



MPUMALANGA PROVINCIAL GOVERNMENT

Department of Public Works, Roads and Transport

Vote No. 08
ANNUAL REPORT
2015/16 FINANCIAL YEAR

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GENERAL INFORMATION

PART A



1. DEPARTMENT'S GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
CAMP	Custodian Asset Management Plan
CBO	Community Base Organisation
CBD	Central Business District
CSSD	Central Sterile Supply Department
CFO	Chief Financial Officer
CHC	Community Health Centre
CIDB	Construction Industry Development Board
COE	Compensation of Employees
CRDP	Comprehensive Rural Development Programme
CS	Combined School
CSD	Central Supplier Database
CSSD	Central Sterile Supply Department
CT	Computerised Tomography
DCSSL	Department of Community Safety, Security and Liaison
DCSR	Department of Culture, Sports and Recreation
DEDET	Department of Economic Development, Environment and Tourism
DOE	Department of Education
DOH	Department of Health
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPWRT	Department of Public Works, Roads and Transport
DSD	Department of Social Development
ECD	Early Childhood Development
ECM	Enterprise Content Management
EOT	Extension of Time
EPWP	Expanded Public Works Programme
Eskom	Electricity Supply Commission
EWP	Employee Wellness Programme
EXCO	Executive Council
FPP	Fraud Prevention Plan
FTE	Full Time Equivalent
GIAMA	Government Immovable Asset Management Act
HDI	Historical Disadvantaged Individual
HIV/ Aids	Human Immune-Deficiency Virus/ Acquired Immune-Deficiency Syndrome
HOA	Home Owners Allowance
HOD	Head of Department
HR	Human Resource
HRM	Human Resource Management
HRU&CD	Human Resource Utilisation and Capacity Development
IAR	Immovable Asset Register
ID	Identity Document
ICT	Information Communication Technology
IDIP	Infrastructure Delivery Improvement Plan
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IDT	Independent Development Trust
IPIP	Implementation Project Implementation Plan
IPMP	Infrastructure Project Management Plan
IRMA	Integrated Rural Mobility and Accessibility
IT	Information Technology
JBCC	Joint Building Contracts Committee
JOC	Joint Operations Committee
MANCO	Management Committee
MEC	Member of Executive Council
MEGA	Mpumalanga Economic Growth Agency
MIMP	Mpumalanga Infrastructure Master Plan
MMS	Maintenance Management System
MPAT	Management Performance Assessment Tool

MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MOU	Memorandum of Understanding
N/A	Not applicable
NDP	National Development Plan
NDPW	National Department of Public Works
NGO	Non-Governmental Organisation
NMT	Non-Motorised Transport
NT	National Treasury
NUMSA	National Union of Metalworkers of South Africa
NYS	National Youth Services
OHS	Occupational Health and Safety
OPD	Outpatient Department
OLAS	Operating Licence Administrative System
OSD	Occupation Specific Dispensation
OVS	Operation Vuka Sisebente
PAIA	Promotion of Access to Information Act, 2000
PFMA	Public Finance Management Act, 1999
PMDS	Performance Management Development System
PMU	Project Management Unit
POMM	Project Operations Management Meeting
PPICC	Premier's Provincial Infrastructure Committee
PRE	Provincial Regulatory Entity
PS	Primary School
PSC	Provincial Steering Committee
PSR	Public Service Regulations
PTOG	Public Transport Operations Grant
PWD	People With Disabilities
PSCBC	Public Service Coordinating Bargaining Council
RAMS	Road Asset Management System
RGC	Riverside Government Complex
RRR	Rehabilitation, refurbishment and repair
RTMC	Road Traffic Management Corporation
SACPCMP	South African Council for Project and Construction Management Professions
SAPS	South African Police Service
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCM	Supply Chain Management
SCOPA	Select Committee on Public Accounts
SHE	Safety, Health and Environmental
SITA	State Information Technology Agency
SMS	Senior Management Service
SOP	Standard Operating Procedure
SS	Secondary School
TB	Tuberculosis
TBC	To Be Confirmed
TMH	Technical Methods for Highways
TR	Treasury Regulations
UAMP	User Asset Management Plans
UIF	Unemployment Insurance Fund
VAT	Value Added Tax
VCI	Visual Condition Index
VO	Variation Order
WOE	Women Owned Enterprise

3. FOREWORD BY THE MEC



Ms DG Nhlengethwa (MPL)
MEC: Public Works, Roads and Transport

This report summarizes the Department's many detailed efforts to support the creation of a better life for all through the provision of sustainable infrastructure. Not only is the Department of Public Works, Roads and Transport (DPWRT) building transport infrastructure but it is also facilitating the development of an integrated, reliable and cost-effective transport system that meets the development needs of the Province. Over and above this, DPWRT is also an implementing agent of building infrastructure on behalf of other provincial departments. In the past year, the Department made significant strides towards fulfilling its mandate by completing 203 infrastructure projects that will benefit the economy and the public for many decades to come.

Equally important to building infrastructure yet often neglected due to competing needs, is the province's ability to maintain the existing stock of infrastructure portfolio. Good and periodic maintenance results to good returns on investment made on the various infrastructure projects. In the past year, the Department focused on building internal capacity and in this regard trained 27 officials to conduct condition assessment of buildings. The assessment outcomes of this exercise will be used to develop building maintenance plans that will describe the periodic inspections and preventive maintenance to be performed at certain defined intervals.

The Municipal Support Programme continued to make a positive impact on the many roads and streets of various municipalities. The programme has also opened opportunities and potential for the province to consolidate its technical capacity to improve the entire provincial transport infrastructure. Amongst these opportunities, the programme will seek to leverage on the Operation Vuka Sisebente (OVS) model to enhance its planning and execution. This model assumes that with increased participation and communication to and from the communities, the understanding of the complexities of service delivery will also improve, thereby reducing the current level of protests and demonstrations amongst communities.

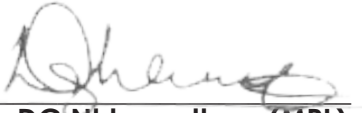
Besides provision and maintenance of infrastructure, DPWRT has another important mandate that relates to transport operations. This part of the Department's work deals with enhancing Public Transport, Freight Movement and Management of Scholar Transport. The Department is also building Non-Motorised Transport (NMT) transport infrastructure to enable people to walk or bike to nearby destinations. To this regard, the Department completed 4 projects to improve mobility in rural areas. In addition, DPWRT is also constructing several major projects and partnering with other spheres of government that serve vital transportation corridors.

One of the most anticipated corridors in Mpumalanga is the Moloto Rail Development Corridor. This project will take a number of years before the rail becomes operational due to the nature and capital outlay requirement. However in the short term, focus will be on critical portions of the road (R573) through engineering and infrastructure interventions like: upgrading of major intersections, closing of selected and most hazardous and illegal accesses, introduction and repairing of existing street lighting and relocation of informal traders. SANRAL has set aside R3.7 billion for the MTEF period and R30 million of this amount has already been spent during the 2015/16 financial year.

The Department's work is mostly done through programs that mix utilization of new technologies and community interactions. The Expanded Public Works Programme (EPWP) is one of the public employment schemes used by government to promote the use of labour intensive methods. A total of 25 340 EPWP work opportunities were created during the past financial year. However a number of work opportunities created through this programme were deemed not adequate at the validation stage due to the introduction of strict reporting criteria. (e.g. UIF non-registration). Going forward, the Department will introduce reforms to ensure amongst others, compliance to the new reporting criteria.

The DPWRT has an ambitious agenda ahead including the completion of more than 600 construction projects in the 2016/17 financial year. As the Department works to achieve its outcomes, it will continue to be guided by the National Development Plan (NDP), Medium Term Expenditure Framework (MTSF: 2014 – 2019) and its Strategic Plan. Throughout the year, it will explore

new ways to do more with less in pursuance of its mandate. In a time when belt-tightening is the norm, the Department will continue to evolve to a more performance-based organization, improving business processes and internal controls. We look forward to build on the unqualified audit opinion achieved during the year under review and attain a clean audit in the upcoming financial year.



Ms DG Nhlengethwa (MPL)
MEC: Public Works, Roads and Transport
Date: 31 July 2016

4. REPORT OF THE ACCOUNTING OFFICER



KM Mohlasedi

Head: Department of Public Works, Roads and Transport

There is no better way of communicating the Department's performance for the previous financial year than through the annual report. This report informs the public, government and all stakeholders about our past performance and future direction. This past year, the Department achieved 33 (58%) of the 57 planned targets. In this respect, full (100%) achievement of the planned

targets whilst excluding final results which fell short of 42% the targets. The Department's expenditure on the other hand, includes all operational and capital expenses incurred during the year under review. Overall, the Department's performance indicates a consistent trend on expenditure and a decrease on performance indicators achieved.

4.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

Summary of the Department's Performance

Programme	Number of Performance Indicators	Achieved	Not Achieved
1. Administration	8	7	1
2. Public Works Infrastructure	13	10	3
3. Transport Infrastructure	9	5	4
4. Transport Operations	17	9	8
5. Community Based Programmes	10	2	8
TOTAL	57	33	24

Key Achievements

Over the course of the 2015/16 financial year, the Department has persistently demonstrated its commitment towards improved and better infrastructure delivery in a highly constrained environment. The previous financial year has seen a number of key projects come to completion or reach significant milestones. The Department managed to complete 203 construction projects (i.e. capital and maintenance) for both Building and Transport Infrastructure. It is important to note that these projects are not confined to the major urban and historical advantaged areas but also spread across the deep rural areas of Mpumalanga. This is in line with government's objective to redress the apartheid spatial patterns. The Department has therefore made significant contribution towards the achievement of many government priorities.

To protect the investment in the provincial roads infrastructure, the Department has committed itself to timely and effective maintenance and rehabilitation programme. In pursuance of this goal, a provincial yellow fleet census was conducted and a deployment plan developed. This census has helped in highlighting the plant capacity of the province as a whole.

At year end, municipalities had commenced with disposal of redundant plant in line with their asset management prescripts. The Department has also done a lot to assist local municipalities, however the demand for road maintenance at local level remains great. Taking into account the available resources, the Department had to consider targeted local municipalities on the basis of population and/or demand for service delivery. Approximately, R 119, 2 million was spent to improve access to various public amenities in these municipalities. In addition, the Transport Operations Programme completed 3 projects to support the provision of appropriate and integrated rural transportation infrastructure.

The Department's work programme strengthens the economy and also enhances capacity of the marginalised. In line with the transformation charter of the construction sector, 100% of building contracts were awarded to Historically Disadvantaged Individuals (HDI). More significantly, 77% of these contracts were awarded to Women Owned Enterprises (WOE). These are just some examples of the many achievements made by the Department during the year under review.

Key Challenges

Notwithstanding all the achievements mentioned above, the service delivery backlogs remain huge. The country's financial difficulties continued through this past year. South Africa's economy has been growing at half the pace of other major emerging economies. This means that despite our best efforts, there is provincial infrastructure that remains in poor condition due to limited resources. What is now clearer than ever is that government cannot do it alone. Other players such as the private sector should be encouraged to partner with the province to maintain and enhance the quality of its economic and social infrastructure.

In the past year, a building infrastructure portfolio of R1, 8 billion was received for implementation from our client departments. These included 366 projects that were at different development stages. During the budget adjustment period, an addition of R287 million was allocated towards this portfolio mainly for the completion of the Steve Tshwete Boarding School and the Traffic College with significant progress achieved at financial year end i.e. 89 and 70 per cent complete respectively. Furthermore, additional projects were introduced mainly for basic services, sanitation and repairs of storm damaged schools.

In June 2015, the National Department of Public Works introduced a new reporting system for the Expanded Public Works Programme (EPWP). This system seeks to improve EPWP's reporting and data integrity. It requires the reporting public bodies to upload specific documents (e.g. ID copy, Proof of UIF registration, etc.) to support the reported work opportunities. Many public bodies have struggled to comply with the new stringent reporting requirements and as a result, the departmental and provincial EPWP targets could not be achieved at year end.

There were other numerous challenges that faced the Department during the previous financial year. To address these, tough choices and some improvisation had to be made. Amongst these choices was the need to eliminate duplications and introduce efficiencies. In the past 12 months, we have restructured the Department to be more flexible, responsive and efficient in delivering our services.

Significant Events for the Year

During the year, the Department worked closely with a number of client departments to coordinate handing over of a number of social infrastructure projects (see detailed list on page (54-75)). Also amongst the significant events during the year, was the celebration of the Transport Month in October 2015. This annual celebration highlights transport as a catalyst for economic growth and also affords an opportunity to government to promote its road safety programmes.

During this period, the MEC officially handed over the road D3928 between Greenvale and Moloro in Bushbuckridge Local Municipality and road D797 between Tonga and Naas in Nkomazi Local Municipality. The Department's excellent work continues to receive recognition from the other spheres of government. It won two awards during the prestigious National Kamoso Awards. Our Sakh'abakhi Emerging Contractor Development Programme won an award for the best public body infrastructure programme. The Department was also voted the best Department to implement the National Youth Service (NYS) Programme. Significant progress has also been made in many other aspects. The Department also won an award as the best implementer of Employment Equity within the Public Service. This award was for accommodation and consideration for the needs of people with disability.

4.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

DEPARTMENTAL RECEIPTS

Departmental receipts	2015/2016			2014/2015		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	10,842	11,049	(207)	9,004	10,385	(1,381)
Fines, penalties and forfeits	8,841	12,401	(3,560)	9,085	8,285	800
Interest, dividends and rent on land	0	2,079	(2,079)	838	2,051	(1,213)
Sale of capital assets	2,285	867	1,418	1,577	1,316	261
Financial transactions in assets and liabilities	378	1,563	(1,185)	799	1,801	(1,002)
TOTAL	22,346	27,959	(5,613)	21,303	23,838	(2,535)

Revenue collection

The projected revenue for the 2015/16 financial year was R22,3 million. The Department collected an amount of R 27,9 million which reflects an over collection of R5,6 million. The source of revenue was mainly fines issued by the Transport Inspectorate, penalties and forfeits, interest received and transactions related to financial assets and liabilities.

Determination of tariffs

The tariffs charged by the Department for fees that are not governed by any Act are determined annually with the approval of the Provincial Treasury. However, fees charged in terms of the National Land Transport Act were gazetted for public comments before implementation by the Department. There were no free services rendered by the Department during the financial year under review.

Bad debts written off

During the financial year 2015/16, the Department wrote off debtors to the amount of R614 thousand which were deemed irrecoverable and uneconomical to recover.

Reasons for the better than anticipated performance (Over collection)

The Department received interest on its bank accounts which was not part of the set target for revenue collection. In addition 3 auctions were held during the financial year to sell old capital assets which were redundant and unserviceable. The rental of capital assets and issuing of fines by the Transport Inspectorate further led the overcollection on revenue.

PROGRAMME EXPENDITURE

Programme name	2015/2016			2014/2015		
	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Administration	228,644	228,644	0	227,406	227,405	1
Public Works Infrastructure	673,793	669,205	4,588	590,620	590,618	2
Transport Infrastructure	2,319,093	2,314,671	4,422	2,369,864	2,369,864	0
Transport Operations	1,107,500	1,106,710	790	994,334	993,908	426
Community Based Programmes	71,019	71,015	4	59,367	59,366	1
TOTAL	4,400,049	4,390,245	9,804	4,241,591	4,241,161	430

The table above provides a summary of expenditure per Programme. The Department spent 99.8% of its adjusted budget for the 2015/16 financial year which is consistent with the previous

financial year, in terms of percentage. The details are disclosed in the Appropriation Statement (refer to Part E: Annual Financial Statements - AFS).

VIREMENTS/ ROLLOVERS

The following virements were made after the 2015/16 budget adjustment appropriation:

TRANSFER FROM	AMOUNT R'000	TRANSFER TO	AMOUNT R'000
Administration	8,354	Transport Infrastructure	468
Total	8,354	Total	468
Public Works Infrastructure	38,299	Transport Operations	41,335
Total	38,299	Total	41,335
		Community Based Programmes	4,850
		Total	4,850
OVERALL TOTAL	46,653	OVERALL TOTAL	46,653

REASON FOR THE VIREMENTS

The Department had to apply for virements to defray excess expenditure within and between programmes and economic classifications, under the same vote in terms of section 43(3) of the Public Finance Management Act (PFMA), Act no. 1 of 1999.

Request for rollovers

The Department requested a rollover amount of R 8,982 million for Programme 2: Public Works Infrastructure and Programme 3: Transport Infrastructure which were submitted to Treasury for consideration. The reasons for the unspent amounts were due to over lapping infrastructure projects and delays in the finalisation of designs.

REASONS FOR UNAUTHORISED, FRUITLESS AND WASTEFUL EXPENDITURE AND THE AMOUNTS INVOLVED AS WELL AS STEPS TAKEN TO ADDRESS AND PREVENT A RECURRENCE

The Department has not incurred any unauthorised, fruitless and wasteful expenditure in the 2015/16 financial year.

FUTURE PLANS OF THE DEPARTMENT

As the Department moves into the 2016/17 financial year, it faces the continued challenge delivering our services with declining budget baselines. The Department has an ambitious agenda for the year ahead including the completion of almost 600 infrastructure projects. Consideration would be made to capitalize on the available technical resources in the client departments to enhance the areas of procurement and project supervision. In addition to moving people, the Department will work towards improving freight movement across the province.

The Freight Databank will be updated to assist planners/ policy makers/ researchers to track the movement of freight through specific corridors. This tool is available on the Department's website. Overall, our future plans are geared towards improving the lives of people. Every rand appropriated to us will go a long way in improving the living conditions of the people of Mpumalanga. I am confident that team Public Works, Roads and Transport has high degree of skill, commitment and professionalism to deliver our assignment for the next financial year.

PUBLIC PRIVATE PARTNERSHIPS

The Province has identified a number of projects that have potential of attracting private partnerships. Amongst these projects are the Cultural Hub, High Altitude Centre and health care facilities. Transaction advisors have been appointed to define the model further and advise on applicable regulatory issues. MEGA, together with the advisors have engaged National Treasury (NT) to solicit its views and guidance on the proposed funding model and contractual structure. The support of NT has been secured and with their guidance enhancements to the model have been made.

DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

The services of the outsourced Project Management Unit (PMU) for building infrastructure projects were discontinued due to budgetary constraints. Subsequently, equitable distribution and utilization of available human resources had to be done to ensure the implementation of these services in-house. The savings which emanated from this discontinued activities were used to defray the accruals from the previous financial year.

NEW OR PROPOSED ACTIVITIES

With Local Government Elections taking place during 2016, this event will come up with certain level of associated impact to the service delivery imperatives. The local government outcomes will have implications beyond the local level and beyond 2016. The Municipal Support Programme will be intensified to focus on improving access to various polling stations in rural areas. In doing so, this will remove one factor that discourages high voters turnout. A total budget of R55 million has been set for this purpose in the 2016/17 financial year.

Due to limited maintenance funding, we have had to develop new creative approaches of maintaining our infrastructure portfolio. One of the strategies to be explored in the new approach involves the general building maintenance work being used as part of the exit strategy for the National Youth Service (NYS) Programme. Work is currently underway to review our tender documents in order to include this critical aspect. This is in line with the call made by the Honourable Premier during his State of the Province Address where he called on all of us to decisively address youth unemployment.

Provincial Treasury and Office of the Premier will conduct a thorough assessment of the pricing

and service models of service providers to ensure that government is not paying inflated rates in exchange for substandard products. The province will also conduct a comprehensive review of the current regional service delivery model to identify and eliminate overlaps, wastage and duplications. DPWRT will implement any proposed cost-effective pricing and regional service delivery models that enhance efficiencies, effectiveness and public accountability.

SUPPLY CHAIN MANAGEMENT**Unsolicited bid proposals concluded for the year under review**

No unsolicited bid proposals were concluded during the 2015/16 financial year.

SCM processes and systems in place to prevent irregular expenditure

- Procurement of goods and services is done in accordance to the prescribed threshold values by National Treasury.
- Procurement delegations are implemented and monitored regularly.
- Competitive bids are invited for threshold values above R500 000.00 for goods and services to ensure that equal opportunities are given to all suppliers to compete.
- An electronic system (ProQuote) is implemented to invite quotations from the departmental supplier database.
- Deviations from normal procurement processes (procurement without inviting competitive bids) are justified, approved by the Accounting Officer, recorded and reported to both the Provincial Treasury and the Auditor General.
- The completeness of SBD 4, 8 and 9 is checked to ensure compliance with SCM prescripts.
- VAT registration of suppliers is verified on the SARS website to ensure that service providers who claim VAT are duly registered.
- The status of CIDB grading of service providers is verified on the CIDB website to ensure that their status is active prior to awards.
- Tax matters of suppliers are verified prior to awards.
- Contract records are properly managed and kept safe to ensure that awards made are in accordance to the requirements of SCM legislation and prescripts.
- Transaction checklists are monitored to ensure compliance to SCM prescripts.
- The completeness of SBD 4 forms is checked to ensure that service providers declare their interests and ID numbers of the directors are also verified on the PERSAL system.

Challenges experienced in SCM and how they were resolved

NO	CHALLENGES	ACTION TAKEN TO RESOLVE CHALLENGES
1	Misuse of Government owned vehicles after working hours and during weekends	• Vehicle tracking devices were installed on government fleet.
2	Poor safekeeping of contract records	<ul style="list-style-type: none"> • The contract management unit monitored the developed contracts register. • A total of 1 000 contract documents were scanned and stored in departmental servers. • Client departments were provided with copies of contract management documents.

NO	CHALLENGES	ACTION TAKEN TO RESOLVE CHALLENGES
3	Failure to declare conflict of interest by service providers	<ul style="list-style-type: none"> Completeness of SBD4, SBD8 and 9 was checked and verified. ID numbers of company directors were checked on PERSAL to ensure that members were not government employees. Service providers who failed to complete the prescribed declaration forms (SBD 4) were disqualified. Contracts of service providers whose directors are government employees were cancelled. Contracts of service providers whose names appear on the National Treasury Database of Restricted Suppliers were cancelled.
4	Lack of an electronic system to detect government officials doing business with the Department especially those not on the PERSAL system.	<ul style="list-style-type: none"> DPSA has introduced a verification system in October 2015 which the Department is now using. However, the new system has its own limitations.
5	Invalid VAT numbers of the invoices	<ul style="list-style-type: none"> VAT registration of suppliers is checked on SARS website.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

The Department did not receive any gifts and donations for the financial year under review.

EXCEPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

There were no exemptions and deviations received from National Treasury on the compilation of the 2015/16 financial year's Annual Financial Statements. The Annual Financial Statements set out on pages 111 to 208 have been approved by the Accounting Officer.

EVENTS AFTER THE REPORTING DATE

The Department processed invoices to the value of R91,9 million during April and May 2016 which relate to the 2015/16 financial year. These payments however do not form part of the 2015/16 financial year's expenditure and are disclosed as note number 18 of the Annual Financial Statements. The Department will implement cost

curtailment measures and adjust the Annual Performance Plan during 2016/17 financial year in order to address the above accruals.

ACKNOWLEDGEMENTS

I want to thank the MEC, DG Nhlengethwa and the entire staff for their continued support. Further appreciation is extended to the Portfolio Committee on Public Works, Roads and Transport; Community Safety, Security and Liaison, Select Committee on Public Accounts and the Audit Committee for their objective oversight on our operations.

CONCLUSION

As the Department goes into 2016/17, it does so as a united organisation committed to its stakeholders and the people of Mpumalanga as a whole. It will continue to strive to provide an integrated transport system and infrastructure that promotes socio-economic development.

Approval and Sign off



KM MOHLASEDI
Accounting Officer
Department of Public Works, Roads and Transport
Date: 31 July 2016

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

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

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

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

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

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

The Accounting Officer is responsible for the preparation of the annual financial statements

and for the judgements made in this information.

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

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

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

Yours faithfully,



KM MOHASEDI
Accounting Officer
Department of Public Works, Roads and Transport
Date: 31 July 2016

6. STRATEGIC OVERVIEW

The vision, mission and values of the Department as per the Strategic Plan: 2015 - 2020 and the Annual Performance Plan: 2015/16 is as follows:

6.1 VISION

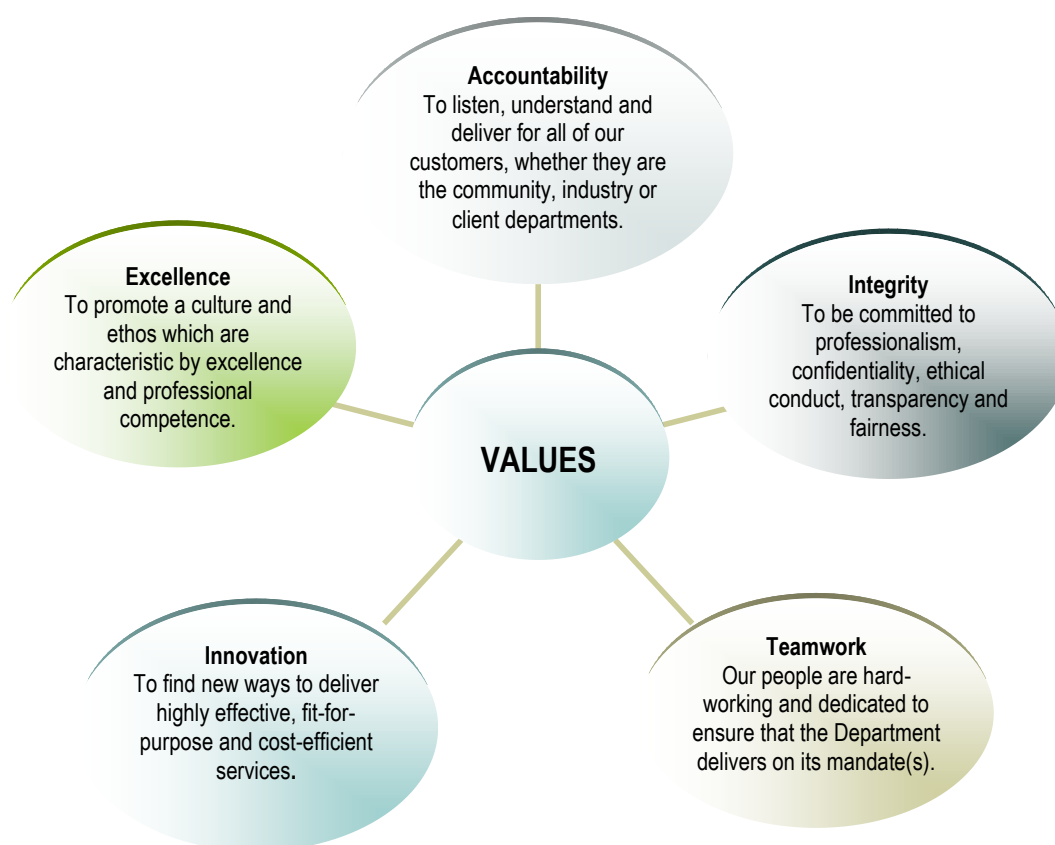
An integrated transport system and infrastructure that promotes socio-economic development.

6.2 MISSION

- To provide an integrated, reliable and cost-effective transport system that meets the development needs of the Province.
- To deliver infrastructure that promotes sustainable economic development and job creation.

6.3 VALUES

The below mentioned values are essential to achieving our vision of providing an integrated transport system and infrastructure that promotes socio-economic development.



7. LEGISLATIVE AND OTHER MANDATES

- Construction Industry Development Board Act, (Act 38 of 2000)
- Cross-Border Road Transport Act, 1994 (Act 4 of 1998)
- Expropriation Act, 1975 (Act 63 of 1975)
- Fencing Act, 1963 (Act 31 of 1963)
- Government Immovable Asset Management Act (GIAMA), 2007 (Act no. 19 of 2007)
- Infrastructure Development Act, 2014 (Act 23 of 2014)
- Mpumalanga Archives Act, (Act 14 of 1998)
- Mpumalanga Road Act, (Act 1 of 2008)
- Mpumalanga Road Traffic Act (Act 4 of 1998)
- National Archives and Records Services Act (Act No. 43 of 1996)
- National Building Regulations and Building Standards Act, 1977 (Act 103, of 1997)
- National Environment Management Act, 1998 (Act 107 of 1998)
- National Land Transport Act, (Act 5 of 2009)
- National Road Traffic Act, 1996 (Act 93 of 1996)
- National Veld and Forest Fire Act, 1998 (Act 101 Of 1998)
- Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act 5 of 2000)
- Promotion of Access to Information Act (PAIA), 2000 (Act no. 2 of 2000)
- Public Finance Management Act, (Act 29 of 1999)
- Public Service Act (PSA), 1994
- Road Safety Act, 1972 (Act 9 of 1972)

8. ORGANISATIONAL STRUCTURE

Top Structure of the Department



DG NHLENGETHWA
MEC: Public Works, Roads and Transport



KM MOHASEDI
Head: Public Works, Roads and Transport
L16



PM KHOZA
Acting DDG: Corporate
Strategy Branch
L15

- Internal Audit
- Communications
- Security Services
- Government Motor Transport
- District Services
- Integrated Planning
- Human Resource Management and Development



MLB MOLOI
Acting DDG: Transport
Management Branch
L15

- Transport Operations



MC MOROLO
DDG: Public Infrastructure
Management Branch
L15

- Programme Management
- Building Infrastructure
- Property Management
- Transport Infrastructure
- Community Based Programmes



HN MDAKA
Chief Financial Officer
Branch L14

- Management Accounting
- Supply Chain Management
- Financial Accounting
- Risk and Security Management
- Asset Management

PERFORMANCE INFORMATION

PART B



2015/16 HIGHLIGHTS

*7 Roads projects
Completed*

**99.98% of
budget
spent**

176 building
infrastructure
projects
completed

18 National
Youth
Service
CO-
operatives
supported

**R6 million assistance
provided to the Taxi**

Two draft papers
prepared to
articulate the
DPWRT's
maintenance

65%
Decrease of
Injury on
Duty Cases

**New Audit
Committee
appointed**

ICT Strategy:
2015-2020 and
Corporate
Governance
of ICT Policy
Framework
developed

**100% of building
infrastructure contracts
awarded to HDI
77% of contracts
awarded to WOE**

Post of CFO filled

**353 000 Passengers and
60 231 learners transported**

**100% of
Performance
Agreements
signed**

2118 Employees trained

**100 Interns and
50 learners
appointed**

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA 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 108 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

In the past 12 months, many factors have influenced the Department's performance including the following:

Slow Economic Growth

South Africa's economy has been growing at half the pace of other major emerging economies which has led to a number of troubling socio-economic outcomes. This is in part a consequence of the global slowdown, but it also reflects structural weaknesses in the country's economy. Without stronger economic growth, the budget baseline for infrastructure has remained muted because government cannot afford expenditure increases. Amidst this sluggish economic environment, the Department strived to ensure that the dividends of service delivery were achieved.

Extreme Weather Conditions

Last year the Province witnessed unprecedented weather patterns which eventually led to drought. Mpumalanga was later declared a drought disaster area joining disaster areas like Kwazulu-Natal, Limpopo, North West and the Free State.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The tables below highlight the service delivery standards and the performance against thereof.

Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Surfaced road patching	Motorists and truck drivers	122 309m ² of reported potholes fixed	122 309m ² of reported potholes to be fixed	182 675m ² of the identified or reported potholes were fixed during the year under review.
			Fixing of 100 % of cases reported on provincial roads	More than 100% of cases reported have been fixed within 168 hours after being identified or reported.
Processing of applications for transport operations	Taxi and bus operators	9 713 approved applications processed	Process 100% applications for registration of public transport within 90 days	7 344 Applications for operating licenses were processed.

Consequently, there had to be balance between supply for domestic and commercial use of water to ensure demand management. The Department came to the space and provided water tankers to some municipalities as part of government relief effort. More significantly, a service provider was also appointed to facilitate water efficiency within provincial state owned buildings.

Energy Constraints

Mpumalanga contributes more on coal energy of the country; however, the current energy situation is faced with many uncertainties. There is a need to find alternative sustainable renewable energy resources, such as gas and solar energy to supplement the available energy. Until such time, the coal haulage grant remains critical to rehabilitate and maintain the coal haul road network. More than ever, there is a need for more aggressive road rehabilitation and maintenance programmes but this can only be achieved with the entrenchment of the necessary resources. Other related activities include the implementation of energy savings initiatives within the provincial government building portfolio by DPWRT.

Non-Compliance to IDMS

The Infrastructure Delivery Management System (IDMS) is still being implemented and although progress was made in getting this system fully functional, the ability to plan and implement effectively remains a challenge. In particular, the Department of Public Works, Roads and Transport's ability to implement most of the building infrastructure projects depends on a number of assumptions. In terms of the IDMS, infrastructure planning should be done two years in advance to ensure successful delivery of projects. Timeous submission of Infrastructure Project Management Plans (IPMPs) is therefore critical in this regard. It is also essential that client departments honour their commitments in order for DPWRT to achieve some of the planned targets Programme 2: Public Works Infrastructure and Programme 5: Community Based Programmes.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Surfaced Road Patching		
Weekly, monthly and quarterly meetings undertaken with all relevant stakeholders.	Weekly meetings between district offices	Weekly meetings were held between Head Office and regions.
	Monthly meetings with municipalities	Meetings with municipalities were held as and when required.
	Quarterly meetings with road users (local roads boards)	Monthly and quarterly meetings for transport, commuters and freight forums were held.
Processing of Applications for Operating Licences		
Undertake Public Transport meetings with Associations of Public Transport Operators	Quarterly Public Transport meetings	No Public Transport meetings were held due to budgetary constraints. However, consultation was done through transport and commuter forums during the Transport Month.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Surfaced Road Patching and processing of applications for Transport Operations		
Telephones and e-mails	Telephones and e-mails	All departmental offices are equipped with switchboards, telephones and e-mails to receive customer's enquiries and complaints.
Front line personnel	Front line personnel/ officials trained on customer care	Frontline staff are trained on customer relations.
Monthly newsletters published and distributed at departmental events	Monthly newsletters published and distributed at departmental events	30 000 Quarterly newsletters were printed and distributed to the public. The publications covered departmental programmes and projects.
Annual Performance Plan (APP)	Budget and targets reflected in the Annual Performance Plan	Budget and targets of the two main services were reflected in the APP: 2015/16.
Monthly, quarterly and annual reports	Monthly, quarterly and annual reports	Performance on these two services were reported on monthly, quarterly and annual reports that were submitted to relevant oversight authorities as part of accountability.
Radio talkshows	48 Radio talkshows	48 Radio talkshows were held on Ikwekwezi FM and Ligwalagwala FM and these covered news on provincial road works and transport operations.
Suggestion boxes	Suggestion boxes placed at head office and district offices	Suggestion boxes were placed at head office and all district offices.
Departmental Website	Departmental website	The Departmental website was updated on a regular basis.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Correspondences	Correspondences	The Department received various correspondences in form of letters, petitions, summonses, PAIA requests, etc.
Switchboards	Switchboards	Switchboard operators and frontline staff are trained on customer relations. This includes responding to customer queries and dispatching of calls to relevant sections.
Head office, regional and district offices	Head office, regional and district offices	Customers can visit any of the department's offices to register their complaints.

2.3 ORGANISATIONAL ENVIRONMENT

Annual Salary Adjustment

The final 2016 salary adjustment was 1.5% more than the 5.5% provided by the Department as per the Treasury Budget Guidelines. As a result, the Department had R24 million budget deficit on its Compensation of Employees (COE). However, additional funding to cover the shortfall was received during the budget adjustment period.

Governance and Accountability

Key appointments (i.e. Audit Committee and Chairperson of the Risk Management Committee) were made to support the various internal governance structures. In addition, the Executive Council granted permission for the Department to fill the post of Chief Financial Officer with effect from January 2016. Following these appointments, DPWRT is now well positioned to achieve better governance, efficiency, accountability and improved service quality.

Rationalisation

In line with the directive to decrease the Provincial wage bill, the Department embarked on the process of rationalizing its operations and personnel. Subsequently, the rationalisation of senior managers was completed and the focus in 2016/17 will be on level 01 – 12. The aim of this exercise is to put more funds on the core services than compensation of employees which will enable government to realise the prosperous society envisaged by all.

Information Communication Technology

In 2015/16, the Department of Finance continued to host and operate a shared ICT infrastructure service for the province. This arrangement is managed through Service Level Agreements and continues to realise economies of scale for Mpumalanga. To enhance ICT governance within the Department, an ICT Strategy and ICT Governance Framework were developed. These documents will also go a long way in addressing the Information Technology Audit outcomes for 2014/15.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The following policy directives had an impact on the operations of the Department during the reporting period and will continue to do so in future periods.

Operation Vuka Sisebente (OVS)

The Mpumalanga Provincial Government realises that working with and listening to its stakeholders is essential. To this regard the Province adopted a new service delivery model called Operation Vuka Sisebente. This new approach is aimed at increasing coordination and communication

amongst different stakeholders and across sectors, which in turn will lead to increased efficiency and effectiveness in service delivery. DPWRT and all other departments are expected to participate at the community level where services are delivered

Green Building Framework

The National Department of Public Works has developed a Green Building Framework. The aim of this framework is to project the South African built environment's contribution towards climate change mitigation actions and further contribute to the implementation of National Climate Change Response Strategy, which seeks to meet same ideals at a broader level.

In accordance with this framework, the Mpumalanga Provincial Department of Public Works, Roads and Transport requested proposals for assistance in putting in place an integrated model for the reduction of energy consumption in all our buildings. As part of this process, the assessment and audit of equipment at the Riverside Government Complex commenced on the 1st of December 2015 and was completed in January 2016. The roll out plan has been developed and the assessment and audit for other buildings will be completed by August 2016.

National Learner Transport Policy

The primary objectives of the policy is to provide uniform approach, norms and standards, promote co-ordination and co-operation amongst stakeholders and provide a framework for monitoring and evaluation of learner transport services. Going forward, learner transport will be provided on the basis of a number of guiding principles, including operational safety and efficiency, broad based access, equity and redress, operational sustainability and multi-modal integration. In the medium to long term, measures will be implemented to ensure that learner transport is integrated with mainstream public transport.

Central Supplier Database (CSD)

From 1 September 2015 prospective suppliers were able to self-register on the CSD website. Suppliers can now capture and update their information on the CSD at any time, in preparation for the utilisation of supplier data through procurement and financial systems used by all organs of state from 01 April 2016. This system is one of the measures to reduce the cost of doing business with government. It will also ensure equal access to business opportunities not like the current system which is open to abuse.

Departmental Policies

The Unauthorised, Irregular and Fruitless and Wasteful Expenditure Policy was developed and approved in the 2015/16 financial year.

3. STRATEGIC OUTCOME ORIENTED GOALS

The table below describes the Department's strategic outcome oriented goals as reflected in the Strategic Plan and the progress made towards the achievement of these goals.

Goal	Progress between 01 April 2015 and 31 March 2016
Efficient and effective governance.	In a time when belt-tightening is the norm, the Department had to put more funds on the core services (80%) than compensation of employees (20%). The Department spent 99.98% of its allocation in pursuance of its set strategic outcome oriented goals. Other achievements in support of good governance include signing of performance agreements by all employees, appointment of a new Audit Committee and External Chairperson for the Risk Management Committee. DPWRT also developed an ICT Strategy as a key enabler of the Department's Strategic Plan. This strategy will guide the Department's acquisition, management and use of information and communication technology for the period between 2015-2020.
A balanced and equitable provincial government building infrastructure portfolio.	The building infrastructure portfolio has a strong social investment focus—a focus that is critical to the social development to meet the growth and development challenges Mpumalanga. To this regard, 176 building infrastructure projects were completed in the previous year. The Department also completed 20 building maintenance projects and condition assessment of 100 state-owned buildings as part of enhancing its property management portfolio. Over and above this, we trained 27 officials to do the condition assessment in-house. Finally, a lot was learnt from the year with more experience and knowledge garnered. It is with this knowledge base that the Department intends to propel into the coming year with better results and outcomes.
Transport infrastructure delivery.	In the past 12 months, DPWRT completed 7 designs, rehabilitated 137 lane kilometers of roads, upgraded 10 kilometers of gravel roads and regavelled 851 kilometers of roads. In addition, the Department resealed 828 016 square meters of surfaced roads, patched 182 675 square meters of surfaced roads and bladed 28 078 kilometers of gravel roads. A number of construction and maintenance projects also reached various milestones during the year under review. These projects will facilitate mobility and enhance safety for various modes of transportation. Not only will they improve access, they will also provide new connections and help to shape future growth of many local communities.
Transport system management, operation and regulation.	The Department worked with other agencies and ministries on a range of integrated transport policy, planning, regulation and service delivery projects aimed at the safe and sustainable movement of people and freight. These agencies include municipalities, taxi councils, bus operators, commuter forums, freight forums, etc. During the year under review, approximately 353 000 commuters benefited from government's bus subsidy. In addition, almost 60 231 learners were transported thus giving them access to education. DPWRT also worked closely with the Department of Community Safety, Security and Liaison to address emerging traffic safety concerns.

Goal	Progress between 01 April 2015 and 31 March 2016
Coordination of EPWP III across the Province.	The Department of Public Works, Roads and Transport has been mandated to coordinate implementation of the Expanded Public Works Programme (EPWP) on behalf of the province. Therefore, the budgets for EPWP are not made directly to the DPWRT but to various state and non-state entities. As part of its coordinating efforts, the Department coordinated 30 public bodies that reported on work opportunities created through the use of labour intensive methods. In total, there were 4 interventions (i.e. One-on-one engagements, Munimec, technical support and sector meetings) implemented to support the public bodies and 3 beneficiary empowerment interventions (i.e. Sakh'abakhi, National Youth Service and Siyatentela) to support emerging contractor development.

Progress towards achievement of National Outcomes and National Development Plan Priorities

The Department has made strong progress in each of the national outcomes that will ultimately deliver the National Development Plan (NDP) priorities. DPWRT has a responsibility to oversee the implementation of National Outcome 6: an efficient, competitive and responsive economic infrastructure network. This priority is vital to achieving economic growth and job creation, increasing trade and providing Mpumalanga with access to goods and services.

The building infrastructure portfolio has a strong social investment focus - a focus that is critical to the social development to meet the growth and development challenges of the province. To this regard, DPWRT supports implementation of other national outcomes e.g. 1, 2, 3, 13 and 14. The Department delivered 175 projects in a manner that promotes its vision of providing infrastructure that supports socio-economic development.

The fifth administration is committed to creating 6 million work opportunities by the end of its term. The provincial contribution to this massive target is 300 918 work opportunities. This target will by and large be delivered through the Expanded Public Works Programme (EPWP). The rationale behind this programme is to bridge the divide between the "haves" and "have nots" thereby contributing towards the triple trajectory of social equality, poverty alleviation and employment generation. At 31 March 2016, Mpumalanga had created 75 807 work opportunities against its MTSF target thus indicating a 25% achievement.

The Department continued with its major organizational changes to reduce spending, improve efficiency and make operations more cost-effective so it can preserve funding for core priorities. Ensuring that government operate as efficiently as possible is only part of the picture. Innovation is vital and to achieve this, DPWRT looked at identify innovative ways to deliver more efficient and better value. In order to manage the Provincial road network, the DPWRT is operating an advanced Road Asset Management System (RAMS) and Maintenance Management System (MMS) that provide invaluable information for informed decision-making for short and long term matters.

Notes

The Department of Community Safety, Security and Liaison (DCSSL) is responsible for the road safety component of Outcome 3: Safety and Security. Therefore, DCSSL will report performance on the following customised sector indicators:

- Number of speed operations conducted
- Number vehicles weighed.
- Number of drunken driving operations conducted.
- Number of vehicles stopped and checked.
- Number of compliance inspections conducted.
- Number of road safety awareness programmes.
- Number of schools involved in road safety education programme.

4. PERFORMANCE INFORMATION BY PROGRAMMES

4.1 PROGRAMME 1: ADMINISTRATION

Purpose

The purpose of this Programme is to provide the Department with administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

Sub-programmes

- Office of the MEC
- Management of the Department
- Corporate Support

Strategic objectives

- Enhance good governance and accountability.
- Improve overall performance of the Department.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme played a supportive role in pursuit of the Department's vision to provide an integrated transport system and infrastructure that promotes socio-economic development. It managed to achieve 7 of its 8 (88%) performance indicators for the year under review.

Strategic objectives

PRGOGRAMME 1: ADMINISTRATION					
Strategic objectives	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement for 2015/16	Comment on deviations
Improve overall performance of the Department	99.9% Expenditure	100% Expenditure	99.8% Expenditure	-0.2% Expenditure	None
	78% APP targets	80% APP Targets	58% APP Targets	-22% APP Targets	See reasons for deviation below
Enhance good governance and accountability	Unqualified audit opinion	Clean audit opinion	Unqualified audit opinion.	There were minimal matters of emphasis.	An audit action plan will be developed to address these matters.

Reasons for deviations

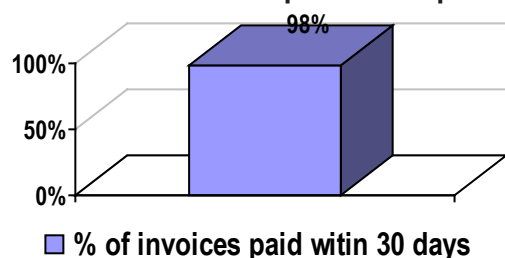
The Department managed to achieve 58% (33 of 57) of its set targets. Most of the under-performance was mainly from Programme 4 (Transport Operations) and 5 (Community Based Programmes). The reasons for deviations from planned targets are provided in detail under each Programme.

The Auditor-General raised minimal matters of emphasis on the Department's Annual Report. Refer to page 108 for the Report of the Auditor-General under Part E: Financial Information.

Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
8	7	1	88%

Targets not achieved expressed in percentages



Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-Programme: Corporate Support					
% of Performance agreements signed	98%	100%	100%	None.	None.
Number of interns enrolled	108	100	100	None.	None.
Number of learners enrolled	50	50	50	None.	None.
Annual Performance Plan submitted for tabling	1	1	1	None.	None.
Annual Report submitted for tabling	1	1	1	None.	None.
Evaluation Study conducted	0	1	1	None.	None.

Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
% of Invoices received and paid within 30 days	99.9%	100%	98%	-2%	Some payments were not processed within 30 days due to insufficient cash.
Total amount of revenue collected	R 23.8 million	R 22 million	R 28 million	R 6 million	Overcollection was due to interest accrued on bank account, revenue on financial assets and impound fees.

Strategy to overcome area of under performance

The Department paid 98% of invoices received within 30 days. The deviation of 2% was due to insufficient cash in the bank account of the Department. Extra efforts will be made to ensure alignment to the cash-flow projections that are submitted to Provincial Treasury.

Linking performance with budgets

This Programme managed to spend 100% of its budget and achieved 88% of its planned targets for the year. The expenditure includes costs related to people, processes and technology which were utilised to pursue efficient and effective services delivery.

Changes to planned targets

The Programme did not make any in year changes to its planned targets that are contained in the tabled APP.

Sub-programme expenditure

Sub-programme name	2015/16			2014/15		
	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Office of the MEC	6,044	6,044	0	6,251	6,250	1
Management of the Department	3,375	3,375	0	3,950	3,950	0
Corporate Support	219,225	219,225	0	217,205	217,205	0
TOTAL	228,644	228,644	0	227,406	227,405	1

4.2 PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Purpose

The purpose of this Programme is to provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive which supports economic development and social empowerment.

Sub-programmes

- Programme Support
- Design
- Construction
- Maintenance
- Property Management

Strategic objectives

- Implementation of building infrastructure projects within the prescribed time and budget.
- Enhance property management.

Strategic objectives, performance indicators, planned targets and actual achievements

The Programme achieved 10 of its 13 (77%) performance indicators. This has assisted DPWRT to enhance its role as an implementing agent which delivers a balanced and equitable provincial government building infrastructure portfolio.



Strategic objectives

PRGOGRAMME 2: PUBLIC WORKS INFRASTRUCTURE					
Strategic objectives	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement for 2015/16	Comment on deviations
Implementation of building infrastructure projects within the prescribed time and budget.	50% of Projects completed within time	100% of Projects completed within time	37% of Projects completed within time	-63% of Projects completed within time	See reasons below.
	82% of projects completed within budget	100% of projects completed within budget	60% of projects completed within budget	-40% of projects completed within budget	See reasons below.
Enhance property management.	New strategic objective	12 UAMPs	10 UAMPs submitted	2 UAMPs not submitted	Non-compliance by 2 user departments.

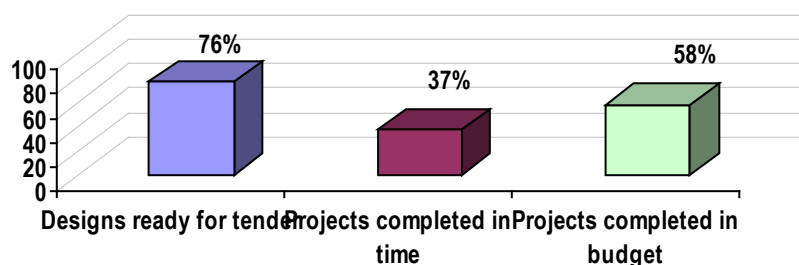
Reasons for deviations

- Projects completed in time and budget**
 Under performance on targets relating to projects completed relate to poor project management, slow contractor performance, termination of contractor appointments, late payments, pending approval of variation orders, budgetary constraints and withdrawal of projects by client departments.
- User Asset Management Plans (UAMPs)**
 The Department of Health and Department of Human Settlements did not submit their User Asset Management Plans to the Provincial Treasury. Therefore, the Provincial Custodian Asset Management Plan (CAMP) excludes these two user departments.

Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
13	10	3	77%

Targets not achieved expressed in percentages



Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Design					
CAMP submitted to the relevant Treasury in accordance with GIAMA	1	1	1	None.	None.
Number of infrastructure designs ready for tender	New indicator	71	54	-17	Reasons include withdrawal of projects, non-availability of sites and delay in finalization of brief documentation.
		DoE=27	DoE=26	-1	
		DoH=25	DoH=16	-9	
		DSD=8	DSD=6	-2	
		DCSR=11	DCSR=6	-5	

Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Construction					
Number of capital infrastructure projects completed within the agreed time period	61	120	44	-76	Reasons include late payments, poor performing contractors, labour unrest and the re-prioritisation of projects by client departments. Refer to pages 38-39 for detailed reasons per client department.
	DoE=58	DoE=74	DoE=41	-33	
	DoH=2	DoH=28	DoH=2	-26	
	DSD =0	DSD =10	DSD=1	-9	
	DCSR=1	DCSR=8	DCSR=0	-8	
Number of capital infrastructure projects completed within agreed budget	107	120	69	-51	
	DoE=79	DoE=74	DoE=57	-17	
	DoH=22	DoH=28	DoH=6	-22	
	DSD =3	DSD =10	DSD =3	-7	
	DCSR=3	DCSR=8	DCSR=3	-5	
Value of contracts awarded to HDI contractors expressed as a percentage of the total value of contracts awarded	100%	85%	100%	15%	More bids were received from HDI contractors.
Value of contracts awarded to WOE's contractors expressed as a percentage of the total value of contracts awarded	83%	30%	77%	47%	More bids were received from Women Owned Enterprises (WOEs).
Sub-Programme: Maintenance					
Number of planned maintenance projects awarded	New indicator	20	20	None.	None.
Number of planned maintenance projects completed within the agreed contract period	New indicator	20	20	None.	None.
Number of planned maintenance projects completed within the agreed budget	New indicator	20	20	None.	None.
Sub-Programme: Property Management					
Number of immovable assets verified in the Immovable Asset Register (IAR) in accordance with the mandatory requirements of National Treasury	2 500	605	605	None.	None.

Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Number of properties receiving facilities management services	9	9	9	None.	None.
Number of condition assessments conducted on state-owned buildings	600	100	100	None.	None.
Number of leases concluded in respect of office accommodation	19	10	11	1	DARDLEA was requested to vacate a government building in Middelburg.

Strategy to overcome area(s) of under performance

The underperformance on designs ready for tender and capital projects completed within time and budget were due to the withdrawal of projects by client departments, changes in scope of work, delays in the planning and procurement processes, site or municipal related challenges poor performance by contractors and poor project management.

Final approved budgets and project lists should be signed-off by client departments before the commencement of the new financial year as required by the IDMS. Consideration will also be made to utilise the technical capacity which is available within the various client departments.

Reasons for under achievement on infrastructure designs ready for tender

- **DOE:**
 - Bambisana Primary School was cancelled as the learners were re-allocated to another School.
- **DOH:**
 - Ogies Clinic was not suitable for renovation as it is located inside a School.
 - Khumbula and Oakley Clinics were found not to be structurally sound and therefore not suitable for rehabilitation, renovation and repair works.
 - Works on Matibidi and Impungwe Hospitals were withdrawn.
 - Compliance works on Rob Ferreira Hospital delayed the project which is planned for completion in April 2016.
 - Mapulaneng Hospital was delayed by the clinical brief.
 - Works on Nkangala District Office was rescheduled due to the extent of the scope.
 - Kanyamazane Community Health Centre (CHC) was experiencing site related challenges.
- **DSD:**
 - Planning and designs for the Ehlanzeni

Secure Care Centre and Nkangala Inpatient Center could not be concluded within the financial year. Nkangala Inpatient Youth Treatment Centre has been prioritized for construction in the 2016/17 financial year.

- **DCSR:**
 - Planning for Combo-court was completed in the previous financial year.
 - Planning on the Cultural Hub and High Altitude Training Centre await way forward on the appropriate funding arrangement.
 - Planning on the KaNyamazane Library was delayed due to non-suitability of the site.
 - Non-confirmation of project site for the Bushbuckridge Dual Purpose Library.
- **Projects not completed within the contract period and budget**
 - **DOE:**
 - 17 projects were not achieved due to the following:-
 - Cancellation of 9 projects.
 - Contractor behind schedule on Ebuhleni Primary and Khumbula Secondary schools.
 - Additional works on Ngilandi Secondary School.
 - Landulwazi Combined and Bethamoya Primary Schools are still under planning.
 - Vezimfundo and Magotshwa Primary schools are under procurement.
 - Tekwane North Secondary school's completion date was extended to April 2016 due to the difficult terrain in which the School is built.
 - **DOH:**
 - 5 Rehabilitation, refurbishment and report (RRR) projects were discontinued as they were not suitable for repairs, renovation or rehabilitation.
 - 13 RRR projects will only be complete in the 1st quarter of the 2016/17 financial year.
 - Mapulaneng Hospital (Phase 1: Fencing) delay in commencement of works due to unconfirmed site and outstanding brief document.
 - Sabie Hospital was delayed by the increase

- in scope i.e. expansion of access road.
- Mammethlake Hospital will only be completed in the 2017/18 financial year.
- Delmas storm damage repair was attended to under maintenance.
- **DSD:**
 - Hendrina Branch: all connections have been concluded. The Client Department is now finalizing all outstanding administration issues with the local municipality.
 - 6 ECD centers: Delays in the planning process and insufficient budget to commence with all 6 projects.
- **DCSR:**
 - Mgobodzi Library was affected by non-payment of sub-contractors by main contractor.
 - Thusiville Dual Purpose Library Late conclusion of planning processes resulting to late commencement of works.

- Acornhoek Library was delayed by delivery of panel fittings and other essential building materials for super-structure.
- Daggakraal Library was withdrawn by the client department as another library was sited at close proximity.
- Sabie Library was only awarded in December 2015.

Linking performance with budgets

The Programme spent 99.3% its budget allocation for the year under review with 77% of targets achieved. The budget includes expenditure on other operational related activities which are not included as targets in the Annual Performance Plan. Also notable, the capital budget for most of the projects implemented by this Programme is allocated to the various client departments. Therefore, not all the performance outputs of this Programme are directly linked to its expenditure outcome.

Sub-programme expenditure

Sub-programme Name	2015/16			2014/15		
	Final appropriation R'000	Actual expenditure R'000	(Over)/under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/under expenditure R'000
Programme Support	3,720	3,720	0	3,101	3,100	1
Design	16,688	16,688	0	16,505	16,505	0
Construction	36,409	36,409	0	24,074	24,074	0
Maintenance	17,890	17,890	0	13,251	13,251	0
Property Management	599,086	594,498	4,588	533,689	533,688	1
TOTAL	673,793	669,205	4,588	590,620	590,618	2

4.3 PROGRAMME 3: TRANSPORT INFRASTRUCTURE

Purpose

The purpose of this Programme is to promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

Sub-programmes

- Programme Support
- Infrastructure Planning

- Design
- Construction
- Maintenance

Strategic objective

- Improve the provincial road network.

Strategic objectives, performance indicators, planned targets and actual achievements
In support of economic growth, the Department delivered better roads across the Province. A number of key infrastructure projects aimed at connecting people and goods were implemented during 2015/16. This Programme achieved 4 of its 5 (54%) planned outputs at year end.

Strategic objectives

PROGRAMME 3: TRANSPORT INFRASTRUCTURE					
Strategic objective	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Improve the provincial road network.	New strategic objective.	Very good=10%, Good= 24%, Fair = 27%, Poor = 34% and very poor = 5%	Very good =11% Good= 21%, Fair = 28%, Poor = 32% and very poor = 8%	Very good = 1%, Good= -3%, Fair = 1%, Poor = -2% and very poor = -3%	See reason for deviation in the next page.

Reasons for deviations

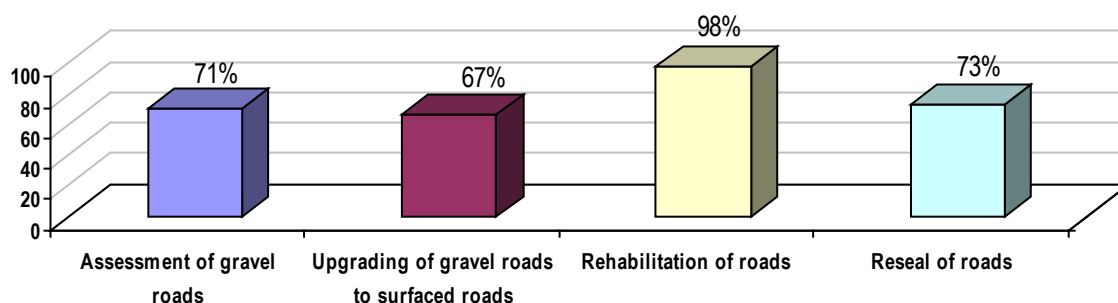
The biggest deviation from poor to very poor is as a result of inadequate funds for rehabilitation of roads. The roads that deteriorated from fair to poor is an indication that more preventative maintenance is required. The lifespan of roads

in fair condition can generally be significantly extended through reseal and similar actions which would prevent the regress into poor condition which would require more funding.

Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
9	5	4	56%

Targets not achieved expressed in percentages



Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Infrastructure Planning					
Number of kilometers of surfaced roads visually assessed as per the applicable TMH manual	5 475	5 200	5 428	228	The assessment was based on the DORA factors requirements and compliance.
Number of kilometers of gravel roads visually assessed as per the applicable TMH manual	2 066	3 500	2 495	-1 005	The assessment was based on the DORA factors requirement and compliance.
Sub-programme: Design					
Number of Infrastructure designs completed	6	4	7	3	Additional designs were completed due to increased infrastructure demand (flagship projects)
Sub-programme: Infrastructure Construction					
Number of kilometers of gravel roads upgraded to surfaced roads	32	15	10	5	The contractor submitted an application for extension of time due to budgetary constraints (Road D3968 between R40 junction and Merry Pebbles).

Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Maintenance					
Number of lane-km of surfaced roads rehabilitated Number of square meters of surfaced roads rehabilitated	162	140 (615 000)	137 (602 800)	-3 (-12 200)	The contractor has cash flow challenges and is under business rescue. Special meetings were held with the contractor and warnings were issued. The contract has since been recommended for termination (Road P17/6 (R538) Jerusalem to R40 Casterbridge).
Number of square meters of surfaced roads resealed	807 113	1 138 925	828 016	-310 909	Orders were issued late due to delayed panel inspections, consultation and budget adjustment for under funded projects.
Number of kilometers of gravel roads re-gravelled	122	145	851	706	There was a high demand for regraveling and Municipal Support Programme.
Number of square meters of blacktop patching (including pothole repairs)	138 980	97 810	182 675	84 865	There was a high demand for patching and Municipal Support Programme.
Number of kilometers of gravel roads bladed	27 066	23 460	28 078	4 618	There was a high demand for blading and Municipal Support Programme.

Strategy to overcome areas of under performance

- The Department was not able to complete the visual assessment of all gravel roads as planned but instead managed to assess more surfaced roads. Baseline information will be used in future target setting.
- Monthly site visits and quarterly project review meetings will be undertaken to address identified challenges on construction and maintenance projects. Interventions on poor performing contractors will be applied as guided by the contract agreement and Joint Building Contracts Committee (JBCC).
- The reseal of surfaced roads was delayed at the beginning of the financial year due to late finalisation of project lists by municipalities. Consultation with municipalities will be done early in order to improve maintenance planning and rollout of the Municipal Support Programme.

Linking performance with budgets

This Programme spent 99.8% of its budget allocation to achieve 56% of its targets. The budget includes expenditure on other operational related activities which are not included as targets in the Annual Performance Plan. Some funds were redirected to settle accruals and towards the Municipal Support Programme.



Sub-programme expenditure

Sub-programme Name	2015/16			2014/15		
	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Programme Support	1,566	1,566	0	1,410	1,410	0
Infrastructure Planning	66,581	66,581	0	64,596	64,596	0
Design	44,884	40,490	4,394	19,170	19,170	0
Construction	1,225,581	1,225,553	28	1,275,798	1,275,798	0
Maintenance	980,481	980,481	0	1,008,890	1,008,890	0
TOTAL	2,319,093	2,314, 671	4,422	2,369,864	2,369,864	0

4.4 PROGRAMME 4: TRANSPORT OPERATIONS

Purpose

The purpose of this Programme is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, CBOs, NGOs and the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access.

Sub-programmes

- Programme Support
- Public Transport Services
- Transport Safety and Compliance
- Transport Systems

- Infrastructure Operations

Strategic objectives

- Efficient and effective management of transport services.

Strategic objectives, performance indicators, planned targets and actual achievements

The Programme's achieved 9 of its 17 (53%) performance indicators. However, it should be noted that most of the performance indicators for the Public Transport Services sub-programme were statistical in nature. Notwithstanding an average of 90% was achieved on these indicators.

Strategic objectives

PROGRAMME: TRANSPORT OPERATIONS					
Strategic objectives	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Efficient and effective management of transport services	6 Public Transport contracts	6 Public Transport contracts	6 Public Transport contracts	None.	None.
	111 Scholar transport contracts	111 Scholar transport contracts	111 Scholar transport contracts	None.	None.

Reasons for deviations

None.

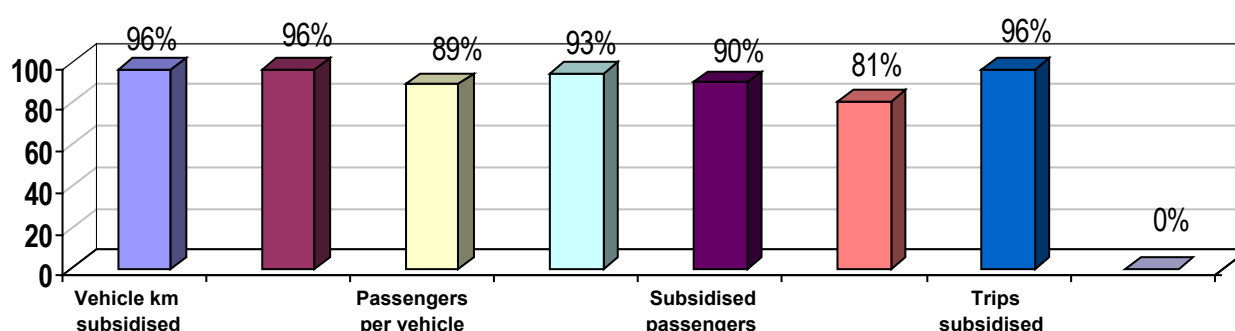
Changes to planned targets

The Programme did not make any in year changes to its planned targets that are contained in the tabled APP.

Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
17	9	8	53%

Targets not achieved expressed in percentages



Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Public Transport Services					
Number of vehicles subsidised	567	577	577	None.	None.
Number of routes subsidised	154	154	154	None.	None.
Number of vehicle kilometers subsidised	27 079 808	27 752 362	26 654 741	-1 097 621	The under achievement was due to the community protests and retrenchments by specific industries and employers.
Kilometers operated per vehicle	47 760	48 097	46 195	-1 902	
Passengers per vehicle	110 045	110 140	98 033	-12 107	
Passengers per trip operated	75.4	74.4	68.8	-5.6	
Staff per vehicle	2.2	2.1	2.1	None.	
Number of subsidised passengers	55 239 401	56 454 793	50 807 914	-5 648 879	
Number of unsubsidised passengers	7 201 147	7 096 061	5 757 278	-1 338 783	
Number of trips subsidised	828 877	853 866	822 213	-31 653	There were budgetary constraints within the Department.
Number of bicycles procured	New indicator	6 500	0	-6 500	
Number of PRE hearings conducted	New indicator	48	48	None.	None.
Number of scholar transport operators contracted	111	111	111	None.	None.
Number of scholar transport routes monitored	1 375	1 364	1 364	None.	None.
Number of learners transported	11 811 446	60 074	60 231	157	None.
Sub-programme: Regulation and Control					
Number of roadblocks conducted	2 165	2 500	2 850	350	The Transport Inspectorate had to work double shifts to align to the revised Easter Plan by Road Traffic Management Cooperation (RTMC).
Sub-programme: Transport Infrastructure					
Number of projects completed	4	4	4	None.	None.

Strategy to overcome area(s) of under performance

□The Department under performed on 8 targets relating to Public Transport Services which was due to economic trends relating to community protests and retrenchments. Some operators were prevented from operating on weekends. The Transport Sector has since revised its customised indicators for the 2016/17 financial and these were discarded due to their dependency on a number of external factors.

□The procurement of bicycles was not done due to budgetary constraints within the Department. The target was revised in the 2016/17 financial year as per the available budget allocated.

Changes to planned targets

The Programme did not make any in year changes to its planned targets that are contained in the tabled APP.

Linking performance with budgets

This Programme spent 99.9% of its budget thus resulting in an under expenditure of R 790 000. This amount was surrendered to Treasury as per the Division of Revenue of Act (DORA). Also notable is that transport operations were rendered as per existing contractual agreements despite not having enough passengers. The expenditure also includes other operational related activities which were not included as targets in the Annual Performance Plan.

Sub-programme expenditure

Sub-programme name	2015/16			2014/15		
	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Programme Support	1,972	1,972	0	1,914	1,914	0
Public Transport Services	1,028,382	1,027,592	790	934,467	934,041	426
Transport Safety and Compliance	43,985	43,985	0	30,226	30,226	0
Transport Systems	10,017	10,017	0	12,703	12,703	0
Infrastructure Operations	23,144	23,144	0	15,024	15,024	0
TOTAL	1,107,500	1,106,710	790	994,334	993,908	426

4.5 PROGRAMME 5: COMMUNITY BASED PROGRAMMES

Purpose

The purpose of this Programme is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme.

Sub-programmes

- Programme support
- Community development
- Innovation and empowerment

- EPWP coordination and monitoring

Strategic objectives

- Coordinate, monitor and evaluate implementation of EPWP III across the Province.

Strategic objectives, performance indicators, planned targets and actual achievements

In line with EPWP imperatives, this Programme continued with the coordination of job creation across the Province. It also conducted an evaluation study to determine the impact of EPWP II: 2009 – 2014. The outcomes of the study is to improve the basis for decision making and assist the Province with advancement of EPWP.

Strategic objectives

PROGRAMME 5: COMMUNITY BASED PROGRAMMES					
Strategic objective	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Coordinate, monitor and evaluate implementation of EPWP III across the Province.	50 467 Work opportunities created	57 599 Work opportunities created	25 340 Work opportunities created	-32 259 Work opportunities created	<ul style="list-style-type: none"> ▪ Under achievement was due to the strict validation requirements of the new reporting system; ▪ Minimal reporting by public bodies; ▪ Projects not complying with the prescribed daily wage.

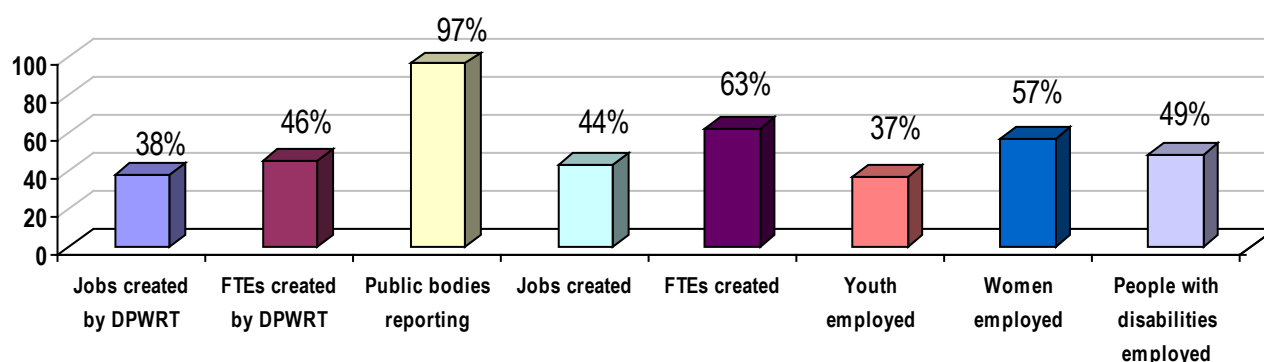
Reasons for deviations

Under achievement was due to the strict system validation requirements and non-compliance to minimum daily wages paid.

Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
10	2	8	20%

Targets not achieved expressed in percentages



Performance indicator	Actual achievement 2014/2015	Planned target 2015/2016	Actual achievement 2015/2016	Deviation from planned target to actual achievement for 2015/2016	Comment on deviations
Sub-programme: Community Development					
Number of EPWP work opportunities created by the Provincial Department of Public Works/ Roads	16 577	17 770	6 638	-11 132	Under achievement was due to the strict validation requirements of the new reporting system.
Number of Full Time Equivalents (FTEs) created by the Department of Public Works/ Roads	5 953	5 795	2 690	-3 105	
Sub-programme: Innovation and Empowerment					
Number of Beneficiary Empowerment Interventions	3	3	3	None.	None.
Number of public bodies reporting on EPWP targets within the Province	New indicator	31	30	-1	Non reporting by the Department of Human Settlements.
Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the Province	4	4	4	None.	None.
Sub-programme: EPWP Co-ordination and Monitoring					
Number of jobs created	50 467	57 599	25 340	-32 259	<ul style="list-style-type: none">Under achievement was due to the strict validation requirements of the new reporting system;Minimal reporting by public bodies;Projects not complying with the prescribed daily wage.
Number of Full Time Equivalents (FTEs)	22 798	22 597	14 258	-8 339	
Number of youths employed (18-35)	26 544	31 679	11 814	-19 865	
Number of women employed	32 887	31 679	18 058	-13 621	
Number of people with disabilities	75	1 152	562	-590	

Strategy to overcome areas of under performance

The province and the Department were not able to achieve their EPWP targets as set by the National Department of Public Works. This was mainly due to the strict validation criteria of the new EPWP reporting system. Reforms will be introduced to ensure amongst others, reporting by all public bodies, record keeping and monitoring of EPWP projects.

Changes to planned targets

The Programme did not make any in year changes to its planned targets that are contained in the tabled APP.

Linking performance with budgets

EPWP involves the participation of many departments and municipalities rather it being a single line budget item that runs through the Department of Public Works, Roads and Transport. Therefore, the expenditure for this Programme relates to coordination of EPWP III across the Province and other programme related activities. All public bodies are responsible for implementation, reporting and record keeping for their EPWP projects.

Sub-programme expenditure

Sub- programme name	2015/16			2014/15		
	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Programme Support	1.820	1.820	0	1.357	1.356	1
Community Development	39,281	39,277	4	33,375	33,375	0
Innovation and Empowerment	17,265	17,265	0	13,144	13,144	0
EPWP Co-Ordination and Monitoring	12,653	12,653	0	11,491	11,491	0
TOTAL	71,019	71,015	4	59,367	59,367	1

5. TRANSFER PAYMENTS**5.1 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES**

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

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38(1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Bus companies Mpumalanga Provincial Taxi Council	Public transport	Bus subsidies and funding Taxi operators	Yes	R524,835	R524,835	N/A
All provincial local municipalities	Municipalities	Rates and taxes	Yes	R148,324	R148,324	N/A
Households	Employees	Injury on duty, leave gratuity and claims against the state (cash)	Yes	R14,386	R14,386	N/A
Independent Communications Authority of South Africa	Communication	License fees	Yes	R23	R23	N/A

6. CONDITIONAL GRANTS**6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED**

The Department of Public Works, Roads and Transport received three conditional grants from National Treasury amounting to R2, 237,728 billion. The Department managed to spend R2, 236,907

billion (99.99%) by the end of the financial year. The tables below describe each of the conditional grants and earmarked funds received by the Department.

Provincial Road Maintenance Grant

Department who transferred the grant	National Treasury.
Purpose of the grant	To supplement provincial roads investments and support preventative, routine and emergency, maintenance on provincial road networks. Ensure provinces implement and maintain road asset management systems. Promote the use of labour-intensive methods in road maintenance. Repair roads and bridges damaged by floods.
Expected outputs of the grant	Improvement of the Provincial roads infrastructure.
Actual outputs achieved	Improvement of the Provincial roads infrastructure.
Amount per amended DORA (R'000)	1,719,418
Amount received (R'000)	1,719,418
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	1,719,391
Reasons for the funds unspent by the entity	Not applicable.
Reasons for deviations on performance	Not applicable.
Measures taken to improve performance	Not applicable.
Monitoring mechanism by the receiving department	Monthly monitoring contract meeting and physical monitoring.

Public Transport Operations Grant

Department who transferred the grant	National Treasury.
Purpose of the grant	To provide supplementary funding towards public transport services provided by the provincial department.
Expected outputs of the grant	To provide access to transport facilities for the citizens of the Province.
Actual outputs achieved	Provision of access to transport facilities for the citizens of Mpumalanga Province.
Amount per amended DORA (R'000)	502,272
Amount received (R'000)	502,272
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	501,482
Reasons for the funds unspent by the entity	Not applicable.
Reasons for deviations on performance	Not applicable.
Measures taken to improve performance	Not applicable.
Monitoring mechanism by the receiving department	Monthly monitoring contract meeting and physical monitoring.

Expanded Public Works Incentive Grant

Department who transferred the grant	National Treasury.
Purpose of the grant	Performance based grant for job creation.
Expected outputs of the grant	EPWP Incentive Grant.
Actual outputs achieved	EPWP Incentive Grant.
Amount per amended DORA (R'000)	16,038
Amount received (R'000)	16,038
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	16,034
Reasons for the funds unspent by the entity	Not applicable.
Reasons for deviations on performance	Not applicable.
Measures taken to improve performance	Not applicable.
Monitoring mechanism by the receiving department	Monthly monitoring contract meetings and physical monitoring done. Reporting done according to the prescribed template from DORA.

7. CAPITAL INVESTMENT

7.1 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

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

Building infrastructure projects were implemented as per the Infrastructure Project Management Plans (IPMPs) and User Asset Management Plans (UAMPs) received annually from client departments. Also significant progress has been made towards compliance with Government Immovable Asset Management Act (GIAMA). To this regard 605 immovable assets were verified in accordance with the mandatory requirements of National Treasury.

The Road Asset Management System (RAMS) is in place to aggregate the total road condition in order to support evidence-based planning across the province. In the previous year, visual assessment was conducted on 5 428 kilometers of surfaced roads and 2 495 kilometers of gravel roads. The results from the detailed assessment of the road network and subsequent analyses were documented to provide high level decision support information regarding the Province's road asset management function.

Infrastructure projects which have been completed in the 2015/16 financial year:

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
Department of Education				
1. Mapulaneng College (ECDI Phase 1)	Repairs and renovations.	27-Feb-15	29-Apr-15	There was poor work progress by the contractor.
2. EJ Singwane Secondary School (sanitation)	Construction of 28 Enviro-Loo toilets and demolishing of 16 pit toilets.	30-Apr-15	30-Apr-15	None.
3. Siligane Secondary School (sanitation)	Construction of 12 Enviro-Loo toilets and demolishing of existing pit toilets.	30-Apr-15	30-Apr-15	None.
4. Ehlanzeni District Office	Renovations.	05-May-14	25-May-15	There was poor performance by the contractor and delayed decision on the revised scope with end user.
5. Lindzalokuhle Primary School	Construction of 16 enviro-loo toilets and demolishing of existing pit toilets.	26-Apr-15	19-Jun-15	There was poor work progress by the contractor.
6. Osizweni Special School	Construction of 8 new classrooms, admin block, media centre, hall, 4 new workshops, guard house, fencing, water and electricity.	23-Oct-14	26-Jun-15	There was poor work progress by the contractor.
7. Tsandzanani Primary School	Demolition of 18 unsafe classrooms and construction of 18 new classrooms and 20 Enviroloos.	20-Mar-16	16-Jul-15	The construction was completed ahead of time.
8. Moses Mnisi Secondary School	Demolition of the existing structures and construction of new 28 classrooms, admin block, science laboratory, library, computer centre, hall, kitchen, 45 toilets, water, fencing, guard house, car parking, electricity and 3 sports field.	31-Mar-15	22-Jul-15	An Extension of Time (EOT) was approved.
9. Hlomani Secondary School	Construction of a new science laboratory.	13-May-15	26-Aug-15	The project was delayed due to late delivery of material and gas installations.
10. Tfolinhlanhla Primary School	Repair and upgrade storm damaged facility.	15-Sep-15	28-Aug-15	The construction was completed ahead of time.
11. Lugedlane Primary School	Repair of storm damages.	12-Oct-15	28-Aug-15	The construction was completed ahead of time.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
12. Gedlembane Secondary School	Completion of 8 classrooms, computer, library, 18 toilets, and construction of new school hall, admin and renovation of existing 20 classrooms and demolishing of admin block, toilets and fencing.	29-Nov-13	25-Aug-15	The project was delayed due to poor contractor performance.
13. Dundonald Circuit office	Repair of storm damages.	12-Oct-15	08-Sep-15	The construction was completed ahead of time.
14. Mpisane Primary School	Demolish of unsafe structures, construction of 16 classrooms with supporting facilities, ablutions, Grade R facilities, administration block, library, kitchen, computer centre, gate house, upgrading of water and electricity, fence, parking and covered walkways.	12-Mar-15	16-Sep-15	There were delays due to community strikes in the area, removal of mobile classrooms and poor performance by the contractor.
15. Maridili Primary School	Repair of storm damages.	03-Sep-15	21-Sep -15	There was poor work progress by the contractor.
16. Mosipa Primary School	Repair of storm damages.	08-Sep-15	29- Sep-15	Approved EOT was exceeded due to slowness by the contractor.
17. Cana Primary School	Construction of a Grade R Centre with Toilets and Fence.	04-Nov-15	30-Sep-15	The construction was completed ahead of time.
18. Esibusweni Primary School	Construction of a Grade R Centre with Toilets and Fence.	04-Nov-15	30-Sep-15	The construction was completed ahead of time.
19. Kemp siding Primary School	Construction of a Grade R Centre with Toilets and Fence.	02- Nov-15	30-Sep-15	The construction was completed ahead of time.
20. Floraphophe Primary school	Repair and upgrading of storm damaged facility.	08-Sep-15	06- Oct-15	Approved EOT was exceeded by 6 days due to slowness by the contractor.
21. Malibongwe Primary school	Construction of a Grade R Centre with Toilets and Fence.	21-Sep-15	06- Oct-15	There was poor work progress by the contractor.
22. Hazyview Comprehensive school	Construction of 2 Technical Workshops and Refurbishment of 2 Workshops.	15-Oct-15	13- Oct-15	None.
23. Mbombela Circuit office	Repair and upgrading of storm damaged facility.	09-Sep-15	16- Oct-15	Approved EOT was exceeded by 16 days due to slowness by the contractor.
24. Magudu Primary school	Repair and upgrading of storm damaged facility.	08-Sep-15	22- Oct-15	Approved EOT was exceeded by 22 days due to slowness by the contractor.
25. Sofunda Sec School	Renovations of a science laboratory.	11-Nov-15	23-Oct-15	The construction was completed ahead of time.
26. DD Mabuza Comprehensive school	Construct 3 new Technical Workshops and refurbishment of 1 workshop.	15-Oct-15	28-Oct-15	Extension of Time (EOT) was approved.
27. Mugena Sec school	Construction of a New Laboratory.	27-May-15	28-Oct-15	Approved EOT was exceeded by 49 days due to slowness by the contractor.
28. Bongokuhle Primary school	Repair of storm damaged facility.	17-Nov-15	28-Oct-15	The construction was completed ahead of time.
29. Njonjela Primary school	Repair and upgrading of storm damaged facility.	08-Sep-15	30- Oct-15	Approved EOT was exceeded by 30 days due to slowness by the contractor.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
30. Daggakraal Primary School	Construction of a Grade R Centre with Toilets and Fence.	03-Nov-15	02-Nov-15	None.
31. Bonginsimbi Comprehensive School	Renovation of science laboratories.	11-Nov-15	06-Nov-15	The construction was completed ahead of time.
32. Sivumelene Secondary School	Storm damage repairs.	12-Nov-15	10-Nov-15	None.
33. Velangezwi Primary School	Storm damage repairs.	12-Nov-15	10-Nov-15	None.
34. Zinikeleni Secondary School	Renovation of science laboratories.	11-Nov-15	11-Nov-15	None.
35. Thomas Nhlabathi Secondary School	Renovation of science laboratories.	11-Nov-15	11-Nov-15	None.
36. Lindile Secondary School	Renovation of science laboratories.	11-Nov-15	11-Nov-15	None.
37. Mayisha Secondary School	Storm damage repairs.	13-Nov-15	11-Nov-15	None.
38. Dikotelo Secondary School	Storm damage repairs.	12-Nov-15	12-Nov-15	None.
39. Khamane Secondary School	Renovation of science laboratories.	16-Nov-15	16-Nov-15	None.
40. Malalane Circuit office	Storm damage repairs.	11-Nov-15	19-Nov-15	None.
41. Mhola Primary School	Storm damage repairs.	10-Jan-16	19-Nov-15	The construction was completed ahead of time.
42. Kwandebele Science School	Refurbishment of science laboratory, computer centre, chemistry, physics, maths, technology centre and construction of palisade fence.	10-Sep-15	20-Nov-15	Extension of Time (EOT) was approved.
43. Matikinya Primary School	Construction of a grade R centre with toilets and fence.	03-Nov-15	22-Nov-15	Extension of Time (EOT) was approved.
44. Trichardtfontein Primary	Erection of steel palisade fence.	22-Sep-15	24-Nov-15	Extension of Time (EOT) was approved.
45. Sophungane Secondary School	Renovation of science laboratories.	11-Nov-15	25-Nov-15	There was poor work progress by the contractor.
46. Lugebhuta Secondary School	Renovation of science laboratories.	11-Nov-15	25-Nov-15	Extension of Time (EOT) was approved.
47. Mjokwane Secondary School	Renovation of science laboratories.	11-Nov-15	25-Nov-15	Extension of Time (EOT) was approved.
48. Sizenzele Primary School	Construction of a Grade R Centre.	02-Nov-15	27-Nov-15	Extension of Time (EOT) was approved.
49. Mantwani Primary school	Repair of storm damage.	30-Nov-15	30-Nov-15	None.
50. Zinikeleni Comprehensive School	Construction of 2 new technical workshops and refurbishment of 2 technical workshops.	16-Oct-15	02-Dec-15	Extension of Time (EOT) was approved.
51. Nwamancingela Primary school	Construction of a Grade R Centre.	03-Nov-15	02-Dec-15	Extension of Time (EOT) was approved.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
52. Mayflower Secondary	Repair of storm damage facilities.	12-Nov-15	02-Dec-15	Extension of Time (EOT) was approved.
53. Tekwane South Secondary School	Construction of 28 classrooms, admin block, computer centre, library, laboratory, 40 toilets, hall, kitchen, fencing, ramps and rails, electricity, sports ground and covered parking.	09-Apr-14	10-Dec-15	The delays were as a result of poor project planning which resulted in the increase of scope of works and application for Variation Orders. EOT's were approved.
54. Highveld Comprehensive School	Construction of 2 new technical workshops and refurbishment of 2 technical workshops.	16-Oct-15	14-Dec-15	Extension of Time (EOT) was approved.
55. Mbhandule Secondary School (Phase 1)	Construction of 8 classrooms, admin block, toilets, fence, guard house, water and electricity.	18-Nov-14	17-Dec-15	There was poor performance by the contractor and delay in relocation of mobile classrooms.
56. Mathibela High	Upgrades and additions viz; 18 classrooms, 6 ablution blocks, admin block, hall, computer centre, library, laboratory, kitchen, sport field, water storage, borehole and guardroom.	13-Jan-16	26-Jan-16	Extension of Time (EOT) was approved.
57. Sinetjudu Primary School	Construction of a Grade R Centre.	09-Nov-15	05-Feb-16	Extension of Time (EOT) was approved.
58. Somlingo Primary School	Construction of a Grade R Centre.	09-Nov-15	05-Feb-16	Extension of Time (EOT) was approved.
59. Middelburg Combined School	Substitute 42 classrooms, 30 Toilets, Grade R Facility.	31-Aug-15	26-Feb-16	Extension of Time (EOT) was approved.
60. Mugena High School	Construction of 26 classrooms, admin block, hall, kitchen, library, computer centre, guard house, walkways, 28 covered parking, 14 uncovered parking, sports field, toilets and fence.	13-Jan-16	16-Mar-16	Extension of Time (EOT) was approved.
61. Tenteleni Inclusive Primary School	Upgrades and additions.	03-Nov-15	14-Mar-16	Extension of Time (EOT) was approved.
62. Panyana Primary School	Demolishing of 12 unsafe classrooms and construction of 12 new classrooms and 22 Enviro loo toilets.	23-Mar-16	08-Mar-16	The construction was completed ahead of time.
63. Leonard Ntshutshe Secondary school	Storm damage repairs.	13-Nov-15	14-Mar-16	There was poor work progress by the contractor.
64. Klarinet Primary school	Provision of water, electricity, sewer and fencing.	15-Mar-16	15-Mar-16	None.
65. Ubuhle Secondary School	Construction of hall, 3 sports grounds and walkways.	31-Mar-16	31-Mar-16	Extension of Time (EOT) was approved.
66. Cabangani Primary School	Demolishing of pit toilets, construction of 15 waterborne toilets, septic tank, borehole, and water tank storage.	26-Feb-16	10-Mar-16	Extension of Time (EOT) was approved.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
67. Clifton Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	23-Mar-16	Extension of Time (EOT) was approved.
68. Driepan Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	22-Mar-16	Extension of Time (EOT) was approved.
69. Ekulindeni Secondary	Demolishing of pit toilets, construction of 18 waterborne toilets, septic tank, borehole, and water tank storage.	03-Mar-16	08-Feb-16	The construction was completed ahead of time.
70. Eluyengeni Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, borehole, and water tank storage.	05-May-16	17-Feb-16	The construction was completed ahead of time.
71. Emahlathini Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	29-Feb-16	None.
72. Emzwele Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	30-Mar-16	Extension of Time (EOT) was approved.
73. Endotsheni Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, borehole, and water tank storage.	28-Feb-16	16-Mar-16	Extension of Time (EOT) was approved.
74. Esithembisweni Primary School	Demolishing of pit toilets, construction of 18 waterborne toilets, and water tank storage.	10-Mar-16	07-Mar-16	The construction was completed ahead of time.
75. Etsheni Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, borehole, and water tank storage.	28-Feb-16	22-Mar-16	Extension of Time (EOT) was approved.
76. Kagiso Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, borehole, and water tank storage.	18-Mar-16	23-Mar-16	None.
77. Litjelembube School	Demolishing of pit toilets, construction of 16 waterborne toilets, septic tank, borehole, and water tank storage.	05-Mar-16	04-Mar-16	None.
78. Mchaka Primary School	Demolishing of pit toilets, construction of 18 waterborne toilets, septic tank, borehole, and water tank storage.	26-Feb-16	24-Mar-16	Extension of Time (EOT) was approved.
79. Mabola Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	17-Feb-16	The construction was completed ahead of time.
80. Moutse Primary School	Demolishing of pit toilets, construction of 27 waterborne toilets, septic tank, borehole, and water tank storage.	13-Mar-16	30-Mar-16	Extension of Time (EOT) was approved.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
81. Nalithuba Secondary School	Demolishing of pit toilets, construction of 10 waterborne toilets, septic tank, and water tank storage.	28-Feb-16	30-Mar-16	Extension of Time (EOT) was approved.
82. Ngilandi Secondary School	Demolishing of pit toilets, construction of 19 waterborne toilets, septic tank, borehole, and water tank storage.	30-Mar-16	09-Mar-16	The construction was completed ahead of time.
83. Nhlazatshe Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, septic tank, borehole, and water tank storage.	05-Mar-16	04-Mar-16	None.
84. Nordem Primary School	Demolishing of pit toilets, construction of 15 waterborne toilets, septic tank, and water tank storage.	10-Mar-16	26-Feb-16	The construction was completed ahead of time.
85. Ntabanhle Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, and water tank storage.	28-Feb-16	11-Mar-16	Extension of Time (EOT) was approved.
86. Qokiso Primary School	Construction of 14 waterborne toilets.	26-Feb-16	15-Mar-16	Extension of Time (EOT) was approved.
87. Sidloko Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, and water tanks storage.	02-Mar-16	30-Mar-16	Extension of Time (EOT) was approved.
88. Sitanani Primary School	Demolishing of pit toilets, construction of 17 waterborne toilets, septic tank, borehole, and water tank storage.	31-Mar-16	24-Feb-16	The construction was completed ahead of time.
89. Siyeza Primary School	Construction of 09 waterborne toilets, and water tank storage.	28-Feb-16	22-Mar-16	Extension of Time (EOT) was approved.
90. Swelihle Primary School	Demolishing of pit toilets, construction of 12 waterborne toilets, borehole, and water tank storage.	16-Mar-16	23-Feb-16	The construction was completed ahead of time.
91. Tamajane Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, borehole, and water tank storage.	26-Feb-16	24-Mar-16	Extension of Time (EOT) was approved.
92. Tisiteni Combined School	Demolishing of pit toilets, construction of 23 waterborne toilets, septic tank, borehole, and water tank storage.	11-Mar-16	09-Mar-16	The construction was completed ahead of time.
93. Vygeboom School	Demolishing of pit toilets, construction of 6 waterborne toilets, septic tank, borehole, and water tank storage.	05-Mar-16	04-Mar-16	The construction was completed ahead of time.
94. Chief Jerry Nkosi Secondary School	Construction of 26 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	19-Mar-16	Extension of Time (EOT) was approved.
95. Chief SW Nhlapho Secondary School	Construction of 18 waterborne toilets	28-Feb-16	08-April-16	Extension of Time (EOT) was approved.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
96. Camalaza Secondary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	03-Mar-16	23-Mar-16	Extension of Time (EOT) was approved.
97. Ematjeketjeni Primary School	Demolishing of pit toilets, construction of 18 waterborne toilets, septic tank, borehole, and water tank storage.	05-May-16	05-Mar-16	None.
98. Ethembeni Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	21-Mar-16	Extension of Time (EOT) was approved.
99. Magotshwa Secondary School	Demolishing of pit toilets, construction of 13 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	18-Mar-16	Extension of Time (EOT) was approved.
100. Mahlahluvane Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, and water tank storage.	28-Feb-16	22-Mar-16	Extension of Time (EOT) was approved.
101. Khonzakahle Primary School	Demolishing of pit toilets, construction of 16 waterborne toilets, septic tank, borehole, and water tank storage.	31-Mar-16	23-Mar-16	The construction was completed ahead of time.
102. Mogolale Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, and water tank storage.	28-Feb-16	22-Mar-16	Extension of Time (EOT) was approved.
103. Ntokozo Combined School	Demolishing of pit toilets, construction of 15 waterborne toilets, septic tank, and water tank storage.	31-Mar-16	18-Mar-16	The construction was completed ahead of time.
104. Sebenta Combined School	Demolishing of pit toilets, construction of 4 waterborne toilets, septic tank.	31-Mar-16	29-Feb-16	The construction was completed ahead of time.
105. Dinga Primary School	Demolishing of pit toilets, construction of 18 waterborne toilets, septic tank, borehole, and water tank storage.	31-Mar-16	31-Mar-16	None.
106. Chief DT Nkosi Primary School	Demolishing of pit toilets, construction of 9 waterborne toilets, septic tank, borehole, and water tank storage.	30-Mar-16	14-Mar-16	The construction was completed ahead of time.
107. Hlangalezwi Primary School	Demolishing of pit toilets, construction of 18 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	07-Mar-16	Extension of Time (EOT) was approved.
108. Bongamlambo Primary School	Demolishing of pit toilets, construction of 29 waterborne toilets, septic tank, borehole, and water tank storage.	26-Feb-16	17-Mar-16	Extension of Time (EOT) was approved.
109. Maquba Primary School	Construction of 12 waterborne toilets.	03-Apr-16	15-Mar-16	The construction was completed ahead of time.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
110. Pieter Mabuza Primary School	Demolishing of pit toilets, construction of 5 waterborne toilets, septic tank and water tank storage.	28-Feb-16	31-Mar-16	Extension of Time (EOT) was approved.
111. Zithobe Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank and water tank storage.	28-Feb-16	14-Mar-16	Extension of Time (EOT) was approved.
112. Bhekokuhle Primary School	Demolishing of pit toilets, construction of 20 waterborne toilets, septic tank, borehole, and water tank storage.	28-Feb-16	14-Mar-16	Extension of Time (EOT) was approved.
113. Lilanga Secondary School	Demolishing of pit toilets, construction of 8 waterborne toilets, septic tank, borehole, and water tank storage.	12-Mar-16	29-Feb-16	The construction was completed ahead of time.
114. Mathukwane Primary School	Construction of 12 waterborne toilets, septic tank, borehole, and water tank storage.	26-Mar-16	18-Mar-16	The construction was completed ahead of time.
Department of Health				
115. Standerton Hospital	Construction of a training school (Resource Center).	13-Jun-14	25-Jun-15	The delay was due to late payment and delivery of the lift (imported).
116. Naas Community Health Centre	Construction of new community health centre and 2x2 accommodation units.	18-Aug-15	17-Aug-15	None.
117. Impungwe Hospital	Bulk sewer, water and electricity.	05-May-15	30-Sep-15	The project was delayed due to late issuance of construction information, late delivery of material, NUMSA strike and approval of water line connection. EoT was approved.
118. Singobile Community Health Centre	Construction of new community health centre, 2x2 staff accommodation, guard house, electrical installation and external works.	14-Aug-15	06-Oct-15	Extension of Time (EOT) was approved for the change of design for access road.
119. Botleng Clinic	Removal and replacement of paving.	17-Mar-15	01-Apr-15	There was a delay in the commencement of works.
120. Elsie Ballot Hospital	Erection of concrete palisade fence and installation of a wooden guard house.	23-Mar-15	01-Apr-15	Extension of Time (EOT) was approved due to the unavailability of concrete palisade, delay in the approval of designs and late payment of contractor.
121. Embhuleni Community Health Centre	Removal of existing tar on access road and replacement with paving.	15-Apr-15	15-Apr-15	None.
122. Embhuleni Community Health Centre	Provide paving to the remaining portion of internal road.	15-Apr-15	15-Apr-15	None.
123. Bethal Hospital	Erection of concrete palisade fence, installation of a new gate and renovation of a guard house.	23-Mar-15	15-Apr-15	Extension of Time (EOT) was approved due to the unavailability of concrete palisade, delay in the approval of designs and late payment of contractor.
124. Mapulaneng Hospital	Erection of concrete palisade fence.	28-Feb-15	20-Apr-15	Unavailability of concrete palisade due to high demand at the time.
125. Carolina Hospital	Erection of concrete palisade fence.	23-Mar-15	28-Apr-15	Unavailability of concrete palisade due to high demand at the time.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
126. Themba Hospital	Building maintenance.	27-Feb-15	11-May-15	The project was delayed as work assessments were done concurrently with construction.
127. Tonga Hospital	Building maintenance.	28-Feb-15	11-May-15	The project was delayed as work assessments were done concurrently with construction.
128. Barberton Hospital	Building maintenance.	28-Feb-15	12-May-15	The project was delayed as work assessments were done concurrently with construction.
129. Wakkerstroom Community Health Centre	Construction of a new community health centre.	16-Jul-12	15-May-15	A new contractor was appointed to complete the outstanding works.
130. Middleburg Hospital	Erection of concrete palisade fence and installation of a new gate.	23-Mar-15	15-May-15	There was late commencement of works and cessions were used to complete the works.
131. General building maintenance of various PHC and other facilities in Gert Sibande District	Building maintenance of community health care centers, clinics, administrative and other facilities in Albert Luthuli, Msukaligwa, Lekwa and Govan Mbeki Municipalities in Gert Sibande District.	14-Feb-15	20-May-15	The project was delayed as work assessments were done concurrently with construction.
132. Waterval Boven Hospital	Erection of concrete palisade fence.	13-Mar-15	20-May-15	There was late commencement of works on site.
133. Witbank Hospital	Erection of concrete palisade fence and installation of a new gate.	23-Mar-15	21-May-15	There was late commencement of works on site.
134. Piet Retief Mortuary	Completion of forensic mortuary (Type 2).	27-Dec-14	22-May-15	The contract was terminated due to poor performance. There were challenges with the mechanical sub-contractor payments from the previous contractor also delayed progress.
135. Evander Hospital	Erection of a new gate.	23-Mar-15	01-Apr-15	There was a delay in the issuance of construction specification.
136. Piet Retief Hospital	Erection of concrete palisade fence.	23-Mar-15	21-May-15	Unavailability of concrete palisade due to high demand at the time.
137. Ermelo TB Hospital	Erection of concrete palisade fence and installation of a new gate.	28-Feb-15	21-May-15	Unavailability of concrete palisade due to high demand at the time.
138. Rob Ferreira Hospital (Phase 4E Part 1)	Construction of new residence.	13-Oct-13	01-Jun-15	There was additional works to include internal access road and gate. Issuing of the occupancy certificate was also delayed.
139. Mapulaneng Hospital	Rehabilitation, refurbishment and repairs.	28-Feb-15	02-Jun-15	The project was delayed as work assessments were done concurrently with construction.
140. Matikwana Hospital	Rehabilitation, refurbishment and repairs.	27-Feb-15	02-Jun-15	The project was delayed as work assessments were done concurrently with construction.
141. Witbank TB Hospital	Erection of concrete palisade fence and installation of new gate.	23-Mar-15	04-Jun-15	The project was delayed as work assessments were done concurrently with construction.
142. Tintswalo Hospital	Rehabilitation, refurbishment and repairs.	28-Feb-15	08-Jun-15	The completion was delayed due to relocation of patients and work assessments done concurrently with construction.
143. Rob Ferreira Hospital	Building maintenance.	28-Feb-15	09-Jun-15	The project was delayed as work assessments were done concurrently with construction.
144. Marapyane Community Health Centre	Removing existing tar and concrete blocks and replace with paving.	13-Apr-15	10-Jun-15	There was poor workmanship resulting to redoing of works.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
145. Tintswalo Hospital	Erection of concrete palisade fence.	13-Mar-15	06-Jul-15	Unavailability of concrete palisade due to high demand at the time.
146. Kwa-Mhlanga Hospital	General building and maintenance.	28-Feb-15	14-Jul-15	The completion was delayed due to relocation of patients and work assessments done concurrently with construction.
147. Impungwe Hospital	Repairs of damaged roofs, sanitary fittings, paintwork and guard rails.	31-Mar-15	23-Jul-15	There was poor workmanship resulting to redoing of works.
148. Embhuleni Hospital	Repairs of damaged palisade fence.	23-Jul-15	23-Jul-15	None.
149. Middelburg Hospital	General building and maintenance	31-Mar-15	23-Jul-15	There was poor workmanship resulting to redoing of works and Department's failure to ensure adequate site supervision and timeous procurement of materials.
150. Belfast Hospital	General building and maintenance.	14-Feb-15	31-Aug-15	There was poor contractor performance. Cessions were used to complete the works.
151. Witbank Hospital	General building and maintenance.	28-Feb-15	31-Aug-15	There was poor workmanship resulting to redoing of works and Department's failure to ensure adequate site supervision and timeous procurement of materials.
152. Witbank TB Hospital	General building and maintenance.	28-Feb-15	31-Aug-15	There was poor workmanship resulting to redoing of works and Department's failure to ensure adequate site supervision and timeous procurement of materials.
153. PHC maintenance in Dipaliseng; Mkhondo and Pixley Kalsaka Seme	General building maintenance of the PHC facilities.	14-Feb-15	31-Aug-15	There were disputes with domestic subcontractors, poor workmanship and failure by Department to ensure adequate site supervision.
154. Tonga hospital	Erection of a palisade fence, installation of two booms and one motor gate.	13-Mar-15	11-Sep-15	There was a request for additional works by the client department.
155. Shongwe Hospital	Erection of a palisade fence, installation of two booms and one motor gate.	13-Mar-15	11-Sep-15	There was a request for additional works by the client department.
156. Barberton Hospital	Erection of palisade fence.	30-Mar-15	26-Oct-15	There was a request for additional works by the client department.
157. Themba Hospital	Upgrading of x-ray unit, new equipment to x-ray unit, ultra sound, CT scan and screening room.	01-Feb-16	04-Dec-15	The construction was completed ahead of time.
158. Amajuba Hospital	Maintenance, repairs, and renovations refurbishment.	20-Feb-15	02-Feb-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
159. Carolina Hospital	Maintenance, repairs, and renovations refurbishment.	17-Feb-15	15-Feb-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
160. Piet Retief Hospital	Maintenance, repairs, and renovations refurbishment.	15-Feb-15	16-Feb-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
161. Ermelo Hospital	Maintenance, repairs, and renovations refurbishment.	15-Feb-15	15-Feb-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
162. Embhuleni Hospital	Maintenance, repairs, and renovations refurbishment.	02-Feb-15	16-Feb-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
163. Elsie Ballot Hospital	Maintenance, repairs, and renovations refurbishment.	02-Feb-15	14-Jan-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
164. Standerton Hospital	Maintenance, repairs, and renovations refurbishment.	02-Feb-15	14-Jan-16	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
165. Bethal Hospital	Maintenance, repairs, and renovations refurbishment.	02-Feb-15	30-Nov-15	There was poor performance by the contractor resulting in the appointment of a cession contractor to complete all outstanding work.
166. Evander Hospital	Paving of back entrance road.	07-Apr-15	30-Mar-15	None.
167. Wonderfontein CHC	Construction of 2X2 accommodation unit.	19-Apr-14	18-Mar-16	The project was delayed due to poor workmanship. A new contractor was appointed to complete the outstanding work.
168. Ermelo Hospital	Construction of new supply chain stores and provincial for parking of government vehicle.	19-Mar-14	10-Mar-16	The project was delayed due to poor workmanship and NUMSA strikes.
Department of Social Development				
169. Jerusalem Branch Offices	Construction of 20 office block and supporting facilities	19-Jun-15	16-Sep-15	There were delays due to community disruption at the commencement of the project and failure by the Department to ensure that the contractor procured key material on time.
170. Glenmore Branch Offices	Construction of new block of 16 offices with 2 garages, guardhouse, fence, electricity, parking and paving.	28-Oct-15	03-Dec-15	Extension of Time (EOT) was approved for inclement weather conditions.
171. Swartfontein Treatment Centre	Construction of 5 female house units, admin block, laundry, TV room, guardhouse, fence and electricity.	16-Oct-15	25-Feb-16	Extension of Time (EOT) was approved for late payment and additional works.
Department of Culture, Sport and Recreation				
172. Glenmore-Dundonald Community Library	Construction of new community library.	25-Sep-14	24-Jun-15	Extension of Time (EOT) was approved due to slow progress of works, community unrest, inclement weather, late submission of information by the consultant.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
173. Sizenzele Primary School	Design and construction of three multi-sport combo-courts.	21-Jul-15	09-Nov-15	There was poor performance by contractor and delay in importation of synthetic tiles for the sport court.
174. Seme Secondary School	Design and construction of three multi-sport combo-courts.	21-Jul-15	09-Nov-15	There was poor performance by contractor and delay in importation of synthetic tiles for the sport court.
175. Emthonjeni Library	Construction of a new library and guard house.	24-Apr-15	30-Nov-15	There was poor performance, failure to properly administer domestic subcontract, community unrest and failure by the Department to ensure contractor timeously procure key materials.
Department of Community Safety, Security and Liaison				
176. Mpumalanga Traffic Training College	Construction of concrete palisade fence.	01-May-15	19-May-15	Extension of Time (EOT) was approved due to stoppage of works emanating from land issues at the commencement of the project
Transport Infrastructure				
177. Road D2908 between Pieterskraal and Madubaduba Rd (via Majakaneng) (Near KwaMhlanga (6 km)	Upgrade of gravel road to surfaced road.	11-May-15	12-Feb-16	The Department had budgetary constraints due to accruals from the previous financial year.
178. Upgrading of a rural access road D2908 between D2909 junction (Morwe) and paved End (near Dikwale) (2.88km)	Upgrade of road from gravel to surfaced road.	01-Oct-14	24-Jun-15	There was poor performance by the contractor.
179. Rehabilitation of road D3928 between Green Valley and Moloro (6.8km) (Incl repair of flood damaged Bridge)	Rehabilitation of road.	08-Jul-14	29-Jun-15	There was poor performance due to community unrest, inclement weather and cash flow problems from the contractor.
180. Culvert on road D2973 between Gutswakop and Clau-Clau	Reconstruction of a flood damaged culvert.	30-Aug-15	27-Aug-15	None.
181. Upgrading of a rural access road D3970 Jim Brown - Marite Bridge on Marite river	Upgrade of road from gravel to surfaced road.	19-Apr-15	09-Oct-15	There was poor performance by the bridge contractor.
182. Rehabilitation of Road P95/1 between Limpopo Border and Verena Phase I	Rehabilitation of road.	30-Dec-15	07-Sep-15	The construction was completed ahead of time.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
183. Upgrade of D2967, including 1km section on road D2969 and construction of a bridge between Manzini and Mgcobaneni (1km)	Upgrade of road from gravel to surfaced road.	17-Mar-15	30-Nov-15	The Department had budgetary constraints due to accruals from the previous financial year.
Transport Operations				
184. Ronaldsey footbridge	Construction of footbridge.	30-May-15	30-Jul-15	There was a delay in the procurement process.
185. Mzinti 1 Culvert bridge	Construction of culvert bridge.	20-Mar-16	26-Feb-16	None.
186. Mzinti 2 Culvert bridge	Construction of culvert bridge.	20-Mar-16	26-Feb-16	None.
187. Donkerhoek Footbridge	Construction of footbridge.	30-Nov-15	31-Mar-16	The completion date was revised to meet the required project specification and to accommodate delays due to rainfall.

The following projects were not completed in the 2015/16 financial year:

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
Department of Education				
1. Khumbula Secondary School	Refurbishment of a computer laboratory, maths laboratory and construction of physics laboratory, chemistry laboratory, life science laboratory, technology centre and palisade fence.	28-Feb-16	06-May-16	The project was behind schedule due to slow and poor performance.
2. Ebuhleni Primary School (Phase 2)	Construction 16 Classrooms, Grade R facilities, administration block, library, computer, 24 toilets, electricity, kitchen, gate	31-Mar-16	31-Mar-16	The original contractor was terminated and a new contractor was appointed to complete the outstanding work.
3. Tekwane North (New School - Phase 2)	24 Classrooms, administration block, incl walkways, kitchen, computer centre, library, science lab, ramps and rails, hall, Grade R, 6 x toilet blocks, guardhouse, parking, assembly area, landscaping, 3 x sports facilities.	12-Jan-16	13-May-16	All structures were completed as per schedule. The connection of bulk services is outstanding.
4. Ngilandi Secondary School	Repair and upgrading of storm damaged facility.	18-Jan-16	18-Jan-16	Additional works was required on the project.
5. Vezimfundo Primary School	Rehabilitation of storm damaged.	30-Jul-15	28-Jun-16	The project was delayed by scope redefinition.
6. Landulwazi Combined School	Rehabilitation of storm damaged.	30-Aug-15	TBA	There was a delay in the planning and procurement processes.
7. Magotshwa Primary School	Rehabilitation of storm damaged.	30-Sep-15	TBA	There was a delay in the planning and procurement processes.
8. Bethamoya Primary School	Demolishing of 4 Damaged Classrooms and 1 shack classroom and construction 5 new classrooms.	30-Sep-15	28-Jun-16	There was a delay in the planning and procurement processes.
9. Bambisana Primary School	Rehabilitation of storm damage.	30-Jul-15	N/A	The project was cancelled as it was not suitable for rehabilitation.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
10. Salubindza Primary School	Replace roof structure and covering to 4 classroom blocks. Remedial works to walls and floors. Fixing, servicing and restoration of electrical fittings and cabling.	30-Aug-15	N/A	The project was cancelled as it was not suitable for repairs.
11. Sivumelene Primary School	Installation of a sub-soil/storm water drainage system and cutting berms around affected buildings with concrete channels	30-Aug-15	N/A	The project was cancelled as it was not suitable for repairs.
12. Ramoshidi Secondary School	Renovation and furnishing of science laboratory.	01-Sep-15	N/A	The project was cancelled since there was no laboratory in the school.
13. EJ Singwane Secondary School	Storm damaged repair.	Apr-15	N/A	The project was wrongly captured as a duplicate.
14. Siligane Secondary School	Storm damaged repair.	Apr-15	N/A	Project was wrongly captured as a duplicate.
15. Lindzalokuhle Primary School	Storm damaged repair.	May-15	N/A	Project was wrongly captured as a duplicate.
16. Umzimvelo Secondary School	Sanitation.	May-15	N/A	Project was wrongly captured.
17. Umzimvelo Secondary School	Storm damaged repair.	May-15	N/A	Project was wrongly captured as an APP target.
Department of Health				
18. Sabie Hospital	Upgrade and rehabilitation of hospital.	10-Jan-16	15-Apr-16	There was an increase in the scope of works.
19. Mapulaneng Hospital (Phase 1)	Construction of fencing and bulk services.	15-Dec-15	03-Aug-17	The contract was not awarded due to non-confirmation of project site and outstanding brief documentations.
20. Marite Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	30-Nov-16	There was a delay in conclusion of planning and procurement processes.
21. Mammeth-alake Hospital	Upgrading of hospital.	28-Mar-16	24-Aug-18	The project duration is 36 months.
22. Mpakeni Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	30-Nov-16	There was a delay in conclusion of the planning and procurement processes.
23. Orinocco Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	23-Sep-16	There was a delay in conclusion of procurement processes.
24. Extension 8 Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	25-May-16	There was a delay in conclusion of procurement processes.
25. Polly Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was withdrawn as it could not be renovated or refurbished. The clinic operates in a municipality building.
26. Ehlanzeni District Office Anderson Street	Renovations, rehabilitation and refurbishment.	29-Feb-16	22-Jun-16	There was a delay in conclusion of procurement processes.
27. Nelspruit Community Health Centre	Renovations, rehabilitation and refurbishment.	29-Feb-16	19-Jul-16	There was a delay in conclusion of procurement processes.
28. Rob Ferreira Hospital	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project scope was confirmed as construction of a new mortuary not renovation, rehabilitation and refurbishment.
29. Sibange Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	30-Sep-16	There was a delay in conclusion of procurement processes.
30. Nkangala District Office	Renovations, rehabilitation and refurbishment.	29-Feb-16	09-Dec-16	There was a delay in conclusion of scope and budget.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
31. Gert Sibande District Office	Renovations, rehabilitation and refurbishment.	29-Feb-16	30-Sep-16	There was a delay in conclusion of procurement processes.
32. Allemansdrift B Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	13-May-16	There was a delay in conclusion of procurement processes.
33. Siyathuthuka Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	11-Jul-16	There was a delay in conclusion of procurement processes.
34. Ogies Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was not suitable for renovations.
35. Matibidi Hospital	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was withdrawn by the client department.
36. Oakley Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was initially classified as not suitable for renovations, however the decision was later reversed.
37. Khumbula Clinic	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was not suitable for renovations.
38. Impungwe Hospital	Renovations, rehabilitation and refurbishment.	29-Feb-16	TBA	The project was withdrawn by the client department.
Department of Social Services				
39. Hendrina Offices	Construction of 16 branch offices.	19-May-15	31-Mar-16	There was a delay in connection of municipal services.
40. Mbombela-Manzini (ECD Center)	Construction of a new ECD center.	13-Dec-15	17-Mar-17	The project was reprioritized to 2016/17 due to budgetary constraint resulting from unanticipated project cost.
41. Thembisile-Tweefontein (ECD Center)	Construction of a new ECD center.	13-Dec-15	16-Feb-17	The project was reprioritized to 2016/17 due to budgetary constraint resulting from unanticipated project cost.
42. Dr JS Moroka-Siyabuswa (ECD Center)	Construction of a new ECD center.	13-Dec-15	16-Feb-17	The project was reprioritized to 2016/17 due to budgetary constraint resulting from unanticipated project cost.
43. Emalahleni-Ogies (ECD Center)	Construction of a new ECD center.	13-Dec-15	18-Oct-16	There was delay in conclusion of procurement processes.
44. Lekwa-Rooikopen (ECD Center)	Construction of a new ECD centers.	13-Dec-15	06-Dec-16	There was a delay in conclusion of procurement processes.
45. Msukaligwa-Warburton (ECD Center)	Construction of a new ECD center.	13-Dec-15	16-Feb-17	The project was reprioritized to 2016/17 due to budgetary constraint resulting from unanticipated project cost.
Department of Culture, Sport and Recreation				
46. Mgobodzi Library	Construction of a New Community Library	24-Jul-15	13-May-16	There was non-payment of subcontractors by main contractor.
47. Acornhoek Library	Construction of a New Community Library	07-Mar-16	28-May-16	There was a delay in delivery of materials.
48. Thusville Library	Construction of a New Community Library	15-Dec-15	26-May-16	There was a delay in conclusion of procurement processes.
49. Sabie Library	Upgrade of library.	01-Mar-16	04-Jul-16	The contract was awarded later than planned.
50. Daggakraal Library	Construction of a new community library.	15-Dec-15	N/A	The project was withdrawn by the client department as there was another library in close proximity.
Transport Infrastructure				
51. Road D481 between Embuleni Hospital towards Ekulindeni (Phase 1) (12km)	Rehabilitation of non-coal road.	16-Oct-15	06-May-16	There were budgetary constraints and changes in scope of work. Extension of time was granted for change in scope of work.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
52. Road P8/1 between Mashishing and Bambi (Phase 1) (15km)	Rehabilitation of sections of road.	13-Jan-16	12-May-16	An extension of time was granted due to community unrest, rainfall and traffic accommodation changes.
53. Road P154/4 between Middelburg and Wonderfontein, from km 12.73 to km 21.73 at D1433 (9km)	Rehabilitation of non-coal road.	01-Feb-16	15-May-16	Extension of time was granted due to increase in scope of work (additional 2.5km).
54. P17/6 (R538) Jerusalem to R40 at Casterbridge, km 20km 35 (14km)	Rehabilitation of road, drainage, pedestrian accommodation and road protection issues on entire road.	15-Sep-15	TBA	The contractor is under business rescue due to cash flow challenges. Special meetings were held and warnings were issued. The contract has been recommended for termination.

The following are multi-year projects that are currently in progress and will be completed in the next financial year(s):

Project Name	Scope of Work	Targeted Completion Date
Department of Education		
1. Trichardsfontein Primary School (Phase I)	Construction of bulk services and gate house.	06-May-16
2. Njonjela Primary School (Phase II)	Demolition of 10 classrooms and construction of 10 classrooms.	11-May-16
3. Steve Tshwete Boarding School (Phase 1)	Bulk services, fence, admin, grade R centre, 24 classrooms, 42 toilets, boarding facilities, kitchen and dining hall. Phase2: other facilities.	19-Aug-16
4. Shongwe Boarding School (Phase I)	Bulk services, fence, water reticulation, sewer reticulation and electrical upgrade.	17-Sep-16
5. Nwamahumana Lower Primary School	Construction of palisade fencing and bulk external service.	10-Nov-16
6. Mapulaneng College (ECDI - Phase II)	Renovations and rehabilitation of the 2 x hostels, 1x media centre and admin block.	01-Dec-16
Department of Health		
7. Allemansdrift "B" Clinic	Repairs, rehabilitation and refurbishment of existing building.	13-May-16
8. Betty's Goed Clinic	Upgrading and replacement of fence, guard house and waste disposal facilities.	01-Jun-16
9. Middelburg Extension 8 Clinic	Repairs, rehabilitation and refurbishment of existing building.	25-May-16
10. Fernie 1 Clinic	Upgrading and replacement of fence, guard house and waste disposal facilities.	01-Jun-16
11. Nhlazatshe 4 Clinic	Upgrading and replacement of fence, guard house and waste disposal facilities.	01-Jun-16
12. Prince Mkolishi Community Health Centre	Upgrading and replacement of fence, guard house and waste disposal facilities.	01-Jun-16
13. Siyathuthuka Clinic	Repairs, rehabilitation and refurbishment of existing building.	03-Jun-16
14. Ehlanzeni District Office: Anderson street	Repairs, rehabilitation and refurbishment of existing building.	22-Jun-16
15. KwaMhlanga Hospital (Nurses Home restoration)	General building maintenance.	30-Jun-16
16. Mthimba Community Health Centre	Construction of guard house and refuse area, Upgrading of existing fence to concrete palisade	08-Jul-16

Project Name	Scope of Work	Targeted Completion Date
17. Nelspruit Community Health Centre	Repairs, rehabilitation and refurbishment of existing building.	19-Jul-16
18. Waterval Community Health Centre	Repairs, rehabilitation and refurbishment of existing building.	16-Sep-16
19. Mmametlhake Hospital	Construction of groundsman workshops, mechanical workshops, VIE, Hospital mortuary, Laundry, Gate house, Plant room, new nurses accommodation, demolishing of existing nurses home accommodation, section of OPD, pharmacy, X-ray unit, casualty, patient admin, dr on call, ante-natal wards, labour wards, post-natal wards, neo-natal wards, surgical wards, theatres, CSSD and kitchen.	24-Aug-18
Department of Culture, Sport and Recreation		
20. Mashishing Library	Construction of a new community library.	13-Jul-16
21. Boekenhouthoek Library	Construction of new community dual purpose library.	28-Oct-16
22. Verena Library	Construction of new community dual purpose library.	28-Oct-16
23. Balfour Library	Construction of a new community library.	24-Feb-17
Transport Infrastructure		
24. Road D481 between Embuleni Hospital towards Ekulindeni (Phase 1) (12km)	Rehabilitation of non-coal road.	29-Apr-16
25. Road D686 from Leeuwfontein past Kendal Power Station over R555 (P95/1) to N12 (14 km)	Rehabilitation of coal haul road.	13-Apr-16
26. Road P29/1 between Ogies and Kendal (10km)	Rehabilitation of coal haul road.	15-Jul-16
27. Road P154/4 between Middelburg and Wonderfontein, from km 12.73 to km 21.73 at D1433 (9 km)	Rehabilitation of non-coal road.	15-May-16
28. Tonga Hospital access road (0.9km)	Rehabilitation of access road.	24-May-16
29. Bridge on Road D2968, including sections of Road between Numbi and Makoko (8km)	Reconstruction of a flood damaged bridge and repair of damaged sections of road.	16-Mar-17
30. Road P30/3 between Tutuka Power Station and Standerton (16.1km) (km 22.5 - 38.6)	Selective rehabilitation of coal haul road.	12-Oct-16
31. Road D3968 between R40 Junction (near Bushbuckridge) and Rolle via Merry Pebble (Phase1) (10km)	Upgrade of gravel road to surfaced road.	16-Oct-16



Plans to close down or down-grade any current facilities

There were no plans to close down or down grade any facilities.

Progress made on the maintenance of infrastructure**Public Works**

The Department completed 20 preventative building maintenance projects at a cost of R96, 836 million. The expenditure also includes renovations and repairs at 66 Anderson Street offices. Work at this facility commenced in the previous financial year and will overlap to 2016/17. This programme was coordinated at regional level to ensure effective management. Other significant maintenance projects conducted during the year relates to the installation of waterproofing membrane to prevent leakage and security upgrades at Riverside Government Complex (RGC). Furthermore, minor day to day routine maintenance continues at the other facilities where funds are permitting.

Transport Infrastructure

DPWRT has invested over R432, 171 million in the past year to do major maintenance on 37 roads across the Province. Maintenance operations embarked upon were mainly rehabilitation, routine and preventative maintenance. The Department is also operating an advanced Road Asset Management System (RAMS) that provides invaluable information for informed decision-making for short and long term matters. A modern Maintenance Management System (MMS) is also being rolled out to benefit ground level staff at cost centres and also to provide quality information to higher levels in the organization.

Developments relating to the above that are expected to impact on the Department's current expenditure**Public Works**

The Department will be implementing more than 600 projects in the 2016/17 financial year. This may not have direct impact on the Department's expenditure but it will surely have huge impact on the expenditure of DPWRT's client departments. There is acknowledgement from all parties that this will overstretch the limited human capacity available to Programme 2. Consideration would be made to capitalize on the available technical resources in the client departments to enhance the areas of procurement and project supervision. There will also be a need to improve communication and define processes to manage changes to the infrastructure plans between client and implementing departments through enhancement of the existing Service Level Agreements (SLAs).

Transport Infrastructure

The Department of Public Works, Roads and Transport is responsible for the planning, design, construction and maintenance of all provincial road infrastructure, and management of the entire road network. The maintenance strategy used

by the Department has evolved over the years in response to the prevailing economic situation and obtaining government imperatives. The Department's maintenance strategy responds to the maintenance needs of the road network while also being appreciative of prevailing economic situation in the province (high unemployment) and prevailing government imperatives as regards to employment creation and economic transformation and building on existing strengths. Implementation of the strategy however requires adequate internal capacity for it to be a success.

The Department of Transport (DOT) plans to discontinue the Coal Haulage Implementation Grant after the 2016/17 financial year. The grant constitutes 40% (R 830 million) of the PRMG total funding allocation for road infrastructure development in the Province. The coal haulage grant remains critical to rehabilitate and maintain the coal haul road network. It will therefore be critical that this matter is resolved before the Province commits itself for the upcoming financial years.

Changes in the Asset Holdings

The asset holdings of the Department has changed over the 2015/16 financial as follows:

Opening Balance	R 345,126
Adjustments	R 1,778
Disposals	(R 5,624)
Additions	R 21,179
TOTAL	R 362,459

Of the R362,4 million, the Department spent R21,1 million to acquire the following movable additional assets (R'000):

Transport Assets	R 13, 529
Computer Equipment	R 964
Furniture & Office Equipment	R 401
Other machinery & Equipment	R 6, 285
TOTAL	R 21, 179

Disposal of assets

The Department did not disposed any immovable assets (property) during the period under review.

Three (3) auctions were held during the financial year for disposal of assets:

Region	Month	Amount
Ermelo	June 2015	R 280 465.10
Kwa Mhlanga	December 2015	R 134 888.17
Nelspruit	November 2015	R 459 351.24
TOTAL		R 874 705.00

Material losses

Material losses to the value of R253 thousands were recorded for the 2015/16 financial year.

Measures taken to ensure that the Department's asset register remained up-to-date during the period under review

All the Department's assets were recorded in the Asset Register. Measures taken to update the register include bar coding, physical verification and reconciliation of all assets according to the Asset Management Policy.

Performance asset inspections on buildings are undertaken on a monthly basis. Planned inspections are undertaken on provincially owned property. User Departments are also required to inspect and report on the buildings under their control in their User Asset Management Plans (UAMPs).

The current state of the Department's capital assets, for example what percentage is in good, fair or bad condition

Name	Good	Fair	Poor
Computers	50%	30%	20%
Furniture	40%	40%	20%
Vehicles	20%	40%	40%
Other Machinery and Equipment	30%	40%	30%

Major maintenance projects that have been undertaken during the 2015/16 financial year:

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
Head Office				
1. Riverside Government Complex	Supply and install new shade nets	31-Aug-15	25-Aug-15	None.
2. Riverside Government Complex	Construction of new retaining wall	31-Oct-15	21-Sep-15	None.
3. Riverside Government complex	Supply and replacement of IP network cameras and access control in the service passage	30-Nov-15	09-Nov-15	None.
4. Riverside Government Complex	Supply and installation of decking at Building 9	31-Jan-16	28-Jan-16	None.
Ehlanzeni District				
5. Mbombela State Garage	Renovations of state garage	16-Jan-16	15-Dec-15	None.
Bohlabela District				
6. Acornhoek Cost Center	Supply and construction of boom gate	31-Dec-15	18-Dec-15	None.
7. Mashishing Cost Centre	Supply and construction of boom gates (2)	31-Dec-15	27-Dec-15	None.
8. Malamule Cost centre	Supply and construction of boom gates (2)	31-Dec-15	23-Dec-15	None.
9. Thulamahashe District Office	Supply and construction of boom gates (2)	31-Dec-15	27-Dec-15	None.
10. Mechanical Workshop and Government Garage	Supply and construction of boom gates (2)	31-Dec-15	27-Dec-15	None.
11. Godide Cost Center	Supply and construction of boom gate	31-Dec-15	28-Dec-15	None.
12. Sabie Office	Supply and construction of boom gate	31-Dec-15	28-Dec-15	None.
Gert Sibande District				
13. Batho Pele District Office	Erection of steel carports	30-Sep-15	21-Sep-15	None.
14. Batho Pele District Office	Renovations and additions to main entrance	28-Feb-16	16-Feb-16	None.
15. Batho Pele District Office	Installation of CCTV cameras for security system	15-Mar-16	01-Mar-16	None.
Nkangala District				
16. Piet Koornhof Building	Repair of lifts and escalators (2)	30-Jul-15	18-Jun-15	None.
17. Kwamhlanga Government Complex	Renovations of canteen at building 9	30-Jul-15	26-Jun-15	None.



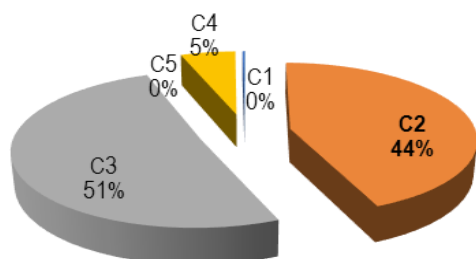
Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
18. Kwamhlanga Government Complex	Repair of lifts (5)	30-Oct-15	14-Oct-15	None.
19. Piet Koornhof Building	Renovations and repairs of ablution facilities.	31-Jan-16	21-Dec-15	None.
20. Kwamhlanga Government Complex	Renovation of building 15	28-Feb-16	12-Feb-16	None.

Progress made in addressing the building maintenance backlog

Provincial Property

Below is a breakdown of the condition rating of state accommodation:

CONDITION RATING



- 44% of the assets have deteriorated badly, with some structural problems. General appearance is poor with eroded protective coatings; elements are broken, services are interrupted; significant number of major defects exists. Risk Index: Many disruptions to service capability, some risk to health and safety or property. High cost implication.
- 51% of the assets are in average condition, deteriorated surfaces require attention; services are functional but require attention, backlog maintenance work exists. Risk Index: Frequent inconvenience to operations. Some risk to health and safety or property. Medium cost implications
- 5% of the assets exhibit superficial wear and tear, with minor defects and minor signs of deterioration to surface finishes.
- Risk Index: Intermittent, minor inconvenience to operations. Probability of risk to health & safety or property is slight. Low cost implication.

- 0% of the assets have no apparent defects. Risk Index: No effect on service capability. No risk. The annual budget allocated for the maintenance of buildings owned by the Department of Public Works, Roads and Transport is inadequate to make a positive impact on the maintenance backlog. The Department continues to do day to day maintenance on buildings due to insufficient funds.

Transport infrastructure maintenance backlog

The total Provincial road network is 13 864 km and 61% (8 418 km) of these are unpaved whilst 39% (5 446 km) are paved. Mpumalanga has the fourth best roads in the country and comes after the Big Three (i.e. Gauteng, KwaZulu-Natal and the Western Cape). In terms of demand for unpaved roads, 10% (846 km) carry traffic volumes in excess of 500 vehicles per day.

At a conservative unit cost of R7 million per kilometre, the need to upgrade these roads can be expected to exceed R6 billion. The cost to remove all backlogs related to maintenance, rehabilitation and upgrading based on differentiated technical needs have been calculated at R18.45 billion as a once off for paved as well as gravel roads (based on 2014 assessments). Asset value calculation and valuation forecasts have been done and although the total asset value increases every year, in real terms it depreciates due to the decline in the overall condition. Current investment levels are insufficient and maintenance programmes are lagging. Given the government's limited finances, private funding will need to be sourced for some of these investments, and policy planning and decision-making will require trade-offs between competing provincial priorities.

Summary of maintenance expenditure

The table below shows the actual expenditure incurred for maintenance related Programmes:

Infrastructure projects	2015/16			2014/15		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
New and replacement assets	99,160	78,084	21,076	40,013	47,157	(7,144)
Existing infrastructure assets	1,800,024	1,732,759	67,265	1,702,573	1,759,032	(56,459)
- Upgrades and additions	197,996	176,059	21,937	163,027	406,357	(243,330)
- Rehabilitation, renovations and refurbishments	967,051	1,020,030	(52,979)	919,024	828,019	91,005
- Maintenance and repairs	634,977	536,670	98,307	620,522	524,656	95,866
TOTAL	1,899,184	1,810,843	88,341	1,764,261	1,832,043	(67,782)

GOVERNANCE

PART C



1. INTRODUCTION

The Department adheres to the Public Finance Management Act No 1 of 1999 and Public Service Act 1994 which provide the basis for its corporate governance principles. In line with government wide ICT reforms in the public service, the Department has developed an ICT Governance Framework to drive the introduction of ICT good practices. Over and above this, DPWRT depends on a number of internal controls (e.g. policies, standard operating procedures, frameworks, etc.) to guide its everyday business practices.

2. RISK MANAGEMENT

The Department recognises that the management of risk is crucial to its continued existence, growth and success and this can only be achieved if all three elements of risk namely: threat, uncertainty and opportunity are recognised and managed in an integrated approach. Our philosophy is supported by the Risk Management Strategy and Risk Management Policy. These documents promote development of a culture where risk management is embedded into our business processes.

DPWRT's holistic response to risks remains current and dynamic. Risk assessments are conducted annually for all Programmes to identify risks that may impact their objectives. The Department's risk management policy is also being reviewed on an annual basis to ensure that the policy's application remains relevant and comprehensive. During the year under review, management reviewed the Department's approach to risk management reporting and monitoring as well as the risk management criteria and framework. The objective was to ensure adequacy, relevance and simplicity

The Department has a Risk Management Committee that advises management on mitigation strategies to unacceptable level of risks. The Committee is mandated by the Head of Department to establish, coordinate and drive the risk process throughout the organization. The Department, through the Audit and Risk Committees, is ultimately accountable and responsible for the risk management process implemented within the organization. The day-to-day management of risks rests with the senior and line managers of each sub-programme within the Department.

DPWRT's risk management approach provides the structure for designing, implementing, monitoring, reviewing and continually improving risk management practices across the Department. Notable, the Department has appointed an External Risk Management Advisor to enhance its capabilities for risk management. In addition, the risk management report has been enhanced to include litigation and IT information.

3. FRAUD AND CORRUPTION

The Department does not tolerate fraud and corrupt conduct by either employees or those

doing business with the state. Its Fraud Prevention Plan (FPP) is aimed at creating a culture which is intolerant to fraud; detecting, preventing and investigating fraud; and taking appropriate action against fraudsters. The plan is also focused on addressing the areas that have been identified as inherently susceptible to fraud in the Risk Register.

The Whistle Blowing Policy provides procedures in terms of which an official can report suspected fraud. Cases of fraud can also be reported to the fraud and corruption hotline, Public Protector, Presidential Hotline, Public Service Commission. Fraud awareness workshops are also conducted to inculcate a culture of ethical behaviour and encourage employees to report fraudulent activities. The Integrity Unit located in the Office of the Premier coordinates provincial anti-corruption initiatives.

4. MINIMISING CONFLICT OF INTEREST

To minimise conflict of interest within Supply Chain, all practitioners sign the Code of Conduct for Supply Chain Management. There are four committees within the Supply Chain section, Specification Committee, Evaluation Committee, Adjudication Committee and Finance Committee.

In each committee sitting, all members present declare their interest on record and also sign the declaration of interest indicating whether they have interest or not. The disciplinary process followed where conflict has been identified is found in Resolution 1 of 2003 of the PSCBC (i.e. against employees at level 1 to 12) and Chapter 7 of the SMS Handbook.

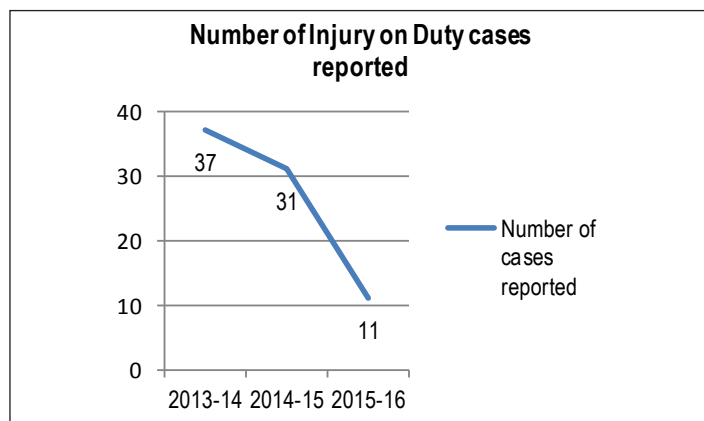
5. CODE OF CONDUCT

The Department continues to enhance an ethical workplace culture through designing, developing and implementing relevant policies, processes and procedural systems to raise ethical awareness and prevent misconduct. All employees in the Department have an obligation to understand the contents of these documents. The employer also conducted awareness and refresher workshops in the previous financial year.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

Improving the management of health and safety continues to be a priority for the whole of the Department. Unfortunately on 24 July 2015, a portion of the roof at the Riverside Government Complex (RGC) collapsed during a routine maintenance whereby a contractor was installing a waterproofing membrane in the built-in pot plant to prevent leakage. The portion of the roof which is situated adjacent to the pot plant in Building 7, 2nd floor, collapsed as a result of soil that was removed from the pot plant and placed on the corrugated iron roof.

One official from the Department of Public Works, Roads and Transport was injured during the incident and she has since made a full recovery. The Department has reviewed its safety and environment control to ensure that similar incidents do not occur in the future. A total of 163 Safety, Health and Environment (SHE) representatives were also appointed in an endeavour to ensure compliance with the Occupational Health and Safety (OHS) Act.



7. PORTFOLIO COMMITTEES

In terms of section 114(2) of the Constitution of the Republic of South Africa, 1996 read with rule 124(b) of the Rules and Orders of the Mpumalanga Provincial Legislature, Portfolio Committees have a mandate to oversee the performance of the Department and hold it accountable through various measures.

As part of its oversight function, the Portfolio Committee on Public Works, Roads and Transport; Community Safety, Security and Liaison met the Department on several occasions during the year of reporting. The focus of these meetings was the Departmental plans, budget, annual report and quarterly performance. The Department also presented progress reports on implementation of previous resolutions. The information below outlines key matters raised by the Committee in 2015/16 and how has the Department addressed these matters.

Portfolio Committee Meetings with DPWRT: 01 April 2015- 31 March 2016

Name of Report	Date
Budget Vote 8: 2015/16	26 May 2015
Budget Appropriation Bill, 2015	10 June 2015
Annual Report: 2014/15	24 November 2015
Quarterly Performance Report: 1 st Quarter	24 November 2015
Quarterly Performance Report: 2 nd Quarter	08 March 2016

Budget Vote 8: 2015/16

Resolutions	Progress by 31 March 2016
10.1 The Department must ensure that roads remain suitable for all users by rehabilitating, maintaining and re-gravelling roads that are dilapidated by weather conditions timeously during rainy season so that communities may have access to main road networks and society.	<ul style="list-style-type: none"> By the end of March 2016, the Department spent R 432, 171 million on road maintenance and R1, 258 million on construction. The Department rehabilitated 137 lane-km of surfaced roads, resealed 828 016m² of surfaced roads, regavelled 851km of gravel roads, patched 182 675m² of potholes and bladed 28 078km of gravel roads.
10.2 Strengthen the monitoring of illegal and uncontrolled access of heavy loaded vehicles as this continue to exert pressure way beyond the bearing capacity of roads infrastructure as government continues to lose millions on legal claims for pothole damages.	<ul style="list-style-type: none"> There are overloading control centres along main corridors. The Traffic Management unit within the Department of Community Safety, Security and Liaison is monitoring compliance in terms of law enforcement. The construction of Bethal Weighbridge has been completed. In addition a Freight Databank is available on the Departmental website to assist planners/ policy makers/ researchers to track the movement of freight through specific corridors. This tool is updated every five years and the next cycle of updating is planned for 2016/17.
10.3 Ensure implementation of policies for the maintenance of government buildings, as the Executive Council has approved the department's proposal for inductions of user-charges on buildings occupied by various departments. Furthermore, the department must continue to conduct the conditional assessment on the state's building portfolio and the outcomes of this exercise be implemented accordingly.	<ul style="list-style-type: none"> A total of R 84, 265 million was made available for building maintenance in 2015/16. The budget was used to maintain the 9 shared office buildings i.e. RGC, Anderson St in Mbombela, Louville in Ehlanzeni, Kwamhlanga, Siyabuswa and Piet Koornhof Buildings in Nkangala and the Batho Pele, Elukwatini and Jerry van Vuuren Buildings in Gert Sibande district. Minimum requirements for technical staff to conduct condition assessment of buildings were developed. A total of 27 officials managed to complete their formal training to conduct condition assessment.

Resolutions	Progress by 31 March 2016
10.4 The procurement process around infrastructure projects must be handled with integrity and transparency in line with policies. Furthermore, the department must use its internal capacity to address the inflated prices by conducting regular price checking.	<ul style="list-style-type: none"> All public entities are now required to align their procurement policies and publish their tenders on the eTender portal and Provincial Tender bulletin with the introduction of the Central Supplier Database. This electronic system will ensure that suppliers are rotated in line with the Constitutional principle of fairness and further prevent the abuse of the procurement processes. Provincial Treasury and the Office of the Premier have been given the responsibility to conduct a thorough assessment of the pricing and service models of service providers to ensure that government is not paying inflated rates.
10.5 Develop a turnaround strategy that will ensure realization of the key policy decisions.	<ul style="list-style-type: none"> The Department spent 99.8% of its budget by end of March 2016. Cost curtailment measures for the 2015/16 financial year were implemented to reduce spending on non-core areas. The rationalisation process for SMS level was finalised during the 2015/16 financial year whilst level 1-12 is planned for 2016/17 financial year.
10.6 Continue to monitor the implementation of the plans regarding the school bicycles in order to ensure that they are used for what they are intended for; furthermore, ensure that learners use those bicycles for school purposes and that they are taught to take care of them, taking into consideration that there are other beneficiaries in need.	<ul style="list-style-type: none"> The Department of Education identifies beneficiaries and creates a list from which qualifying beneficiaries are drawn in line with the set criteria. The two departments verify the beneficiaries from the lists and come up with the final list/ target. A Departmental monitoring team is tasked with verification of bicycles that have already been donated. The contents of the memorandum of agreement entered into between the Department of Education and the Department of Public Works, Roads and Transport concerning the issues around maintenance of the bicycles are discussed during verification sessions. Schools are also required to sign agreements upon receipt of the bicycles to maintain the bicycles.
10.7 The Department, as an implementing agent, together with client departments; must put measures in place to prevent the non-completion of projects on a set time-frame through monitoring and communication. The concerned departments must adhere to the Infrastructure Delivery Management System (IDMS) adopted; which aim at improving planning, budgeting, procurement, delivery, maintenance, operation, monitoring and evaluation of built infrastructure.	<ul style="list-style-type: none"> In terms of the IDMS, departments are supposed to provide their infrastructure plans 2 years in advance. Several infrastructure governance structures have been put in place to enhance oversight on the delivery of building infrastructure (e.g. PPICC, Monthly POMM, JOC meetings, etc.). The Provincial Treasury is tasked with championing implementation of IDMS. DPWRT has done several institutional re-arrangements in preparation for full implementation of the system.

Budget Appropriation Bill, 2015

Resolutions	Progress by 31 March 2016
1. The Department must ensure that, in reducing its accruals of R233 898 085 that were not cash backed in the current financial year, it should not impact negatively on service delivery.	<p>The Department had submitted a report on accruals and commitments during the 2015/16 financial year to the Portfolio Committee.</p> <p>Despite the challenge of R233 million accruals, the departmental managed to spend R4 390 229 billion or 99.8% of the budget. The accrual was factored in to the operational plan for the financial year. Further cost curtailment measures were implemented throughout the financial year in a bid to minimise, as far as possible, the adverse effect of accruals on service delivery.</p>
2. The Department must improve on its support to client departments in implementing EPWP conditional grants to ensure that the province can receive the incentives. Particular attention must be given to the Department of Education and Human Settlements.	<p>The Departmental EPWP unit is now sitting on the consultancy review meeting where job creation issues are discussed with a view to enhance reporting.</p>
3. The Department must improve on its spending on conditional grants in general to avoid funds to be forfeited; and to ensure improved service delivery in the Province.	<p>The spending on conditional grant has improved. The department managed to spend 100% on its allocated conditional grant budget at the end of the financial year with only R821 thousands saving to be surrendered to Treasury.</p>

Resolutions	Progress by 31 March 2016
4. The Department must improve its capacity to guide departments, as well as its capacity to implement infrastructure projects of client departments.	<ul style="list-style-type: none"> In collaboration with the client department, DPWRT has requested them to avail their technical staff to assist in the implementation of projects. An application to appoint critical professionals is pending approval by EXCO (this includes four Chief Engineers; one Chief Architect and one Chief Quantity Surveyor).
5. The Department must ensure that the infrastructure Delivery Management System which was adopted by government that requires planning two years in advance must be properly implanted to ensure improvement in future infrastructure projects.	The Department is abiding by the prescripts of the IDMS; however circumstances, such as adverse weather conditions may result in the need for urgent projects to be implemented i.e. storm damaged projects. The Department further envisages that the recent National Treasury prescripts and gateways on project planning and procurement will augment the IDMS processes.
6. The Department must ensure spending strictly in terms of its approved APP for 2015/16 to minimise accumulating of accruals that are not cash backed. Furthermore, it must ensure proper management and implementation of its cost curtailment measures, and ensure that cost curtailment measures will not impact negatively on service delivery.	The Department managed to spend R4 390 229 billion or 99.8% of the budget. The accruals were factored in to the operational plan for the financial year. Further cost curtailment measures were implemented throughout the financial year in a bid to minimise, as far as possible, the adverse effect of accruals on service delivery.
Cross-Cutting	Updated Progress
1. Departments and public entities must strengthen their internal financial systems and controls to ensure proper cash management controls.	The Department has drafted a cashflow schedule consistent to expenditure projections (sec 40) which was submitted to Provincial treasury. The department will ensure spending in line with the cashflow projections and the annual performance plan.
2. Departments are cautioned to monitor their financial management strictly to minimize accruals; furthermore, to ensure that where accruals exist that they are committed and cash backed.	The Department has spent 99.8 percent of its budget while incurring R9.8 million under-expenditure which will be surrendered and ultimately rolled-over to the 2016/17 financial year. The Department is looking to drastically reduce the amount of accruals in the 2015/16 financial year.
3. Departments and public entities must improve on their performance on conditional grants, in particular on the EPWP grants; therefore implementation must be enforced to ensure that the Province receives the relevant incentives and the job opportunities are created as envisaged.	The Department has spent 99.9 percent on the EPWP conditional grant. The departmental EPWP unit is now sitting on the consultancy review meeting where job creation issues are discussed with a view to enhance job reporting.
4. The Accounting Officers of those departments who failed to submit the requested information; and/or submitted inadequate information within the set time frame must submit the outstanding information within three days after tabling of this report.	The department will ensure compliance to committee submission timelines and that information submitted is of an acceptable quality standard.
6. When pronouncements are made subsequent to the tabling of budgets that have a financial implication caution must be taken to ensure that it does not impact negatively on existing service delivery commitments.	The Portfolio Committee engaged the Department on the progress made on the house resolutions
7. All relevant Portfolio Committees must engage with their respective departments on the House Resolutions as contained in this report when they meet with departments to consider Second Quarter Performance reports for 2015/16.	The Portfolio Committee engaged the Department on the progress made on the house resolutions

Annual Report: 2014/15

Resolutions	Progress by 31 March 2016
1. Develop and implement an improvement plan that will address material findings raised by the Auditor-General. A progress report must be provided to the Committee by end of February 2016 and regular progress reports must be submitted on a quarterly basis.	An Audit Action Plan has been developed to address the findings raised by the Auditor General in the 2014/15 financial year. Progress on implementation of this plan is reported on a monthly basis. The progress report was submitted to the Committee as requested.

Resolutions	Progress by 31 March 2016
2. Ensure that targets as contained in the APP are implemented accordingly and there should be a balance of performance with the allocated budget.	<ul style="list-style-type: none"> The Department achieved 21 of the 37 (57%) planned targets by the end of December 2015 with an overall expenditure of 77%. It should however be noted that the Department's APP contains some targets that are dependent on client departments, other spheres of government and external factors. Notwithstanding that, the Department endeavours to achieve all planned targets for the current year.
3. Ensure that the position of the DDG; the CFO and other critical funded positions are filled urgently and provide the progress thereof to the Committee.	<ul style="list-style-type: none"> The position of the CFO has been filled with effect from 01 January 2016. The vacant posts for the DDG and other critical positions were not filled due to the provincial moratorium on filling of posts.
4. Improve on the creation of job opportunities through the EPWP programme within the Province.	<ul style="list-style-type: none"> The targets for job creation are set by the National Department of Public Works (NDPW) and are thereafter given to Provinces for implementation. A Provincial Steering Committee (PSC) has been established to improve the overall coordination of jobs created in the Province. NDPW has introduced a new reporting system in an endeavour to improve the data integrity for EPWP III. This system requires uploading of various documentation to support the reported figures.
5. Develop a mechanism that will address the quality of work by contractors and ensure that there is consequence management on those that do not comply.	<ul style="list-style-type: none"> Projects are monitored on a daily basis by the Department's appointed agents (i.e. Consultants), District Project Managers and Head Office Project Leaders. Furthermore, site and technical meetings are scheduled on a monthly basis to inspect the quality of work of the contractors, as well as to implement measures against poor performing contractors. Consequences thereof are reported at the monthly Consultants meeting chaired by the DDG for Public Infrastructure. Through these structures, interventions on poor performing contractors are applied as guided by the contract agreement and Joint Building Contracts Committee (JBCC). On exhausting all remedial actions and intervention provided by the, termination or cession is considered as the last resort after considering other factors e.g. current stage of the project. According to Clause 36 of the JBCC, the Department may give notice of termination ten (10) days after a notice of default has been served a defaulting contractor.
6. Develop a monitoring and evaluation plan which will ensure that both the department and client departments monitor the progress done by contractors.	<ul style="list-style-type: none"> Several infrastructure governance structures have been put in place to enhance oversight on the delivery of building infrastructure projects (e.g. Project Operations Management Meetings (POMM), Joint Operations Committee (JOC) and Payment Approval Committee meetings). The MECs and HODs form part of some of these structures which meet on a monthly basis.
7. Provide the Committee with a detailed project implementation plan that will ensure that contractors execute their work as required (as per the terms of their contracts) and completed at the specified and agreed timeframe.	A consultants' reporting template and the Infrastructure Delivery Improvement Plan (IDIP) was submitted as supporting documents.

8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) met with the Department on the 23rd of March 2015. The purpose of the meeting was to deliberate on the Annual Report: 2013/14. It should be noted that there were no resolutions relating to the 2014/15

Annual Report. However, the Department has only received preliminary questions and is still awaiting the final resolutions for implementation. The table below outlines the progress made towards implementation of the 2013/14 resolutions taken:

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
3.1	Irregular Expenditure	(i) The Accounting Officer must provide a report on the outcome of the investigations relating to the irregular expenditure.	The Department has done an investigation on the irregular expenditure for 2013/14 financial year. The preliminary findings indicate that an amount of R226 434.40 should be condoned. The breakdown is as follows: <ul style="list-style-type: none"> ▪ R52 849.57 relating to accommodation was done within the contract period (supporting document was submitted). ▪ R118 569.95 resettlement transactions were implemented as per the resettlement policy. ▪ R55 014.88 relates to performance bonuses that were paid not in line with prescripts. The matter has since been referred to Labour and the process of recovery has been initiated. 	Yes
		(ii) The Accounting Officer must provide proof that the irregular expenditure was reported to the Provincial Treasury and Auditor General as required by Section 38 (1) (g) of the PFMA.	The supporting documents were attached with the submission to SCOPA.	Yes
		(iii) The Accounting Officer must develop effective internal control systems and tools to timeously detect and prevent fruitless, wasteful and unauthorised expenditure as required by Section 51 (1) (b) (ii) of the PFMA.	A policy on management of fruitless, wasteful and unauthorised expenditure has been developed. The policy sets out procedures to be followed after identification of fruitless, wasteful and unauthorised expenditure.	Yes
4.	Reliability of Performance Information and the Pre-determined Objectives	(i) The Accounting Officer must ensure that the Department has and operates with adequate capacity to manage programme performance information.	There has been realignment of capacity within the Department and there has been a significant improvement on the reliability of the Department's performance information during the 2014/15 financial year. As a result, 78% of the planned targets were achieved at year end as compared to 58% achieved in 2013/14.	No
		(ii) The Accounting Officer must ensure that all key vacant posts are filled by 30 June 2015.	There were no posts filled by 30 June 2016 due to the provincial mora forum.	No
		(iii) The Accounting Officer must ensure that the developed Performance Information Plan and Audit Action Plan are effectively implemented to prevent the matter from recurring.	Performance against these plans is monitored on a monthly and quarterly basis within the Department. As a result, there was improvement in the Department's overall performance.	Yes
5.1	Supply Chain Related Matters (Procurement And Contract Management)	(i) The Accounting Officer must ensure that complete and accurate information is timeously submitted to the Office of the Auditor General for auditing purposes.	The audit requests are centralised to the CFO's Office and the internal communication has been strengthened to ensure timeous responses. As a result, the Department was able to respond to all matters within the 48 hours stipulated in the audit engagement letter during the audit for 2014/15.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
5.2	Awarding of Contracts	(i) The Accounting Officer must develop effective measures and systems that will be able to detect the registration status of contractors to ensure that no contracts are awarded to contractors who are not registered with the Construction Industry Development Board (CIDB), in compliance with Section 20 (1) of the CIDB Act 38 of 2000.	<ul style="list-style-type: none"> The Department appoints service providers in compliance with applicable legislation and practice notes. The Department implements a SCM checklist to ensure compliance with CIDB prescripts and relevant legislation. 	Yes
		(ii) The Accounting Officer must ensure that the developed checklist is effectively and efficiently implemented and to consider taking disciplinary actions against employees who fail to execute their duties effectively to prevent the matter from recurring.	<ul style="list-style-type: none"> The Department is enforcing compliance to the developed SCM checklist. There has been a significant improvement in the 2014-15 audit processes. The Accounting Officer concurs that consequence management be applied to employees who fail to execute their duties in this respect. 	Yes
5.3	Officials Doing Business With the State	(i) The Accounting Officer must provide feedback relating to the request made to the Auditor General relating to the challenge of employees doing business with the state.	<ul style="list-style-type: none"> The Auditor General has agreed to provide the Department with semester reports of employees doing business with the state. The Department is also implementing the Public Servant Verification System that has recently been introduced by DPSA. 	Yes
		(ii) The Accounting Officer must develop effective measures and systems to speed up the process of recovering monies due to the Department as requirement by Section 38 (1) (c) of the PFMA.	<ul style="list-style-type: none"> Debt recovery is done as per the Debt Management Policy. In addition, the Department has established a forum consisting of Internal Audit, Legal section, Labour and Supply Chain Management to ensure that these issues are monitored and resolved timeously. 	Yes
5.4	Contracts Awarded To Bidders Who Did Not Score The Highest Points	(i) The Department must take disciplinary actions against officials who caused the department to award contract to bidders who had scored low point which contravened section 16A8.3 of the Treasury Regulations (2013/14).	<ul style="list-style-type: none"> Upon investigation, it was discovered that the contract in question was awarded to the bidder who scored the highest points as per the Preferential Procurement Policy Framework. As a result, the Department did not take any action against any official. 	Yes
		(ii) The Accounting Officer must ensure that there is compliance with Section 2 (1) (f) of the Preferential Procurement Policy Framework.	The Department has put in place plans and the checklist to ensure compliance with the Preferential Procurement Policy Framework when awarding contracts.	Yes
5.5	Procurement of Service Without Obtaining Quotations	(i) The Accounting Officer must ensure compliance with Section 51 (1) (a) (iii) of the PFMA and Section 16A6.1 of the Treasury Regulations.	The Department complies to Section 16A6.1 of the Treasury Regulations by ensuring that Procurement of goods and services, either by way of quotations or through a bidding process are within the threshold values as determined by the National Treasury. The procurement delegations developed for the Department are within the threshold values as determined by the National Treasury.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		(ii) The Accounting Officer must furnish the Committee with the proof of approvals for deviations relating to Scholar Transport (2013/14).	The supporting documents were attached with the submission to SCOPA.	Yes
5.6	Annual Financial Statements	(i) The Accounting Officer must ensure that all key vacant funded positions are filled by 30 June 2015.	<ul style="list-style-type: none"> No posts were filled before 30 June 2016 due to the provincial moratorium. The post of the CFO is the only post that was later exempted from the Provincial Moratorium. 	No
		(ii) The Accounting Officer must ensure that all measures put in place are effectively implemented and monitored and consider taking disciplinary actions against officials who fail to execute their duties effectively in order to prevent this finding from recurring	<p>The following measures have been put into place:</p> <ul style="list-style-type: none"> An Immovable Asset Management forum headed by Senior Manager: Risk Management has been established to deal with all matters relating to the asset register. The Asset Management Unit has been reinforced through alignment of duties and officials. 	Yes
5.7	Expenditure Management and Accruals	(i) The Executive Authority must consider taking disciplinary actions against the Accounting Office for contravening Section 38 (1) (f) of the PFMA and Treasury Regulation 8.2.3.	The Department managed to pay 99% invoices within 30 days of receipt. However, the outstanding (1%) invoices could not be settled on time due to the verification process that took longer. The Executive Authority therefore considered that it was not a matter for disciplinary action.	Yes.
		(ii) The Accounting Officer must develop effective and efficient systems to ensure timely verification and tracking of invoices to ensure with Section 38 (1) (f) of the PFMA and Treasury Regulation 8.2.3.	<p>A process flow for invoice management has been developed. The flow chart indicates the following key activities amongst others:</p> <ul style="list-style-type: none"> submission of invoices is centralized to the Expenditure Section, registration of invoices on a Creditor's Control register; and Distribution /follow-ups of outstanding orders with responsibility managers. 	Yes
		(iii) The Accounting Officer must develop effective and efficient systems to ensure that accruals are minimised.	<p>The following has been put in place to minimize accruals:</p> <ul style="list-style-type: none"> Proper planning processes supported by appropriate budget allocations. Effective monitoring of expenditure against appropriated budget supported by Budget and Programme Manager' forum. Deviations from plans to be cash backed to avoid over commitments. 	Yes
		(iv) The Accounting Officer must ensure that all measures put in place are effectively implemented and monitored and consider taking disciplinary actions against officials who fail to execute their duties effectively in order to prevent this finding from recurring.	The Budget and Programme Manager' forum monitors and reports adherence to the plans and allocated budgets.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		(v) The Accounting Officer must take disciplinary action against officials who caused the Department to fail to pay creditors within 30 days of receipt of invoice (TR8.2.3) in 2013/14 financial year.	The 1% of invoices that were not paid within 30 days was due to the verification process that took longer and the system downtime. The Accounting Officer therefore considered that it was not a matter for disciplinary action.	Yes
5.8	Leadership	(i) A copy of minutes / proof of the training of employees on the code of conduct should be furnished to the Committee.	The supporting documents were attached with the submission to SCOPA.	Yes.
		(ii) The Accounting Officer must ensure that refresher sessions of the code of conduct are held.	Appraisal on the code of conduct forms part of the fraud awareness workshops and ethics workshops. A total of 20 workshops were conducted in the 2014/15 financial year. The supporting documents were attached with the submission to SCOPA.	Yes
5.9	Record Keeping	(i) The Accounting Office must ensure that the post of Senior Manager: Records Management is filled by 30 June 2015.	No posts were filled during the current financial year due to the provincial moratorium. However, the post of a Manager: Records Management was filled in June 2014.	No
		(ii) The Accounting Office must ensure that there is effective record keeping in the department.	<ul style="list-style-type: none"> The Department has an approved File Plan and Records Management Policy which are being implemented. It has also adopted a phased-in approach to implement an Enterprise Content Management (ECM) system in order to improve knowledge and information management. The following ECM components: Information Repository, ICT Security, Scanning and Records Management have been prioritised due to the available limited resources. 	Yes.
5.10	Governance	(i) The Accounting Office must ensure that recommendations of the Internal Audit are effectively implemented by affected sections across the department and there must be consequences against those who fail to implement Internal Audit Recommendations.	<ul style="list-style-type: none"> A number of governance structures have been established to assist the Accounting Officer with this responsibility. The Department has also recently appointed a new audit committee and risk chairperson in order to enhance governance and accountability. The Department is in a process of developing a register of internal audit findings. 	Yes
5.11	Service Delivery	(i) The Department must submit a detailed list of all leased properties to the Committee.	Supporting documents were submitted to the Committee.	Yes
5.12	Human Resource Management	(i) The Accounting Officer must ensure that officials in Human Resource Management verify qualifications as required by PSR 1/ VII/D1.8.	The Department verifies all qualifications and the process is ongoing. Monitoring of the verification process is done on quarterly basis in the Department.	Yes.
		(ii) The Accounting Officer must ensure effective implementation of the amended overtime policy and continuous monitoring and take measures against official who will contravene the policy.	The Accounting Officer delegates approval for those exceptional cases where officials have to work more than the maximum number of hours allowed due to under-staffing in critical areas and essential services e.g. boiler makers. This is covered in the amended overtime policy of the Department. This finding did not recur in the 2014/15 financial year.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		(iii) The Accounting Officer must ensure that Senior Managers and Managers are properly trained to effectively implement the Performance Management and Development System.	A total of 73 PMDS training sessions were conducted in the 2014/15 financial year.	Yes
		(iv) The Accounting Officer must ensure that the PMDS checklist is effectively utilised to prevent this matter from recurring and disciplinary actions be taken if a need arises.	<ul style="list-style-type: none"> The training programme in terms of PMDS and the checklist was rolled out to all officials in the Department. Disciplinary measures have been taken against officials who failed to comply with related prescripts. 	Yes
5.13	Sector Related Issues – Public Works	(i) The Accounting Officer must develop an efficient working relationship with client Departments in order to ensure that User Asset Management Plans (UAMPs) are submitted timeously.	<p>Apart from the process outlined in the Accounting Officer's response on P27, the Department continues to improve on communication between Departments. The following measures are in place:</p> <ul style="list-style-type: none"> Letters are written to User Departments who do not comply; Follow up is made with Treasury in terms of Circular No. 8 of 2011, due to non-compliance by User Departments; Monthly User Forum meetings are held with Departments; One-on-one sessions are held with User Departments to assist them with UAMP compilation. 	Yes
		(ii) The Accounting Officer must furnish the Department with copies of minutes of the monthly meetings between the Department and Client Departments.	Supporting documents were submitted to the Committee.	Yes.
		(iii) The Accounting Officer must furnish the Committee with a report on the outcomes of the implementation of the recommendations of the SACPCMP, relating to registration of Project Managers.	The Department has implemented the recommendations of the Council by amongst others translating Project Managers who are not registered with SACPCMP to non OSD posts and the finding did not reoccur in 2014/15. The supporting documents were attached with the submission to SCOPA.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to audit reports. The Auditor General did raise matters on non-compliance that the Department is addressing in its Audit Action Plan.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Progress made in clearing / resolving the matter
Misstatements on the Annual Financial Statements	<ul style="list-style-type: none"> Annual Report Committee appointed to oversee the quality of financial and non-financial information. Annual Financial Statements submitted to Internal Audit and Audit Committee for quality assurance. Financial Reporting Unit established.
Inadequate portfolio of evidence to support achievements against predetermined objectives for Programme 5.	<ul style="list-style-type: none"> The Portfolio of Evidence (POE) for this Programme is kept by the various implementing public bodies. The Department has developed a checklist highlighting the records that must be kept to support the reported EPWP figures. Quarterly performance reports are presented at the EPWP Provincial Steering Committee.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Progress made in clearing / resolving the matter
	<ul style="list-style-type: none"> The National Department of Public Works has introduced a new EPWP Reporting System to improve data integrity.
Non-compliance to laws and regulations	<ul style="list-style-type: none"> Compliance to laws and regulations is monitored through various governance structures (e.g. Risk Management Committee, Budget and Programme Managers Forum, Audit Committee, etc). Notwithstanding this, the Department continues to review its internal controls in order to minimize the likelihood of contraventions of laws and regulations.
Inadequate ICT Governance	<ul style="list-style-type: none"> An ICT Strategy was developed and implemented to ensure that IT objectives are in alignment with business objectives. A Corporate Governance of ICT Policy framework was developed to fit the Department's environment as it is required by paragraph 4.1 and 4.2 of PSCGICTP framework.

10. INTERNAL CONTROL UNIT

The Internal Audit Unit is responsible for assessing the adequacy of the Department's internal controls. It also has a central role in improving operational processes and financial practices by: however, has reviewed and evaluated the adequacy and effectiveness of internal controls during the various audits conducted as per the risk based annual operational plan.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function is a key component of DPWRT's corporate governance, effective and efficient management internal controls and risk management. The function operates under an internal audit charter consistent with the Institute of Internal Auditors' standards. The charter is approved by the Accounting Officer and accepted by the Audit Committee.

Internal Audit

The Internal Audit unit evaluates and contributes to the improvement of risk management, internal controls and governance processes and systems such as:

- Information system environment
- Reliability and integrity of financial and operational information
- The effectiveness of operations
- Safeguarding of assets
- Compliance with laws, regulations and controls

In the past 12 months, the internal audit unit completed 16 audit reports.

Audit Committee

The Audit Committee assists the Accounting Officer in carrying out his oversight of the Department's:

- Financial, management and other reporting practices;
- Internal controls and management of risks;
- Compliance with laws, regulations and ethics.

Attendance of audit committee meetings by audit committee members:

Name	Qualifications	Internal or external member	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
KG Mbonambi	<ul style="list-style-type: none"> • B. Accounting • B.Com (Hons) • Accounting • Certificate in Board Governance 	External	N/A	01 Oct 15	N/A	05
AM Badimo	<ul style="list-style-type: none"> • B.Sc (Computer Science) • B.Sc Hons (Computer Science) • M.Sc Applied Science (Electrical Engineering) • MBA • PhD Computer Science (Bcom Informatics) • Project Management Diploma • CISA, CISM, CRISC, CGEIT 	External	N/A	01 Oct 15	N/A	03
TH Mbatha	<ul style="list-style-type: none"> • CA • B. Accounting Science • Honours B. Accounting Science 	External	N/A	01 Oct 15	N/A	04
GC Letsoalo	<ul style="list-style-type: none"> • Post Grad Dipl. In Risk Management • B. Com Accounting • Articles – SAICA • LLB – (Current) 	External	N/A	01 Oct 15	N/A	05

12. AUDIT COMMITTEE REPORT

Report of the Audit Committee

Department of Public Works Roads and Transport

The Audit Committee is pleased to present the annual audit committee report for the financial year ended 31 March 2016.

Audit Committee Responsibility

The Audit Committee (Committee) confirms that it has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13. The Committee has adopted formal terms of reference as its Audit Committee Charter, which was approved by the Executive Authority. The Committee has regulated its activities in compliance with this Charter and has discharged all its responsibilities as contained therein.

Audit Committee and Attendance

The Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per provisions of the Public Finance Management Act (PFMA). In terms of the approved Terms of Reference (MPG Audit Committee Charter), six meetings were held during the current year, i.e. four meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's (AGSA) Audit and the Management Reports.

Name of Executive	Number of Meetings Attended
Ms. Masaccha Mbonambi	05
Ms. Lihle Mbatha	04
Mr. Clement Letsoalo	05
Ms. Annah Badimo	03
Name of Non-Executive	Number of Meetings Attended
Mr. Stanely Ngobeni (Chairperson of the Risk Management Committee)	04

Executive Members

The Head of Department, the Chief Financial Officer, the Executives of the department and representatives from the external and internal auditors attend meetings by invitation. The Committee also met separately with external auditors and internal auditors, without management being present.

The Audit Committee noted that the Accounting Officer attended most scheduled Committee meetings and where he was not available, a representative was appointed.

Therefore, the Audit Committee is satisfied that the Department adhered to the provisions of the MPG Audit Committee Charter in relation to ensuring that there is proper representation for the Accounting Officer.

The Committee hereby also confirms that Members of the Audit Committee met with Senior Management of the Department, Internal Audit and the Auditor-General, individually and collectively, to address risks and challenges facing the Department. In-committee meetings were held to address control weaknesses and deviations within the Department.

The effectiveness of internal control and Information and Communication Technology (ICT) Governance.

The Audit Committee has observed that for the financial year under review the overall control environment of the Department continues to improve but there is still room for improvement. Some deficiencies in the system of internal control and deviations were reported in the Internal Audit Reports and the following areas still remain a matter of priority for the Committee:

- Financial reporting controls;
- Financial management which specific emphasis on accruals, commitments and leases, and
- General financial reporting;

The Audit Committee also reviewed the progress with respect to the ICT Governance in line with the ICT Framework issued by the Department of Public Service and Administration. Although there was progress on the ICT internal control and ICT Continuity plan, the Audit Committee have identified priority areas for improvement in implementation of the ICT Continuity plan and the Business Continuity Plan.

Internal Audit

The Audit Committee raised concern in relation to the Internal Audit plan that did not fairly represent assurance required in managing the risk profile and control environment of the Department. As a result, the Committee amended the internal audit plan to incorporate additional audits and follow-up audits which were performed during the 2015/16 financial year.

The Audit Committee has noted some improvement in the communication between the Executive Management, the AGSA and the Internal Audit Function, which will strengthen the Corporate Governance initiatives within the Department.

The Audit Committee still remains concern about the available capacity within the Internal Audit Function and acknowledges the initiatives that are currently under way to strengthen the Unit.

Risk Management

Progress on the departmental risk management was reported to the Audit Committee on a quarterly basis. The functioning of the Risk Management Committee needs to be conducted in a manner that would give comfort to the Audit Committee of the effectiveness of the function. The Committee did not receive adequate assurance that the process and procedures followed by the Risk Management Committee are adequate to ensure that the risks identified are monitored and mitigated.

Management should continue to support the Chairperson of the Risk Management Committee to further enhance the performance of the Department.

Forensic Investigations

No forensic investigations were reported to the Committee during the period under review.

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee is satisfied with the content and quality of financial and non-financial quarterly reports prepared and submitted by the Accounting Officer of the Department during the year under review and but some improvement is necessary to ensure that the reports are in compliance with the statutory reporting framework.

Evaluation of Annual Financial Statements

The Audit Committee has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General South Africa (AGSA) and the Accounting Officer;
- Reviewed the Audit Report of the AGSA;
- Reviewed the AGSA's Management Report and Management's response thereto;
- Reviewed the Department's compliance with legal and regulatory provisions; and
- Reviewed significant adjustments resulting from the audit.



Ms KG Mbonambi
Chairperson of the Audit Committee
Department of Public Works, Roads and Transport
31 July 2016

The Audit Committee concurs with and accepts the AGSA's conclusions on the Annual Financial Statements, and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the AGSA.

One-on-One Meeting with the Accounting Officer

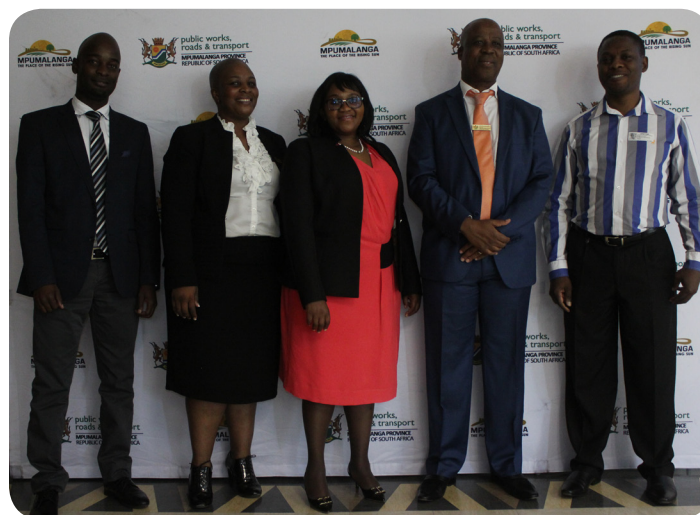
The Audit Committee has met with the Accounting Officer for the Department to address unresolved issues.

Auditor-General of South Africa

The Audit Committee has met with the AGSA to ensure that there are no unresolved issues.

Conclusion

The Committee together with Management remains committed to making exponential improvement in the coming financial year and it should therefore provide the basis for maintaining an unqualified audit opinion with no significant findings on matters of financial reporting, compliance and performance information. The Committee wishes to express its appreciation to the MEC and all other stakeholders for their contributions during the year.



HUMAN RESOURCE MANAGEMENT

PART D



1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCE

Status of Human Resources in the Department

Supporting the Department's work were 3 531 technical and non-technical personnel working from Head Office and regional offices. During the year, we focused on efficiency by reducing duplication and finding new ways to conduct our work while ensuring that service delivery was not compromised.

In line with the provincial moratorium on filling of posts, we completed the rationalization of senior managers which has since been completed.

The next focus is the consolidation of personnel numbers for level 01 – 12. We need to ensure that we have the right people, with the right skills in the right places to deliver.

The purpose of this exercise is also to put more funds on the core services than compensation of employees which will enable government to realise more of its priorities. The outcome of this exercise will also be critical to the Department's ambitiousness to reduce dependency on consultants.

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

In determining the Human Resource policy priorities for the Department, the following priorities were agreed upon:

HR Priorities	Impact
1. Organisational Structure	- Functional organisational structure, clear functions and reporting lines and an effective post establishment structure.
2. Budget	- Full implementation of the MTEF HR Plan.
3. Recruitment and Selection	- Employment of suitably qualified, competent, effective and performance orientated employees.
4. Employee Health and Wellness	- Complete state of physical, social and mental wellbeing of the workforce.
5. Performance Management & Development System	- Overall achievement of organisational objectives.
6. Training and Development	- Capacitated and well developed employees.
7. HR Information	- Credible HR information.
8. Retention	- Staff retention and competent workforce.
9. Succession Planning and Career Management	- Clear career path and succession plan that promotes continuity and upward mobility.
10. Employment Equity/ Diversity Management	- Equality, representative and transformed workforce.
11. Compensation and Conditions of Service	- Prompt payments of benefits to all entitled employees.
12. Culture and Ethics	- Accountability and good governance
13. Labour Relations	- Sound employment relationship.

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

The following key recruitment and retention strategies exist within the Department. However, these could not persuade fully due to the provincial moratorium on filling of posts:

1. A new functional organisational structure that would result in the Department meeting its strategic objectives.
2. Continuous development of employees, which would provide the Department with a competent workforce,
3. Attracting and retaining technical skills to support delivery of the Provincial infrastructure agenda.

Employee performance management

The Department uses the Performance Management Development System (PMDS)

to manage individual performance. This tool requires managers and supervisors to develop Performance Agreements with employees and set performance standards that are aligned with the APP of the Department. The employer has since introduced quarterly moderations as part of enhancing management of individual performance. The second critical part of these agreements is the Personal Development Plans (PDP) which requires all employees to state their skills development needs for the year ahead. The employer sets aside 1% of the wage bill in an endeavor to provide related capacity building programmes.

Employee wellness programmes

DPWRT offered a range of health promotion initiatives to enhance the wellbeing of staff in 2015/16. These programme were delivered through the Employee Health and Wellness unit. One of

these programmes involves keeping in shape by participating in different sporting activities. Other significant programmes include management HIV and AIDS and Occupational, Health and Safety.

2.6 Highlights of achievements and challenges faced by the Department, as well as future human resource plans/goals

Achievements

The Department has successfully achieved the following objectives in the 2015/16 financial year:

- 100% (3344) of employees signed their performance agreements.
- No labour action emanating from the PMDS final outcomes.
- Won an award for successful implementation of Employment Equity in the public service with special reference to 2% employment of people with disabilities.
- Completed the rationalization process for SMS members.
- Appointment of 163 Safety, Health and Environment (SHE) representatives.
- Re-orientation of employees on Code of Conduct and PMDS.
- Consequent management where employees were found to be negligent in the execution of their duties.

Challenges

- Technical skills shortage due to competitive remuneration packages that are offered by the private sector.
- Non-replacement of staff due to the ongoing rationalisation process
- Erosion of the Employment Equity gains due to the provincial moratorium on filling of posts.

- No scientific method to calculate the additional work allocated to those acting as caretakers of some sub-programmes.
- No platform to implement initiatives from the various approved HRM documents due to the freezing of posts.

Future HR plans /goals

- The Department has revised its structure in line with the Strategic Plan: 2015-2020. The new structure will enable realization of an efficient, effective and Department.
- In the next financial year, DPWRT will request approval from EXCO to fill several critical technical posts. This request will also include the proposal to utilise R10 million of the PRMG which is ring-fenced for technical capacity building.
- The Annual Adjusted HR Plan is to be adopted as the guiding document in integrating all human capital plans for the upcoming financial year.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. PERSONNEL RELATED EXPENDITURE

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

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

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

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	228 644	157 159	259	8 701	68.7	45
Public Works Infrastructure	669 205	264 501	213	15 703	39.5	75
Transport Infrastructure	2 314 671	367 360	5,096	83 296	15.9	104
Transport Operations	1 106 710	61 234	0	12 704	5.5	17
Community Based Programmes	71 015	27 223	23,694	12 607	38.3	8
Total	4 390 245	877 477	29 262	133 011	20	249

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

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	107 612	10.7	723	148 841
Skilled (level 3-5)	279 282	27.9	1 573	177 547

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Highly skilled production (levels 6-8)	212 083	21.2	639	331 898
Highly skilled supervision (levels 9-12)	196 632	19.6	334	588 719
Senior and Top management (levels 13-16)	66 090	6.6	64	1 032 656
Contract (level 1 to 2)	4 178	0.4	160	26 113
Contract (level 3 to 5)	2 011	0.2	14	143 643
Contract (level 6 to 8)	3 686	0.4	13	283 538
Contract (level 9 to 12)	2 791	0.3	5	558 200
Contract (level 13 to 16)	6 447	0.6	6	1 074 500
Periodical remuneration	376	0	42	8 952
Abnormal	62 894	6.3	7939	7 922
Total	944 082	94.2	11 512	82009

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

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	104 359	66.4	985	0.6	5 857	3.7	8 054	5.1
Public Works Infrastructure	19 501	71.6	0	0	643	2.4	993	3.7
Transport Infrastructure	39 440	64.4	3 225	5.3	2 783	4.6	3 705	6.1
Transport Operations	175 520	66.4	5 981	2.3	13 621	5.2	14 604	5.5
Community Based Programmes	243 814	66.4	1 208	0.3	24 451	6.7	32 402	8.8
Total	582 634	66.4	11399	1.3	47 335	5.4	59 758	6.8

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2015 and 31 March 2016

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	67109	62.3	1261	1.2	9872	9.2	12691	11.8
Skilled (Levels 3-5)	182660	64.5	3704	1.3	21086	7.4	19291	6.8

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Highly skilled production (Levels 6-8)	140411	62.2	5099	2.3	8196	3.6	10011	4.4
Highly skilled supervision (Levels 9-12)	140 961	62.1	1171	0.5	4653	2.1	6072	2.7
Senior management (Levels 13-16)	51 827	68.6	11	0	3427	4.5	1220	1.6
Contract (Levels 1-2)	4 173	99.6	5	0.1	0	0	0	0
Contract (Levels 3-5)	1 400	69.6	147	7.3	93	4.6	48	2.4
Contract (Levels 6-8)	3 318	85.9	0	0	14	0.4	62	1.6
Contract (Levels 9-12)	2 274	71.6	0	0	11	0.3	68	2.1
Contract (Levels 13-16)	5 531	79.6	0	0	0	0	59	0.8
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	13 999	22.3	0	0	0	0	0	0
Total	613 663	61.2	11398	1.1	47 352	4.7	49 522	4.9

3.2. EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations.

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

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

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	490	480	2	5
Public Works Infrastructure	98	97	1	1
Transport Infrastructure	177	177	0	0
Transport Operations	948	946	0.2	1
Community Based Programmes	1 837	1 831	0.3	3
Total	3 550	3 531	0.5	10

NB: Additional posts are employees on contract.

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

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2), Permanent	734	723	1.5	0
Skilled (Levels 3-5), Permanent	1576	1573	0.2	0
Highly skilled production (Levels 6-8), Permanent	641	639	0.3	0
Highly skilled supervision (Levels 9-12), Permanent	336	334	0.6	0
Senior management (Levels 13-16), Permanent	65	64	1.5	1
Contract (Levels 1-2), Permanent	160	160	0	1
Contract (Levels 3-5), Permanent	14	14	0	3
Contract (Levels 6-8), Permanent	13	13	0	1
Contract (Levels 9-12), Permanent	5	5	0	3
Contract (Levels 13-16), Permanent	6	6	0	1
Total	3 550	3 531	0.5	10

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

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	191	190	0.5	4
Agriculture related, Permanent	2	2	0	0
All artisans in the building metal machinery etc., Permanent	183	183	0	0
Architects town and traffic planners, Permanent	5	5	0	0
Artisan project and related superintendents, Permanent	18	18	0	0
Auxiliary and related workers, Permanent	28	28	0	0
Boiler and related operators, Permanent	63	63	0	0
Building and other property caretakers, Permanent	9	9	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Bus and heavy vehicle drivers, Permanent	11	11	0	0
Cartographers and surveyors, Permanent	1	1	0	0
Cartographic surveying and related technicians, Permanent	7	7	0	0
Civil engineering technicians, Permanent	13	13	0	0
Cleaners in offices workshops hospitals etc., Permanent	133	133	0	1
Client inform clerks (switchboard receipt inform clerks), Permanent	2	2	0	0
Communication and information related, Permanent	2	2	0	0
Engineering sciences related, Permanent	41	41	0	1
Engineers and related professionals, Permanent	33	32	3	0
Farm hands and labourers, Permanent	45	44	2.2	0
Finance and economics related, Permanent	15	15	0	0
Financial and related professionals, Permanent	38	38	0	0
Financial clerks and credit controllers, Permanent	150	150	0	0
Head of department/chief executive officer, Permanent	2	2	0	0
Human resources & organisational development & related professions, Permanent	10	10	0	0
Human resources clerks, Permanent	67	67	0	0
Human resources related, Permanent	204	192	5.9	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Information technology related, Permanent	7	7	0	0
Inspectors of apprentices works and vehicles, Permanent	16	16	0	0
Language practitioners interpreters & other commun, Permanent	1	1	0	0
Legal related, Permanent	4	4	0	0
Library mail and related clerks, Permanent	31	31	0	0
Light vehicle drivers, Permanent	19	19	0	1
Logistical support personnel, Permanent	6	6	0	0
Material-recording and transport clerks, Permanent	7	7	0	0
Mechanical engineering technicians, Permanent	5	5	0	0
Messengers porters and deliverers, Permanent	4	4	0	0
Motor vehicle drivers, Permanent	10	10	0	0
Motorised farm and forestry plant operators, Permanent	1	1	0	0
Natural sciences related, Permanent	4	4	0	0
Other administrat & related clerks and organisers, Permanent	136	136	0	1
Other administrative policy and related officers, Permanent	8	8	0	0
Other occupations, Permanent	12	12	0	1
Quantity surveyors & rela prof not class elsewhere, Permanent	8	8	0	0
Regulatory inspectors, Permanent	119	119	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Risk management and security services, Permanent	2	2	0	0
Road superintendents, Permanent	58	58	0	0
Road trade workers., Permanent	9	9	0	0
Road workers, Permanent	1365	1362	0.2	0
Secretaries & other keyboard operating clerks, Permanent	116	116	0	0
Security guards, Permanent	2	2	0	0
Senior managers, Permanent	40	39	2.5	0
Trade labourers, Permanent	239	239	0	0
Trade quality controllers, Permanent	9	9	0	0
Trade related, Permanent	3	3	0	0
Water plant and related operators, Permanent	36	36	0	0
Total	3 550	3 351	0.5	10

3.3. FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service

by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as on 31 March 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	10	10	100	0	0
Salary Level 13	40	40	100	0	0
Total	53	53	100	0	0

Table 3.3.2 SMS post information as on 30 September 2015

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16 MEC	1	1	100	0	0

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Salary Level 15	1	1	100	0	0
Salary Level 14	9	9	100	0	0
Salary Level 13	39	39	100	0	0
Total	51	51	100	0	0

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

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	1	1	100	0	0
Salary Level 13	1	1	100	0	0
Total	2	2	100	0	0

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

Reasons for vacancies not advertised within six months
No posts were advertised due to the Provincial Moratorium on filling of posts.

Reasons for vacancies not filled within twelve months
There were no funded vacancies in the Department.

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

Reasons for vacancies not advertised within six months
Not applicable.

Reasons for vacancies not filled within twelve months
Not applicable.

3.4. JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and

higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

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

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	734	0	0	0	0	0	0
Contract (Levels 1-2)	160	0	0	0	0	0	0
Contract (Levels 3-5)	14	0	0	0	0	0	0
Contract (Levels 6-8)	13	0	0	0	0	0	0
Contract (Levels 9-12)	5	0	0	0	0	0	0

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Contract (Band A)	5	0	0	0	0	0	0
Contract (Band D)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	1 576	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	641	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	336	0	0	0	0	0	0
Senior Management Service Band A	48	1	2.1	0	0	0	0
Senior Management Service Band B	12	0	0	0	0	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Total	3 550	1	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the

number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

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

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

Employees with a disability	0
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

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

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

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

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

Employees with a disability	0	0	0	0	0
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	None.
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3.5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment

profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

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

Salary band	Number of employees at beginning of period: 1 April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2), Permanent	771	0	21	2.7
Skilled (Levels 3-5), Permanent	1 681	0	112	6.7
Highly skilled production (Levels 6-8), Permanent	651	0	27	4.1
Highly skilled supervision (Levels 9-12), Permanent	345	1	7	2.0
Senior Management Service Band A, Permanent	47	0	3	6.0
Senior Management Service Band B, Permanent	11	0	0	0
Senior Management Service Band C, Permanent	4	0	0	0
Senior Management Service Band D, Permanent	1	0	0	0
Contract (Levels 1-2), Permanent	2	174	14	7

Salary band	Number of employees at beginning of period:1 April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Contract (Levels 3-5), Permanent	14	2	4	29
Contract (Levels 6-8), Permanent	14	0	6	43
Contract (Levels 9-12), Permanent	6	0	1	16.7
Contract (Band A), Permanent	5	0	0	0
Contract (Band D), Permanent	1	0	0	0
Total	3 553	177	195	5.0

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

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related, Permanent	199	1	8	4
Agriculture related, Permanent	2	0	0	0
All artisans in the building metal machinery etc., Permanent	198	0	15	7.6
Architects town and traffic planners, Permanent	5	0	0	0
Artisan project and related superintendents, Permanent	19	0	2	10.5
Auxiliary and related workers, Permanent	31	0	2	6.5
Boiler and related operators, Permanent	67	0	4	6
Building and other property caretakers, Permanent	10	0	1	10
Bus and heavy vehicle drivers, Permanent	14	0	3	21.4
Cartographers and surveyors, Permanent	1	0	0	0
Cartographic surveying and related technicians, Permanent	8	0	1	12.5
Civil engineering technicians, Permanent	13	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	148	2	15	10
Client inform clerks(switchb recept inform clerks), Permanent	3	0	0	0
Communication and information related, Permanent	2	0	0	0
Electrical and electronics engineering technicians, Permanent	1	0	0	0
Engineering sciences related, Permanent	43	0	0	0
Engineers and related professionals, Permanent	34	0	1	2.9
Farm hands and labourers, Permanent	46	0	2	4.3
Finance and economics related, Permanent	15	0	0	0

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Financial and related professionals, Permanent	37	0	0	0
Financial clerks and credit controllers, Permanent	156	0	6	3.8
Head of department/chief executive officer, Permanent	1	0	0	0
Human resources & organisat developm & relate prof, Permanent	10	0	0	0
Human resources clerks, Permanent	69	0	1	1.4
Human resources related, Permanent	39	163	16	41
Information technology related, Permanent	7	0	0	0
Inspectors of apprentices works and vehicles, Permanent	17	0	1	6
Language practitioners interpreters & other commun, Permanent	1	0	0	0
Legal related, Permanent	4	0	0	0
Library mail and related clerks, Permanent	20	11	0	0
Light vehicle drivers, Permanent	21	0	2	9.5
Logistical support personnel, Permanent	6	0	0	0
Material-recording and transport clerks, Permanent	7	0	0	0
Mechanical engineering technicians, Permanent	5	0	0	0
Messengers porters and deliverers, Permanent	4	0	0	0
Motor vehicle drivers, Permanent	13	0	3	23.1
Motorised farm and forestry plant operators, Permanent	2	0	1	50
Natural sciences related, Permanent	5	0	1	20
Other administrat & related clerks and organisers, Permanent	139	0	4	2.9
Other administrative policy and related officers, Permanent	8	0	0	0
Other occupations, Permanent	13	0	1	7.7
Quantity surveyors & rela prof not class elsewhere, Permanent	8	0	0	0
Regulatory inspectors, Permanent	122	0	3	2.5
Risk management and security services, Permanent	3	0	0	0
Road superintendents, Permanent	64	0	6	9.4
Road trade workers., Permanent	9	0	0	0
Road workers, Permanent	1438	0	75	5.2
Secretaries & other keyboard operating clerks, Permanent	123	0	5	4.1
Security guards, Permanent	2	0	0	0
Senior managers, Permanent	41	0	1	2.4
Trade labourers, Permanent	248	0	11	4.4
Trade quality controllers, Permanent	11	0	2	18.2
Trade related, Permanent	3	0	0	0

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Water plant and related operators, Permanent	38	0	2	5.3
Total	3553	177	195	5.0

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

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

Termination Type	Number	% of Total Resignations
Death	43	23
Resignation	40	21.4
Expiry of contract	14	7.5
Discharged due to ill health	2	1.1
Dismissal-misconduct	5	2.7
Dismissal-inefficiency	2	1.1
Retirement	81	43.3
TOTAL	187	100



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

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	199	0	0	147	73.9
Agriculture related	2	0	0	1	50
All artisans in the building metal machinery etc.	198	0	0	147	74.2
Architects town and traffic planners	5	0	0	0	0
Artisan project and related superintendents	19	0	0	20	105.3

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Auxiliary and related workers	31	0	0	26	83.9
Boiler and related operators	67	0	0	52	77.6
Building and other property caretakers	10	0	0	9	90
Bus and heavy vehicle drivers	14	0	0	14	100
Cartographers and surveyors	1	0	0	0	0
Cartographic surveying and related technicians	8	0	0	6	75
Civil engineering technicians	13	0	0	7	53.8
Cleaners in offices workshops hospitals etc.	148	0	0	114	77
Client inform clerks (switchboard receipt inform clerks)	3	0	0	1	33.3
Communication and information related	2	0	0	2	100
Electrical and electronics engineering technicians	1	0	0	0	0
Engineering sciences related	43	0	0	30	69.8
Engineers and related professionals	34	0	0	19	55.9
Farm hands and labourers	46	0	0	33	71.7
Finance and economics related	15	0	0	12	80
Financial and related professionals	37	0	0	31	83.8
Financial clerks and credit controllers	156	1	0.6	132	84.6
Head of department/ chief executive officer	1	0	0	1	100
Human resources & organisational development & related professions	10	0	0	8	80

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Human resources clerks	69	0	0	66	95.7
Human resources related	39	0	0	38	97.4
Information technology related	7	0	0	6	85.7
Inspectors of apprentices works and vehicles	17	0	0	13	76.5
Language practitioners interpreters & other commun	1	0	0	1	100
Legal related	4	0	0	1	25
Library mail and related clerks	20	0	0	19	95
Light vehicle drivers	21	0	0	11	52.4
Logistical support personnel	6	0	0	4	66.7
Material-recording and transport clerks	7	0	0	6	85.7
Mechanical engineering technicians	5	0	0	3	60
Messengers porters and deliverers	4	0	0	4	100
Motor vehicle drivers	13	0	0	6	46.2
Motorised farm and forestry plant operators	2	0	0	2	100
Natural sciences related	5	0	0	5	100
Other administrat & related clerks and organisers	139	0	0	114	82
Other administrative policy and related officers	8	0	0	4	50
Other occupations	13	0	0	9	69.2
Quantity surveyors & rela prof not class elsewhere	8	0	0	3	37.5
Regulatory inspectors	122	0	0	64	52.5

Occupation	Employees 1 April 2015	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Risk management and security services	3	0	0	2	66.7
Road superintendents	64	0	0	54	84.4
Road trade workers.	9	0	0	8	88.9
Road workers	1 438	0	0	1 213	84.4
Secretaries & other keyboard operating clerks	123	0	0	113	91.9
Security guards	2	0	0	1	50
Senior managers	41	1	2.4	4	9.8
Trade labourers	248	0	0	215	86.7
Trade quality controllers	11	0	0	6	54.5
Trade related	3	0	0	2	66.7
Water plant and related operators	38	0	0	35	92.1
Total	3 553	2	0.1	2 844	80

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

Salary Band	Employees 1 April 2015	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2), Permanent	771	0	0	589	76.4
Skilled (Levels 3-5), Permanent	1 681	0	0	1 463	87
Highly skilled production (Levels 6-8), Permanent	651	0	0	508	78
Highly skilled supervision (Levels 9-12), Permanent	345	0	0	263	76.2
Senior management (Levels 13-16), Permanent	63	2	3.2	9	14.3
Contract (Levels 1-2), Permanent	2	0	0	9	450
Contract (Levels 3-5), Permanent	14	0	0	0	0
Contract (Levels 6-8), Permanent	14	0	0	0	0
Contract (Levels 9-12), Permanent	6	0	0	1	16.7

Salary Band	Employees 1 April 2015	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Contract (Levels 13-16), Permanent	6	0	0	2	33.3
TOTAL	3 553	2	0.1	2 844	80

3.6. EMPLOYMENT EQUITY



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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	22	0	0	1	13	0	1	0	37
Professionals	154	0	0	12	148	1	0	4	319
Technicians and associate professionals	121	1	2	6	123	0	0	5	258
Clerks	200	2	0	3	277	2	0	13	497
Service and sales workers	75	0	0	0	48	0	0	0	123
Skilled agriculture and fishery workers	221	0	0	34	41	0	0	0	296
Craft and related trades workers	101	0	0	5	34	0	0	0	140
Plant and machine operators and assemblers	5	0	0	2	4	0	0	0	11
Elementary occupations	1 130	1	0	16	645	0	0	0	1 792
Total	2 029	4	2	79	1 333	3	1	22	3 473
Employees with disabilities	37	1	0	5	33	0	0	1	77

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	1	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	1	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	2	1	0	0	0	5
Semi-skilled and discretionary decision making	24	0	0	2	25	0	0	1	52
Unskilled and defined decision making	12	1	0	0	6	0	0	0	19
Total	37	1	0	5	33	0	0	1	77

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	1	0	0	2
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	1	0	0	0	2
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making,	0	0	0	0	0	0	0	0	0
Contract (Senior Management), Permanent	0	0	0	0	0	0	0	0	0
Contract (Professionally qualified), Permanent	0	0	0	0	0	0	0	0	0
Contract (Skilled technical), Permanent	0	0	0	0	0	0	0	0	0
Contract (Semi-skilled), Permanent	0	0	0	0	0	0	0	0	0
Total	1	0	0	0	1	0	0	0	2
Employees with disabilities	0	0	0	0	0	0	0	0	0

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

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	6	0	0	1	0	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen	13	0	0	5	9	0	0	0	27

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled and discretionary decision making	62	0	0	1	49	0	0	0	112
Unskilled and defined decision making	16	0	0	0	5	0	0	0	21
Contract (Professional)	1	0	0	0	0	0	0	0	1
Contract (Skilled technical)	0	0	0	1	1	0	0	0	2
Contract (Semi-skilled)	0	0	0	0	2	0	0	0	2
Contract (Unskilled)	10	0	0	0	4	0	0	0	14
Total	109	0	0	8	70	0	0	0	187
Employees with Disabilities	0	0	0	0	0	0	0	0	0

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

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	47	0	0	0	9	0	0	1	57

NB. Cases overlap from one financial year to another financial year.

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

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	18	0	1	0	7	1	0	0	27
Professionals	106	1	2	5	49	1	1	1	166
Technicians and associate professionals	98	2	1	4	10	0	0	2	117
Clerks	240	1	0	0	292	3	0	0	536
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	602	2	0	7	705	1	0	2	1319
Total	1 064	6	4	16	1 063	6	1	5	2165
Employees with disabilities	0	0	0	0	0	0	0	0	0

3.7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

All members of the SMS must conclude and sign performance agreements within specific

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

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

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/HOD	1	1	1	100
Salary Level 16	1	1	1	100
Salary Level 15	1	1	1	100
Salary Level 14	9	9	9	100
Salary Level 13	39	39	39	100
Total	51	51	51	100

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

Reasons
Not applicable.

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

Reasons
Not applicable.

3.8. PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards

during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

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

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	1 006	1 418	70.9	4 503	4 476
African, Male	1 385	1 935	71.6	6 634	4 790
Asian, Female	0	1	0	0	0
Asian, Male	0	2	0	0	0
Coloured, Female	2	4	50	10	5 145
Coloured, Male	1	3	33.3	7	6 699
Total Blacks, Female	1 008	1 423	70.8	4 513	4 477
Total Blacks, Male	1 386	1 940	71.4	6 640	4 791
White, Female	16	21	76.2	180	11 266
White, Male	57	74	77	507	8 896
Employees with a disability	56	73	76.7	258	4 604
Total	2 523	3 531	71.5	12 099	4 795

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (Levels 1-2)	525	723	72.6	1 362	2 594	11.69
Skilled (Levels 3-5)	1265	1573	80.4	4 062	3 211	34.87
Highly skilled production (Levels 6-8)	490	639	76.7	3 120	6 367	26.78

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Highly skilled supervision (Levels 9-12)	225	334	67.4	3 089	13 729	26.52
Contract (Levels 1-2)	0	160	0	0	0	0
Contract (Levels 3-5)	1	14	7.1	4	4 000	0.03
Contract (Levels 6-8)	2	13	15.4	12	6 000	0.10
Contract (Levels 9-12)	0	5	0	0	0	0
Periodical remuneration	0	42	0	0	0	0
Abnormal Payments	0	7939	0	0	0	0
Total	2 508	11 442	21.9	11 649	4 645	100

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

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	134	190	70.5	1 449	10 813
Agriculture related	1	2	50	6	6 000
All artisans in the building metal machinery etc.	165	183	90.2	948	5 745
Architects town and traffic planners	5	5	100	127	25 400
Artisan project and related superintendents	17	18	94.4	172	10 118
Auxiliary and related workers	26	28	92.9	78	3 000
Boiler and related operators	55	63	87.3	162	2 945
Building and other property caretakers	5	9	55.6	13	2 600
Bus and heavy vehicle drivers	14	11	127.3	45	3 214
Cartographers and surveyors	1	1	100	15	15 000
Cartographic surveying and related technicians	4	7	57.1	28	7 000
Civil engineering technicians	7	13	53.8	81	11 571
Cleaners in offices workshops hospitals etc.	110	133	82.7	305	2 773
Client inform clerks (switchboard recept inform clerks)	2	2	100	11	5 500

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Communication and information related	2	2	100	12	6 000
Engineering sciences related	25	41	61	347	13 880
Engineers and related professionals	17	32	53.1	410	24 118
Farm hands and labourers	25	44	56.8	67	2 680
Finance and economics related	11	15	73.3	131	11 909
Financial and related professionals	26	38	68.4	300	11 538
Financial clerks and credit controllers	118	150	78.7	736	6 237
Head of department/chief executive officer	1	2	50	18	18 000
Human resources & organisat developm & relate prof	7	10	70	90	12 857
Human resources clerks	61	67	91	321	5 262
Human resources related	32	192	16.7	306	9 563
Information technology related	6	7	85.7	48	8 000
Inspectors of apprentices works and vehicles	7	16	43.8	64	9 143
Language practitioners interpreters & other commun	0	1	0	0	0
Legal related	3	4	75	63	21 000
Library mail and related clerks	17	31	54.8	79	4 647
Light vehicle drivers	17	19	89.5	54	3 176
Logistical support personnel	6	6	100	40	6 667
Material-recording and transport clerks	7	7	100	36	5 143
Mechanical engineering technicians	2	5	40	22	11 000
Messengers porters and deliverers	3	4	75	10	3 333
Motor vehicle drivers	9	10	90	30	3 333
Motorised farm and forestry plant operators	2	1	200	6	3 000
Natural sciences related	3	4	75	13	4 333

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other administrat & related clerks and organisers	103	136	75.7	551	5 350
Other administrative policy and related officers	3	8	37.5	29	9 667
Other occupations	8	12	66.7	67	8 375
Quantity surveyors & rela prof not class elsewhere	3	8	37.5	64	21 333
Regulatory inspectors	56	119	47.1	383	6 839
Risk management and security services	2	2	100	12	6 000
Road superintendents	46	58	79.3	248	5 391
Road trade workers.	6	9	66.7	34	5 667
Road workers	1 009	1 362	74.1	2 867	2 841
Secretaries & other keyboard operating clerks	96	116	82.8	388	4 042
Security guards	1	2	50	3	3 000
Senior managers	2	39	5.1	61	30 500
Trade labourers	201	239	84.1	589	2 930
Trade quality controllers	8	9	88.9	63	7 875
Trade related	2	3	66.7	12	6 000
Water plant and related operators	24	36	66.7	85	3 542
Total	2 523	3 531	71.5	12 099	4 795

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

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	10	52	19.2	258	25 800	0.5
Band B	2	12	16.7	69	34 500	0.5
Band C	3	4	75	122	40 667	1.9
Band D	0	2	0	0	0	0
Total	15	70	21.4	449	29 933.3	0.6

3.9. FOREIGN WORKERS

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

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

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (Levels 1-2)	1	16.7%	1	16.7	0	0
Skilled (Levels 3-5)	2	33.3	2	33.3	0	0

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior management (Levels 13-16)	2	33.3	2	33.3	0	0
Contract (Levels 13-16)	1	16.7	1	16.7	0	0
Total	6	100	6	100	0	0

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

Major occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Drivers operators and ship crew	2	33.3	2	33.3	0	0
Elementary occupations	1	16.7	1	16.7	0	0
Professionals and managers	3	50	3	50	0	0
Total	6	100	6	100	0	0

3.10. LEAVE UTILISATION

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

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

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	3 398	82.6	461	24.2	7	1 540
Skilled (Levels 3-5)	5 859	83.9	900	47.2	7	3 352
Highly skilled production (Levels 6-8)	2 176	82.3	352	18.5	6	2 436
Highly skilled supervision (Levels 9-12)	921.5	85.2	161	8.4	6	1 816
Senior management (Levels 13-16)	197	94.9	23	1.2	9	675
Contract (Levels 1-2)	15	86.7	5	0.3	3	4
Contract (Levels 6-8)	4	100	2	0.1	2	5
Contract (Levels 9-12)	5	100	1	0.1	5	12
Contract (Levels 13-16)	11	100	2	0.1	6	36
Total	12586.5	83.6	1907	100	7	9 876

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

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	236	100	10	52.6	24	104
Skilled (Levels 3-5)	81	100	1	5.3	81	49
Highly skilled production (Levels 6-8)	44	100	6	31.6	7	51
Highly skilled supervision (Levels 9-12)	120	100	1	5.3	120	196
Senior management (Levels 13-16)	50	100	1	5.3	50	171
Total	531	100	19	100	28	571

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

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

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	16 666.76	736	23
Skilled (Levels 3-5)	44 471.03	1 645	27
Highly skilled production (Levels 6-8)	15 123.15	630	24
Highly skilled supervision (Levels 9-12)	7 893.92	331	24
Senior management (Levels 13-16)	1 520	65	23
Contract (Levels 1-2)	156	48	3
Contract (Levels 3-5)	25	4	6
Contract (Levels 6-8)	111	8	14
Contract (Levels 9-12)	11	2	6
Contract (Levels 13-16)	89	5	18
Total	86 066.86	3 474	25

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

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2015
Lower skilled (Levels 1-2)	28	3	9	31
Skilled (Levels 3-5)	154	21	7	73
Highly skilled production (Levels 6-8)	32	7	5	82
Highly skilled supervision (Levels 9-12)	9	3	3	69
Senior management (Levels 13-16)	38	5	8	78
Total	261	39	7	73

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

Table 3.10.5 Leave pay-outs for the period 1 April 2015 and 31 March 2016

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave pay-out on termination of service for 2015/16	6 332	137	46 219
Current leave pay-out on termination of service for 2015/16	66	11	6 000
Total	6 398	148	43 230

3.11. HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Women, youth, transport officers, field workers and management	HIV&AIDS mainstreaming into the core mandate of the Department, Training of peer educators Condom distribution, HCT, awareness workshops, commemoration of calendar events and campaigns.

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Y		Mr S.T Lukhele Senior Manager: Employee Health and Wellness
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Y		There are 6 professional social workers and 3 Support staff with a budget of R 400.000 for HIV&AIDS and TB management
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Y		The focus is on the individual wellness: physical(promote good nutrition, health diet and weight control) and psychosocial(economical, intellectual, spiritual, emotional and social wellness, organizational wellness and work life balance
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Y		In all the Districts there are representatives of the different cost centres. Ms Monica Mahlangu: Nkangala Ms Smangele Nkosi: Ehlanzeni Mr Oupa Nhleko: Gert Sibande Mr Sam Silinda: Bohlabela
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Y		<ul style="list-style-type: none"> The HIV&AIDS and TB Management policy. The Wellness management policy. The Sports policy.

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Y		Through the reviewed HIV&AIDS and TB management policy.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Y		Employees are encouraged to undergo HCT during the awareness workshops, campaigns and wellness days. The results have been very positive. A lot of employees know their status and doing their best to live healthy life style and adhering to treatment.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Y		Evaluation of Programmes implemented is done on annual basis.

3.12. LABOUR RELATIONS

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

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

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

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

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	1.6
Verbal warning	6	9.68
Written warning	21	33.87
Final written warning	21	33.87
Suspended without pay	5	8.06
Fine	0	0
Demotion	0	0
Dismissal	6	9.68
Not guilty	2	3.23
Case withdrawn	0	0
Total	62	100

Notes

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

Total number of Disciplinary hearings finalised	None.
---	-------

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

Type of misconduct	Number	% of total
Absenteeism, Forgery, Corruption, Misuse of fire-arm, Gross Insubordination & Irregular Expenditure	1	100
Total	1	100

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

Grievances	Number	% of Total
Number of grievances resolved	108	99.08
Number of grievances not resolved	1	0.92
Total number of grievances lodged	109	100

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

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	6	67
Total number of disputes lodged	9	67

*3 Disputes are still pending.

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

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

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

Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	293
Cost of suspension(R'000)	98

3.13. SKILLS DEVELOPMENT



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

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

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	74	0	20	15	35
	Male	143	0	40	30	70
Professionals	Female	55	0	40	20	60
	Male	115	0	85	20	105
Technicians and associate professionals	Female	116	0	60	20	80
	Male	237	0	150	50	200
Clerks	Female	537	0	300	50	350
	Male	253	0	150	70	220
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	749	30	400	100	530
	Male	1194	20	500	150	670
Sub Total	Female	1531	30	820	205	1055
	Male	1942	20	925	320	1265
Total		3473	50	1745	525	2320

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

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	74	0	8	0	8
	Male	143	0	19	0	19
Professionals	Female	55	0	12	0	12
	Male	115	0	105	0	105
Technicians and associate professionals	Female	116	0	0	0	0
	Male	237	0	0	0	0
Clerks	Female	537	0	47	248	295
	Male	253	0	11	230	241
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	749	30	221	487	738
	Male	1194	20	216	464	700
Sub Total	Female	1531	30	288	735	1053
	Male	1942	20	351	694	1065
Employees with disability	Female	43	0	0	0	0
	Male	34	0	0	0	0
Total		3550	50	639	1429	2118
		74	0	8	0	8

3.14. INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2014 and 31 March 2015

Nature of injury on duty	Number	% of total
Required basic medical attention only	11	100
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	11	100

3.15. UTILISATION OF CONSULTANTS

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

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand - R'000
Programme 1: Administration			
1. Human Resource Management	1	252	495
2. Audit Committee	4	72	305
3. Translator	1	252	7
Programme 2: Public Works Infrastructure			
4. Condition assessment of state owned buildings	1	252	7 291
Programme 3: Transport Infrastructure			
5. Programme Management Unit	1	91	2 940
6. Road Asset Management System	1	252	11 000
7. Maintenance Management System	1	252	3 639
8. Design Review: Selective Rehabilitation of Coal Haul Road P26/4 between Ermelo and Breyten (19.5km)	3	126	6 000
9. Design Review: Rehabilitation of Coal Haul Road P29/1 between Ogies and Kendal (11 km)	3	126	4 500
10. Design: Selective Rehabilitation of Coal Haul Road P30/3 between Tutuka Power Station and Standerton (16.1 km) (km 22.5 - 38.6)	3	126	5 000
11. Design: Rehabilitation of Road P8/1 between Mashishing and Bambi (Phase 1) (15 km)	3	126	4 000
12. Design: The reconstruction of a flood damaged culvert and drainage structures on Road D2944 near Magogeni, Mpumalanga Province	3	126	8 474
13. Upgrading of Rural Access Road D2976 between Daantjie and Mpakeni (9.3 km)	4	189	125 952
14. Upgrading of a Rural Access Road D3968 between R40 Junction (near Bushbuckridge) and Merry Pebble (Phase 1) (10 km)	4	252	171 497
15. Upgrading of Rural Access Road D2908 between Pieterskraal and Madubaduba Rd (via Majakaneng) (Near KwaMhlanga (6 km)	4	252	82 685
16. Upgrade of D2967 (Including 0.5 km Section on Road D2969 and Improvement of a Bridge Structure between Manzini and Mgcobanweni (6.5km)	4	252	55 755
17. Upgrading of a Rural Access Road D3970 Jim Brown - Marite (8.32 km) & Bridge on Marite river	4	252	160 454
18. Upgrading of a Rural Access Road D545 (the Kruisfontein Road) between Dullstroom and Kruisfontein (15km).	4	252	87 590
19. Upgrading of a Rural Access Road D2908 between D2909 Junction (Morwe) and Paved End (near Dikwale) (2.88km).	4	252	32 627
20. Rehabilitation of Road D797 between D2940 (Tonga) and R571 Naas (14km)	4	105	147 052
21. Rehabilitation of Road P95/1 between Limpopo Border and Verena (25.7 km) Phase 1	4	252	301 978
22. Rehabilitation of road P17/6 (R538) Jerusalem to R40 at Casterbridge, km 20-km 35 (14 km). Also address drainage, pedestrian accommodation and road protection issues on entire road.	4	252	185 915
23. Rehabilitation of road D3928 between Green Valley and Molero (6.8 km) (Including Repair of Flood damaged Bridge)	4	252	89 232

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand - R'000
24. Rehabilitation of road D2969 between Manzini and Swalala (6.8 km)	4	0	43 243
25. Rehabilitation of sections of road P8/1 between Mashishing and Bambi (Phase 1) (10 km)	4	252	145 353
26. Selective rehabilitation of coal haul road P30/3 between Tutuka Power Station and Standerton (16.1 km) (km 22.5-38.6)	4	42	200 033
27. Rehabilitation of coal haul road P120/1 from eMalahleni to D914 (15 km) (km 5.0 - 19.0)	4	252	266 482
28. Selective rehabilitation of coal haul road P26/4 between Ermelo and Breyten (19.5 km)	4	42	292 870
29. Rehabilitation of coal haul road P29/1 between Ogies and Kendal (10 km)	4	42	170 432
30. Rehabilitation of road P154/4 between Middelburg and Wonderfontein, from km 12.73 to km 21.73 at D1433 (9 km)	4	42	120 168
31. Rehabilitation of coal haul road P182/1 (R542) between P120/1 (van Dyksdrift) and R35 (15km) (Phase 1)	4	189	215 031
32. Rehabilitation of coal haul road P127/2 between Duvha Power Station (D914) and N4 (21 km)	4	252	221 361
Programme 4: Transport Operations			
33. Supervision of Donkerhoek footbridge	5	240	2 281
34. Construction supervision of Mzinti 1 & Mzinti 2 bridges	2	60	1 034
35. Design of Avontuur footbridge	4	90	2 301
36. Scholar transport monitoring and supervision	1	207	9 060
Programme 5: Community Based Programmes			
37. Sakha'bakhi Programme Management	2	230	12 635
38. NYS Building Maintenance Mentorship	1	230	12 231
39. EPWP II Evaluation study	1	230	910
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand - R'000
39	121	7 015	3 209 813

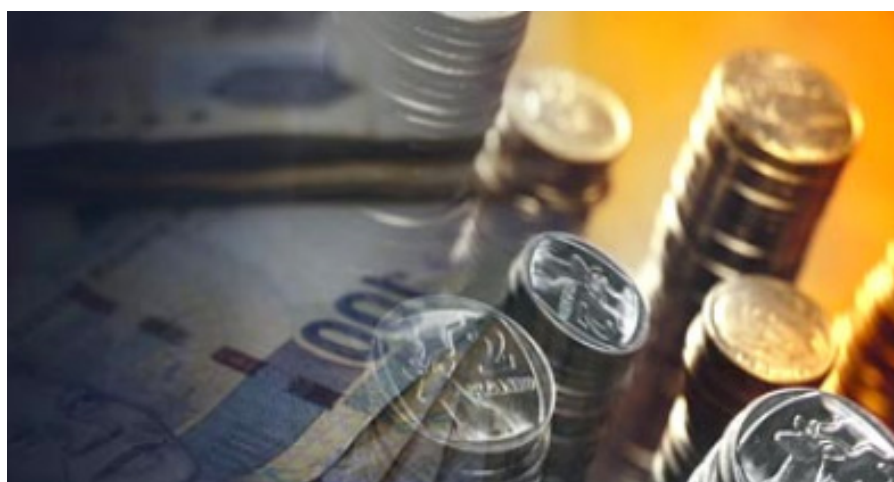
3.16 SEVERANCE PACKAGES

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

There was no severance packages granted during the year under review.

ANNUAL FINANCIAL STATEMENTS

PART E



Report of the Auditor-General to the Mpumalanga Provincial Legislature on vote no. 8: Department of Public Works, Roads and Transport

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Public Works, Roads and Transport set out on pages 112 to 197 which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard prescribed by the National Treasury (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

8. As disclosed in note 27.1 to the financial statements, the corresponding figures for 31 March 2015 have been restated as a result of an error discovered during the year ended 31 March 2016 in the financial statements of the department at, and for the year ended, 31 March 2015.

Payables

9. Payables amounting to R26 266 000 exceeded the payment term of 30 days required by treasury regulation 8.2.3. This amount, in turn, exceeded the voted funds to be surrendered of R9 804 000 as per the statement of financial performance by R16 462 000. The amount of R16 462 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Report on other legal and regulatory requirements

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

Predetermined objectives

11. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented

in the annual performance report of the department for the year ended 31 March 2016:

- Programme 2: Public Works Infrastructure on pages 25 to 29
- Programme 3: Transport Infrastructure on pages 29 to 32
- Programme 5: Community Based Programme (EPWP) on pages 34 to 36

12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information (FMPPI).
13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. The material finding in respect of the selected programmes is as follows:

Programme 5: Community Based Programme (EPWP)

Reliability of reported performance information

15. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure reliable reporting of actual achievements against planned objectives, indicators and targets. For important indicators, the reported achievements against planned targets were not reliable because I was unable to obtain sufficient appropriate audit evidence for these targets. In addition, the reported achievements against planned targets for important indicators were not reliable when compared to the evidence provided.

Additional matters

16. I draw attention to the following matters:

Achievement of planned targets

17. Refer to the annual performance report on pages 25 to 32 and 34 to 36 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material finding on the reliability of the reported performance information in paragraph 15 of this report.

Adjustment of material misstatements

18. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were

on the reported performance information for programme 5: Community Based Programme (EPWP). As management subsequently corrected only some of the misstatements, I raised a material finding on the reliability of the reported performance information.

Compliance with legislation

19. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

20. Annual financial statements, performance report and annual report

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of non-current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

22. Goods and services with a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulation 16A6.1.
23. Invitations for competitive bidding were not always advertised in at least the Government Bulletin and on the Construction Industry Development Board (CIDB) website, as required by treasury regulation 16A6.3(c) and CIDB regulation 24.
24. The preference point system was not applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) and treasury regulation 16A6.3(b).

Expenditure management

25. Effective steps were not taken to prevent irregular expenditure of R1 310 729 as disclosed in note 21 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

Internal control

26. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the

annual performance report and the findings on compliance with legislation included in this report.

Leadership

27. Although management established a formal code of conduct that addressed appropriate ethical and moral behaviour, the culture of upholding ethical values in the performance of daily activities was not fully practised.
28. The department did not have sufficient monitoring controls to ensure the proper implementation of the overall process of collecting, recording, processing, monitoring and reporting performance information regarding the community based programme.

Financial and performance management

29. The department did not have a proper record management system to maintain information supporting the reported performance in respect of the community based programme in the annual performance report. This included information relating to the collection, collation, verification, storing and reporting of actual performance.
30. Non-compliance with legislation could have been prevented had compliance been reviewed properly and monitored more stringently.
31. The financial statements contained material misstatements that were corrected. This was mainly due to management information not being reviewed.

Governance

32. The internal audit function did not attend the required training to improve their skills and competencies to carry out their audits.
33. Although risk assessment was conducted regularly, the process did not seem to pick up the risks directly affecting the credibility of the financial and performance information reported in the annual report.
34. Recommendations by the internal audit function and the audit committee did not receive the necessary attention, which hindered their effectiveness.

Other reports

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

Investigations

36. The Office of the Premier's Integrity Monitoring Unit is performing various investigations at the request of the department. The investigations commenced on 20 October 2015 and were initiated based on allegations of tender irregularities reported during the course of the year. These proceedings are currently in progress.

Auditor-General

Mbombela
30 July 2016



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



MPUMALANGA PROVINCIAL GOVERNMENT

Department of Public Works, Roads and Transport

Vote No. 08
ANNUAL FINANCIAL STATEMENTS
2015/16 FINANCIAL YEAR

**MPUMALANGA PROVINCE
DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 08**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

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MPUMALANGA PROVINCE
DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 08

APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per programme									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	236,998	-	(8,354)	228,644	228,644	-	100.0%	225,593	225,592
2. Public Works Infrastructure	712,092	-	(38,299)	673,793	669,205	4,588	99.3%	590,620	590,618
3. Transport Infrastructure	2,318,625	-	468	2,319,093	2,314,671	4,422	99.8%	2,369,864	2,369,864
4. Transport Operations	1,066,165	-	41,335	1,107,500	1,106,710	790	99.9%	994,334	993,908
5. Community Based Programmes	66,169	-	4,850	71,019	71,015	4	100.0%	59,367	59,366
Subtotal	4,400,049	-	-	4,400,049	4,390,245	9,804	99.8%	4,239,778	4,239,348
Statutory Appropriation	-	-	-	-	-	-	-	1,813	1,813
Members' remuneration	-	-	-	-	-	-	-	1,813	1,813
TOTAL	4,400,049	-	-	4,400,049	4,390,245	9,804	99.8%	4,241,591	4,241,161

MPUMALANGA PROVINCE
DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 08

APPROPRIATION STATEMENT
for the year ended 31 March 2016

	2015/16		2014/15	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000
TOTAL (brought forward)	4,400,049	4,390,245	4,241,591	4,241,161
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	782		2,535	
NRF Receipts				
Aid assistance				
Actual amounts per statement of financial performance (total revenue)	4,400,831		4,244,126	
ADD				
Aid assistance				
Prior year unauthorised expenditure approved without funding				
Actual amounts per statement of financial performance (total expenditure)		4,390,245		4,241,161

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

Appropriation per economic classification									
	Adjusted Appropriation	Shifting of Funds	2015/16			Variance	Expenditure as % of final appropriation	2014/15	
			R'000	R'000	Final Appropriation			Final Appropriation	Actual expenditure
Economic classification									
Current payments	2,379,459	-		(31,846)	2,347,613	8,986	99.6%	2,249,407	2,253,537
Compensation of employees	879,185	-		(1,708)	877,477	-	100.0%	839,221	839,217
Salaries and wages	731,793	-		10,668	742,461	-	100.0%	718,129	717,061
Social contributions	147,392	-		12,376	135,016	-	100.0%	121,092	122,156
Goods and services	1,500,274	-		(30,138)	1,470,136	8,986	99.4%	1,410,186	1,414,320
Administrative fees	13	-		805	818	-	100.0%	-	208
Advertising	1,998	-		(608)	1,390	-	100.0%	3,095	3,198
Minor assets	2,049	-		(1,796)	253	-	100.0%	8,427	7,002
Audit costs: External	9,200	-		591	9,791	-	100.0%	8,970	8,963
Catering: Departmental activities	1,954	-		466	2,420	-	100.0%	2,864	2,949
Communication	11,719	-		2,766	14,485	-	100.0%	16,950	16,172
Computer services	1,551	-		(1,122)	429	-	100.0%	1,198	1,002
Consultants: Business and advisory services	14,891	-		24,750	39,641	-	100.0%	22,151	21,237
Infrastructure and planning services	88,968	-		525	89,493	4,394	95.1%	61,071	64,921

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Scientific and technological services	237	-	(237)	-	-	-	-	-	-		
Legal services	14,400	-	(6,129)	8,271	8,271	-	100.0%	3,742	4,462		
Contractors	483,359	-	(55,756)	427,603	428,644	(1,061)	100.2%	478,385	453,162		
Agency and support / outsourced services	48,326	-	2,089	50,415	50,415	-	100.0%	89,413	109,007		
Fleet services	51,388	-	(3,373)	48,015	48,015	-	100.0%	43,487	43,179		
Inventory: Clothing material and supplies	838	-	3,409	4,247	4,247	-	100.0%	1,373	1,468		
Inventory: Food and food supplies	150	-	(150)	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	10,841	-	(1,917)	8,924	9,204	(280)	103.1%	7,320	5,508		
Inventory: Materials and supplies	25,526	-	11,233	36,759	39,580	(2,821)	107.7%	36,943	43,991		
Medsas Inventory Interface	219	-	(219)	-	-	-	-	-	-		
Inventory: Other supplies	1,319	-	(1,319)	-	-	-	-	-	-		
Consumable supplies	2,281	-	10,123	12,404	12,404	-	100.0%	61,235	62,024		
Consumable: Stationery, printing and office supplies	9,124	-	4,603	13,727	13,727	-	100.0%	13,778	13,389		
Operating leases	25,495	-	20,859	46,354	42,192	4,162	91.0%	28,397	27,854		

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for the year ended 31 March 2016

	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Proper payments	252,165	-	(125,040)	127,125	122,537	4,588	96.4%	76,980	74,751
Transport provided: Departmental activity	376,530	-	48,266	424,796	424,796	-	100.0%	344,503	351,362
Travel and subsistence	28,987	-	35,536	64,523	64,523	-	100.0%	65,873	67,616
Training and developments	31,389	-	(2,122)	29,267	29,263	4	100.0%	28,253	22,797
Operating payments	4,340	-	4,469	8,809	8,809	-	100.0%	5,198	7,752
Venues and facilities	968	-	(791)	177	177	-	100.0%	580	345
Rental and hiring	49	-	(49)	-	-	-	-	-	1
Transfers and subsidies	661,562	-	26,796	688,358	687,568	790	99.9%	643,401	642,975
Provinces and municipalities	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Municipalities	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Municipal bank accounts	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Departmental agencies and accounts	-	-	23	23	23	-	100.0%	-	-
Departmental agencies and accounts	-	-	23	23	23	-	100.0%	-	-
Public corporations and private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095
Private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095
Other transfers to private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Households	12,328	-	2,058	14,386	14,386	-	100.0%	17,749	17,749		
Social benefits	2,738	-	5,485	8,223	8,223	-	100.0%	8,569	8,319		
Other transfers to households	9,590	-	(3,427)	6,163	6,163	-	100.0%	9,180	9,430		
Payments for capital assets	1,359,028	-	4,436	1,363,464	1,363,436	28	100.0%	1,347,692	1,343,558		
Buildings and other fixed structures	1,264,207	-	17,969	1,282,176	1,282,148	28	100.0%	1,281,533	1,283,342		
Buildings	-	-	1,424	1,424	1,424	-	100.0%	9,726	11,535		
Other fixed structures	1,264,207	-	16,545	1,280,752	1,280,724	28	100.0%	1,271,807	1,271,807		
Machinery and equipment	94,821	-	(13,533)	81,288	81,288	-	100.0%	66,159	60,216		
Transport equipment	69,080	-	4,558	73,638	73,638	-	100.0%	57,705	51,755		
Other machinery and equipment	25,741	-	(18,091)	7,650	7,650	-	100.0%	8,454	8,461		
Payments for financial assets	-	-	614	614	614	-	100.0%	1,091	1,091		
Total	4,400,049	-	-	4,400,049	4,390,245	9,804	99.8%	4,241,591	4,241,161		

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for the year ended 31 March 2016

Statutory Appropriation per economic classification									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	1,813	1,813
Compensation of employees	-	-	-	-	-	-	-	1,813	1,813
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	1,813	1,813

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for the year ended 31 March 2016

Programme 1: Administration									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	8,180	-	(2,136)	6,044	6,044	-	100.0%	4,438	4,437
2. Management of the Department	5,359	-	(1,984)	3,375	3,375	-	100.0%	3,950	3,950
3. Corporate Support	223,459	-	(4,234)	219,225	219,225	-	100.0%	217,205	217,205
Total for sub programmes	236,998	-	(8,354)	228,644	228,644	-	100.0%	225,593	225,592
Economic classification									
Current payments	232,610	-	(6,709)	225,901	225,901	-	100.0%	220,805	220,805
Compensation of employees	160,983	-	(3,824)	157,159	157,159	-	100.0%	149,902	149,902
Salaries and wages	139,237	-	(3,753)	135,484	135,484	-	100.0%	130,497	130,529
Social contributions	21,746	-	(71)	21,675	21,675	-	100.0%	19,405	19,373
Goods and services	71,627	-	(2,885)	68,742	68,742	-	100.0%	70,903	70,903
Administrative fees	13	-	437	450	450	-	100.0%	-	208
Advertising	1,000	-	(147)	853	853	-	100.0%	2,012	2,245
Minor assets	860	-	(850)	10	10	-	100.0%	417	48
Audit costs: External	9,200	-	591	9,791	9,791	-	100.0%	8,970	8,963
Catering: Departmental activities	820	-	112	932	932	-	100.0%	2,064	1,357

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Communication	1,808	-	(638)	1,170	1,170	-	100.0%	1,885	1,234		
Computer services	1,372	-	(1,048)	324	324	-	100.0%	1,103	911		
Consultants: Business and advisory services	26	-	835	861	861	-	100.0%	784	756		
Infrastructure and planning services	-	-	-	-	-	-	-	-	-		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	3,500	-	4,395	7,895	7,895	-	100.0%	3,210	3,930		
Contractors	1,182	-	(895)	287	287	-	100.0%	215	193		
Agency and support / outsourced services	-	-	5	5	5	-	100.0%	16	6		
Fleet services	11,150	-	(1,830)	9,320	9,320	-	100.0%	8,979	8,926		
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	37	39		
Inventory: Food and food supplies	130	-	(130)	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	93	-	(93)	-	-	-	-	-	-		
Inventory: Materials and supplies	620	-	(68)	552	552	-	100.0%	456	2,191		
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-		

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16							2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	880	-	(292)	588	588	-	100.0%	1,124	2,024
Consumable: Stationery, printing and office supplies	9,100	-	4,346	13,446	13,446	-	100.0%	13,257	12,950
Operating leases	1,909	-	(416)	1,493	1,493	-	100.0%	2,543	2,000
Property payments	16,960	-	(16,630)	330	330	-	100.0%	-	111
Transport provided:	-	-	-	-	-	-	-	-	-
Departmental activity									
Travel and subsistence	9,528	-	8,433	17,961	17,961	-	100.0%	22,077	20,247
Training and development	-	-	259	259	259	-	100.0%	417	292
Operating payments	980	-	1,180	2,160	2,160	-	100.0%	978	2,118
Venues and facilities	496	-	(441)	55	55	-	100.0%	359	154
Rental and hiring	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1,922	-	(809)	1,113	1,113	-	100.0%	2,238	2,238
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-		
Departmental agencies	-	-	-	-	-	-	-	-	-		
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-		
Private enterprises	-	-	-	-	-	-	-	-	-		
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-		
Households	1,922	-	(809)	1,113	1,113	-	100.0%	2,238	2,238		
Social benefits	1,922	-	(809)	1,113	1,113	-	100.0%	2,226	2,227		
Other transfers to households	-	-	-	-	-	-	-	12	11		
Payments for capital assets	2,466	-	(836)	1,630	1,630	-	100.0%	1,459	1,458		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		
Buildings	-	-	-	-	-	-	-	-	-		
Other fixed structures	-	-	-	-	-	-	-	-	-		

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for the year ended 31 March 2016

2015/16							2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	2,466	-	(836)	1,630	1,630	-	100.0%	1,459	1,458
Transport equipment	-	-	906	906	906	-	100.0%	-	-
Other machinery and equipment	2,466	-	(1,742)	724	724	-	100.0%	1,459	1,458
Payments for financial assets	-	-	-	-	-	-	-	1,091	1,091
Total	236,998	-	(8,354)	228,644	228,644	-	100.0%	225,593	225,592

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

1.1 Office of the MEC										
2015/16										
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Current payments	8,080	-	(2,036)	6,044	6,044	-	100.0%	4,377	4,377	4,377
Compensation of employees	6,430	-	(1,376)	5,054	5,054	-	100.0%	3,052	3,052	3,052
Goods and services	1,650	-	(660)	990	990	-	100.0%	1,325	1,325	1,325
Transfers and subsidies										
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	100	-	(100)	-	-	-	-	61	61	60
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	100	-	(100)	-	-	-	-	61	61	60
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total	8,180	-	(2,136)	6,044	6,044	-	100.0%	4,438	4,438	4,437

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1.2 Management of the Department									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5,279	-	(1,904)	3,375	3,375	-	100.0%	3,950	3,950
Compensation of employees	4,429	-	(1,556)	2,873	2,873	-	100.0%	3,355	3,355
Goods and services	850	-	(348)	502	502	-	100.0%	595	595
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	80	-	(80)	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	80	-	(80)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	5,359	-	(1,984)	3,375	3,375	-	100.0%	3,950	3,950

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

1.3 Corporate Support									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	219,251	-	(2,769)	216,482	216,482	-	100.0%	212,478	212,478
Compensation of employees	150,124	-	(892)	149,232	149,232	-	100.0%	143,495	143,495
Goods and services	69,127	-	(1,877)	67,250	67,250	-	100.0%	68,983	68,983
Transfers and subsidies	1,922	-	(809)	1,113	1,113	-	100.0%	2,238	2,238
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	1,922	-	(809)	1,113	1,113	-	100.0%	2,238	2,238
Payments for capital assets	2,286	-	(656)	1,630	1,630	-	100.0%	1,398	1,398
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,286	-	(656)	1,630	1,630	-	100.0%	1,398	1,398
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	223,459	-	(4,234)	219,225	219,225	-	100.0%	217,205	217,205

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

Programme 2: Public Works Infrastructure									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	4,736	-	(1,016)	3,720	3,720	-	100.0%	3,101	3,100
2. Design Public Works	18,500	-	(1,812)	16,688	16,688	-	100.0%	16,505	16,505
3. Construction Public Works	21,940	-	14,469	36,409	36,409	-	100.0%	24,074	24,074
4. Maintenance Public Works	22,345	-	(4,455)	17,890	17,890	-	100.0%	13,251	13,251
5. Property Management	644,571	-	(45,485)	599,086	594,498	4,588	99.2%	533,689	533,688
Total for sub programmes	712,092	-	(38,299)	673,793	669,205	4,588	99.3%	590,620	590,618
Economic classification									
Current payments	581,686	-	(74,543)	507,143	502,555	4,588	99.1%	463,623	461,812
Compensation of employees	269,427	-	(4,926)	264,501	264,501	-	100.0%	253,079	253,078
Salaries and wages	228,824	-	(1,819)	227,005	227,005	-	100.0%	218,677	218,676
Social contributions	40,603	-	(3,107)	37,496	37,496	-	100.0%	34,402	34,402
Goods and services	312,259	-	(69,617)	242,642	238,054	4,588	98.1%	210,544	208,734
Administrative fees	-	-	165	165	165	-	100.0%	-	-
Advertising	261	-	(261)	-	-	-	-	65	65
Minor assets	810	-	(732)	78	78	-	100.0%	326	315
Audit costs: External	-	-	-	-	-	-	-	-	-

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2015/16							2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Catering: Departmental activities	341	-	(293)	48	48	-	100.0%	107	108
Communication	8,499	-	3,787	12,286	12,286	-	100.0%	13,953	13,957
Computer services	52	-	(52)	-	-	-	-	-	-
Consultants: Business and advisory services	713	-	14,313	15,026	15,026	-	100.0%	7,575	7,572
Infrastructure and planning services	6,152	-	(5,850)	302	302	-	100.0%	138	138
Scientific and technological services	237	-	(237)	-	-	-	-	-	-
Legal services	10,900	-	(10,524)	376	376	-	100.0%	532	532
Contractors	9,263	-	6,255	15,518	15,518	-	100.0%	7,621	7,529
Agency and support / outsourced services	-	-	1,191	1,191	1,191	-	100.0%	1,234	1,234
Fleet services	126	-	(126)	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	1,091	1,091	1,091	-	100.0%	459	459
Inventory: Food and food supplies	20	-	(20)	-	-	-	-	-	-
Inventory: Fuel, oil and gas	3,992	-	(3,992)	-	-	-	-	-	-

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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	5,635	-	2,947	8,582	8,582	-	100.0%	340	342
Medsas Inventory Interface	154	-	(154)	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	59	-	7,466	7,525	7,525	-	100.0%	50,084	50,488
Consumable: Stationery, printing and office supplies	-	-	40	40	40	-	100.0%	49	48
Operating leases	22,765	-	5,962	28,727	28,727	-	100.0%	25,854	25,854
Property payments	235,196	-	(108,401)	126,795	122,207	4,588	96.4%	76,800	74,636
Transport provided:	3,313	-	(3,313)	-	-	-	-	-	-
Departmental activity									
Travel and subsistence	2,867	-	19,101	21,968	21,968	-	100.0%	22,926	22,950
Training and development	710	-	(497)	213	213	-	100.0%	234	234
Operating payments	194	-	2,455	2,649	2,649	-	100.0%	2,247	2,273
Venues and facilities	-	-	62	62	62	-	100.0%	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-

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2015/16				2014/15					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	124,452	-	28,869	153,321	153,321	-	100.0%	113,264	113,264
Provinces and municipalities	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Municipalities	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Municipal bank accounts	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Departmental agencies and accounts	-	-	23	23	23	-	100.0%	-	-
Departmental agencies	-	-	23	23	23	-	100.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Households	816	-	4,158	4,974	4,974	-	100.0%	2,133	2,133
Social benefits	816	-	2,475	3,291	3,291	-	100.0%	2,133	2,133
Other transfers to households	-	-	1,683	1,683	1,683	-	100.0%	-	-
Payments for capital assets	5,954	-	6,761	12,715	12,715	-	100.0%	13,733	15,542
Buildings and other fixed structures	4,218	-	7,159	11,377	11,377	-	100.0%	9,726	11,535
Buildings	-	-	1,424	1,424	1,424	-	100.0%	9,726	11,535
Other fixed structures	4,218	-	5,735	9,953	9,953	-	100.0%	-	-

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Machinery and equipment	1,736	-	(398)	1,338	1,338	-	100.0%	4,007	4,007		
Transport equipment	-	-	-	-	-	-	-	-	-		
Other machinery and equipment	1,736	-	(398)	1,338	1,338	-	100.0%	4,007	4,007		
Payments for financial assets	-	-	614	614	614	-	100.0%	-	-		
Total	712,092	-	(38,299)	673,793	669,205	4,588	99.3%	590,620	590,618		

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2.1 Programme Support									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	4,653	-	(933)	3,720	3,720	-	100.0%	3,081	3,080
Compensation of employees	3,484	-	(241)	3,243	3,243	-	100.0%	2,679	2,678
Goods and services	1,169	-	(692)	477	477	-	100.0%	402	402
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	83	-	(83)	-	-	-	-	20	20
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	83	-	(83)	-	-	-	-	20	20
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4,736	-	(1,016)	3,720	3,720	-	100.0%	3,101	3,101

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2.2 Design Public Works									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	18,500	-	(1,825)	16,675	16,675	-	100.0%	16,398	16,398
Compensation of employees	16,673	-	(1,993)	14,680	14,680	-	100.0%	14,004	14,004
Goods and services	1,827	-	168	1,995	1,995	-	100.0%	2,394	2,394
Transfers and subsidies	-	-	13	13	13	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	13	13	13	-	100.0%	-	-
Payments for capital assets	-	-	-	-	-	-	-	107	107
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	107	107
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	18,500	-	(1,812)	16,688	16,688	-	100.0%	16,505	16,505

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2.3 Construction Public Works									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	21,797	-	12,878	34,675	34,675	-	100.0%	23,794	23,794
Compensation of employees	17,829	-	665	18,494	18,494	-	100.0%	16,591	16,591
Goods and services	3,968	-	12,213	16,181	16,181	-	100.0%	7,203	7,203
Transfers and subsidies	-	-	1,683	1,683	1,683	-	100.0%	20	20
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	1,683	1,683	1,683	-	100.0%	20	20
Payments for capital assets	143	-	(92)	51	51	-	100.0%	260	260
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	143	-	(92)	51	51	-	100.0%	260	260
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	21,940	-	14,469	36,409	36,409	-	100.0%	24,074	24,074

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2.4 Maintenance Public Works									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	22,235	-	(4,444)	17,791	17,791	-	100.0%	13,208	13,208
Compensation of employees	5,469	-	(3,023)	2,446	2,446	-	100.0%	2,298	2,298
Goods and services	16,766	-	(1,421)	15,345	15,345	-	100.0%	10,910	10,910
Transfers and subsidies	-	-	80	80	80	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	23	23	23	-	100.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	57	57	57	-	100.0%	-	-
Payments for capital assets	110	-	(91)	19	19	-	100.0%	43	43
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	110	-	(91)	19	19	-	100.0%	43	43
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	22,345	-	(4,455)	17,890	17,890	-	100.0%	13,251	13,251

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2.5 Property Management									
		2015/16					2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	514,501	-	(80,219)	434,282	429,694	4,588	98.9%	407,142	405,332
Compensation of employees	225,972	-	(334)	225,638	225,638	-	100.0%	217,507	217,507
Goods and services	288,529	-	(79,885)	208,644	204,056	4,588	97.8%	189,635	187,825
Transfers and subsidies	124,452	-	27,093	151,545	151,545	-	100.0%	113,244	113,244
Provinces and municipalities	123,636	-	24,688	148,324	148,324	-	100.0%	111,131	111,131
Households	816	-	2,405	3,221	3,221	-	100.0%	2,113	2,113
Payments for capital assets	5,618	-	7,027	12,645	12,645	-	100.0%	13,303	15,112
Buildings and other fixed structures	4,218	-	7,159	11,377	11,377	-	100.0%	9,726	11,535
Machinery and equipment	1,400	-	(132)	1,268	1,268	-	100.0%	3,577	3,577
Payments for financial assets	-	-	-	614	614	-	100.0%	-	-
Total	644,571	-	(45,485)	599,086	594,498	4,588	99.2%	533,689	533,688

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Programme 3: Transport Infrastructure									
2015/16					2014/15				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	1,783	-	(217)	1,566	1,566	-	100.0%	1,410	1,410
2. Infrastructure Planning	47,934	-	18,647	66,581	66,581	-	100.0%	64,596	64,596
3. Design Roads	49,243	-	(4,359)	44,884	40,490	4,394	90.2%	19,170	19,170
4. Construction Roads	1,266,045	-	(40,464)	1,225,581	1,225,553	28	100.0%	1,275,798	1,275,798
5. Maintenance Roads	953,620	-	26,861	980,481	980,481	-	100.0%	1,008,890	1,008,890
Total for sub programmes	2,318,625	-	468	2,319,093	2,314,671	4,422	99.8%	2,369,864	2,369,864
Economic classification									
Current payments	1,044,355	-	(7,475)	1,036,880	1,032,486	4,394	99.6%	1,088,895	1,088,895
Compensation of employees	359,687	-	7,673	367,360	367,360	-	100.0%	356,173	356,173
Salaries and wages	289,888	-	13,713	303,601	303,601	-	100.0%	298,873	297,778
Social contributions	69,799	-	(6,040)	63,759	63,759	-	100.0%	57,300	58,395
Goods and services	684,668	-	(15,148)	669,520	665,126	4,394	99.3%	732,722	732,722
Administrative fees	-	-	76	76	76	-	100.0%	-	-
Advertising	59	-	(55)	4	4	-	100.0%	130	-
Minor assets	95	-	(27)	68	68	-	100.0%	1,128	54

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	2015/16						2014/15		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Catering: Departmental activities	169	-	1,040	1,209	1,209	-	100.0%	470	1,262
Communication	554	-	(5)	549	549	-	100.0%	634	500
Computer services	110	-	(110)	-	-	-	-	95	91
Consultants: Business and advisory services	606	-	(606)	-	-	-	-	171	-
Infrastructure and planning services	77,119	-	10,571	87,690	83,296	4,394	95.0%	60,410	64,260
Contractors	470,299	-	(59,364)	410,935	411,996	(1,061)	100.3%	468,501	443,392
Agency and support / outsourced services	45,960	-	2,861	48,821	48,821	-	100.0%	87,844	107,449
Fleet services	40,112	-	(1,417)	38,695	38,695	-	100.0%	34,504	34,249
Inventory: Clothing material and supplies	838	-	1,597	2,435	2,435	-	100.0%	877	970
Inventory: Fuel, oil and gas	6,756	-	2,168	8,924	9,204	(280)	103.1%	7,320	5,508
Inventory: Materials and supplies	19,271	-	8,335	27,606	30,427	(2,821)	110.2%	36,124	41,435
Consumable supplies	-	-	4,284	4,284	4,284	-	100.0%	9,410	8,895
Consumable: Stationery, printing and office supplies	-	-	95	95	95	-	100.0%	273	192
Operating leases	-	-	16,134	16,134	11,972	4,162	74.2%	-	-

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Property payments	9	-	(9)	-	-	-	-	180	4		
Transport provided:	222	-	(222)	-	-	-	-	5	210		
Departmental activity											
Travel and subsistence	12,131	-	1,898	14,029	14,029	-	100.0%	10,657	14,236		
Training and development	7,135	-	(2,039)	5,096	5,096	-	100.0%	12,866	7,535		
Operating payments	3,077	-	(246)	2,831	2,831	-	100.0%	1,043	2,429		
Venues and facilities	146	-	(107)	39	39	-	100.0%	80	50		
Rental and hiring	-	-	-	-	-	-	-	-	1		
Transfers and subsidies	9,590	-	(1,459)	8,131	8,131	-	100.0%	12,702	12,702		
Municipalities	-	-	-	-	-	-	-	-	-		
Municipal bank accounts	-	-	-	-	-	-	-	-	-		
Municipal agencies and funds	-	-	-	-	-	-	-	-	-		
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-		
Departmental agencies	-	-	-	-	-	-	-	-	-		

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-	-	-		
	9,590	-	(1,459)	8,131	8,131	-	100.0%	12,702	12,702		
Social benefits	-	-	3,651	3,651	3,651	-	100.0%	3,534	3,283		
Other transfers to households	9,590	-	(5,110)	4,480	4,480	-	100.0%	9,168	9,419		
Payments for capital assets	1,264,680	-	9,402	1,274,082	1,274,054	28	100.0%	1,268,267	1,268,267		
Buildings and other fixed structures	1,245,988	-	11,809	1,257,797	1,257,769	28	100.0%	1,262,535	1,262,535		
Buildings	-	-	-	-	-	-	-	-	-		
Other fixed structures	1,245,988	-	11,809	1,257,797	1,257,769	28	100.0%	1,262,535	1,262,535		
Machinery and equipment	18,692	-	(2,407)	16,285	16,285	-	100.0%	5,732	5,732		
Transport equipment	-	-	11,078	11,078	11,078	-	100.0%	3,641	3,634		
Other machinery and equipment	18,692	-	(13,485)	5,207	5,207	-	100.0%	2,091	2,098		
Payments for financial assets	-	-	-	-	-	-	-	-	-		
Total	2,318,625	-	468	2,319,093	2,314,671	4,422	99.8%	2,369,864	2,369,864		

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3.1 Programme Support									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1,738	-	(216)	1,522	1,522	-	100.0%	1,396	1,396
Compensation of employees	1,282	-	(35)	1,247	1,247	-	100.0%	1,159	1,159
Goods and services	456	-	(181)	275	275	-	100.0%	237	237
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	45	-	(1)	44	44	-	100.0%	14	14
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	45	-	(1)	44	44	-	100.0%	14	14
Payments for financial assets									
Total	1,783	-	(217)	1,566	1,566	-	100.0%	1,410	1,410

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3.2 Infrastructure Planning									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	47,724	-	18,772	66,496	66,496	-	100.0%	64,564	64,564
Compensation of employees	13,277	-	(3,990)	9,287	9,287	-	100.0%	10,737	10,737
Goods and services	34,447	-	22,762	57,209	57,209	-	100.0%	53,827	53,827
Transfers and subsidies	-	-	85	85	85	-	100.0%	32	32
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	85	85	85	-	100.0%	32	32
Payments for capital assets	210	-	(210)	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	210	-	(210)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	47,934	-	18,647	66,581	66,581	-	100.0%	64,596	64,596

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3.3 Design Roads									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	49,224	-	(4,367)	44,857	40,463	4,394	90.2%	19,130	19,130
Compensation of employees	8,684	-	(2,122)	6,562	6,562	-	100.0%	5,355	5,355
Goods and services	40,540	-	(2,245)	38,295	33,901	4,394	88.5%	13,775	13,775
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	19	-	8	27	27	-	100.0%	40	40
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	19	-	8	27	27	-	100.0%	40	40
Payments for financial assets									
Total	49,243	-	(4,359)	44,884	40,490	4,394	90.2%	19,170	19,170

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3.4 Construction Roads									
2015/16									
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	19,973	-	(7,716)	12,257	12,257	-	100.0%	15,370	15,370
Compensation of employees	18,835	-	(7,121)	11,714	11,714	-	100.0%	14,705	14,705
Goods and services	1,138	-	(595)	543	543	-	100.0%	665	665
Transfers and subsidies	-	-	369	369	369	-	100.0%	79	79
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	369	369	369	-	100.0%	79	79
Payments for capital assets	1,246,072	-	(33,117)	1,212,955	1,212,927	28	100.0%	1,260,349	1,260,349
Buildings and other fixed structures	1,245,988	-	(33,052)	1,212,936	1,212,908	28	100.0%	1,260,349	1,260,349
Machinery and equipment	84	-	(65)	19	19	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,266,045	-	(40,464)	1,225,581	1,225,553	28	100.0%	1,275,798	1,275,798

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3.5 Maintenance Roads									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	925,696	-	(13,948)	911,748	911,748	-	100.0%	988,435	988,435
Compensation of employees	317,609	-	20,941	338,550	338,550	-	100.0%	324,217	324,217
Goods and services	608,087	-	(34,889)	573,198	573,198	-	100.0%	664,218	664,218
Transfers and subsidies	9,590	-	(1,913)	7,677	7,677	-	100.0%	12,591	12,591
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	9,590	-	(1,913)	7,677	7,677	-	100.0%	12,591	12,591
Payments for capital assets	18,334	-	42,722	61,056	61,056	-	100.0%	7,864	7,864
Buildings and other fixed structures	-	-	44,861	44,861	44,861	-	100.0%	2,186	2,186
Machinery and equipment	18,334	-	(2,139)	16,195	16,195	-	100.0%	5,678	5,678
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	953,620	-	26,861	980,481	980,481	-	100.0%	1,008,890	1,008,890

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Programme 4: Transport Operations									
	Adjusted Appropriation	Shifting of Funds	2015/16				2014/15		
			Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	2,182	-	(210)	1,972	1,972	-	100.0%	1,914	1,914
2. Public Transport Services	987,957	-	40,425	1,028,382	1,027,592	790	99.9%	934,467	934,041
3. Transport Safety and Compliance	33,715	-	10,270	43,985	43,985	-	100.0%	30,226	30,226
4. Transport Systems	17,260	-	(7,243)	10,017	10,017	-	100.0%	12,703	12,703
5. Infrastructure Operations	25,051	-	(1,907)	23,144	23,144	-	100.0%	15,024	15,024
Total for sub programmes	1,066,165	-	41,335	1,107,500	1,106,710	790	99.9%	994,334	993,908
Economic classification									
Current payments	455,142	-	51,844	506,986	506,986	-	100.0%	415,494	421,436
Compensation of employees	59,133	-	2,101	61,234	61,234	-	100.0%	49,215	49,213
Salaries and wages	48,026	-	4,363	52,389	52,389	-	100.0%	42,465	42,462
Social contributions	11,107	-	(2,262)	8,845	8,845	-	100.0%	6,750	6,751
Goods and services	396,009	-	49,743	445,752	445,752	-	100.0%	366,279	372,223
Administrative fees	-	-	76	76	76	-	100.0%	-	-
Advertising	74	-	(74)	-	-	-	-	-	-
Minor assets	112	-	(15)	97	97	-	100.0%	6,555	6,549

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Audit costs: External	-	-	-	-	-	-	-	-	-		
Catering: Departmental activities	234	-	(137)	97	97	-	100.0%	113	113		
Communication	384	-	(162)	222	222	-	100.0%	210	213		
Computer services	-	-	50	50	50	-	100.0%	-	-		
Consultants: Business and advisory services	7,912	-	3,291	11,203	11,203	-	100.0%	7,574	6,862		
Infrastructure and planning services	5,697	-	(4,196)	1,501	1,501	-	100.0%	523	523		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	-	-	-	-	-	-	-	-	-		
Contractors	1,065	-	(1,055)	10	10	-	100.0%	-	-		
Agency and support / outsourced services	-	-	49	49	49	-	100.0%	20	20		
Fleet services	-	-	-	-	-	-	-	4	4		
Inventory: Clothing material and supplies	-	-	721	721	721	-	100.0%	-	-		
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-		

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Inventory: Materials and supplies	-	-	19	19	19	-	100.0%	23	23		
Medsas Inventory Interface	65	-	(65)	-	-	-	-	-	-		
Inventory: Other supplies	1,319	-	(1,319)	-	-	-	-	-	-		
Consumable supplies	1,307	-	(1,307)	-	-	-	-	316	316		
Consumable: Stationery, printing and office supplies	-	-	146	146	146	-	100.0%	184	185		
Operating leases	821	-	(821)	-	-	-	-	-	-		
Property payments	-	-	-	-	-	-	-	-	-		
Transport provided: Departmental activity	372,995	-	51,801	424,796	424,796	-	100.0%	344,498	351,152		
Travel and subsistence	1,370	-	4,683	6,053	6,053	-	100.0%	5,736	5,740		
Training and development	2,565	-	(2,565)	-	-	-	-	-	-		
Operating payments	89	-	623	712	712	-	100.0%	519	519		
Venues and facilities	-	-	-	-	-	-	-	4	4		
Rental and hiring	-	-	-	-	-	-	-	-	-		

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Transfers and subsidies	525,598	-	115	525,713	524,923	790	99.8%	515,006	514,580		
Provinces and municipalities	-	-	-	-	-	-	-	-	-		
Municipalities	-	-	-	-	-	-	-	-	-		
Municipal bank accounts	-	-	-	-	-	-	-	-	-		
Municipal agencies and funds	-	-	-	-	-	-	-	-	-		
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-		
Departmental agencies	-	-	-	-	-	-	-	-	-		
Public corporations and private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095		
Private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095		
Other transfers to private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095		
Households	-	-	88	88	88	-	100.0%	485	485		
Social benefits	-	-	88	88	88	-	100.0%	485	485		
Other transfers to households	-	-	-	-	-	-	-	-	-		

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Payments for capital assets	85,425	-	(10,624)	74,801	74,801	-	100.0%	63,834	57,892		
Buildings and other fixed structures	14,001	-	(999)	13,002	13,002	-	100.0%	9,272	9,272		
Buildings	-	-	-	-	-	-	-	-	-		
Other fixed structures	14,001	-	(999)	13,002	13,002	-	100.0%	9,272	9,272		
Machinery and equipment	71,424	-	(9,625)	61,799	61,799	-	100.0%	54,562	48,620		
Transport equipment	69,080	-	(7,426)	61,654	61,654	-	100.0%	54,064	48,121		
Other machinery and equipment	2,344	-	(2,199)	145	145	-	100.0%	498	499		
Payments for financial assets	-	-	-	-	-	-	-	-	-		
Total	1,066,165	-	41,335	1,107,500	1,106,710	790	99.9%	994,334	993,908		

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4.1 Programme Support									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	2,182	-	(210)	1,972	1,972	-	100.0%	1,898	1,898
Compensation of employees	1,600	-	87	1,687	1,687	-	100.0%	1,565	1,565
Goods and services	582	-	(297)	285	285	-	100.0%	333	333
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	16	16
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	16	16
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2,182	-	(210)	1,972	1,972	-	100.0%	1,914	1,914

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4.2 Public Transport Services									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	393,279	-	49,312	442,591	442,591	-	100.0%	367,246	373,188
Compensation of employees	9,332	-	(1,557)	7,775	7,775	-	100.0%	7,611	7,609
Goods and services	383,947	-	50,869	434,816	434,816	-	100.0%	359,635	365,579
Transfers and subsidies	525,598	-	84	525,682	524,892	790	99.8%	514,521	514,095
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	525,598	-	27	525,625	524,835	790	99.8%	514,521	514,095
Households	-	-	57	57	57	-	100.0%	-	-
Payments for capital assets	69,080	-	(8,971)	60,109	60,109	-	100.0%	52,700	46,758
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	69,080	-	(8,971)	60,109	60,109	-	100.0%	52,700	46,758
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	987,957	-	40,425	1,028,382	1,027,592	790	99.9%	934,467	934,041

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4.3 Transport Safety and Compliance									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	30,371	-	11,934	42,305	42,305	-	100.0%	27,859	27,859
Compensation of employees	27,655	-	9,998	37,653	37,653	-	100.0%	24,814	24,814
Goods and services	2,716	-	1,936	4,652	4,652	-	100.0%	3,045	3,045
Transfers and subsidies	-	-	3	3	3	-	100.0%	2	2
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	3	3	3	-	100.0%	2	2
Payments for capital assets	3,344	-	(1,667)	1,677	1,677	-	100.0%	2,365	2,365
Buildings and other fixed structures	1,000	-	(1000)	-	-	-	-	614	614
Machinery and equipment	2,344	-	(667)	1,677	1,677	-	100.0%	1,751	1,751
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	33,715	-	10,270	43,985	43,985	-	100.0%	30,226	30,226

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4.4 Transport Systems									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	17,260	-	(7,284)	9,976	9,976	-	100.0%	12,150	12,150
Compensation of employees	15,078	-	(6,342)	8,736	8,736	-	100.0%	10,209	10,209
Goods and services	2,182	-	(942)	1,240	1,240	-	100.0%	1,921	1,921
Transfers and subsidies	-	-	28	28	28	-	100.0%	458	458
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	28	28	28	-	100.0%	458	458
Payments for capital assets	-	-	13	13	13	-	100.0%	95	95
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	13	13	13	-	100.0%	95	95
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	17,260	-	(7,243)	10,017	10,017	-	100.0%	12,703	12,703

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

4.5 Infrastructure Operations									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	12,050	-	(1,908)	10,142	10,142	-	100.0%	6,341	6,341
Compensation of employees	5,468	-	(85)	5,383	5,383	-	100.0%	5,016	5,016
Goods and services	6,582	-	(1,823)	4,759	4,759	-	100.0%	1,325	1,325
Transfers and subsidies	-	-	-	-	-	-	-	25	25
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	25	25
Payments for capital assets	13,001	-	1	13,002	13,002	-	100.0%	8,658	8,658
Buildings and other fixed structures	13,001	-	1	13,002	13,002	-	100.0%	8,658	8,658
Machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	25,051	-	(1,907)	23,144	23,144	-	100.0%	15,024	15,024

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

Programme 5: Community Based Programmes									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Programme Support	1,918	-	(98)	1,820	1,820	-	100.0%	1,357	1,356
2. Community Development	37,134	-	2,147	39,281	39,277	4	100.0%	33,375	33,375
3. Innovation and Empowerment	12,233	-	5,032	17,265	17,265	-	100.0%	13,144	13,144
4. EPWP: Co-ordination and Monitoring	14,884	-	(2,231)	12,653	12,653	-	100.0%	11,491	11,491
Total for sub programmes	66,169	-	4,850	71,019	71,015	4	100.0%	59,367	59,366
Economic classification									
Current payments	65,666	-	5,037	70,703	70,699	4	100.0%	58,777	58,776
Compensation of employees	29,955	-	(2,732)	27,223	27,223	-	100.0%	29,039	29,038
Salaries and wages	25,818	-	(1,836)	23,982	23,982	-	100.0%	26,051	26,050
Social contributions	4,137	-	(896)	3,241	3,241	-	100.0%	2,988	2,988
Goods and services	35,711	-	7,769	43,480	43,476	4	100.0%	29,738	29,738
Administrative fees	-	-	51	51	51	-	100.0%	-	-
Advertising	604	-	(71)	533	533	-	100.0%	888	888
Minor assets	172	-	(172)	-	-	-	-	1	36
Audit costs: External	-	-	-	-	-	-	-	-	-

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APPROPRIATION STATEMENT
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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Catering: Departmental activities	390	-	(256)	134	134	-	100.0%	110	109		
Communication	474	-	(216)	258	258	-	100.0%	268	268		
Computer services	17	-	38	55	55	-	100.0%	-	-		
Consultants: Business and advisory services	5,634	-	6,917	12,551	12,551	-	100.0%	6,047	6,047		
Infrastructure and planning services	-	-	-	-	-	-	-	-	-		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	-	-	-	-	-	-	-	-	-		
Contractors	1,550	-	(697)	853	853	-	100.0%	2,048	2,048		
Agency and support / outsourced services	2,366	-	(2,017)	349	349	-	100.0%	299	298		
Fleet services	-	-	-	-	-	-	-	-	-		
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-		
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-		

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2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-		
Medsas Inventory Interface	-	-	-	-	-	-	-	-	-		
Inventory: Other supplies	-	-	-	-	-	-	-	-	-		
Consumable supplies	35	-	(28)	7	7	-	100.0%	301	301		
Consumable: Stationery, printing and office supplies	24	-	(24)	-	-	-	-	15	14		
Operating leases	-	-	-	-	-	-	-	-	-		
Property payments	-	-	-	-	-	-	-	-	-		
Transport provided:	-	-	-	-	-	-	-	-	-		
Departmental activity	-	-	-	-	-	-	-	-	-		
Travel and subsistence	3,091	-	1,421	4,512	4,512	-	100.0%	4,477	4,443		
Training and development	20,979	-	2,720	23,699	23,695	4	100.0%	14,736	14,736		
Operating payments	-	-	457	457	457	-	100.0%	411	413		
Venues and facilities	326	-	(305)	21	21	-	100.0%	137	137		
Rental and hiring	49	-	(49)	-	-	-	-	-	-		

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16				2014/15					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	-	80	80	80	-	100.0%	191	191
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	80	80	80	-	100.0%	191	191
Social benefits	-	-	80	80	80	-	100.0%	191	191
Other transfers to households	-	-	-	-	-	-	-	-	-

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

2015/16										2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Payments for capital assets	503	-	(267)	236	236	-	100.0%	399	399		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		
Buildings	-	-	-	-	-	-	-	-	-		
Other fixed structures	-	-	-	-	-	-	-	-	-		
Machinery and equipment	503	-	(267)	236	236	-	100.0%	399	399		
Transport equipment	-	-	-	-	-	-	-	-	-		
Other machinery and equipment	503	-	(267)	236	236	-	100.0%	399	399		
Payments for financial assets	-	-	-	-	-	-	-	-	-		
Total	66,169	-	4,850	71,019	71,015	4	100.0%	59,367	59,366		

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

5.1 Programme Support									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	1,868	-	(80)	1,788	1,788	-	100.0%	1,357	1,357
Compensation of employees	1,486	-	81	1,567	1,567	-	100.0%	1,178	1,178
Goods and services	382	-	(161)	221	221	-	100.0%	179	179
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	50	-	(18)	32	32	-	100.0%	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	50	-	(18)	32	32	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,918	-	(98)	1,820	1,820	-	100.0%	1,357	1,357

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

5.2 Community Development									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	37,034	-	2,157	39,191	39,187	4	100.0%	33,002	33,002
Compensation of employees	14,280	-	(1,362)	12,918	12,918	-	100.0%	15,546	15,546
Goods and services	22,754	-	3,519	26,273	26,269	4	100.0%	17,456	17,456
Transfers and subsidies	-	-	80	80	80	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	80	80	80	-	100.0%	-	-
Payments for capital assets	100	-	(90)	10	10	-	100.0%	373	373
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	100	-	(90)	10	10	-	100.0%	373	373
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	37,134	-	2,147	39,281	39,277	4	100.0%	33,375	33,375

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

5.3 Innovation and Empowerment									
	2015/16					2014/15			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	12,158	-	5,107	17,265	17,265	-	100.0%	13,133	13,133
Compensation of employees	5,654	-	(1,144)	4,510	4,510	-	100.0%	4,435	4,435
Goods and services	6,504	-	6,251	12,755	12,755	-	100.0%	8,698	8,698
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	75	-	(75)	-	-	-	-	11	11
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	75	-	(75)	-	-	-	-	11	11
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	12,233	-	5,032	17,265	17,265	-	100.0%	13,144	13,144

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APPROPRIATION STATEMENT
for the year ended 31 March 2016

5.4 EPWP: Co-ordination and Monitoring									
2015/16									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	14,606	-	(2,147)	12,459	12,459	-	100.0%	11,285	11,285
Compensation of employees	8,535	-	(307)	8,228	8,228	-	100.0%	7,880	7,880
Goods and services	6,071	-	(1,840)	4,231	4,231	-	100.0%	3,405	3,405
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	191	191
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	191	191
Payments for capital assets	278	-	(84)	194	194	-	100.0%	15	15
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	278	-	(84)	194	194	-	100.0%	15	15
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	14,884	-	(2,231)	12,653	12,653	-	100.0%	11,491	11,491

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2016**

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

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

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

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

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

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Administration	228,644	228,644	-	0.0%
Public Works Infrastructure	673,793	669,205	4,588	0.7%
Transport Infrastructure	2,319,093	2,314,671	4,422	0.2%
Transport Operations	1,107,500	1,106,710	790	0.1%
Community Based Programmes	71,019	71,015	4	0.0%
4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments	2,347,613	2,338,627	8,986	0.0%
Compensation of employees	877,477	877,477	-	0.0%
Goods and services	1,470,136	1,461,150	8,986	0.6%
Interest and rent on land				
Transfers and subsidies	688,358	687,569	790	0.2%
Provinces and municipalities	148,324	148,324	-	0.0%
Departmental agencies and accounts	23	23	-	0.0%
Public corporations and private enterprises	525,625	524,835	790	0.2%
Households	14,386	14,386	-	0.0%
Payments for capital assets	1,363,464	1,363,436	28	0.0%
Buildings and other fixed structures	1,282,176	1,282,148	28	0.0%
Machinery and equipment	81,288	81,288	-	0.0%
Payments for financial assets	614	614	-	0.0%

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2016**

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Provincial Roads Maintenance Grant	1,719,418	1,719,391	27	0.0%
Public Transport Operations Grant	502,272	501,482	790	0.2%
Expanded Public Works Programme Incentive Grant	16,038	16,034	4	0.0%

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STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
REVENUE			
Annual appropriation	1	4,400,049	4,239,778
Statutory appropriation	2	-	1,813
Departmental revenue	3	782	2,535
TOTAL REVENUE		4,400,831	4,244,126
EXPENDITURE			
Current expenditure			
Compensation of employees	4	877,477	839,217
Goods and services	5	1,461,150	1,414,320
Total current expenditure		2,338,627	2,253,537
Transfers and subsidies			
Transfers and subsidies	7	687,568	642,975
Total transfers and subsidies		687,568	642,975
Expenditure for capital assets			
Tangible assets	8	1,363,436	1,343,558
Total expenditure for capital assets		1,363,436	1,343,558
Payments for financial assets	6	614	1,091
TOTAL EXPENDITURE		4,390,245	4,241,161
SURPLUS/(DEFICIT) FOR THE YEAR		10,586	2,965
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		9,804	430
Annual appropriation		8,983	94
Conditional grants		821	336
Departmental revenue and NRF Receipts	11	782	2,535
SURPLUS/(DEFICIT) FOR THE YEAR		10,586	2,965

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STATEMENT OF FINANCIAL POSITION
as at 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
ASSETS			
Current assets		13,040	7,179
Receivables	9	13,040	7,179
Non-current assets		6,409	17,286
Receivables	9	6,409	17,286
TOTAL ASSETS		19,449	24,465
LIABILITIES			
Current liabilities		14,567	19,216
Voted funds to be surrendered to the Revenue Fund	10	9,804	430
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	2,791	1,863
Bank overdraft	12	709	14,957
Payables	13	1,263	1,966
TOTAL LIABILITIES		14,567	19,216
NET ASSETS		4,882	5,249
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		4,882	5,249
TOTAL		4,882	5,249

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STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
Recoverable revenue			
Opening balance		5,249	6,020
Transfers:		(367)	(771)
Debts revised		(22)	-
Debts recovered (included in departmental receipts)		(1,059)	(897)
Debts raised		714	126
Closing balance		4,882	5,249
TOTAL		4,882	5,249

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CASH FLOW STATEMENT
for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4,427,141	4,264,113
Annual appropriated funds received	<u>1.1</u>	4,400,049	4,239,778
Statutory appropriated funds received	<u>2</u>	-	1,813
Departmental revenue received	<u>3</u>	25,013	20,471
Interest received	<u>3.3</u>	2,079	2,051
Net (increase)/decrease in working capital		4,313	3,705
Surrendered to Revenue Fund		(27,461)	(24,697)
Current payments		(2,338,627)	(2,253,537)
Payments for financial assets		(614)	(1,091)
Transfers and subsidies paid		(687,568)	(642,975)
Net cash flow available from operating activities	<u>14</u>	<u>1,377,184</u>	<u>1,345,518</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>8</u>	(1,363,436)	(1,343,558)
Proceeds from sale of capital assets	<u>3.4</u>	867	1,316
Net cash flows from investing activities		<u>(1,362,569)</u>	<u>(1,342,242)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(367)	(771)
Net cash flows from financing activities		<u>(367)</u>	<u>(771)</u>
Net increase/(decrease) in cash and cash equivalents		14,248	2,505
Cash and cash equivalents at beginning of period		(14,957)	(17,462)
Cash and cash equivalents at end of period	<u>15</u>	<u>(709)</u>	<u>14,957</u>

**MPUMALANGA PROVINCE
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**ACCOUNTING POLICIES
for the year ended 31 March 2016**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Modified Cash Standard.

2 GOING CONCERN

The financial statements have been prepared on a going concern basis.

3 PRESENTATION CURRENCY

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4 ROUNDING

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5 COMPARATIVE INFORMATION

5.1 Prior period Comparative Information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

5.2 Current Year Comparison with Budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

6 REVENUE

6.1 Appropriated Funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

6.2 Departmental Revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7 EXPENDITURE

7.1 Compensation of Employees

7.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

7.1.2 Social Contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

7.2 Other Expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

7.3 Leases

7.3.1 Operating Leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

7.3.2 Finance Leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

9 LOANS AND RECEIVABLES

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. (In terms of write-offs the departmental policy paragraph 11.4 of the Treasury Regulations together with section 76 (1) (e) and 76 (4) (a) of the Public Finance Management Act)

10 PAYABLES

Loans and payables are recognised in the statement of financial position at cost.

11 CAPITAL ASSETS

11.1 Immovable Capital Assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

11.2 Movable Capital Assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

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All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

12 PROVISIONS AND CONTINGENTS

12.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

12.2 Contingent Liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

12.3 Contingent Assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

12.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

13 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

14 IRREGULAR EXPENDITURE

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

15 CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND ERRORS

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in

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policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

16 EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

17 RECOVERABLE REVENUE

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

18 RELATED PARTY TRANSACTIONS

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

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1. ANNUAL APPROPRIATION

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation	2015/16 Actual Funds Received	Funds not requested/ not received	Final Appropriation	2014/15 Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	228,644	228,644	-	225,593	225,593
Public Works Infrastructure	673,793	673,793	-	590,620	590,620
Transport Infrastructure	2,319,093	2,319,093	-	2,369,864	2,369,864
Transport Operations	1,107,500	1,107,500	-	994,334	994,334
Community Based Programmes	71,019	71,019	-	59,367	59,367
Total	4,400,049	4,400,049	-	4,239,778	4,239,778

1.2 CONDITIONAL GRANTS

	Note	2015/16 R'000	2014/15 R'000
Total grants received	28	2,237,728	2,134,806
Provincial grants included in Total Grants received		2,237,728	2,134,806

2. STATUTORY APPROPRIATION

	2015/16 R'000	2014/15 R'000
Members' remuneration	-	1,813
Total	-	1,813
Actual Statutory Appropriation received	-	1,813

3. DEPARTMENTAL REVENUE

	Note	2015/16 R'000	2014/15 R'000
Tax revenue			
Sales of goods and services other than capital assets	3.1	11,049	10,385
Fines, penalties and forfeits	3.2	12,401	8,285
Interest, dividends and rent on land	3.3	2,079	2,051
Sales of capital assets	3.4	867	1,316
Transactions in financial assets and liabilities	3.5	1,563	1,801
Total revenue collected		27,959	23,838
Less: Own revenue included in appropriation	14	27,177	21,303
Departmental revenue collected		782	2,535

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3.1 Sales of Goods and Services other than Capital Assets

	Note <u>3</u>	2015/16 R'000	2014/15 R'000
Sales of goods and services produced by the department		11,049	10,385
Sales by market establishment		5,319	3,812
Administrative fees		2,243	1,969
Other sales		3,487	4,604
Sales of scrap, waste and other used current goods		-	-
Total		11,049	10,385

3.2 Fines, Penalties and Forfeits

	Note <u>3</u>	2015/16 R'000	2014/15 R'000
Penalties		12,401	8,285
Total		12,401	8,285

3.3 Interest, Dividends and Rent on Land

	Note <u>3</u>	2015/16 R'000	2014/15 R'000
Interest		2,079	2,051
Total		2,079	2,051

3.4 Sale of Capital Assets

	Note <u>3</u>	2015/16 R'000	2014/15 R'000
Tangible assets		867	1,316
Machinery and equipment	25.2	867	1,316
Total		867	1,316

3.5 Transactions in Financial Assets and Liabilities

	Note <u>3</u>	2015/16 R'000	2014/15 R'000
Loans and advances			
Receivables		1,351	1,165
Stale cheques written back		63	16
Other Receipts including Recoverable Revenue		149	620
Total		1,563	1,801

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4. COMPENSATION OF EMPLOYEES

4.1 Salaries and Wages

	Note 4	2015/16 R'000	2014/15 R'000
Basic salary		582,633	555,676
Performance award		12,101	17,557
Service Based		50,584	47,402
Compensative/circumstantial		14,396	16,566
Periodic payments		3,360	8,962
Other non-pensionable allowances		79,387	70,898
Total		742,461	717,061

4.2 Social Contributions

	Note 4	2015/16 R'000	2014/15 R'000
Employer contributions			
Pension		75,022	71,620
Medical		59,758	50,300
Bargaining council		236	236
Total		135,016	122,156

Total compensation of employees

Average number of employees

877,477	839,217
3,531	3,559

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5. GOODS AND SERVICES

	Note	2015/16 R'000	2014/15 R'000
Administrative fees		818	208
Advertising		1,390	3,198
Minor assets	5.1	253	7,002
Catering		2,420	2,949
Communication		14,485	16,172
Computer services	5.2	429	1,002
Consultants: Business and advisory services		39,641	21,237
Infrastructure and planning services		85,099	64,921
Legal services		8,271	4,462
Contractors		1,705	8,422
Agency and support / outsourced services		50,415	109,007
Audit cost – external	5.3	9,791	8,963
Fleet services		48,015	43,179
Inventory	5.4	53,031	50,967
Consumables	5.5	26,131	75,413
Operating leases		42,192	27,854
Property payments	5.6	549,496	519,491
Rental and hiring		-	1
Transport provided as part of the departmental activities		424,796	351,362
Travel and subsistence	5.7	64,523	67,616
Venues and facilities		177	345
Training and development		29,263	22,797
Other operating expenditure	5.8	8,809	7,752
Total		1,461,150	1,414,320

5.1 Minor Assets

	Note	2015/16 R'000	2014/15 R'000
Tangible assets	5		
Machinery and equipment		253	7,002
Total		253	7,002

5.2 Computer Services

	Note	2015/16 R'000	2014/15 R'000
SITA computer services	5	368	900
External computer service providers		61	102
Total		429	1,002

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5.3 Audit Cost – External

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Regularity audits		9,791	8,963
Total		9,791	8,963

5.4 Inventory

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Clothing material and accessories		4,247	1,468
Fuel, oil and gas		8,924	5,508
Materials and supplies		39,580	43,991
Total		53,031	50,967

5.5 Consumables

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Consumable supplies		12,404	62,023
Uniform and clothing		2,888	6,927
Household supplies		7,329	40,741
Building material and supplies		262	7,251
IT consumables		30	41
Other consumables		1,895	7,063
Stationery, printing and office supplies		13,727	13,390
Total		26,131	75,413

5.6 Property Payments

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Property maintenance and repairs		426,959	444,740
Other		122,537	74,751
Total		549,496	519,491

5.7 Travel and Subsistence

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Local		64,379	67,514
Foreign		144	102
Total		64,523	67,616

5.8 Other Operating Expenditure

	Note <u>5</u>	2015/16 R'000	2014/15 R'000
Professional bodies, membership and subscription fees		144	211
Resettlement costs		62	306
Other		8,603	7,235
Total		8,809	7,752

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6. PAYMENTS FOR FINANCIAL ASSETS

	Note	2015/16 R'000	2014/15 R'000
Debts written off	6.1	614	1,091
Total		614	1,091

6.1 Debts Written Off

	Note	2015/16 R'000	2014/15 R'000
Other debt written off	6		
Irrecoverable debts written off		614	1,091
Total debt written off		614	1,091

7. TRANSFERS AND SUBSIDIES

		2015/16 R'000	2014/15 R'000
Provinces and municipalities	Note 29	148,324	111,131
Departmental agencies and accounts	Annex 1A	23	-
Public corporations and private enterprises	Annex 1B	524,835	514,095
Households	Annex 1C	14,386	17,749
Total		687,568	642,975

8. EXPENDITURE FOR CAPITAL ASSETS

	Note	2015/16 R'000	2014/15 R'000
Tangible assets		1,363,436	1,343,558
Buildings and other fixed structures	26.1	1,282,148	1,283,342
Machinery and equipment	25.1	81,288	60,216
Total		1,363,436	1,343,558

8.1 Analysis of Funds Utilised to Acquire Capital Assets – 2015/16

	Voted funds R'000	Total R'000
Tangible assets	1,363,436	1,363,436
Buildings and other fixed structures	1,282,148	1,282,148
Machinery and equipment	81,288	81,288
Total	1,363,436	1,363,436

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8.2 Analysis of Funds Utilised to Acquire Capital Assets – 2014/15

	Voted funds R'000	Total R'000
Tangible assets	1,343,558	1,343,558
Buildings and other fixed structures	1,283,342	1,283,342
Machinery and equipment	60,216	60,216
Total	1,343,558	1,343,558

8.3 Finance Lease Expenditure included in Expenditure for Capital Assets

	Note Annex 6	2015/16 R'000
Tangible assets		
Machinery and equipment		60,109
Total		60,109

9. RECEIVABLES

		2015/16		2014/15		
		Current	Non-current	Total	Current	Non-current
	Note	R'000	R'000	R'000	R'000	R'000
Claims recoverable	9.1 Annex3	5,222	-	5,222	4,170	1,907
Staff debt	9.2	247	18	265	257	32
Other debtors	9.3	7,571	6,391	13,962	2,752	15,347
Total		13,040	6,409	19,449	7,179	17,286

9.1 Claims Recoverable

	Note 9 and Annex 3	2015/16 R'000	2014/15 R'000
Provincial departments		5,222	6,077
Total		5,222	6,077

9.2 Staff Debt

	Note 9	2015/16 R'000	2014/15 R'000
Employees		265	289
Total		265	289

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9.3 Other Debtors

	Note 9	2015/16 R'000	2014/15 R'000
Suppliers		6,574	6,316
Rentals (Business and Housing)		4,896	5,221
Other Debtors		-	4,052
Ex-Employees		590	452
Recoverable Funds: Mbombela Services		1,282	1,282
Inter-departmental claims		338	64
Sal: Tax Debts		61	69
Sal: Reversal Control: CA		171	603
Sal: Deduction Disallowance: CA		47	35
Sal: Medical Aid: CL		-	2
Sal: Pension Fund: CL		-	3
Sal: Pension Recoverable Acc		3	-
Total		13,962	18,099

10. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2015/16 R'000	2014/15 R'000
Opening balance	430	1,057
Transfer from statement of financial performance	9,804	430
Paid during the year	(430)	(1,057)
Closing balance	9,804	430

11. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	2015/16 R'000	2014/15 R'000
Opening balance	1,863	1,665
Transfer from Statement of Financial Performance	782	2,535
Own revenue included in appropriation	27,177	21,303
Paid during the year	(27,031)	(23,640)
Closing balance	2,791	1,863

12. BANK OVERDRAFT

	2015/16 R'000	2014/15 R'000
Consolidated Paymaster General Account	(709)	(14,957)
Total	(709)	(14,957)

13. PAYABLES – CURRENT

	Note	2015/16 R'000	2014/15 R'000
Amounts owing to other entities			
Clearing accounts	13.1	170	52
Other payables	13.2	1,093	1,914
Total		1,263	1,966

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13.1 Clearing Accounts

	Note 13	2015/16 R'000	2014/15 R'000
Sal: Income Tax		16	43
Sal: ACB Recall: CA		154	9
Total		170	52

13.2 Other Payables

	Note 13	2015/16 R'000	2014/15 R'000
Wesbank Refunds		60	76
Development of Artisan Programme		551	551
Other payables		-	1,287
Payables to other departments		380	-
Budget Activities		102	-
Total		1,093	1,914

14. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2015/16 R'000	2014/15 R'000
Net surplus/(deficit) as per Statement of Financial Performance	10,586	2,965
Add back non cash/cash movements not deemed operating activities	1,366,598	1,342,553
(Increase)/decrease in receivables – current	5,016	2,271
Increase/(decrease) in payables – current	(703)	1,434
Proceeds from sale of capital assets	(867)	(1,316)
Expenditure on capital assets	1,363,436	1,343,558
Surrenders to Revenue Fund	(27,461)	(24,697)
Own revenue included in appropriation	27,177	21,303
Net cash flow generated by operating activities	1,377,184	1,345,518

15. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	2015/16 R'000	2014/15 R'000
Consolidated Paymaster General account	(709)	(14,957)
Total	(709)	(14,957)

16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

16.1 Contingent liabilities

	Note 16	2015/16 R'000	2014/15 R'000
Liable to			
Claims against the department	Annex 2	322,826	233,495
Total		322,826	233,495

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17. COMMITMENTS

	2015/16 R'000	2014/15 R'000
Current expenditure		
Approved and contracted	190,863	533,567
Capital expenditure		
Approved and contracted	1,352,689	3,126,511
Total Commitments	1,543,556	3,660,078

Current expenditure:
 Scholar Transport – (Not later than a year – R114,993 million)
 Riverside Government Complex – (Not later than a year – R18,769 million)
 (Later than a year but not later than 5 years – R11, 916 million)
 Open orders amounting to R45,185 million)
 Capital expenditure:
 Infrastructure projects amounting to R1, 352, 689 billion

18. ACCRUALS AND PAYABLES NOT RECOGNISED

18.1 Accruals

			2015/16 R'000	2014/15 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	31,411	26,163	57,574	109,938
Transfers and subsidies	121	58	179	20,331
Capital assets	11,637	-	11,637	103,221
Other	902	45	947	408
Total	44,071	26,266	70,337	233,898
			2015/16 R'000	2014/15 R'000
Listed by programme level				
Administration			9,494	12,364
Public Works Infrastructure			9,416	40,721
Transport Infrastructure			10,549	107,552
Transport Operations			38,916	70,277
Community Based Programmes			1,962	2,984
Total			70,337	233,898

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18.2 Payables not Recognised

	2015/16 R'000			2014/15 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	8,664	12,886	21,550	-
Transfers and subsidies	-	9	9	-
Capital assets	62	20	82	-
Other	3	-	3	-
Total	8,729	12,915	21,644	-

	2015/16 R'000			2014/15 R'000
Listed by programme level				
Administration			3,578	-
Public Works Infrastructure			14,948	-
Transport Infrastructure			2,633	-
Transport Operations			303	-
Community Based Programmes			182	-
Total			21,644	-

The payables not recognised are disclosed with effect from the 2015/2016 financial year, hence no comparative figures in the prior financial year.

	Note	2015/16 R'000	2014/15 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 4	3,852	1,659
Total		3,852	1,659

19. EMPLOYEE BENEFITS

	2015/16 R'000	2014/15 R'000
Accruals		
Leave entitlement	48,195	48,229
Service bonus (Thirteenth cheque)	25,885	24,620
Provisions		
Performance awards	12,100	17,557
Capped leave commitments	80,703	80,838
Other	2,583	2,635
Total	169,466	173,879

1. Leave entitlement disclosed is inclusive of the negative leave credits amounting to R0,408 million.
2. Capped leave commitments disclosed are inclusive of the negative capped leave credits amounting to R0,254 million.
3. Performance awards amount disclosed is expenditure of R12,100 million for the 2015/2016 financial year.
4. The Other amount disclosed represents the long service awards commitments for 20, 30 and 40 years of service respectively for 2016/17 financial year.
5. At this stage the department is not able to reliably measure the long term portion of the long service awards.

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20. LEASE COMMITMENTS

20.1 Operating Leases Expenditure

	Buildings and other fixed structures	Machinery and equipment	Total
2015/16			
Not later than 1 year	26,659	1,239	27,898
Later than 1 year and not later than 5 years	40,298	873	41,171
Later than five years	-	-	-
Total lease commitments	66,957	2,112	69,069
2014/15			
Not later than 1 year	100,303	1,018	101,321
Later than 1 year and not later than 5 years	187,076	945	188,021
Later than five years	-	-	-
Total lease commitments	287,379	1,963	289,342

The operating leases are for Office accommodation and members of parliament residence

20.2 Finance Leases Expenditure

	Machinery and equipment	Total
2015/16		
Not later than 1 year	12,565	12,565
Later than 1 year and not later than 5 years	-	-
Later than five years	-	-
Total lease commitments	12,565	12,565
2014/15		
Not later than 1 year	47,002	47,002
Later than 1 year and not later than 5 years	14,332	14,332
Later than five years	-	-
Total lease commitments	61,334	61,334

The finance lease is for transport assets contracts for Habana Trading and Tshawe Infrastructure.

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21. IRREGULAR EXPENDITURE

21.1 Reconciliation of Irregular Expenditure

	Note 21	2015/16 R'000	2014/15 R'000
Opening balance		448,393	443,728
Add: Irregular expenditure – relating to current year		1,311	4,665
Less: Prior year amounts condoned		(1,248)	-
Closing balance		448,456	448,393

Analysis of awaiting condonation per age classification

Current year	1,311	4,665
Prior years	447,145	443,728
Total	448,456	448,393

21.2 Details of Irregular Expenditure - current year

Incident	Disciplinary steps taken / criminal proceedings	2015/16 R'000
The contractor did not have CIDB grading as required by the tender advertisement		684
Procurement process not properly followed		554
Award made using one quotation		73
Total		1,311

21.3 Details of Irregular Expenditure Condoned

Incident	Condoned by (condoning authority)	2015/16 R'000
De-recognition and write-offs	Head of department	(491)
Duplicated amounts	Head of department	(757)
Total		(1,248)

The Department submitted a letter to Provincial Treasury requesting condonation of Irregular expenditure amounting to R391,538 million for Scholar Transport services. (R49,627 million incurred in the 2011/12 Financial Year and R341,911 million incurred in the 2010/11 Financial year).

22. FRUITLESS AND WASTEFUL EXPENDITURE

22.1 Reconciliation of Fruitless and Wasteful Expenditure

	Note 22	2015/16 R'000	2014/15 R'000
Opening balance		5,568	5,568
Less: Amounts resolved		(1,529)	-
Closing balance		4,039	5,568

22.2 Analysis of Awaiting Resolution per Economic Classification

	2015/16 R'000	2014/15 R'000
Current	4,039	5,568
Total	4,039	5,568

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23. RELATED PARTY TRANSACTIONS

During the financial year under review, the department provided free accommodation to the following departments.

1. Vote 1: Office of the Premier
2. Vote 2: Provincial Legislature
3. Vote 3: Finance
4. Vote 4: Co-operative Governance and Traditional Affairs
5. Vote 5: Agriculture, Rural Development and Land Administration
6. Vote 6: Economic Development, Environment and Tourism.
7. Vote 7: Education
8. Vote 9: Safety, Security and Liaison
9. Vote 10: Health
10. Vote 11: Culture, Sports and Recreation
11. Vote 12: Social Development
12. Vote 13: Human Settlement

24. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2015/16 R'000	2014/15 R'000
Political office bearer (MEC)	1	1,902	1,813
Officials:			
Level 15 to 16	3	4,479	4,491
Level 14	8	8,528	6,285
Total		14,909	12,589

25. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	342,264	-	21,379	(5,624)	358,019
Transport assets	142,087	-	13,729	(1,654)	154,162
Computer equipment	24,398	-	964	(2,275)	23,087
Furniture and office equipment	21,762	-	401	(415)	21,748
Other machinery and equipment	154,017	-	6,285	(1,280)	159,022
SPECIALISED MILITARY ASSETS	4,439	-	-	-	4,439
Specialised military assets	4,439	-	-	-	4,439
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	346,703	-	21,379	(5,624)	362,458

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25.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	81,488	-	(60,109)	-	21,379
Transport assets	73,838	-	(60,109)	-	13,729
Computer equipment	964	-	-	-	964
Furniture and office equipment	401	-	-	-	401
Other machinery and equipment	6,285	-	-	-	6,285
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	81,488	-	(60,109)	-	21,379

25.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	(5,624)		(5,624)	867
Transport assets	(1,654)	-	(1,654)	657
Computer equipment	(2,275)	-	(2,275)	31
Furniture and office equipment	(415)	-	(415)	30
Other machinery and equipment	(1,280)	-	(1,280)	149
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	(5,624)	-	(5,624)	867

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25.3 Movement for 2014/15

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	329,155	1,573	14,442	(2,906)	342,464
Transport assets	133,505	3,890	5,981	(1,289)	142,287
Computer equipment	22,074	(17)	3,306	(965)	24,398
Furniture and office equipment	18,874	98	2,806	(16)	21,762
Other machinery and equipment	154,702	(2,398)	2,349	(636)	154,017
SPECIALISED MILITARY ASSETS	4,540	5	-	(106)	4,439
Specialised military assets	4,540	5	-	(106)	4,439
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	333,695	1,578	14,442	(3,012)	346,903

25.3.1 Prior period error

	Note 27	2014/15 R'000
Nature of prior period error		
Relating to 2014/15		
Machinery and Equipment		1,573
Specialised Military Assets		5
Total prior period errors		1,578

25.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2016

	Machinery and equipment R'000	Total R'000
Opening balance	33,008	33,008
Value adjustments	104	104
Additions	253	253
Disposals	1,608	1,608
TOTAL MINOR ASSETS	31,757	31,757
	Machinery and equipment	Total
Number of R1 minor assets	8,136	8,136
Number of minor assets at cost	26,580	26,580
TOTAL NUMBER OF MINOR ASSETS	34,716	34,716

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MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2015

	Machinery and equipment R'000	Total R'000
Opening balance		
Prior period error	32,578	32,578
Additions	7,079	7,079
Disposals	6,649	6,649
TOTAL MINOR ASSETS	33,008	33,008

	Machinery and equipment	Total
Number of R1 minor assets	8,501	8,501
Number of minor assets at cost	33,799	33,799
TOTAL NUMBER OF MINOR ASSETS	42,300	42,300

26. IMMOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Value adjustments	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	47,026,315	-	901,686	-	47,928,001
Dwellings	12,199	-	58	-	12,257
Non-residential buildings	1,341,529	-	202,775	-	1,544,304
Other fixed structures	45,672,587	-	698,853	-	46,371,440
LAND AND SUBSOIL ASSETS	12,901	-	51,490	-	64,391
Land	12,901	-	51,490	-	64,391
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	47,039,216	-	953, 176	-	47,992,392

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26.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2016

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	1,282,148	890,934	(1,271,396)	-	901,686
Dwellings	58	-	-	-	58
Non-residential buildings	10,694	192,081	-	-	202,775
Other fixed structures	1,271,396	698,853	(1,271,396)	-	698,853
LAND AND SUBSOIL ASSETS	-	51,490	-	-	51,490
Land	-	51,490	-	-	51,490
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	1,282,148	942,424	(1,271,396)	-	953,176

26.2 Movement for 2014/15

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	46,007,914	(175,551)	1,193,952	-	47,026,315
Dwellings	12,121	-	78	-	12,199
Non-residential buildings	1,233,596	-	107,933	-	1,341,529
Other fixed structures	44,762,197	(175,551)	1,085,941	-	45,672,587
LAND AND SUBSOIL ASSETS	12,901	-	-	-	12,901
Land	12,901	-	-	-	12,901
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	46,020,815	(175,551)	1,193,952	-	47,039,216

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26.3 Prior period error

	Note 27	2015/16 R'000
Nature of prior period error		
Relating to 2014/15		
Buildings and other fixed structures		(175,551)
Total prior period errors		(175,551)

26.4 Immovable assets valued at R1**IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2016**

	Land and subsoil assets R'000	Buildings and other fixed structures R'000	Total R'000
R1 Immovable assets	686	13,506	14,192
TOTAL	686	13,506	14,192

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2015

	Land and subsoil assets R'000	Buildings and other fixed structures R'000	Total R'000
R1 Immovable assets	686	13,506	14,192
TOTAL	686	13,506	14,192

26.5 Immovable assets additional information

		2015/16	2014/15
	Note		
a) Unsurveyed land			
	Estimated completion Date	Annexure 7 Area	Area
Mpumalanga Province	2021-2022	-	-
b) Properties deemed vested			
Land parcels		Annexure 7 Number	Number

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Facilities		
Schools	31	14
Clinics	6	6
Hospitals	4	2
Office buildings	7	6
Dwellings	78	39
Storage facilities	2	3
Other	51	31

c) Facilities on unsurveyed land	Duration of use	Annexure 7 Number	Number
Schools		1,074	675
Clinics		159	106
Hospitals		7	6
Office buildings		84	70
Dwellings		347	102
Storage facilities		2	3
Other		137	8

d) Facilities on right to use land	Duration of use	Annexure 7 Number	Number
Schools		560	407
Clinics		24	18
Hospitals		4	3
Office buildings		21	7
Dwellings		49	48
Storage facilities		1	-
Other		8	6

27. PRIOR PERIOD ERRORS

27.1 Correction of prior period errors

	Note	2014/15
	25.3	R'000
Assets:		
Movable tangible capital assets		
Transport Assets		3,890
Computer Equipment		(17)
Furniture and Office Equipment		98
Other Machinery and Equipment		(2,398)
Specialized Military Assets		
Specialized Military Assets		5
Immovable tangible capital assets		
Buildings and other fixed structures		(175,551)
Commitments		(1,141,552)
Net effect		(1,315,525)

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28. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION						SPENT			2014/15	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overspending)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provincial Roads Maintenance Grant	1,719,418	-	-	-	1,719,418	1,719,418	1,719,391	27	100.0%	1,594,840	1,594,839
Public Transport Operations Grant	502,272	-	-	-	502,272	502,272	501,482	790	99.8%	491,418	491,087
Social Sector EPWP Grant for Provinces	16,038	-	-	-	16,038	16,038	16,034	4	100.0%	12,798	12,795
Provincial Disaster Grant	-	-	-	-	-	-	-	-	-	35,750	35,749
	2,237,728	-	-	-	2,237,728	2,237,728	2,236,907	821	100.0%	2,134,806	2,134,470

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29. STATEMENT OF OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			
	Division of Revenue Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000		R'000	R'000	%
Victor Khanye	1,944	-	(538)	1,406	1,406	-	-
Dr JS Moroka	1,448	-	857	2,305	2,305	-	-
Thembisile Hani	3,425	-	(3,425)	-	-	-	-
Emalahleni	8,487	-	8,635	17,122	17,122	-	-
Steve Tshwete	8,773	-	(179)	8,594	8,594	-	-
Albert Luthuli	10,293	-	1,100	11,393	11,393	-	-
Govan Mbeki	5,699	-	4,750	10,449	10,449	-	-
Emakhazeni	3,341	-	(3,341)	-	-	-	-
Msukalikwa	12,247	-	(22)	12,225	12,225	-	-
Lekwa	3,482	-	(3,482)	-	2,116	(2,116)	-
Pixley Ka-Seme	2,207	-	114	2,321	2,321	-	-
Mkhondo	2,287	-	3,596	5,883	5,883	-	-
Dipaliseng	1,906	-	2,210	4,116	2,000	2,116	-
Imjindi	1,570	-	(768)	802	802	-	-
Nkomazi	4,245	-	14,359	18,604	18,604	-	-
Mbombela	23,182	-	6,127	29,309	29,309	-	-
Thaba Chweu	5,444	-	728	6,172	6,172	-	-
Bushbuckridge	23,656	-	(6,033)	17,623	17,623	-	-
TOTAL	123,636	-	24,688	148,324	148,324	-	-

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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION				TRANSFER		2014/15
	Adjusted Appropriation R'000	Roll Overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
DEPARTMENT/ AGENCY/ ACCOUNT							
Independent Communications Authority of South Africa	-	-	23	23	23	100%	-
TOTAL	-	-	23	23	23	100%	-

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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 1B
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE			2014/15	
	Adjusted Appro- priation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Bus Subsidies	525,598	-	27	525,625	524,835	99.8%	-	524,835
								514,095
TOTAL	525,598	-	27	525,625	524,835	99.8%	-	524,835
								514,095

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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2014/15
	Adjusted Appro- piation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Employee Social Benefit: Injury on duty	2,126	-	(1,720)	406	406	100%	446
Employee Social Benefit: Leave gratuity	612	-	7,205	7,817	7,817	100%	7,873
Claims against the state (Cash)	9,590	-	(3,427)	6,163	6,163	100%	9,430
TOTAL	12,328	-	2,058	14,386	14,386	100%	17,749

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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 2
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016**

Nature of Liability	Opening Balance 1 April 2015 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/ reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2016 R'000
Claims against the department	233,495	152,841	63,510	-	322,826
TOTAL	233,495	152,841	63,510	-	322,826

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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Agriculture and Land Administration	-	379	163	-	163	379
Safety and Security	-	175	88	-	88	175
Economic Development	-	-	391	1,508	391	1,508
Education	-	589	174	-	174	589
Human Settlement	-	-	6	118	6	118
Co-Operative Governance and Traditional Affairs	-	8	-	-	-	8
Provincial Legislature	-	-	1,264	2,054	1,264	2,054
Health	-	-	2,228	230	2,228	230
Office of the Premier	-	418	-	-	-	418
Social Development	-	-	529	380	529	380
Culture, Sports and Recreation	-	-	364	196	364	196
Finance	-	22	3	-	3	22
South African Social Security Services	-	-	12	-	12	-
TOTAL	-	1,591	5,222	4,486	5,222	6,077

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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 4
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016 R'000	31/03/2015 R'000	31/03/2016 R'000	31/03/2015 R'000	31/03/2016 R'000	31/03/2015 R'000
DEPARTMENTS						
Current						
Justice and Constitutional Development	3,682	1,175	-	-	3,682	1,175
Department of Community Safety, Security and Liaison	-	484	-	-	-	484
Government Printing Works	170	-	-	-	170	-
TOTAL	3,852	1,659	-	-	3,852	1,659

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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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**ANNEXURE 5
INVENTORIES**

Inventory [Per major category]	Note	Quantity	2015/16		2014/15	
			R'000		R'000	
Opening balance		48,681	5,130	60,856	5,937	
Add/(Less): Adjustments to prior year balance		-	1,216	-	-	-
Add: Additions/Purchases – Cash		1,412,629	188,843	1,337,629	212,663	
Add: Additions - Non-cash		-	-	-	-	-
(Less): Disposals		(8,977)	(532)	(1,613)	(4)	
(Less): Issues		(1,414,887)	(189,791)	(1,345,144)	(213,056)	
Add/(Less): Adjustments		(35,687)	(4,626)	(3,047)	(410)	
Closing balance		1,759	240	48,681	5,130	

**MPUMALANGA PROVINCE
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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2016**

**ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2016

	Opening balance R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	88,421	60,109	-	148,530
Transport assets	88,421	60,109	-	148,530
BUILDINGS AND OTHER FIXED STRUCTURES	1,590,816	1,271,396	(698,853)	2,163,359
Other fixed structures	1,590,816	1,271,396	(698,853)	2,163,359
TOTAL	1,679,237	1,331,505	(698,853)	2,311,889

The current year work in progress in Machinery and Equipment is for transport assets finance lease which will accrue to the department at the end of the agreement.

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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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ANNEXURE 6 (CONTINUES)
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2015

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Completed Assets R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	41,741		46,680		88,421
Transport assets	41,741	-	46,680	-	88,421
BUILDINGS AND OTHER FIXED STRUCTURES	1,404,655	-	1,272,102	(1,085,941)	1,590,816
Other fixed structures	1,404,655	-	1,272,102	(1,085,941)	1,590,816
TOTAL	1,446,396	-	1,318,782	(1,085,941)	1,679,237

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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
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ANNEXURE 7
IMMOVABLE ASSETS ADDITIONAL DISCLOSURE

a) Properties deemed vested		Annexure 7	Number	Number
Land parcels				
Facilities				
Schools			31	14
Clinics			6	6
Hospitals			4	2
Office buildings			7	6
Dwellings			78	39
Storage facilities			2	3
Other			51	31
b) Facilities on unsurveyed land	Duration of use	Annexure 7	Number	Number
Schools			1,074	675
Clinics			159	106
Hospitals			7	6
Office buildings			84	70
Dwellings			347	102
Storage facilities			2	3
Other			137	8
c) Facilities on right to use land	Duration of use	Annexure 7	Number	Number
Schools			560	407
Clinics			24	18
Hospitals			4	3
Office buildings			21	7
Dwellings			49	48
Storage facilities			1	-
Other			8	6

**MPUMALANGA PROVINCE
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**ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2016**

Vesting Information

**ANNEXURE 7 (CONTINUES)
IMMOVABLE ASSETS ADDITIONAL DISCLOSURE**

Number of land parcels that must be vested excluding un-surveyed land	Item 28(1) Requested	Item 28(1) Issued	Item 28(1) Still To Request	Number of land parcels excluded from vesting (acquired post 27 April 1994, Housing Board, Model C)
2,125	1,706	1,691	15	419

Surveyed but not Registered State Land

SURVEYED BUT UNREGISTERED LAND PARCELS				
Description of property (Including Extent)	Date surveyed	Diagram reference	Date submitted for registration	Estimated date for submission for registration
				The Department tried to vest the newly surveyed but unregistered assets but the application was rejected. There is still confusion whether such assets should be vested or transfer directly to MPG by RDLR. Engagements with Department of Rural Development and Land Reform in this regard are ongoing.

