3(a); 16A6.3(a)(i); 16A6.3(b); 16A6.3(c); 16A6.3(d); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6 TR 16A7.1; 16A7.3; 16A7.6; 16A7.7 TR 16A8.2(1); 16A8.2(2); 16A8.3; 16A8.3(d); 16A8.4 TR 16A9.1 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 16A9.2(a)(iii) TR 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 TR 31.1.2(c) TR 31.2.1 TR 31.3.3 TR 33.1.1; 33.1.3
Public Service Regulations	Public service regulation 13(c);18; 18 (1) and (2)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)

Legislation	Sections or regulations
Construction Industry Development Board (CIDB) Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations (PPR) 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
PFMA Supply Chain Management (SCM) Instruction No. 9 of 2022-23	Paragraph 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury (NT) Instruction No. 1 of 2015-16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 3 2021-22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016-17	Paragraph 6
NT SCM Instruction Note 3 2019-20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020-21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction Note 2 of 2021-22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction No. 4 of 2022-23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009-10	Paragraph 3.3
PFMA SCM Instruction Note 8 of 2022-23	Paragraph 3.2 Par. 4.3.2; 4.3.3
Competition Act 89 of 1998	Section 4(1)(b)(ii)
NT Instruction Note 4 of 2015-16	Paragraph 3.4
Second amendment of NT Instruction No. 5 of 2020-21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NT Instruction No. 5 of 2020-21	Paragraph 1
Erratum NT Instruction No. 5 of 2020-21	Paragraph 2
Practice Note 7 of 2009-10	Paragraph 4.1.2
Practice Note 11 of 2008-9	Paragraph 3.1 Paragraph 3.1(b)
NT Instruction Note 1 of 2021-22	Paragraph 4.1
Public Service Act	Section 30(1)

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Index

The reports and statements set out below comprise the annual financial statements presented to the Parliament of the RSA:

	<i>Page</i>
Statement of Financial Position	126
Statement of Financial Performance	127
Statement of Changes in Net Assets	128
Cash Flow Statement	129
Statement of Comparison of Budget and Actual Amounts	130
Accounting Policies	131
Notes to the Annual Financial Statements	147

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Position as at 31 March 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Receivables from exchange transactions	4	418 506	1 302 372
Cash and cash equivalents	3	7 927 182	24 616 539
		8 345 688	25 918 911
Non-Current Assets			
Property, plant and equipment	5	17 045 536	16 323 575
Intangible assets	6	79 931	203 615
Total Assets		17 125 467	16 527 190
		25 471 155	42 446 101
Liabilities			
Current Liabilities			
Payables from exchange transactions	7	5 897 620	5 792 638
Provisions	8	574 747	274 414
		6 472 367	6 067 052
Total Liabilities		6 472 367	6 067 052
Net Assets		18 998 788	36 379 049
Accumulated surplus	9	18 998 788	36 379 049

* Restatements were made to Cash and Cash Equivalent; Property, plant and Equipment; Accounts receivable; Accounts payable and Accumulated Surplus. Refer to Correction of period error note (note no 29)

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Other revenue		47 544	131 688
Interest received	10	2 623 237	2 745 669
Total revenue from exchange transactions		2 670 781	2 877 357
Revenue from non-exchange transactions			
Transfers from other government entities	11	73 610 000	68 879 000
Service in kind	12	27 022 494	3 047 444
Total revenue from non-exchange transactions		100 632 494	71 926 444
Total revenue	13	103 303 275	74 803 801
Expenditure			
Bad debt written off		(67 213)	(15 275)
Depreciation and amortisation	14	(1 764 914)	(1 188 859)
Impairments of receivables	15	(4 295)	-
Lease rentals on operating lease	16	(44 081)	(174 230)
Loss on disposal of assets		(13 168)	-
Miscellaneous Expenses	17	(59 659 565)	(31 284 490)
Employee related costs	18	(59 130 303)	(35 597 370)
Special project expenses	19	-	(12 000 000)
Total expenditure		(120 683 539)	(80 260 224)
(Deficit) surplus for the year		(17 380 264)	(5 456 423)

* Restatements were made to Depreciation and Amortisation and Operating Expenses. Refer to Correction of prior period error note (note no 29)

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	43 039 695	43 039 695
Adjustments		
Correction of errors	(33 978)	(33 978)
Balance at 01 April 2022 as restated*	43 005 717	43 005 717
Changes in net assets		
Deficit resulting from the transfer of PCC	(844 492)	(844 492)
Correction of Errors	(325 753)	(325 753)
Net income (losses) recognised directly in net assets	(1 170 245)	(1 170 245)
Restated deficit for the year	(5 456 423)	(5 456 423)
Total recognised income and expenses for the year	(6 626 668)	(6 626 668)
Total changes	(6 626 668)	(6 626 668)
Restated* Balance at 01 April 2023	36 379 049	36 379 049
Changes in net assets		
Deficit for the year	(17 380 261)	(17 380 261)
Total changes	(17 380 261)	(17 380 261)
Balance at 31 March 2024	18 998 788	18 998 788

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Grants		73 610 000	68 879 000
Interest income		2 623 237	2 745 669
Other revenue		47 544	131 688
		76 280 781	71 756 357
Payments			
Employee costs		(49 579 184)	(35 091 245)
Suppliers		(41 014 596)	(40 927 981)
		(90 593 780)	(76 019 226)
Net cash flows from operating activities	21	(14 312 999)	(4 262 869)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(2 397 237)	(823 208)
Proceeds from sale of property, plant and equipment	5	20 879	-
Net cash flows from investing activities		(2 376 358)	(823 208)
Net increase/(decrease) in cash and cash equivalents		(16 689 357)	(5 086 077)
Cash and cash equivalents at the beginning of the year		24 616 539	29 709 272
Cash and cash equivalents at the end of the year	3	7 927 182	24 623 195

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<i>Figures in Rand</i>						

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Other revenue	-	-	-	47 544	47 544	
Interest received	1 200 000	2 100 000	3 300 000	2 623 237	(676 763)	22.A1
Total revenue from exchange transactions	1 200 000	2 100 000	3 300 000	2 670 781	(629 219)	

Revenue from non-exchange transactions

Transfer revenue

Government grants & subsidies	80 610 000	(7 000 000)	73 610 000	73 610 000	-	
Donor Funding	6 713 263	3 680 992	10 394 255	-	(10 394 255)	22.A2
Revenue from service in kind	-	-	-	27 022 494	27 022 494	22.A3
Surplus fund retention	-	20 202 108	20 202 108	-	(20 202 108)	22.A4
Total revenue from non-exchange transactions	87 323 263	16 883 100	104 206 363	100 632 494	(3 573 869)	
Total revenue	88 523 263	18 983 100	107 506 363	103 303 275	(4 203 088)	

Expenditure

Employee related costs	(53 487 263)	865 000	(52 622 263)	(59 130 303)	(6 508 040)	22.A5
Depreciation and amortisation	-	-	-	(1 764 914)	(1 764 914)	22.A6
Impairment loss/ Reversal of impairments	-	-	-	(4 295)	(4 295)	
Lease rentals on operating lease	-	-	-	(44 081)	(44 081)	
Debt Impairment	-	-	-	(67 213)	(67 213)	
Operating Expenses	(35 036 000)	(19 848 100)	(54 884 100)	(59 659 565)	(4 775 465)	22.A7
Loss on disposal of assets	-	-	-	(13 168)	(13 168)	
Total expenditure	(88 523 263)	(18 983 100)	(107 506 363)	(120 683 539)	(13 177 176)	
Surplus / (Shortfall)	-	-	-	(17 380 264)	(17 380 264)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(17 380 264)	(17 380 264)	

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Receivables from exchange transactions

The entity assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-

specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Impairment testing

The entity reviews and tests the carrying value of non-cash assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Provisions

A provision is a liability of uncertain timing or amount.

A provision shall be recognised when an entity has a present obligation (legal or constructive) as a result of a past event, 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 can be made of the amount of the obligation.

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in the provisions note.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Bad debts must only be written off on the authority of Manco/Exco, subject to the recommendation of the Audit and Risk Committee, after all reasonable steps have been taken to recover the debt and it is satisfied that:

The debtor cannot be traced;

- All legal and other measures have been exhausted;
- Recovery of the debt would be uneconomical;
- Recovery would cause undue hardship to the debtor or his/her departments; and
- It would be an advantage to Nedlac to effect a settlement of its own claim or to waive the claim.

Depreciation and Amortisation

Property, plant and equipment and intangible assets are carried at cost less accumulated depreciation and amortisation and any impairment losses. Property, plant and equipment and intangible assets

are depreciated and amortised on the straight-line basis over their expected useful lives to their estimated residual value.

Other significant judgements, sources of estimation uncertainty and/or related information, have been disclosed in the related notes.

1.4 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the

cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value (with exception to Land).

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Useful life period
Land	Not depreciated	Infinite
Buildings	Straight-line	35 Years
Furniture and fixtures	Straight-line	5 - 20 Years
Motor vehicles	Straight-line	15 Years
Office equipment	Straight-line	1 - 10 Years
IT equipment	Straight-line	1 - 20 Years

The depreciable asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset. Depreciation is calculated on a monthly basis.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Useful life period
Computer software, other	Straight-line	1 - 10 Years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.6 *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over

the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and Cash Equivalent	Financial asset measured at amortised cost
Trade and Other Receivables	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the category:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost are subject to an impairment review.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can

be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly OR by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived;
- The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- The entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished - i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. When a lease includes both land and buildings elements, the entity assesses the classification of each element separately. Nedlac leases photocopier machines which are classified as operating leases, the risks and rewards incidental to the ownership does not transfer to the entity.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Classification of cash and non-cash generating assets

An entity determines the designation on initial recognition, based on the objective of using the asset (i.e. whether it is used to generate a commercial return for the entity). When it is not clear if the objective to use an asset is to generate commercial return, it is designated as non-cash-generating (to deliver services). A redesignation occurs only when there is clear evidence that such redesignation is appropriate.

An entity recognise impairment immediately in surplus / deficit unless the asset is carried at revalued amount, which is regarded as a revaluation increase/decrease. Adjust the depreciation / amortisation based on revised carrying amount.

1.9 Employee benefits

Short-term employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised as an expense in the statement of financial performance in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance and a reliable estimate of their obligation can be made.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.10 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- 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 can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating .

Contingent assets and contingent liabilities are not recognised.

1.11 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.12 *Revenue from exchange transactions*

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method for financial instruments.

1.13 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Measurement

Revenue is measured at fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Transfers from other government entities

Government grants are recognised as revenue when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- The amount of the revenue can be measured reliably; and
- To the extent that there has been compliance with any restrictions associated with the grant.

The entity assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds.

Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow.

Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remits grants on a re-imbusement basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to

its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

1.14 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.15 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.16 Irregular expenditure

Irregular expenditure as defined in Section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of, or that is not in accordance with a requirement of any applicable legislation, including -

- (a) This Act; or
- (b) The State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) Any provincial legislation providing for procurement procedures in that provincial government.

National Treasury instruction no. 2 of 2019/2020 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 17 May 2019):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

1.17 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01 April 2023 to 31 March 2024.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting - therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.18 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to

enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

A related party transactions or balances outstanding are disclosed in the notes of the financial statements when transfer of resources, services, or obligations between the NEDLAC and a related party has occurred.

Key management comprises those persons responsible for planning, directing, and controlling the activities of the entity, including those charged with the governance of the entity and are regarded as related parties.

1.19 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.20 Tax

Nedlac is exempt from paying income tax in terms of Section 10(1)(cA)(i) of the Income Tax Act.

1.21 Transfer of function between entities under common control

Initial recognition and measurement

The difference between the carrying amounts of the assets acquired, the liabilities assumed shall be recognised in accumulated surplus or deficit on the date of transfer.

Subsequent measurements after the date of transfer

The revenue and expenditure incurred subsequent to the transfer was recognised in the statement of financial performance.

National Economic Development and Labour Council

Annual Financial Statements for the year ended 31 March 2024

Notes to the Annual Financial Statements

2. New Standards and Interpretations / Amendments and Improvements

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard / Interpretation:	Effective Date: Years beginning on or after	Expected Impact:
GRAP 25 (as revised): Employee Benefits	01 April 2023	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements	01 April 2023	Unlikely there will be a material impact

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:

Standard / Interpretation:	Effective Date: Years beginning on or after	Expected Impact:
GRAP 104 - Financial Instruments	01 April 2025	Unlikely there will be a material impact
GRAP 106 :Transfer of Functions Between Entities Not Under Common Control	Effective date not yet gazetted	Unlikely there will be a material impact
Improvements to the Standards of GRAP 2023 (Approved September 2023)	Effective date not yet gazetted	Unlikely there will be a material impact
iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	Effective date not yet gazetted	Unlikely there will be a material impact

3. Cash and cash equivalents

Figures in Rand	2024	2023 Restated*
Cash and cash equivalents consist of:		
Bank balances	1 718 329	7 303 220
Short-term deposits with the Corporation for Public Deposits	6 208 853	17 313 319
	7 927 182	24 616 539

No cash and cash equivalent were pledged as security.

The surplus funds are deposited in line with Treasury regulations 31.3.3 in the Corporate for deposits of public service account.

4. Receivables from exchange transactions

Figures in Rand	2024	2023 Restated*
Trade receivables	9 016	800 323
Other receivables	26 989	102 472
Provision for bad debt impairment	(4 295)	-
Prepaid expenses	338 468	399 577
Deposits	48 328	-
	418 506	1 302 372
Financial asset receivables included in receivables from exchange transactions above	418 506	1 302 372
Total receivables from exchange transactions	418 506	1 302 372

Receivables Age Analysis

31 March 2024	180 days	120 Days	90 Days	60 Days	30 Days	Current	Balance
Trade receivables	-	-	-	-	-	R9 016	R9 016
Other receivables	R4 295	-	-	-	-	R22 694	R26 989

31 March 2023	180 days	120 Days	90 Days	60 Days	30 Days	Current	Balance
Trade receivables	R3 684	-	-	-	-	R715 602	R733 111
Other receivables	R4 295	-	-	-	-	R98 177	R102 472

Pledgers and security

No receivables were pledged as security.

Trade and other receivables past due but not impaired

Trade and other receivables which are more than 30 days outstanding are considered to be past due. At 31 March 2024: R0, (2023: R21 804) were past due but not impaired.

Trade and other receivables impaired

As of 31 March 2024, trade and other receivables of R67 213 (2023: R15 275) were impaired and derecognised. The amount of the expected credit loss provided for was R4 295 as of 31 March 2024 (2023: R0).

5. Property, plant and equipment

Figures in Rand	2024			2023		
	Cost	Accumulat-ed depreci-ation and accumulat-ed impair-ment	Carrying value	Cost	Accumulat-ed depreci-ation and accumulat-ed impair-ment	Carrying value
Land	1 500 000	-	1 500 000	1 500 000	-	1 500 000
Buildings	22 145 958	(10 526 304)	11 619 654	21 707 233	(9 949 017)	11 758 216
Furniture and fixtures	3 483 378	(2 560 854)	922 524	3 561 915	(2 567 847)	994 068
Motor vehicles	587 831	(410 093)	177 738	587 831	(380 403)	207 428
Office equipment	2 364 428	(971 786)	1 392 642	1 596 137	(1 017 541)	578 596
IT equipment	3 130 970	(1 697 992)	1 432 978	2 636 208	(1 350 941)	1 285 267
Total	33 212 565	(16 167 029)	16 373 640	31 589 324	(15 265 749)	16 323 575

Reconciliation of property, plant and equipment - 2024

Figures in Rand	Opening balance	Additions	Disposals	Depreciation	Total
Land	1 500 000	-	-	-	1 500 000
Buildings	11 758 216	438 725	-	(577 287)	11 619 654
Furniture and fixtures	994 068	-	-	(71 545)	922 524
Motor vehicles	207 428	-	-	(29 690)	177 738
Office equipment -	578 596	1 012 147	-	(198 101)	1 392 642
IT equipment	1 285 267	946 365	(34 047)	(764 607)	1 432 978
	16 323 575	2 397 237	(34 046)	(1 641 230)	17 045 536

Reconciliation of property, plant and equipment - 2023

Figures in Rand	Opening balance	Additions	Depreciation	Total
Land	1 500 000	-	-	1 500 000
Buildings	12 330 281	-	(572 065)	11 758 216
Furniture and fixtures	1 060 957	5 121	(72 010)	994 068
Motor vehicles	237 118	-	(29 690)	207 428
Office equipment	606 195	44 112	(71 711)	578 596
IT equipment	883 956	797 787	(396 476)	1 285 267
	16 618 507	847 020	(1 141 952)	16 323 575

Disposal

The Furniture and Fixtures with the cost price of R78 537 and a carrying amount of R0 were disposed off during the current financial year.

The Office Equipment with the cost price of R243 856 and a carrying amount of R0 were disposed off during the current financial year.

The IT Equipment with the cost price of R444 853 and a carrying amount of R37 047 were disposed off during the current financial year.

Pledged as security

No Property, Plant and Equipment was pledged as security.

6. Intangible assets

Figures in Rand	2024			2023		
	Cost	Accumulat-ed depre-ciation and accumulat-ed impair-ment	Carrying value	Cost	Accumulat-ed depre-ciation and accumulat-ed impair-ment	Carrying value
Computer software, other	492 756	(412 825)	79 931	1 344 116	(1 140 501)	203 615

Reconciliation of intangible assets - 2024

Figures in Rand	Opening balance	Disposals	Amortisa-tion	Total
Computer software, other	203 615	-	(123 684)	79 931

Reconciliation of intangible assets - 2023

Figures in Rand	Opening balance	Amortisa-tion	Total
Computer software, other	250 521	(46 906)	203 615

Disposal

The intangible assets with the cost price of R851 360 and a carrying amount of R0 were disposed off during the current financial year.

Pledged as security

No Intangibles assets were pledged as security

7. Payables from exchange transactions

Figures in Rand	2024	2023 Restated*
Trade payables	2 046 219	3 415 590
Payroll accruals	370 097	-
Leave accrual	2 082 257	1 380 513
Accrued expenses	1 399 047	996 535
	5 897 620	5 792 638

8. Provisions

Reconciliation of provisions - 2024

Figures in Rand	Opening balance	Utilised during the year	Increased during the year	Total
Provision - Bonus	274 414	(274 714)	575 047	574 747

Reconciliation of provisions - 2023

Figures in Rand	Opening balance	Utilised during the year	Increased during the year	Total
Provision - Bonus	200 000	(200 000)	274 414	274 414

The provision relates to bonus payments expected to be made to Nedlac staff that qualify in terms of the performance management policy.

The timing and payment of this bonus is subject to approval by the Nedlac Management Committee.

9. Accumulated Surplus

Figures in Rand	2024	2023 Restated*
Accumulated surplus	18 998 788	36 379 049

10. Interest Received

Figures in Rand	2024	2023 Restated*
Interest revenue		
Interest received - cash balances	2 623 237	2 745 669

The amount included in interest received arising from exchange transactions amounted to R2 623 237.

11. Transfers from other government entities

Figures in Rand	2024	2023 Restated*
Operating Grants		
Transfers received from Department of Employment and Labour	73 610 000	68 879 000

12. Service in kind

Figures in Rand	2024	2023 Restated*
Service in kind	27 022 494	3 047 444

The service in kind revenue relates to expenditure disbursed on behalf of the Presidential Climate Commission (PCC) by the African Climate Foundation from the period 1 April 2023 to 31 March 2024 and for the prior period, 1 October 2022 to 31 March 2023 for PCC related projects and operational activities. The total of R27 022 494 (2024) and R3 047 444 (2023) has been recognised as revenue and expenditure respectively under the following expense line items:

Advertising expenses	300 000	-
Employee related costs	8 178 944	189 095
Consulting and professional fees	14 751 898	721 602
Conferences and seminars	2 981 193	756 805
Telephone and fax	-	172 138
Travel local	234 829	134 827
IT expenses	469 594	186 147
Hosting administration fees	65 224	879 337
Printing and stationery	40 812	7 493
Total	27 022 494	3 047 444

13. Revenue

Figures in Rand	2024	2023 Restated*
Other revenue	47 544	131 688
Interest received	2 623 237	2 745 669
Transfers from other government entities	73 610 000	68 879 000
Service in kind	27 022 494	3 047 444
	103 303 275	74 803 801

The amount included in revenue arising from exchanges of goods or services are as follows:

Other revenue	47 544	131 688
Interest received	2 623 237	2 745 669
	2 670 781	2 877 357

The amount included in revenue arising from non-exchange transactions is as follows:

Figures in Rand	2024	2023 Restated*
Transfers from other government entities	73 610 000	68 879 000
Services in kind	27 022 494	3 047 444
	100 632 494	71 926 444

14. Depreciation and amortisation expenses

Figures in Rand	2024	2023 Restated*
Buildings	577 287	572 065
Furniture and fixtures	71 545	72 010
Motor vehicles	29 690	29 690
Office equipment	198 101	71 711
IT equipment	764 607	396 475
Intangible assets	123 684	46 907
	1 764 914	1 188 858

15. Impairment of assets

Figures in Rand	2024	2023 Restated*
Impairments		
Trade and other receivables	4 295	-
	4 295	-

A provision for bad debts impairment amounting to R4 295 was raised. In the prior year Nedlac recovered a full amount of R28 144 from one of its debtors and the remaining debts of R15 275 was derecognised.

16. Lease rentals on operating lease

Figures in Rand	2024	2023 Restated*
Equipment		
Contractual amounts	44 081	174 230

17. Miscellaneous

Figures in Rand	2024	2023 Restated*
Advertising	300 000	850 149
ARC remuneration	36 434	53 512
Auditors remuneration	2 753 021	2 649 018
Bank charges	14 779	17 386
Catering	260 015	151 405
Cleaning	18 433	37 242
Hosting administration fees	65 224	879 337
Conferences and seminars	4 884 841	2 120 661
Consulting and professional fees	31 722 398	10 113 192
Commissioners Remuneration	1 754 611	672 452
Electricity	758 742	634 869
IT expenses	787 283	509 254
Licence fees	393 963	350 421
Insurance	188 993	149 170
Levies	16 830	18 840
Motor vehicle expenses	172 675	-
Postage and courier	7 801	10 762
Printing and stationery	1 098 483	333 488
Recruitment fees	468 450	44 160
Repairs and maintenance	190 022	927 503
Security expenses	301 359	353 737
Staff welfare	5 760	2 063
Study grants	1 295 278	218 655
Subscription fees	63 084	199 063
Telephone and fax	1 133 826	1 531 574
Training	881 864	1 435 375
Travel - local	7 051 697	5 699 905
Travel - overseas	3 033 699	1 321 297
	59 659 565	31 284 490

18. Employee related costs

Figures in Rand	2024	2023 Restated*
Basic	55 355 227	32 849 742
Bonus	612 191	316 529
UIF	113 701	86 128
WCA	99 727	79 960
SDL	443 088	298 146
Group life insurance	227 818	230 243
Leave pay provision charge	795 509	387 843
Medical aid	1 416 252	1 285 018
13th Cheques	66 790	63 761
	59 130 303	35 597 370

19. Special projects expenditure

Figures in Rand	2024	2023 Restated*
Special projects expenditure - CCMA	-	12 000 000

There were no special project in the current year. The prior year special project related to the CCMA/Nedlac collaboration project. An amount R12 million was expensed in the prior year.

20. Auditors' remuneration

Figures in Rand	2024	2023 Restated*
External audit	2 392 582	2 361 498
Internal Audit	360 439	287 520
	2 753 021	2 649 018

21. Cash (used in) generated from operations

Figures in Rand	2024	2023 Restated*
Deficit	(17 380 264)	(5 456 423)
Adjustments for:		
Depreciation and amortisation	1 764 914	1 188 859
Loss on disposal of assets	13 168	-
Debt impairment	-	15 275
Reversal of provision for impairment loss	-	(15 275)
Movements in provisions	300 333	74 414
Leave pay accrual charge	701 744	235 960
Service in kind revenue	(27 022 494)	(3 047 444)
Service in kind expenditure	27 022 494	3 047 444
Changes in working capital:		
Receivables from exchange transactions	822 757	(831 133)
Deficit on transfer of PCC	-	(868 304)
Prepayments	61 109	(220 137)
Payroll Accrual	370 099	-
Payables from exchange transactions	(966 859)	1 613 895
	(14 312 999)	(4 262 869)

22. Budget differences

Material differences between budget and actual amounts

A1 Interest Received

Interest received for the period amounts to R2.6 million compared to budgeted amount of R3.3 million. The actual interest income is lower than budgeted due to an increase in spending was also experienced which decreased amount invested and subsequently interest earned.

A2 Donor Funding

No drawdown was required of the amount of donor funding that was budgeted for in relation to PCC projects.

A3 Revenue from Service in kind

The service in kind revenue relates to expenditure disbursed on behalf of the Presidential Climate Commission (PCC) by the African Climate Foundation for PCC related projects and operational

activities. These were not budgeted for.

A4 Surplus fund retention

The Nedlac applied for retention of its surplus funds from prior financial year, the application was granted by National Treasury and surplus funds of R20.202 million was retained and included in the revised budget.

A5 Employee related costs

A saving was initially noted on employee costs. This was mainly as a result of vacancies experienced during the year for both Nedlac and PCC staff. After the recognition of the service in-kind expenditure in relation to compensation of employees, the expenditure exceeded the budget by R6.5 million. It should be noted that the related service in-kind expenditure has also been recognized in revenue.

A6 Depreciation and Amortisation

This is a non-cash item which was not taken into consideration when budgeting for the 2023/24 financial year.

A7 Operating expenses

Excluding the impact of the service in-kind expenditure on goods and services, there has been a significant improvement in the spending of goods and services as at the end 31 March 2024. There is however a material variance between the actual and year to date budget. This is due to the retained surplus from the prior year that was approved and included in the revised budget in quarter three, thus increasing the overall goods and services budget allocation. Significant procurement, especially for the larger projects were finalised before the end of the financial year and this is now committed funds which will form part of the support for the retention amount to be submitted to the National Treasury.

After considering the impact of the service in-kind expenditure on goods and services, there is an over expenditure against the budget. It should be noted that this is related to service in-kind expenditure that has been recognized.

23. Commitments

On 1 May 2023, Nedlac entered into a 24 months usage contract with one of its existing service provider. There will be no monthly rental amounts payable during the period ending 31 April 2026.

Figures in Rand	2024	2023 Restated*
Operating Lease		
Minimum lease payments due		
- with in one year	12 826	44 080
- in second to fifth year inclusive	-	12 826
	12 826	56 906

Nedlac rented photocopier machines by entering lease agreements of 36 months. Total contract value amounts to R529 040. There is no escalation clause relating to these lease contracts.

24. Financial instruments disclosure

Figures in Rand	At amortised cost	Total
Categories of financial instruments		
2024		
Financial assets		
Receivables from exchange transactions	80 038	80 038
Cash and cash equivalents	7 927 182	7 927 182
	8 007 220	8 007 220
Financial liabilities		
Payables from exchange transactions	3 815 363	3 815 363
2023		
Financial assets		
Receivables from exchange transactions	902 795	902 795
Cash and cash equivalents	24 616 539	24 616 539
	25 519 334	25 519 334
Financial liabilities		
Payables from exchange transactions	4 412 125	4 412 125

25. Contingencies

Retention of Cash Surplus

In terms of Section 53 (3) of PFMA, public entities listed in Schedule 3A and 3C of the PFMA may not retain cash surpluses that were realised in the previous financial year without obtaining prior written approval from the National Treasury.

In September 2020, the National Treasury issued Instruction No.12 of 2020/21 which gave more detail to the surplus definition. According to this instruction, a surplus is based on the formula used below. As of 31 March 2024 the cash surplus was calculated as follows:

Components	Amount
Cash and cash equivalent	R7 927 182
Add: Receivables	R418 506
Less: Current Liabilities	R6 472 367
Surplus (Deficit) as of 31 March 2024	R1 873 321

Other Contingent liabilities

The former Nedlac employee, Ms Lithebe, has challenged her dismissal through the CCMA. Management's assessment after discussion with its lawyers is that Nedlac's merits to win the case are strong based on factual evidence. If in the unlikely event the Nedlac is unsuccessful, an estimated amount of backpay of up to R1 521 551 would be owing if Ms Lithebe is reinstated.

26. Going concern

We draw attention to the fact that at 31 March 2024, the entity had an accumulated surplus of R18 998 788 and that the entity's total assets exceed its liabilities by R18 998 788.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

27. Related parties

Relationships

Parent Department	Department of Employment and Labour
Entities under common control	Commission for Conciliation, Mediation and Arbitration
	Compensation Fund
	Productivity South Africa
	Unemployment Insurance Fund
	Supported Employment Enterprises
Non-profit entity with the ED as a common director	Non-profit entity with the ED as a common director
Members of key management	Proudly South African
	L Seftel
	N Sibisi
	F Shamsodeen
	M Molete
	C Olver
	T Khumalo
	L Mulaisi
	D Nxumalo
	Nedlac Executive Council
	Presidential Climate Commission (PCC)
	Commissioners

Proudly South African was formed by Nedlac. Some of the Exco members of Nedlac also form part of the board members of Proudly South African. There are no binding arrangements and Proudly South African does not receive a financial interest from Nedlac. Statutory reporting of Proudly South African does not occur through Nedlac.

Figures in Rand	2024	2023 Restated*
Related party transactions		
Transfers from other government entities		
Department of Employment and Labour	73 610 000	68 879 000
Special Project Expense		
Commission for Conciliation, Mediation and Arbitration	-	12 000 000
Remuneration of PCC Commissioners		
Enos Mbodi	175 231	97 194
Ayakha Melithafa	138 595	32 946
Makoma Lekalakala	137 874	63 385
Shamini Harrington	100 230	46 665
Jacques Hugo	167 985	52 771
Mac Chavalala	90 709	30 917
Melissa Fourie	167 985	60 280

Figures in Rand	2024	2023 Restated*
Tsakani Nkambule	100 027	37 248
Louise Naude	189 306	79 309
Lebogang Mulaisi	18 528	51 369
Joanne Yawitch	130 675	80 313
Janse Rabie	80 846	24 432
Mbali Baduza	113 763	15 624
Gideon Serfontein	39 475	-
Sven Peek	41 050	-
Moosa Vallie	62 493	-
	1 754 611	672 452
Compensation to members of Accounting Authority		
Puleng Herman Tsebe	4 516	-
Lawrence Bale	48 625	44 668
Conti Matlakala	16 327	2 424
Thulani Tshefuta	44 440	-
Tebello Radebe	1 596	-
Thembinkosi Josopu	12 835	5 559
Laura Kganyago	167	-
Mbusi Nzimande	9 755	3 244
Tumelo Zwane	34 151	11 930
Godfrey Matsela Selematsela	6 584	3 909
Lucas Qakaza	-	2 533
Malose Pat Mphela	1 051	-
Nhlanhla Ndlovu	42 741	-
Ntobeko Melvin Gotyana	255	-
	223 043	74 267

Remuneration of management

Management class: Executive management

2024

Name	Basic salary	Bonuses and performance related payments	Salary backpayment	Acting Allowance	Employer and Employee contribution to Pension/medical Fund/e.t.c.	Total
L. Seftel - Executive Director	2 049 989	22 528	6 194	-	436 444	2 515 154
F. Shamsodeen - Chief Financial Officer	1 736 461	19 082	5 246	-	376 133	2 136 922
N. Sibisi - Executive Manager	1 353 379	14 860	4 085	-	302 229	1 674 553
M. Molete - Senior Manager Corporate Services	934 963	10 275	2 825	-	221 955	1 170 018
C. Olver - Executive Director PCC	2 217 188	21 500	6 719	-	-	2 245 407
L. Mulaisi - Chief Operating Officer PCC (From 01 July 2023)	1 260 000	-	-	-	-	1 260 000
D. Nxumalo - Acting Chief Operating Officer PCC (From 01 April 2023 to 30 June 2023)	271 650	-	3 354	206 756	-	481 760
	9 823 630	88 245	28 422	206 756	1 336 761	11 483 814

2023

Name	Basic salary	Bonuses and performance related payments	Leave Payout	Acting Allowance	Employer and Employee contribution to Pension/medical Fund/e.t.c.	Total
L. Seftel - Executive Director	1 981 862	22 729	-	-	418 763	2 423 354
F. Shamsodeen - Chief Financial Officer	1 678 754	19 253	-	-	360 690	2 058 697
N. Sibisi - Executive Manager	1 307 330	14 993	-	-	289 530	1 611 853
M. Molete - Senior Manager Corporate Services	903 892	-	-	-	212 235	1 116 127
C. Olver - Executive Director PCC (From 01 November 2022)	895 833	-	-	-	-	895 833
T. Khumalo - Chief Operating Officer PCC (From 01 November 2022)	545 181	-	72 681	-	-	617 862

Name	Basic salary	Bonuses and performance related payments	Leave Payout	Acting Allowance	Employer and Employee contribution to Pension/ medical Fund/e.t.c.	Total
D. Nxumalo - Acting Chief Operating Officer PCC (From 15 February 2023)	89 432	-	-	99 479	-	188 911
	7 402 284	56 975	72 681	99 479	1 281 218	8 912 637

28. Fruitless and wasteful expenditure

Figures in Rand	2024	2023 Restated*
Fruitless and wasteful expenditure identified in the year	-	-

There are no reported Fruitless and Wasteful expenditure reported for current year (2024) and prior year (2023).

29. Correction of prior period errors

To comply with GRAP 3, adjustments to correct the prior period errors were effected to the comparative figures.

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Figures in Rand	Note	As previously reported	Correction of error	Restated
Statement of financial position				
2022				
Net Assets correction	N1	(43 039 695)	33 978	(43 005 717)
IT equipment	N1	917 933	(33 978)	883 955
		<u>(42 121 762)</u>	<u>-</u>	<u>(42 121 762)</u>

Figures in Rand	Note	As previously reported	Correction of error	Restated
Statement of financial performance				
2023				
IT Equipment	N1	1 335 332	(16 089)	1 319 243
Trade Receivables	N2	806 980	(6 656)	800 324
Trade Payable	N3	(3 397 842)	(17 748)	(3 415 590)
Deficit Adjustment on Net Assets	N1/2/3	-	40 493	40 493
Net Assets correction	N4	(36 779 271)	325 754	(36 453 517)
Accrued Expenses N4	N4	(670 781)	(325 754)	(996 535)
		(38 705 582)	-	(38 705 582)

Statement of financial performance**2023**

Depreciation - IT Equipment	N1	380 388	16 089	396 477
Printing Expenses	N3	315 741	17 748	333 489
Bonus	N2	309 873	6 656	316 529
Surplus for the year		1 006 002	40 493	1 046 495

The following prior period errors adjustments occurred

N1 - The depreciation of computer equipment (Cellphones) which were purchased in 2021 financial year were incorrectly depreciated over a period of 60 months instead of 36 months. The amount of R33 978 relates to 31 March 2022 and R16 089 relates to 31 March 2023

N2 - Incorrect calculation of performance bonus amount refundable to Nedlac by its staff members, the cumulative incorrect amount was R6 656 (i.e R22 371 less R15 715)

N3 - Invoices relating to leasing and printing expenses were not received from the supplier timeously.

N4 - An amount of R325 754 was incorrectly recorded to retained earnings instead of accruals..

30. Risk management

Financial risk management

The entity's activities expose it to the following financial risks:

Cash flow interest rate risk (Market risk)
Credit risk and Liquidity risk.

The Accounting Authority and the Executive Director have overall responsibility for the establishment and oversight of Nedlac's risk management framework. Nedlac's risk management policies are established to identify and analyse the risk faced by Nedlac, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Nedlac's activities. Nedlac, through its training and management standards and procedures, aim to develop a disciplined and constructive environment in which all employees understand their roles and obligations.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
As at 31 March 2024				
Operating Lease Commitment	12 826			
Payables from exchange transactions	5 897 620			
As at 31 March 2023				
Operating Lease Commitment	44 080	12 826		
Payables from exchange transactions	5 792 638			

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will default on its obligation to Nedlac, thereby causing financial loss. Receivable balances are monitored on an ongoing basis with the result that the exposure to bad debts is not significant. As of 31 March 2024, trade and other receivables of R 4 295 (2023: R0) were impaired and provided for. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

Financial assets exposed to credit risk at year end were as follows:

Figures in Rand	2024	2023
Financial instruments		
Cash and cash equivalent	7 927 182	24 616 539
Receivables from exchange transactions	80 038	902 795

Market risk

Nedlac's exposure to interest risk is managed by investing on a short term basis with the Corporation for Public Deposits (CPD), to ensure maximum interest on surplus funds within the prescribed legislation. The risk arises when there are interest rate changes downward, as this will reduce the interest income on invested funds. The entity manages its interest rate risk by only investing its funds in accounts at financial institutions wherein the accounts accrue interest at market related interest rates. In terms of National Treasury Regulation (section 31.3.3) all surplus funds are deposited in the CPD account.

Nedlac is exposed to interest rate changes in respect of returns on its investments with financial institutions.

31. Irregular expenditure

Figures in Rand	2024	2023 Restated*
Irregular Expenditure identified in the current year	666 543	230 243
Details of irregular expenditure - current year		
Appointment of service providers was not according to SCM regulations - Group life cover	227 818	230 243
Non Compliance with CIDB regulations - Construction of emergency entrance	438 725	-
	666 543	230 243


32. Events After reporting date

There was no events after reporting that were noted requiring disclosure.

33. Date of Authorisation

The annual financial statements were authorised by EXCO on 26 July 2024.





ADDRESS

14A JELICOE AVENUE
ROSEBANK
2196

POSTAL ADDRESS

PO BOX 1775
SAXONWOLD
2132

CONTACT NUMBER

011 328 4200

E-MAIL

INFO@NEDLAC.ORG.ZA

WWW.NEDLAC.ORG.ZA