



MPUMALANGA PROVINCIAL GOVERNMENT
Department of Public Works, Roads and Transport

Vote No. 08
Annual Report

2017/18 Financial Year

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PART A: DEPARTMENT'S GENERAL INFORMATION



1. DEPARTMENT 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 Based Organisation
CFO	Chief Financial Officer
CGICTPF	Corporate Governance ICT Policy Framework
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
DCSSL	Department of Community Safety, Security and Liaison
DCSR	Department of Culture, Sports and Recreation
DEDET	Department of Economic Development, Environment and Tourism
DHS	Department of Human Settlement
DOE	Department of Education
DOH	Department of Health
DOT	Department of Transport
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
EIA	Environmental Impact Assessment
EOT	Extension of Time
EMS	Emergency Medical Services
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
HRBP	Human Resource Budget Plan
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
IDMSIDP	Infrastructure Delivery Management System Integrated Development Plan
IDT	Independent Development Trust
IFMS	Integrated Financial Management System
IOD	Injury on Duty
IPIP	Implementation Project Implementation Plan
IPMP	Infrastructure Project Management Plan
IRMA	Integrated Rural Mobility and Accessibility
IT	Information Technology
IYM	In Year Monitoring
JBCC	Joint Building Contracts Committee
JOC	Joint Operations Committee
MANCO	Management Committee
MCS	Modified Cash Standards
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
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
PABX	Private Automatic Branch Exchange
PAIA	Promotion of Access to Information Act, 2000
PDP	Personal Development Plan
PTOG	Public Transport Operations Grant
PFMA	Public Finance Management Act, 1999
PMDS	Performance Management Development System
PMUPOA	Project Management Unit Programme of Action
POMM	Project Operations Management Meeting
PPICC	Premier's Provincial Infrastructure Committee
PRE	Provincial Regulatory Entity
PRMG	Provincial Road Maintenance Grant
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
SANRAL	South African National Roads Agency Limited
SAPS	South African Police Service
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCM	Supply Chain Management
SCOPA	Select Committee on Public Accounts
SEDM	Social Enterprise Development Model
SEDP	Social Enterprise Development Programme
SDIP	Service Delivery Improvement Plan
SHEQ	Safety, Health, Environment and Quality
SIPDM	Standard for Infrastructure Procurement and Delivery Management
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Service
SOP	Standard Operating Procedure
SS	Secondary School
TB	Tuberculosis
TBC	To Be Confirmed
TMH	Technical Manual 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

4. FOREWORD BY THE MEC



This Annual Report provides a detailed account on the performance of the Department in the 2017/18 financial year whilst engaging in the journey to fight against the triple challenges of poverty, inequality and unemployment. It provides amongst others, avenues where the citizens of Mpumalanga can relate with activities of their government. They will be able to critique, appreciate and advice their government on the collective journey, a journey to better their lives.

In tabling of my maiden Annual Report as the Executive Authority of the Department of Public Works, Roads and Transport (DPWRT), the new dawn as presented by the 54th African National Congress has reassured majority of South Africans about our commitment on the journey towards eradication of poverty, inequality and unemployment. DPWRT remains vitally important in the efforts of the Provincial government to bring about the much needed services. Inspired by the “Thuma Mina, send me” call from the President of the Republic of South Africa, Mr Cyril Ramaphosa, we are renewed in our determination to increase the pace of delivering services to our people.

We are the principal Department in the delivery of the Mpumalanga Infrastructure Agenda and our role is to lead the provision of an integrated transport system and infrastructure that promotes socio-economic development which is aimed at supporting the priorities espoused in the National Development Plan. Infrastructure delivery is a huge responsibility and this needs to be done on time and on budget. This is why integrated planning is important in order to increase coordination and communication amongst different stakeholders across sectors. DPWRT has strived to ensure that the dividends of service delivery are achieved and that the mandates and objectives of its client departments are realized.

Numerous projects reached different milestones over the past 12 months, moving us towards achieving the goals in our strategic plan and fulfilling our mandate. The Department undertook the eradication of basic services and sanitation backlog in schools across the Province. These schools were provided with modern and decent ablution units and in some instances, electrification and water connections. Construction works were completed on 171 schools, 20 hospitals, 4 social development projects and 13 libraries whilst planning was being finalised for the construction of the new Mpumalanga Parliamentary Village. Construction

will commence in the 2018/19 financial year and the project is expected to reach final completion in the 2019/20 financial year. Our infrastructure needs are rising, as we seek to build new infrastructure and renew old ones to enhance our people's quality of life and Mpumalanga's economic competitiveness. With higher spending needs, it is ever more critical to ensure that we spend within our means to get the outcomes we want. Fundamentally, this creates a need for us to always seek value for money and constantly strive to improve and innovate, so that we can do more and do better with less. The right transportation and infrastructure investments are therefore critical to ensure a strong economy, create new jobs and create new resources to support social change.

Sound road infrastructure is a cornerstone for economic growth and development which is why investment in transport infrastructure remains a top agenda for Government. The Department managed a multi-billion transport infrastructure investment programme with a focus on delivering new infrastructure and worked in partnership with its regions to implement preventative, routine and emergency maintenance of the provincial road network. Key transport infrastructure projects completed during the year include 2 coal haulage roads and 1 non coal haulage road whilst several other multiyear projects are in progress. We also need to protect our investment in the provincial transportation network through a commitment to effective maintenance. To achieve this, we depend on the Provincial Road Maintenance Grant (PRMG) to implement preventative, routine and emergency maintenance of the provincial road network. However, there is a growing need to introduce some flexibility on the PRMG which will increase government's ability to provide an efficient, competitive and responsive economic infrastructure. By spending to preserve and protect our road network now, we can avoid greater costs down the road.

We will ensure that government continues to have this capacity to invest in critical programmes and public employment schemes with long-term benefits. Our goal to turn beneficiaries into independent individuals is in line with the radical economic transformation agenda. The Expanded Public Works Programme (EPWP) continues to provide the unemployed with income supplements and training support. We are providing short and medium term relief, but we do not want to provide only temporary relief.

We have introduced an energy efficiency programme across state-owned buildings and our future consideration include the provision of enviro-loos instead of waterborne toilets as part of the school sanitation programme.

Government's infrastructure delivery programme plays a crucial role in advancing the course of human, social and economic development and creates an important platform to leverage state procurement for targeted enterprise development in the built environment value chain. Mpumalanga has adopted a Social Enterprise Model which seeks to unlock opportunities for community-based SMMEs and cooperatives. Let us therefore develop capacity, strengthen the spirit of enterprise to adapt and try out new things, work together in partnership, and create a better life for all. There are significant demands on our resources over the next few years. Budgets for infrastructure are going to become tighter and the challenge to maintain or enhance delivery will not go away. DPWRT will not only need to transform its approach to infrastructure delivery but also meet the growing demands of its customers. With higher spending needs, it is ever more critical to ensure that we spend within our means to get the outcomes we want. The role and burden of infrastructure delivery should not only be borne by the State but other players such as the private sector should be encouraged to partner with government in sustainable infrastructure development.

SANRAL has commenced with work on the short and mid-term interventions to upgrade the Moloto road whilst the South African Government signed a cooperation agreement with the People's Republic of China (PRC) to build the Moloto Rail Development Corridor and this is included in a list of projects submitted to the Forum on China-Africa Cooperation (FOCAC). The agency has appointed a company, with an agreement of a 20% minimum, 'set aside' for the local SMMEs and cooperatives.

Going forward, the Department will build on the achievements of 2016/17 and continue to deliver on its mandate. However, our ability to achieve all of this work relies on a team of people across the Department that was led by HOD KM Mohlasedi, client departments and various stakeholders within the transport and public works sectors. Their collective efforts have resulted in considerable improvements in the standard of work that we continue to produce. My acknowledgements could not be adequately concluded without recognizing our portfolio committee, audit committee and other governance structures for provision of oversight into our operations. I would also like to congratulate HOD KM Mohlasedi who has been requested to

act as the Director General (DG) for the Province in the Office of the Premier. The Department is now being steered by acting HOD, Ms. SP Xulu. She has a massive task ahead of her to ensure that this Department stays on track with service delivery to our people and I believe she is fully capable to deliver on this mandate. As the MEC, I am proud to lead a group of dedicated men and women, whose contribution has made this organization more efficient, earned and gained the respect of society, and has assisted in the achievement of a number of socio-economic priorities.

The Department unfortunately received a qualified audit opinion for the first time since its merge between the Departments of Transport and Public Works in 2009. An action plan has already been drafted and will be implemented as soon as August 2018. The Department is doing good work on the ground and is on the forefront of attacking poverty and under-development. We are leading the charge to secure Mpumalanga's economic future and creating a better life for all. As we look to the future, we do so with a clear understanding of our role in the pursuance of broad government priorities.


Mr GP Mashego (MPL)
MEC: Public Works, Roads and Transport
Date: 31 July 2018

5. REPORT OF THE ACCOUNTING OFFICER



OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

There is no better way of communicating our performance for the 2017/18 financial year than through the annual report. It is a vital tool in keeping the public, government and all stakeholders informed about our performance and future direction. This report highlights achievements that demonstrate the great work of the Department's dedicated staff and successful collaboration with various stakeholders. Performance is reported against strategic goals, approved budget and performance measures for the financial year under review. The report reflects on the challenges in the operational environment; budget; mitigating strategies against identified impediments and indicate priorities identified for the year ahead.

This overview describes the non-financial performance over the past 12 months. At year end, the Department managed to achieve 36 (72%) of the 50 (100%) planned targets. It has to be emphasised that only full achievement of planned targets is considered whilst outputs that fell short (0%-99%) of the targets were excluded. Note that there will be a disjuncture between the percentage of targets achieved and overall expenditure since the expenditure is inclusive of all monies spent. Details of indicators and further information per Programme is published on Part B of this document.

Key Achievements

The Department strived to deliver on its portfolio of projects in a manner that promotes the vision of providing infrastructure that supports socio-economic development. The 2017/18 financial year has seen a number of key projects come to completion or reach significant milestones. We managed to complete 65 building infrastructure designs and 11 road infrastructure designs. We further completed 208 building infrastructure projects and 3 road infrastructure projects. Another 18 Building maintenance projects were completed on state owned properties in the Province. Particular attention was given to maintenance of existing road infrastructure which includes rehabilitation of 124 lane of surfaced roads, re-gravelling of 497km of gravel roads, patching of 275 980 square meters of roads and resealing of more than 1,1 million square meters of surfaced roads. The work completed over the last year has contributed to improved access and mobility across the province.

The Department has completed the planning and design for the Parliamentary Village with a budget of R40 million and a further R20 million was allocated for the commencement of actual construction of Phase I (perimeter fence). However, the implementation of Phase I has been put on hold due to community unrests as a result of differences in the composition of the project Steering Committee, local beneficiation and employment. The challenges on site begun immediately after the project was handed over to the contractor and these went on until 18 May 2018. These challenges have since been resolved and the contractor has been directed to resume duties on site. The tender for Phase II (internal bulk services and earthworks) has been awarded at a value of R66 million for a duration of 12 months. Phase II could also not commence as a result of the community unrests. Phase III is planned to commence in the 4th quarter of the 2018/19 financial year depending on progress made in Phase I and II and availability of sufficient funds to complete the project in the 2019/20 financial year.

The Department assisted the Department of Economic Development and Tourism to develop the Mpumalanga Tourism Infrastructure Master Plan. The Plan is based on a multi-disciplinary study dealing with full spectrum of infrastructure, including amongst others, basic infrastructure, social infrastructure and economic infrastructure intended to unlock economic development potential within the province. As part of implementation, the Department completed three (3) tourism routes in the 2017/18 financial year whilst 7 road projects are planned for 2018/19 – 4 at design stage and 3 at construction stage.

The Department, in consultation with Local Municipalities, implemented deployment plans for the Municipal Support Programme to try and address the huge road maintenance backlog in the Province. In this regard, the Department over achieved on the targets for patching and regravelling which improve access to local amenities.

The Department enrolled 120 young people in the Internship programme and 70 in the Learnership Programme. Through our flagship Sakhabhakhi programme, we provided training and project support to 55 learner contractors in our province. This in turn created an additional 257 work opportunities through projects that were allocated to these contractors.

DPWRT has drafted a social facilitation policy to guide community consultation and participation in infrastructure project delivery which will curb the possibility of disruptions happening. Consultation of other departments and spheres of government continued throughout the 2017/18 financial year.

Key Challenges

Notwithstanding all the achievements mentioned-above, the backlog remains huge. The country's financial difficulties continued throughout the 2017/18 financial year. The demand for better roads is increasing which further strains the already overstretched budget. It is more important than ever to invest in capital projects that will keep the economy moving and provide additional employment opportunities. This situation dictates that the Department finds a balance between planning, design, construction and maintenance.

Community unrest against poor service delivery and slow progress on works have continued during the reporting period. Finalisation of the social facilitation policy will assist the province to curb the possibility of disruptions happening.

Since the devolution of the rates and taxes grant from the National Department of Public Works to Provinces, the related budget

baseline has not been adequate to fund the invoices received from all municipalities. During the 2017/18 financial year, the Department paid a total of R186 million for rates and taxes which is an increase from the R169 million paid in the 2016/17 financial year. Several mechanisms have been introduced to enhance the current invoice validation processes.

Natural disasters and climate change continues to threaten our fiscus. To bear testimony, amongst many projects we are implementing, many include repairs to damages caused by 2014's huge rainfall which swept away a lot in our stock. We are also seeing sinkholes developing which is cutting away our roads. Two giant sinkholes have developed on two separate roads in the Victor Khanye Local Municipality. The effects of these on our planning and resources can never be downplayed, especially in the context that you can never budget for these natural disasters.

Significant Events for the Year

The Honourable MEC for the Mpumalanga Department of Public Works, Roads and Transport, Ms Sasekani Manzini launched an ambitious War on Potholes Program- Sidudula amapotholes at Road D1723 in Msogwaba, Mbombela on the 23rd of May 2017, the same day she presented her maiden Policy and Budget Speech. The Department is working hard to do as much as possible with the available budget and therefore managed to over achieve the planned target for patching 101 700 square meters of potholes during the financial year. Mpumalanga has a road network of 13 837km of which 5 494km are surfaced or tarred and the rest of 8 343km are yet to be tarred. The MEC understands that whilst we need to press ahead with the surfacing of the remaining kilometres, maintenance of the tarred road is also very important. The Department has also seen a sizable number of litigations on our roads due to potholes. Her leadership in this area of work will minimize the litigations, whilst at the same time, afford drivers the deserving drivable roads.

During the Policy and Budget speech, the Honourable MEC elevated the War on Potholes, Municipal Support Programme, Integrated Rural Mobility and Access (IRMA), Tourism and other roads etc. as part of her priorities. She further emphasized that the Department will strive to ensure that the youth, women and people with disabilities are beneficiaries of the departmental spending.

Honourable MEC Manzini further launched a Mandela program in Emalahleni, renovating KwaGuca Disability Centre on the 27th of July 2017. This launch marked a role out of other

Mandela day programs in Malekutu (Sikhulile crèche), Justicia (Homebased care), Dundonald (donation of food parcels), and Volkrust (renovation of Vukuzithathe Old Age Club). The senior management and staff of the Department participated in all the Mandela programs.

The Department kick started the 2017 October Transport Month with an official sod turning ceremony of the road D4396 between Thulamahashe and new Forest as well as road D4394/30 towards T-junction of road D4394/40 in Bushbuckridge Local Municipality. The construction of the two roads involves the rehabilitation of road D4396 between Thulamahashe and New Forest at a cost of more than R99 million with more work opportunities expected to be created during the process.

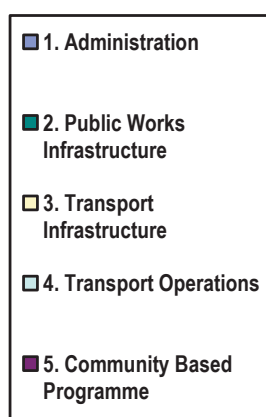
The MEC also led a delegation of officials from the Department to donate school uniform and sanitary towels to learners at Mhlangana Secondary School in Cottondale, Bushbuckridge Local Municipality on the 17th of January 2018.

The Executive Council approved the Detailed Implementation Plan for the Social Enterprise Delivery Model (SEDM) on the 23rd of August 2017. Over R2, 8 billion worth of projects and required material have been identified for implementation in support of the model which is implemented by the Departments of Human Settlement, Economic Development & Tourism and Public Works, Roads & Transport. 176 Projects will be implemented in 7 local municipalities i.e. Bushbuckridge, Nkomazi, Dr JS Moroka, eMalahleni, Steve Tshwete, Govan Mbeki and Thembisile Hani. This model serves as an instrument to unlock opportunities for community based SMMEs and cooperatives that will manufacture and supply construction materials for government infrastructure projects such as integrated human settlements, roads, schools, hospitals, paving of access roads and maintenance of public infrastructure.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

In 2017/18, DPWRT administered a total budget of R4, 8 billion and spent 99.2% as at 31 March 2018. This budget excludes the building infrastructure budget which is allocated to the various client departments. It also excludes the budget for implementation of EPWP projects which is allocated to the 30 public bodies. The Department has managed its fiscal responsibility in a professional manner and delivered most of the agreed outputs at the end of the financial year. A comprehensive set of Annual Financial Statements covering all of the department's activities is provided in Part E of this report.





DEPARTMENTAL RECEIPTS

Departmental receipts	2017/2018			2016/2017		
	Estimate R'000	Actual Amount Collected R'000	(Over)/ Under Collection R'000	Estimate R'000	Actual Amount Collected R'000	(Over)/Under Collection R'000
Sale of goods and services other than capital assets	10,033	12,110	(2,077)	9,946	11,298	(1,352)
Fines, penalties and forfeits	10,035	8,703	1,332	10,035	9,051	984
Interest, dividends and rent on land	972	3,757	(2,785)	926	3,315	(2,389)
Sale of capital assets	2,742	2,952	(210)	1,742	1,635	107
Financial transactions in assets and liabilities	926	751	175	882	1,999	(1,117)
TOTAL	24,708	28,273	(3,565)	23,531	27,298	(3,767)

Revenue Collection

The projected revenue for the 2017/18 financial year was R24, 708 million. The Department collected an amount of R 28, 273 million which reflects an over collection of R3, 565 million. The sources of revenue that contributed to the over-collection are mainly sale of goods and services other than capital assets and interest received.

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. The other contributing factor on the over collection was on the sale of capital assets other than capital assets.

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 2017/18, the Department wrote off debtors to the amount of R2, 958 million which were deemed irrecoverable and uneconomical to recover.

PROGRAMME EXPENDITURE

Programme Name	2017/2018			2016/2017		
	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	235,517	235,517	0	246,234	246,234	0
Public Works Infrastructure	810,080	797,542	12,538	755,720	755,720	0
Transport Infrastructure	2,427,496	2,414,126	13,370	2, 385,389	2,385,146	243

Programme Name	2017/2018			2016/2017		
	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
Transport Operations	1,230,558	1,219,469	11,089	1,136,589	1,136,587	2
Community Based Programmes	73,484	72,615	869	75,896	75,891	5
TOTAL	4,777,135	4,739,269	37,866	4, 599, 828	4,599,578	250

The table above provides a summary of expenditure per Programme. The Department spent 99.2% of its adjusted budget for the 2017/18 financial year. 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 2017/18 budget adjustment appropriation:

TRANSFER FROM	AMOUNT R'000	TRANSFER TO	AMOUNT R'000
Public Works Infrastructure	(736)	Administration	736
Total	(736)	Total	736
Transport Operations	(6,250)	Administration	4184
Total	(6,250)	Transport Infrastructure	558
		Community Based Programmes	1,508
Total	(6,986)	Total	6,986
OVERALL TOTAL	(6,986)	OVERALL TOTAL	6,986

REASON FOR THE VIREMENTS

The Department applied 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 roll-over amount of R 37, 484 million for Programme 2: Public Works Infrastructure, Programme 3: Transport Infrastructure and Programme 4: Transport Operations which were submitted to Treasury for consideration. The reasons for the unspent amounts were due to over lapping infrastructure projects.

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 2017/18 financial year.

COST CONTAINMENT MEASURES IMPLEMENTED

The Department's operations continue to be plagued by annual budget overlaps. However, accruals decreased from R63, 1 million in 2016/17 to R21, 6 million in 2017/18. Notwithstanding this, the existence of accruals means that a significant portion of the budget for the current financial year had to be used to pay for invoices from the previous financial year thus resulting in a budget deficit. To address this, various cost containment measures with minimal impact on service delivery were introduced during the financial year. Furthermore, the Department introduced initiatives and streamlined its operations to eliminate redundancies and wastage during the period of reporting.

FUTURE PLANS OF THE DEPARTMENT

Here below is a snapshot of the priorities for 2018/19 and beyond. For an exhaustive list, see the Department's Annual Performance Plan: 2018/19.

- Facilitation and support of SMMEs through the Social Enterprise Development Programme.
- Acceleration of the speed to construct infrastructure projects.
- Completion of Phase I and II and the Parliamentary Village.
- R1.9 billion set aside for investment in the provincial transport infrastructure.
- Efficient management of public and scholar transport.
- Creation of 63 246 work opportunities through the Expanded Public Works Programme.

SUPPLY CHAIN MANAGEMENT (SCM)

The following SCM processes and systems are 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, Central Supplier Database is implemented to invite quotations from the departmental supplier database.
- Central Supplier Database has been implemented and verifies compliance with tax matters.
- Deviations from normal procurement processes (procurement without inviting competitive bids) are justified, 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.
- 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 and detailed CSD report.
- 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 on CSD and SARS website 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.



Challenges experienced in SCM and how they were resolved

No.	Challenges	Action taken to resolve challenges
1.	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"> • The Provincial Treasury was requested to assist with the electronic system with a view to detect government officials who are not on PERSAL system doing business with Department. In regard to identified officials, Government Institutions have been requested to ensure that disciplinary action is taken against those officials. • The Department has since requested the Auditor General to assist with an electronic system to detect government officials who are not on PERSAL system. • CSD has been implemented however during the period under review it failed to detect some officials outside the PERSAL system, foreigners, officials who are working at the municipalities and parastatal.
2.	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 and CSD report to ensure that members were not government employees. • Service providers who failed to complete the prescribed declaration forms (SBD4) were disqualified. • Contracts of service providers whose directors are government employees were cancelled. • The National Treasury Database of Restricted Suppliers was verified prior to award to ensure that restricted service providers are disqualified.
3.	Invalid VAT numbers of the invoices	<ul style="list-style-type: none"> • VAT registration of suppliers is checked on SARS website.
4.	Misuse of Government owned vehicles after working hours and during weekends	<ul style="list-style-type: none"> • Vehicle tracking devices have been installed on government fleet and reports are monitored on a monthly basis.
5.	Poor safekeeping of contract records	<ul style="list-style-type: none"> • The contract management unit monitored the developed contracts register. • The Department has started the process of reviewing the File Plan. • Client departments were provided with copies of contract management documents.

GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

The Department did not receive any gifts or 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 2017/18 financial year's Annual Financial Statements (AFS). The AFS set out on pages 122 to 208 have been approved by the Accounting Officer.

EVENTS AFTER THE REPORTING DATE

The Honourable Premier, Ms Refilwe Mstweni announced changes in the Cabinet whereby MEC Sasekani Manzini was appointed as the new MEC for Health whilst the then MEC for Health, Honourable Gallion Mashego was appointed as the new MEC for Public Works, Roads and Transport in July 2018.

APPROVAL AND SIGN OFF



MS SP XULU
Accounting Officer (A)
Department of Public Works, Roads and Transport
Date: 31 July 2018

ACKNOWLEDGEMENT/S OR APPRECIATION

Our work depends on close working relationships with other government departments, local authorities, various state agencies and oversight authorities. I wish to acknowledge and appreciate all our stakeholders for their cooperation and progressive inputs which make us a better institution. I want to thank the MEC for her continued support and leadership of the Department. I would further like to thank the outgoing Accounting Officer, Mr KM Mohlasedi for taking the Department to new heights. He has made it easier for me to pursue my new mandate. Let me also thank our executive management, senior leadership team and more particularly all employees within the Department for their commitment to serving the public.

CONCLUSION

As we look to the future, we do so with a clear understanding of our role in the pursuance of broad government priorities. Now more than ever, DPWRT is at the forefront to secure Mpumalanga's economic future and creating a better life for all. We look forward to more success stories ahead!

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

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

All information and amounts disclosed 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 2018.

Yours faithfully



MS SP XULU
Accounting Officer (A)
Date: 31 July 2018

7. STRATEGIC OVERVIEW

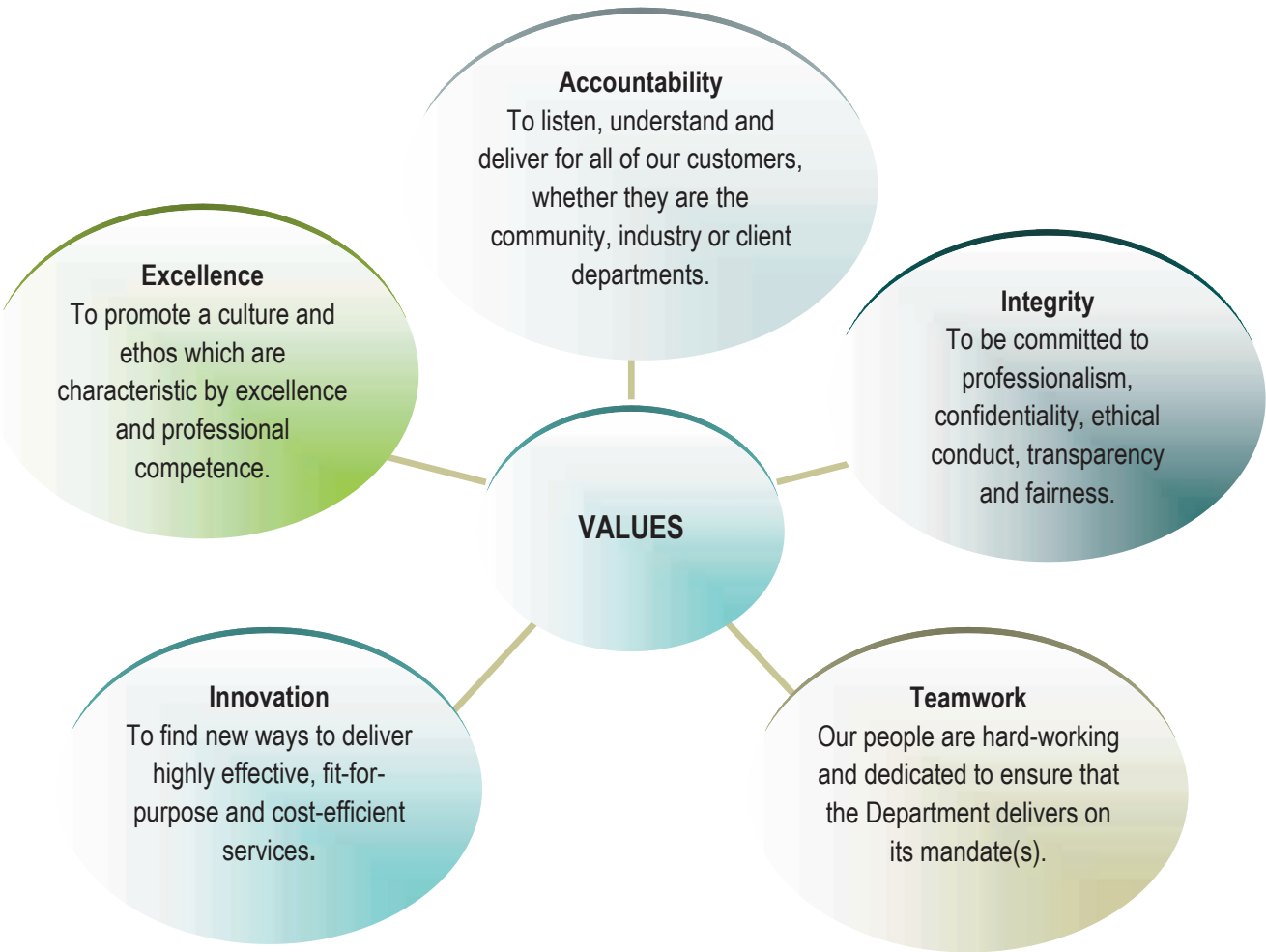
7.1 VISION

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

7.2 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.

7.3 VALUES

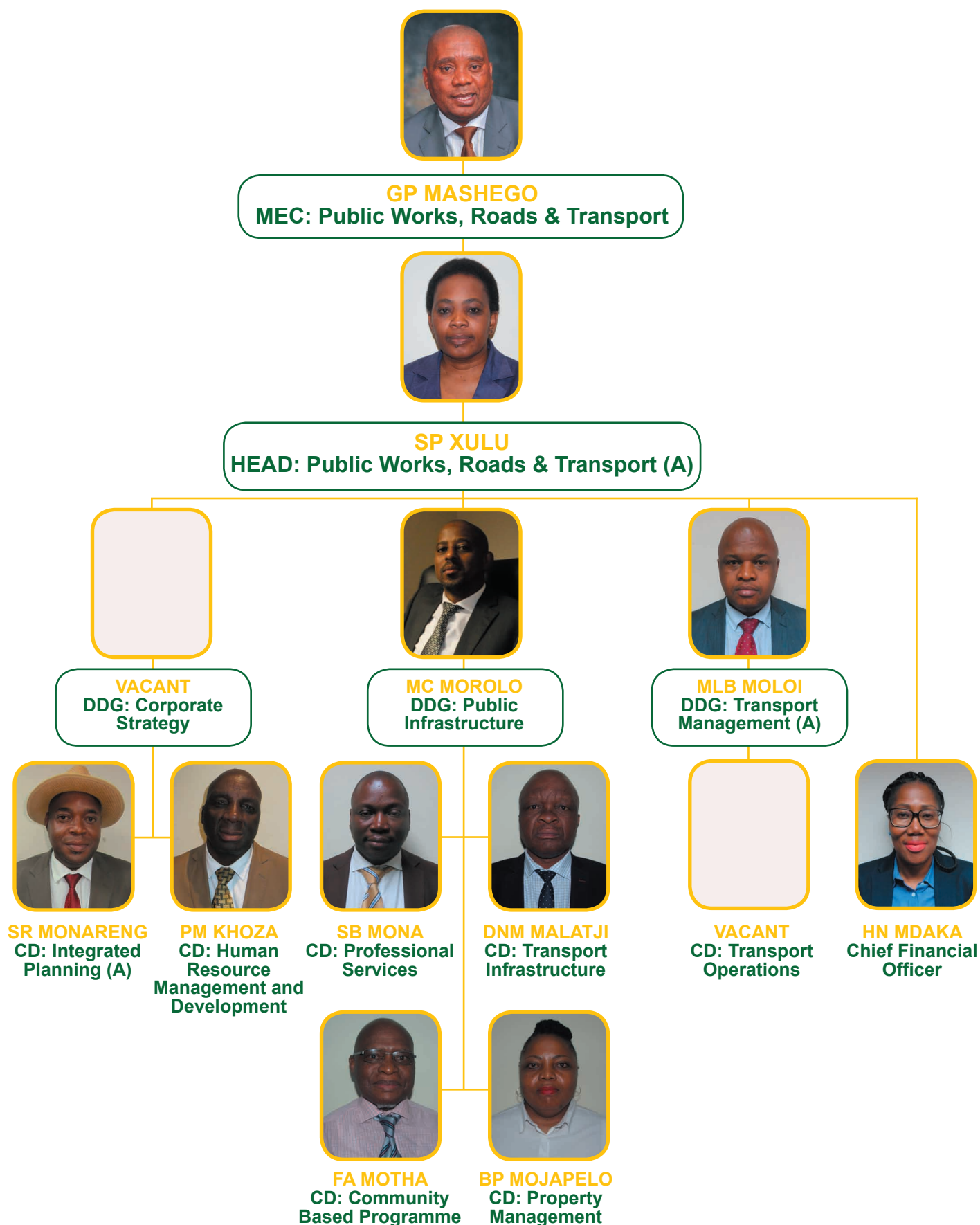


8. LEGISLATIVE AND OTHER MANDATES

- 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)
- Preferential Procurement Regulations
- 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
- Public Service Regulations
- Road Safety Act, 1972 (Act 9 of 1972)

9. ORGANISATIONAL STRUCTURE

The Department delivers its services through three branches, namely: Corporate Strategy, Transport Management and Public Infrastructure. The core functions of each directorate that make up these branches are outlined below. District Services are managed through three major district centres of Ehlanzeni, Bohlabela, Nkangala and Gert Sibande. These districts and their cost centres manage a range of capital works, minor works, repairs and maintenance projects.



PART B: PERFORMANCE INFORMATION



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

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

other legal and regulatory requirements section of the auditor's report.

The Report of the Auditor General, will be published as Part E: Financial Information after the opinion is received by the Auditor General.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

Summary of the Department's Performance

Programme	Targets in the APP	Achieved	Not Achieved
1. Administration	11	10	1
2. Public Works Infrastructure	13	10	3
3. Transport Infrastructure	9	8	1
4. Transport Operations	7	5	2
5. Community Based Programmes	10	3	7
TOTAL	50	36	14

2.1 SERVICE DELIVERY ENVIRONMENT

The following opportunities and challenges had an influence on the Department's performance during the year of reporting.

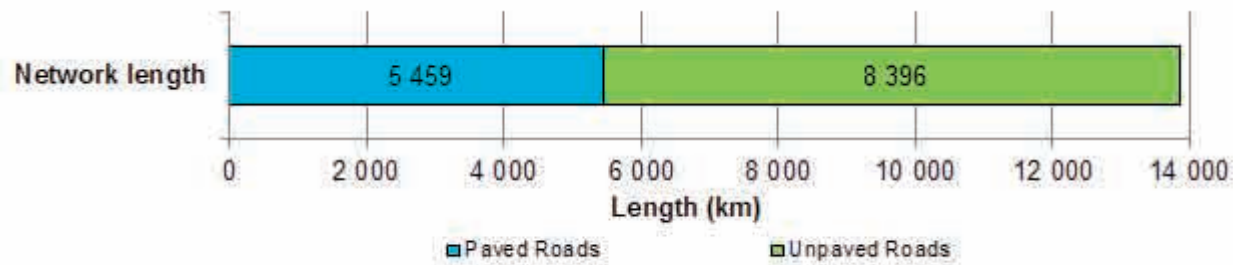
Infrastructure Delivery

The current service delivery environment is characterised by growing infrastructure needs, increasing maintenance backlogs, storm damages, natural disasters, community unrests etc. all of which is occurring in a time where there has been insignificant economic growth. This and many more has placed emphasis on proper infrastructure planning, prioritization and effective management of limited and scarce government resources. Slow economic growth continues to stagnate the budget baseline for infrastructure delivery as government cannot afford expenditure increases. The financial year witnessed more yearning for services in rural communities through service delivery protestations and commotion. Unfortunately, the Department's response could only be limited to the available budget. This may not have had a direct impact on the Department's performance, it however called for

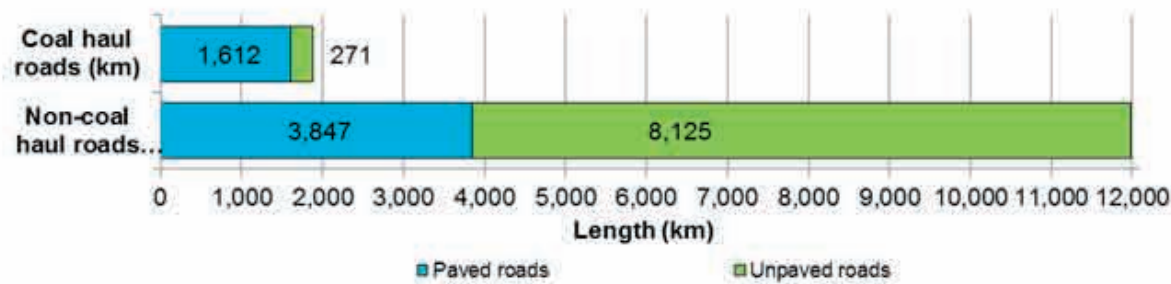
prudence and operational efficiencies in order to achieve value for money. Cost containment measures were implemented during the year resulting in savings from goods and services that were redirected to fund the budget shortfalls within Transport Infrastructure.

The right transportation and infrastructure investments are critical to ensure a strong economy, create new jobs and create new resources to support social change. In a time of declining budgets, it is more important than ever to invest in capital projects that will keep the economy moving and provide much needed employment. The Department has been fortunate to have the Provincial Road Maintenance Grant (PRMG) to implement preventative, routine and emergency maintenance of the provincial road network. However, the coal haulage portion of this grant has been reduced from R801 million in 2016/17 to R483 million in 2017/18 financial year. To cover the shortfall, Provincial Treasury has allocated an additional R200 million thus bringing the total coal haulage budget for the current financial year to R683 million.

The figure below presents the split between paved and unpaved roads (km) in Mpumalanga



The figure below presents Mpumalanga's road network length by coal and non-coal haul usage (km)



The Department has done well as implementing agent for our client departments. Noteworthy, is the following flagship projects that were completed during the year i.e. Duvha, Aplose Chiloane, Mapalane, Relane, Matlolane and Serisha Schools were completed, while three (3) ECD centres were completed, one (1) in Gert Sibande and two (2) in Nkangala District. Also most notable was the continuation of the work on the Bethal, Mapulaneng, Middelburg and Mmamethlake Hospitals.

Social Enterprise Development Programme (SEDP)

In its sitting of 14 to 15 February 2018, the Executive Council considered progress on the SEDP (previously referred to as SEDM) and resolved that the Department of Public Works, Roads and Transport shall henceforth lead the SEDP in the Province. To give effect to this resolution, DPWRT has come up with a proposed management approach for the implementation of this programme for the 2018/19 financial year and beyond.

Transport Corridors

The Department is constructing several major projects and partnering with the Department of Transport (DOT) and others that serve vital transportation corridors. Amongst them is the Moloto Road (R573) which for decades has been a plight on the region and a frustration for the 150 000 commuters who use it daily. The road has become synonymous with road crashes, bus accidents, injuries and deaths. DOT has allocated R3.7 billion over the MTSF to SANRAL to introduce engineering solutions for the entire 139 kilometers. This road will be a main feature of the Moloto Rail Development corridor as it will facilitate mobility and

enhance safety. Not only will it improve access, it will also provide connection between Mpumalanga, Limpopo and Gauteng and help to shape future growth of the region.

Also, in line with the government's commitment to expand the freight network, Swaziland Railway and Transnet have agreed to develop a 146 kilometers railway line between Lothair in Mpumalanga and Sidvokodvo in Swaziland as well as upgrading adjacent networks in both countries. The key objectives of the project are to enhance regional integration and provide viable connections for rail freight from Western Swaziland to markets in South Africa. In future, there is also an opportunity to resuscitate rail transport for commuters across the province. However due to the high capital layout required, feasibility of such projects will depend on how the economy performs in the next Medium Term Strategic Framework (MTSF) period.

Green Agenda

The groundwork has been laid for an energy efficiency program to address the current constraints. In the previous financial year, the Department has introduced efficient lighting solutions in all of Mpumalanga Provincial Government immovable facilities. The scope of work include retrofitting, installation of technology equipment including smart meters, motion sensors and other linked installations on energy saving. In 2017/18, the Department indicated continued efforts to complete these initiatives and to improve monitoring and measurement of progress in these areas.

2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The tables below highlights DPWRT's performance against the service standards contained in the SDIP: 2015 – 2018.

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	124 (533 200) lane-km of surfaced roads rehabilitation	124 (533 200) lane-km of surfaced roads rehabilitation	124 (533 200) lane-km of surfaced roads were rehabilitated.
		1 495 000 square meters of surfaced roads resealing.	1 495 000 square meters of surfaced roads resealing.	1 193 414 square meters of surfaced roads were resealed.
		117 kilometres of gravel roads for re-gravelling	117 kilometres of gravel roads for re-gravelling	497 kilometres of gravel roads were re-gravelled.
		101 700 square meters of blacktop patching.	101 700 square meters of blacktop patching.	275 980 Square meters of blacktop patching were completed.
		36 474 kilometres of gravel roads blading.	36 474 kilometres of gravel roads blading.	36 481 Kilometres of gravel roads were bladed.
Processing of applications for operating licenses.	Taxi operators and bus operators.	5 000 operating licenses issued.	5 000 operating licenses issued.	12 446 operating licenses were issued.
		500 permits converted to operating licenses.	500 permits converted to operating licenses.	510 Permits were converted to operating licenses.
		48 Provincial Regulating Entity Hearings held.	48 Provincial Regulating Entity Hearings held.	48 Provincial Regulating Entity Hearings were held.

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Hold meetings with Public Transport Associations.	48 Provincial Regulating Entity Hearings.	48 Provincial Regulating Entity Hearings were held.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Distribution of newsletters and annual reports	Distribution of 30 000 newsletters and 300 annual reports.	30 000 Newsletters and 300 annual reports were distributed.
Conduct radio slots	Conduct radio slots at provincial radio stations.	24 Radio slots were conducted.
Display Service Standards and Service Charter	Display of 8 service standard banners and 50 Service Delivery Charter posters.	2 Service Standard banners were displayed and 50 Service Delivery Charter posters were procured.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Hotline	Hotline	100% of complaints received were attended to.
Display of suggestion boxes	Display of suggestion boxes	4 Suggestion boxes were placed at districts offices.

2.3 ORGANISATIONAL ENVIRONMENT

Here below are significant internal developments that had an impact in the Department's ability to deliver on its APP. Other significant challenges and related mitigating actions are presented under the Accounting Officer's Overview.

Policy and Budget Allocation: 2017/18

The Honourable MEC, Ms SJ Manzini presented her Policy and Budget Speech on the 23rd of May 2017 which laid a firm foundation for the Department's service delivery agenda. The Speech outlined the Department's plans on how it intends to spend the budget of R 4, 8 billion in the 2017/18 financial year which includes investment in infrastructure projects, job creation, scholar transport, municipal support and maintenance of roads and government buildings.

Implementation of the new Organizational Structure

In working to meet its strategic objectives and vision, the Department revised the organizational structure to reflect a new paradigm shift. A complete rethink about service delivery was required to support the radical socio-economic transformation agenda. The structural reform followed an intensive and comprehensive review of the Department's core business, business model, functions, services, workforce and budget. The new structure completely transformed the Department's Programmes and integrated some sub-Programmes. The new structure was designed to improve service delivery, reduce duplication and reduce the wage bill of the Department. A number of personnel have been moved around or given concurrent responsibilities in line with the radical approach to service delivery. The Department will continue to streamline its operations and look for more effective approaches to build a capable organisation.

Management of the Wage Bill

The Compensation of Employees (COE) budget limits remain in place during the MTEF period. The Department's Human Resource Budget Plan (HRBP) indicates how it will manage the personnel establishment within the current constraints. The current budget for compensation of employees has taken the following into consideration: Ministerial determinations and directives, PSCBC agreements, EXCO decisions on COE and escalation factors for non-SMS and MMS. In future, the Department will explore the following strategies to deal with the budget pressures in COE: initiate severance packages, recommend early retirement,

natural attrition and posts not being filled, retirement and posts not being filled, termination of contracts and redeployments.

Cost Curtailment Measures

The Department implemented cost curtailment measures as part of Government's efforts to do more with less. Part of the savings realised from this initiative were used to offset the accruals from the 2016/17 financial year. All accruals have been settled whilst cost curtailment measures remained in place during the 2017/18 financial year.

The Department came with initiatives to reduce accruals and its impact in the allocated budget such as:

- Revision of Transport infrastructure project plan and delays in the start of new capital projects resulting in some savings.
- Savings were realised from April and May stipends for Learnership and Internship programmes and delay in the completion of designs for 2 IRMA projects for completion in the 2018/19 financial year.
- Intensified and monitored the implementation of cost curtailment measures throughout the financial year to raise savings on operational items.

Improvement of Infrastructure Planning

The Department has a mandate to act as an implementing agent for a number of client departments. To deliver on this mandate, proper planning is required for the massive provincial building infrastructure works. In 2016/17, the Province adopted and institutionalized a new approach as the benchmark for infrastructure delivery. This model complements the current Infrastructure Delivery Management System (IDMS) and has since borne immediate results that saw improvement in planning and packaging of infrastructure projects. Going forward, infrastructure planning will include appropriate social facilitation to ensure timeous rollout of projects.

Investment in skills development is also crucial to the delivery of the infrastructure mandate. Therefore, there is a need to build the necessary institutional capacity to coordinate the planning and implementation of strategic economic and social infrastructure projects. Also significant is the Mpumalanga Infrastructure Master Plan (MIMP) which provides a strategic framework to unlock economic development potential within the Province. The MIMP needs to be updated to ensure that planning and investment is based on the most accurate data available.

Maximisation of Information and Communication Technology (ICT) Solutions

Information and Communication Technology (ICT) has the potential to increase the effectiveness of government, as well as to transform the nature of public management and governance through electronic governance. To realise this objective, the Department has adopted a phased-in approach for Electronic Content Management (ECM) in pursuance of better governance. The following ECM components (i.e. File Plan, Portal and Web Content, Scanning, Search & Retrieval, Workflow and Security) have been identified as part of Phase I which is envisaged to be completed in 2019. During the year ahead, the Department will consolidate the advances already made within the ECM environment.

There are number of key frameworks that support the creation of a dynamic and connected vibrant information society and a knowledge economy that is more as envisaged in the National Development Plan (NDP). Frameworks published in the recent past include: Corporate Governance ICT Policy Framework (CGICTPF) and the White Paper for Integrated ICT Policy. Equally, government has made strategic acquisitions to support the paradigm shift and concluded the contract to purchase software licenses for the Integrated Financial Management System (IFMS) programme with Oracle Corporation (South Africa) (Pty) Ltd. The appointment of Vodacom to assist government to connect and communicate efficiently is also seen as supporting the Public Service in its service delivery quest.

2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The following legislative revisions had an impact on the operations of the Department during the reporting period and will continue to do so in future periods:

Public Service Regulations

The revised regulations were implemented from 01 August 2016. Chapter 3, Part 3, section 36 on Operations Management now incorporates Service Delivery Operations Management and directs the Executive Authority to establish and maintain an operations management framework which shall include:

- (a) an approved service delivery model;
- (b) a list of all core mandated services provided by the Department;
- (c) mapped business processes for all services;
- (d) standard operating procedures for all services;
- (e) service standards for all services;
- (f) a service delivery charter referred to in regulation 37; and
- (g) a service delivery improvement plan referred to in regulation 38.

Preferential Procurement Regulations

The revised regulations were gazetted on 20 January 2017 and will take effect on 01 April 2017. In the main, these provide a

mechanism to empower SMME's, co-operatives, township and rural enterprises, designated groups and promotion of local industrial development through government procurement.

Standard for Infrastructure Procurement and Delivery Management (SIPDM)

The SIPDM continues to serve as a framework for public sector infrastructure delivery all through the value chain offering gateway reviews for management of infrastructure delivery.

Social Enterprise Development Programme (SEDP)

Promulgated by Provincial EXCO, the Programme seeks to identify, engage and establish local building manufacturers in the trade of brick/ block making, steel, metal, wood works etc. through participation in the project delivery value chain.

Preferential Procurement Policy Framework Act, 2000

In line with the Preferential Procurement Regulations 2017, empowering of designated groups should be considered as far as sub-contracting is concerned on projects. For contracts above R 30 million, successful bidders are required to subcontract a minimum of 30% of the value of the contract to designated target groups.

Vodacom RT15 Contract

National Treasury has appointed Vodacom for the period 01 May 2016 to 30 April 2020 to assist government to connect and communicate efficiently in its service delivery quest.

Disclosure of Financial Interest Policy

The Public Service Regulations, 2016, empowers the Minister of Public Service and Administration to determine other employees or categories of employees in the Public Service as a risk of good governance arising from conflict of interest situations, which do not face employees in senior management only. Determination and directive on other categories of employees to disclose their financial interests is as follows:

- Employees earning an equivalent of salary level 13 and above through OSD and personal notches;
- Employees earning salary level 12 including those employees earning the equivalent;
- Employees who are designated for the purpose of effective implementation of Part 2 of Chapter 2 of PSR, 2016;
- Employees appointed at salary level 11, including those employees earning the equivalent of salary level 11 through the OSD;
- Employees in Supply Chain and Finance Units, irrespective of their salary level; and
- New employees appointed in the above categories.

The Mpumalanga Provincial Government made the following policy directives that will affect the Department's operations in future periods. The purpose and implications of these are comprehensively discussed in previous pages of this report.

- Implementation of Social Enterprise Programme
- Drafting of the Social Facilitation Policy

To enhance internal controls and good governance, the following policies were developed and reviewed in the 2017/18 financial year:

Policies Developed	Policies Reviewed
<ol style="list-style-type: none"> 1. Disclosure of Financial Interest 2. Loss Control 3. Ethics Management Strategy 	<ol style="list-style-type: none"> 1. Travelling & Subsistence 2. Risk Management 3. Whistleblowing 4. Fraud Prevention 5. Telephone and Mobile Communications 6. Records Management 7. Gift Donation and Sponsorship 8. Advance 9. Asset Management 10. Training 11. Procurement of Goods & Services

3. STRATEGIC OUTCOME ORIENTED GOALS

Progress towards achievement of National Outcomes and National Development Plan 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 Department also indirectly supports other outcomes which are related to: education, safety, decent employment, health, responsive local government system,

development oriented public service, social cohesion, and social protection. Significant investment was directed towards the eradication of pit latrines and unsafe ablution facilities in schools with the aim of improving learning conditions. A total of 171 schools infrastructure projects were completed by the 31st of March 2018. Health infrastructure also received due attention with the renovation, refurbishment, repair and maintenance of over 20 health facilities across the Province. DPWRT further continues to implement the green building initiatives in line with the national green building policy and strategy which includes waste management, energy efficiency and alternative sources of energy.

Goal	Progress by 31 March 2018
Efficient and effective governance.	The Department spent 99.2% of its allocation in pursuance of set strategic outcome oriented goals and national outcomes. Several governance structures are in place to ensure the efficient, effective and economic use of resources. This is done to support building of a <i>development oriented public service (outcome 12)</i> .
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 social development to meet the growth and development challenges in Mpumalanga. To this regard, 208 building infrastructure projects were completed in the 2017/18 financial year. Most notably was the completion of the following:- <ul style="list-style-type: none"> • 106 Schools were provided with sanitation and basic services; • Construction of 1 new primary school; • Repair of 47 storm damaged schools; • Replacement of 5 unsafe schools; • Construction of 3 new early childhood development centres; and • Construction of 2 new community libraries and maintenance of 11 libraries. In addition, 308 buildings were assessed and 18 building maintenance projects completed as part of preventative maintenance programme. These projects brought opportunities in a form of jobs, training and business development to various communities.
Transport infrastructure delivery.	DPWRT completed 3 transport infrastructure projects and also undertook a series of maintenance work on the provincial and municipal road network. This includes rehabilitation of 124 lane-kilometres of surfaced roads, patching of 275 980m ² of surfaced roads and re-gravelling of 497 km of gravel roads. These projects moves government closer to realising an <i>efficient, competitive and responsive economic infrastructure network (outcome 6)</i> .
Transport system management, operation and regulation.	The Department is working with various stakeholders to provide an integrated, safe, reliable and affordable transport system. These stakeholders include municipalities, taxi councils, bus operators, commuter forums, freight forums, etc. During the year under review, approximately 57 million 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. The Mpumalanga Freight Databank has been updated.
Coordination of EPWP III across the Province.	The Department is 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. The Province created 39 072 work opportunities through the use of labour intensive methods. The main beneficiaries of these opportunities were 25 380 women, 18 745 youth and 212 people with disabilities. This achievement is in line with <i>outcome 4: decent employment through inclusive growth</i> and also moves the country closer towards the target of creating 6 million work opportunities during the current MTSF: 2014 – 2019.

4. PERFORMANCE INFORMATION BY PROGRAMME

1.1 PROGRAMME 1: ADMINISTRATION

Purpose

The purpose of the 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

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

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme played a supportive role to the other core Programmes. In 2017/18, DPWRT continued to review and

streamline its business systems and processes to find savings and achieve business efficiencies. The Department excelled in its efforts create work opportunities for the youth through the Internship and Learnership Programmes and to promote participation of the previously disadvantaged groups in state procurement. To this regard, 87% of the value of infrastructure contracts were awarded to Historically Disadvantage Individuals (HDI) and 52% of the value of infrastructure contracts were awarded to Women Owned Enterprises (WOE) whilst 15% were awarded to Youth Owned Enterprises (YOE).



Strategic objectives:

PROGRAMME 1: ADMINISTRATION					
Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Improve overall performance of the Department	99.9% Expenditure	100% Expenditure	99.2% Expenditure	- 0.8% Expenditure	See reason for deviation below.
	72% APP targets	80% APP Targets	72% APP Targets	- 8% APP Targets	See reason for deviation below.
Enhance good and governance accountability	Unqualified audit opinion	Clean audit opinion	Qualified audit opinion	See reason for deviation below.	See reason for deviation below.



Reasons for deviations

- Under expenditure**

The Department spent R4, 739 billion (99.2%) of the adjusted budget of R4, 777 billion during the 2017/18 financial year. Under expenditure was incurred under Programme 2, 3, 4 and 5. Further details are provided under each Programme.

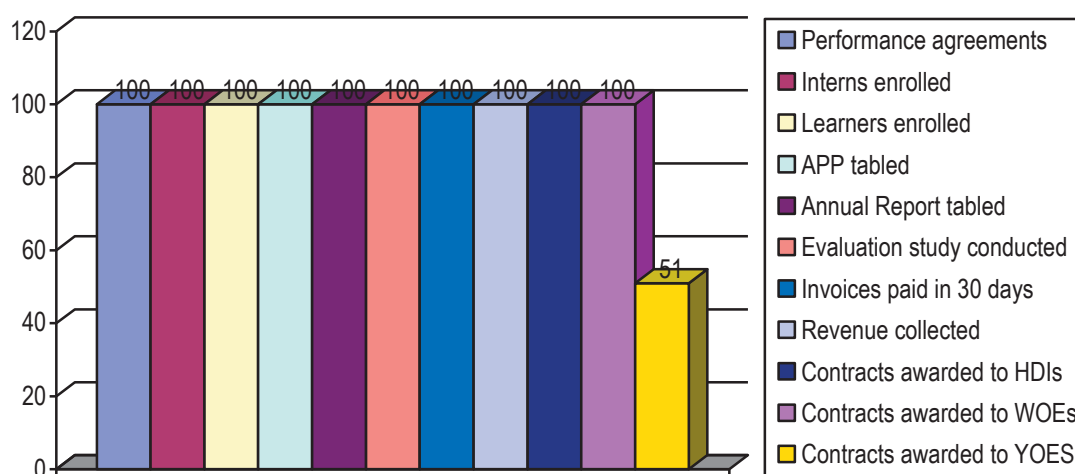
- Achievement of APP Targets**

The Department managed to achieve 72% (36 of 50) of its planned targets due to various reasons which are provided in more detail per Programme below. This is consistent with the Department's performance for the 2016/17 financial year.

- Qualified Audit Opinion**

The Auditor-General issued a qualified audit opinion due to retention that was not disclosed in accordance with the Modified Cash Standards (MCS). Other matters of emphasis are disclosed in the Report of the Auditor-General on page 116 of the Annual Report.

Performance indicators



Number of Performance Indicators	Achieved	Not Achieved	% Achieved
11	10	1	91%

PROGRAMME 1: ADMINISTRATION							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Sub-Programme: Corporate Support							
Percentage of Performance agreements signed	98.0%	100%	100%	100%	100%	None.	None.
Number of interns enrolled	108	100	53	120	120	None.	None.
Number of learners enrolled	50	50	72	70	70	None.	None.
Annual Performance Plan tabled	1	1	1	1	1	None.	None.
Annual report tabled	1	1	1	1	1	None.	None.
Evaluation Study conducted	0	1	0	1	1	None.	None.

PROGRAMME 1: ADMINISTRATION							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Percentage of invoices paid within 30 days	99.9%	98%	95.2%	100%	99.9%	-0.1%	6 Invoices were not processed due to CSD banking details not being matched on the financial systems.
Total amount of revenue collected	R23.8 million	R28 million	R27.3 million	R24.7 million	R28.3 million	R3.6 million	Interest on the departmental bank balance contributed to the over collection.
Value of infrastructure contracts awarded to HDI contractors expressed as a percentage of the total value of contracts awarded	-	100%	83%	65%	86.7%	21.7%	More responsive bids were received.
Value of infrastructure contracts awarded to WOE's expressed as a percentage of the total value of contracts awarded	-	77%	44%	35%	52.0%	17%	More responsive bids were received.
Value of contracts awarded to Youth Owned Enterprises (YOE's) expressed as a percentage of the total value of contracts awarded	-	-	-	30%	15.2%	-14.8%	The Department managed to award contracts of high value to HDI and WOE's but they had little/no ownership by youth.

Strategy to overcome areas of under performance

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Value of contracts awarded to Youth Owned Enterprises (YOE's) expressed as a percentage of the total value of contracts awarded.	The Department managed to award contracts of high value to HDI and WOE's but they had little/no ownership by youth. This was a new indicator that was introduced in the 2017/18 financial year.	The Department will henceforth target companies owned by the respective designed groups.

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

The Programme managed to spent 100% of its budget and in

the process achieved 10 of the 11 (91%) planned targets at year end. Note should be taken that the expenditure includes other costs which were related to people, processes and technology. Therefore, there was no direct link between the performance and budget in some instances. For example, there was no correlation between the percentage of invoices paid and the overall expenditure. This indicator measures efficiency within the invoice payment value chain.

Sub-programme expenditure

Sub- Programme Name	2017/18			2016/17		
	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	7,456	7,456	0	6, 898	6, 898	0
Management of the Department	4,871	4,871	0	3, 756	3, 756	0
Corporate Support	223,190	223,190	0	235, 580	235, 580	0
TOTAL	235,517	235,517	0	246, 234	246, 234	0

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE



1.2 PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE

Purpose

The purpose of the 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

Over the course of the 2017/18 financial year, DPWRT persistently demonstrated its commitment towards improved and better infrastructure delivery in a highly constrained environment. A total of 208 infrastructure projects were completed (171 Education; 20 Health; 4 Social Development and 13 Libraries). The Programme showed improved performance against the 2016/17 infrastructure programme in terms of the performance indicators. 86% of projects planned were completed and 53% completed on time in 2017/18 compared to 45% and 26% respectively for the 2016/17 financial year.



Strategic objectives:

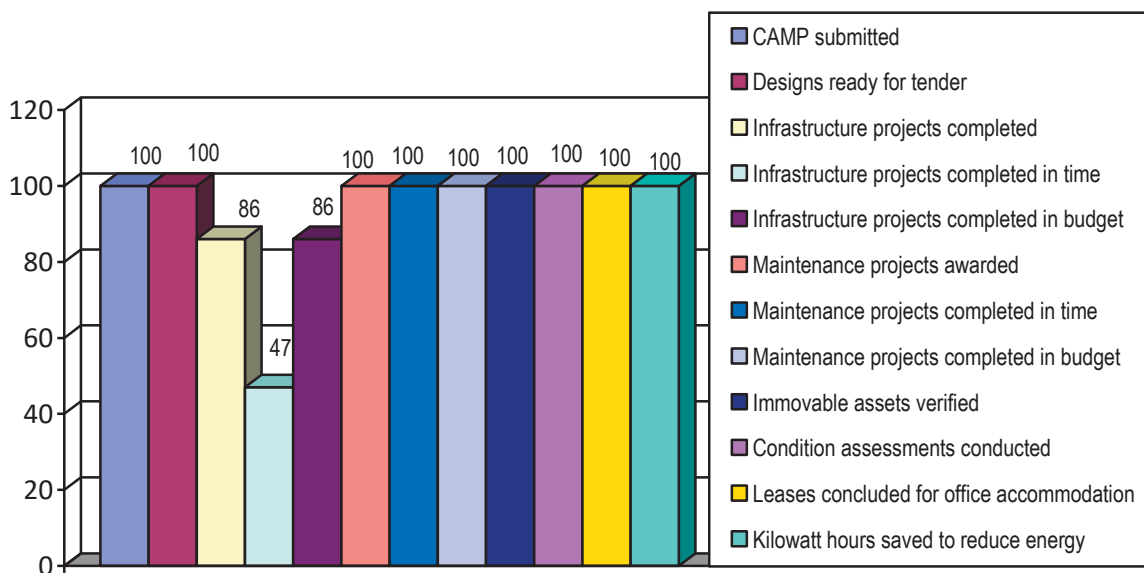
Programme 2: Public Works Infrastructure					
Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Implementation of building infrastructure projects within the prescribed time and budget.	26% of Projects completed within time.	100% of Projects completed within time.	53% of Projects completed within time.	-47% of Projects completed within time.	See reasons below.
	45% of projects completed within budget.	100% of projects completed within budget.	86% of projects completed within budget.	-14% of projects completed within budget.	See reasons below.
Enhance property management.	10 UAMPs submitted.	12 UAMPs.	12 UAMPs submitted.	None.	None.

Reasons for deviations

- **Projects completed within the prescribed time and budget**

Common challenges that had a bearing on the performance during the financial year were community disruptions, community rejection of scope of works, delays in the identification of suitable

project sites, slow and poor works progress, late payment and poor contract administration. Community disruptions and interference were prevalence on a number of projects most notably was the Parliamentary Village (Phase 1) where works was stopped for more than 4 months. In most instances, there is a demand to participate in the contract in one form or another (e.g. sub-contracting, general labourers, etc.).



Performance indicators

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

Programme 2: Public Works Infrastructure							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
Sub-Programme: Design							
CAMP submitted to the relevant Treasury in accordance with GIAMA.	1	1	1	1	1	None.	None.
Number of infrastructure designs ready for tender.	43	54	366	64	65	1	See reasons below.
	-	DoE=26	DoE=342	DoE=54	DoE=56	2	Actual output includes 13 designs that were not part of the APP.
	-	DoH=16	DoH=12	DoH=6	DoH=5	-1	1 Project was withdrawn.
	-	DSD=6	DSD=6	DSD=0	DSD=0	None.	None.
	-	DCSR=6	DCSR=6	DCSR=3	DCSR=4	1	Actual output includes 1 design that were not part of the APP.
-	-	Provincial Legislature=0	Provincial Legislature=0	Provincial Legislature=1	Provincial Legislature=0	-1	Design was delayed due to relocation to a new site which required re-doing of the planning exercises such as town planning, EIA, SDP etc.

Programme 2: Public Works Infrastructure							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Construction							
Number of capital in-frastructure projects completed.	-	-	286	241	208	-33	•Actual output includes 25 projects that were not part of the APP i.e. DoE=17; DoH=6; DCSR=2. •Reasons for under-achievement include withdrawal, re-prioritization, deferment of projects, end user rejection of scope of works, unavailability of suitable project site, late award, late payments, poor performing contractors, labour unrest etc. Refer to pages 49-63 for reasons per project.
	-	-	DOE=242	DoE=200	DoE=171	-29	
	-	-	DOH=31	DOH=21	DOH=20	-1	
	-	-	DSD=2	DSD=7	DSD=4	-3	
	-	-	DCSR=9	DCSR=13	DCSR=13	None.	
	-	-	DCSSL=2	-	-	-	
Number of capital in-frastructure projects completed within the agreed time period.	61	44	140	241	126	-115	
	DoE=58	DoE=41	DoE=131	DoE=200	114	-86	
	DoH=2	DoH=2	DoH=8	DOH=21	4	-17	
	DSD=0	DSD=1	DSD=0	DSD=7	0	-7	
	DCSR=1	DCSR= 0	DCSR=0	DCSR=13	8	-5	
	DCSSL=0	DCSSL=0	DCSSL=1	-	-	-	
Number of capital in-frastructure projects completed within agreed budget.	107	69	242	241	208	-33	
	DoE=79	DoE=57	DoE=212	DoE=200	171	-29	
	DoH=22	DoH=6	DoH=21	DOH=21	20	-1	
	DSD=3	DSD=3	DSD=1	DSD=7	4	-3	
	DCSR=3	DCSR=3	DCSR=6	DCSR=13	13	None.	
	DCSSL=0	DCSSL=0	DCSSL=2	-	-	-	
Sub-Programme: Maintenance							
Number of planned main-tenance projects awarded.	-	20	23	5	18	13	The building maintenance plan was revised to include other emergency services.
Number of planned maintenance projects completed within the agreed contract period	-	20	23	5	10	5	
Number of planned maintenance projects completed within agreed bud-get.	-	20	23	5	9	4	

Programme 2: Public Works Infrastructure							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/18	Comment on deviations
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	605	605	None.	None.
Number of properties receiving facilities management services	9	9	9	8	8	None.	None.
Number of condition assessments conducted on state-owned buildings	600	100	100	300	308	8	None.
Number of leases concluded in respect of office accommodation	19	11	15	8	14	6	New leases were concluded by client departments.
Number of kilowatts saved to reduce energy usage for building portfolio.	-	New indicator	5 417 055	12 000 000	13 384 692	1 384 692	None.

Strategy to overcome areas of under performance

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Number of capital infrastructure projects completed.	Failure to achieve planned targets can mainly be attributed to the cancelation of projects under the Education Infrastructure Programme. Other challenges that had a bearing on the performance during the financial year were community disruptions, community rejection of scope of works, delays in the identification of suitable project sites, slow and poor works progress, late payment, poor project management and contract administration.	<ul style="list-style-type: none"> The province has adopted and institutionalized a new approach as the benchmark for infrastructure delivery. This new approach gives particular attention to planning, budgeting, procurement and overall project management. A draft social facilitation policy has been developed to guide community consultation and participation in infrastructure project delivery which will curb disruptions on site.
Number of capital infrastructure projects completed within the agreed time period.		
Number of capital infrastructure projects completed within agreed budget.		

Changes to planned targets

The Programme did not make any in year changes to its planned targets that were contained in the tabled APP. However, emergency responses to storm damaged schools and health facilities resulted to the introduction of new projects. The under spending on the Education Infrastructure Programme, further resulted to the early commencement of certain projects planned for implementation in the 2018/19 financial year.

Linking performance with budgets

The Programme spent 98.5% of its budget and in the process achieved 10 of the 13 (77%) planned targets at year end.

Sub-programme expenditure

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	4,564	4,564	0	4, 125	4, 125	0
Design	47,973	47,973	0	32, 960	32, 960	0
Construction	40,045	27,821	12,224	24, 046	24, 046	0
Maintenance	22,019	22,019	0	17, 715	17, 715	0
Property Management	695,479	695,165	314	676, 874	676, 874	0
TOTAL	810,080	797,542	12,538	755, 720	755, 720	0

The under spending of R12, 2 million was mainly due to the community unrest at the Mpumalanga Parliamentary Village site. More significantly, the budget excludes the building infrastructure funding which was allocated to the various client departments. It should further be noted that there was no budget allocated for implementation of the energy efficiency programme. In terms of the contract signed between DPWRT and the service provider, all related costs shall be borne by the service provider and resultant savings split equally between both parties. Therefore, not all the performance outputs of this Programme are directly linked to the expenditure outcome.



PROGRAMME 3: TRANSPORT INFRASTRUCTURE



1.3 PROGRAMME 3: TRANSPORT INFRASTRUCTURE

Purpose

The purpose of the 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

Strategic objectives:

PROGRAMME 3: TRANSPORT INFRASTRUCTURE					
Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Improve the provincial road network.	Very good = 11% Good = 21%, Fair = 28%, Poor = 32% and very poor = 8%	Very good = 11%, Good = 25%, Fair = 35%, Poor = 24% and very poor = 5%	Very good = 11% Good = 21%, Fair = 28%, Poor = 32% and very poor = 8%	Very good = 0%, Good = - 4%, Fair = - 6%, Poor = 8% and very poor = 3%	See reason for deviation below.

Reasons for deviations

The actual achievements listed in the table above are currently best estimates as the final analysis and reporting on the collected road data is not yet available. The Visual Condition Index (VCI) outcomes reflect the impact of the capital investment made in the 2017/18 financial years and prior years. The biggest deviation from poor to very poor is the result of overloading and lack of rehabilitation and preventive maintenance due to inadequate funding. 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 also require more funding.

- Construction
- Maintenance

Strategic objectives

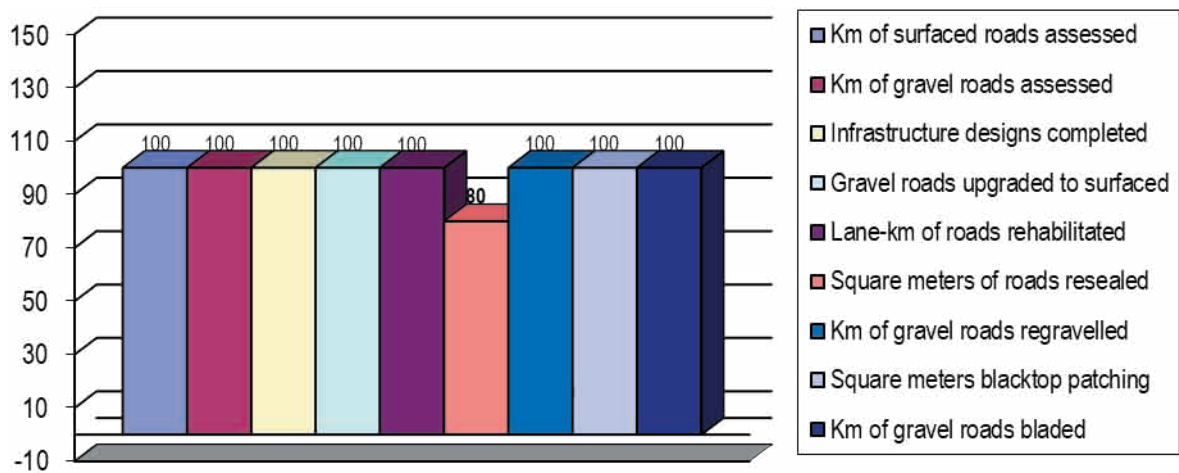
- Improve the provincial road network.

Strategic objectives, performance indicators, planned targets and actual achievements

DPWRT's capital program for transport infrastructure demonstrates its commitment to improve the provincial road network. Fundamentally what drives this programme is the need to improve access and mobility to public amenities and economic opportunities. To this end, the Department completed three projects for rehabilitation of provincial roads whilst 2 roads are being upgraded from gravel to surfaced roads.



Performance indicators



Number of Performance Indicators	Achieved	Not Achieved	% Achieved
9	8	1	89%

PROGRAMME: TRANSPORT INFRASTRUCTURE

Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Infrastructure Planning							
Number of kilometres of surfaced roads visually assessed as per the applicable TMH manual.	5 475	5 428	5 505	5 400	5 470	70	The assessments were achieved in line with DoRA requirements and compliance
Number of kilometres of gravel roads visually assessed as per the applicable TMH manual.	2 066	2 495	3 101	2 750	3 076	326	
Sub-Programme: Design							
Number of Infrastructure designs completed.	6	7	10	11	11	None.	None.
Sub-Programme: Construction							
Number of kilometers of gravel roads upgraded to surfaced roads.	32	10	4	13	13	None.	None.
Sub-Programme: Maintenance							
Number of lane-km of surfaced roads rehabilitated (Number of square meters of surfaced roads rehabilitated)	162 (696 600)	137 (602 800)	166 (713 800)	124 (533 200)	124 (533 200)	None.	None.
Number of square meters of surfaced roads re-sealed.	807 113	828 016	2 309 840	1 495 000	1 193 414	-301 586	Certain reseal projects were delayed so that emergency repairs could be done.
Number of kilometres of gravel roads re-gravelled.	122	851	325	117	497	380	Over achievement is due to a high demand and implementation of the Municipal Support Programme.
Number of square meters of blacktop patching.	138 980	182 675	318 169	101 700	275 980	174 280	There is a high demand due to the poor road condition.

PROGRAMME: TRANSPORT INFRASTRUCTURE							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Number of kilometres of gravel roads bladed.	27 066	28 078	38 266	36 474	36 481	7	None.

Strategy to overcome areas of under performance

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Number of square meters of surfaced roads resealed.	Certain reseal projects were delayed so that emergency repairs could be done on the Delmas road (sinkhole).	Ensure spending within the allocated budget and make provision henceforth, for nominal budget for emergencies like the Delmas sinkhole.

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

The Programme spent 99.4% of its budget allocation and in the process achieved 8 of the 9 (89%) planned targets at year end. The expenditure in this case indicates a direct relationship with the performance. Several coal haulage projects were delayed due to the uncertainty regarding the continuation of the coal haulage funding in the next MTEF. Focus was then shifted to maintenance and the Municipal Support Programme hence the over-achievement on re-gravelling and patching.



Sub-programme expenditure

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,681	1,681	0	1, 517	1, 517	0
Infrastructure Planning	46,841	46,841	0	60, 004	60, 004	0
Design	140,758	140,758	0	62, 252	62, 252	0
Construction	945,440	880,715	64,725	1, 355, 164	1,027,212	327, 952
Maintenance	1,292,776	1,344,131	(51,355)	906, 452	1,234,161	(327, 709)
TOTAL	2,427,496	2,414,126	13,370	2, 385, 389	2, 385, 146	243

PROGRAMME 4: TRANSPORT OPERATIONS



1.4 PROGRAMME 4: TRANSPORT OPERATIONS

Purpose

The purpose of the 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

There are over 57 million commuters benefitting from the government-wide subsidisation scheme in the province. This service is facilitated through 6 public transport service providers: Buscor, PUTCO, Unitrans, Midbank, Tilly's and Lebowa Transport. The Department also ferries approximately 60 231 learners to and from school, especially those who reside outside a 5km radius from their schools. This Programme's mandate also involves facilitating the implementation of the Rural Transport Strategy. In this regard, 4 IRMA projects were completed, namely: Avontuur Footbridge, Marapyane Bus shelters, Boschfontein and Dlodluma Culverts. It should further be noted that the implementation of IRMA projects will be reported under Programme 3: Transport Infrastructure Programme in the 2018/19 financial year.



Strategic objectives

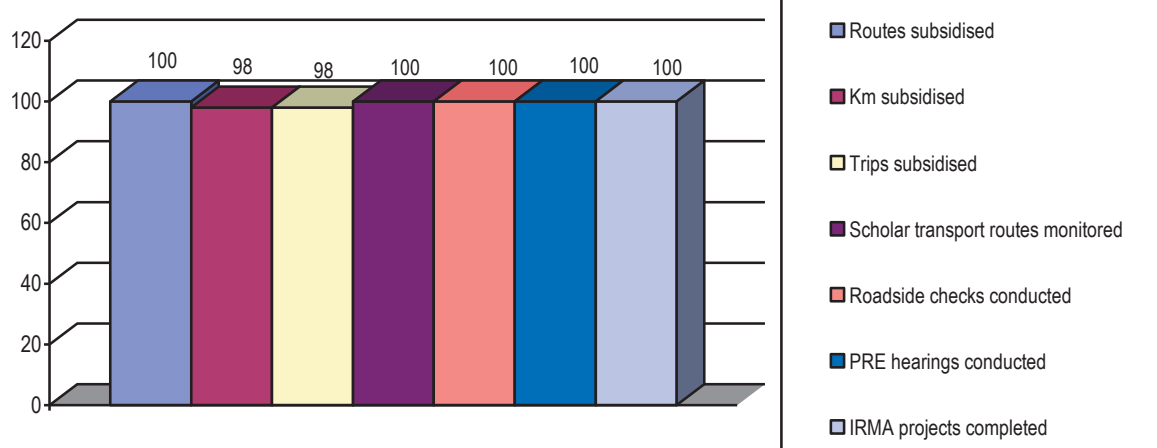
PROGRAMME: TRANSPORT OPERATIONS					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
Efficient and effective management of transport services	6 Public Transport contracts	6 Public Transport contracts	6 Public Transport contracts	None.	None.
	111 Scholar transport contracts	7 Scholar transport contracts	111 Scholar transport contracts	104 Scholar transport contracts	The tender to appoint 7 service providers was withdrawn.

Reasons for deviations

The Department planned to reduce the number of scholar transport contracts from 111 to 7 in the 2017/18 financial year.

However, the tender was withdrawn and the contracts for the 111 operators were extended. The new tender was advertised in March 2018 and appointments will be made in the 2018/19 financial year.

Performance indicators



Number of Performance Indicators	Achieved	Not Achieved	% Achieved
7	5	2	71%

PROGRAMME 4: TRANSPORT OPERATIONS							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Public Transport Services							
Number of routes subsidised.	154	154	154	154	154	None.	None.
Number of kilometers subsidised.	27 079 808	26 654 741	27 446 939	27 697 947	27 248 309	- 449 638	The under-performance was due to the National Bus Strike that affected two operational days (12 and 13 April 2017).
Number of trips subsidised.	828 877	822 213	842 753	850 950	831 132	- 19 818	
Number of scholar transport routes monitored.	1 375	1 364	1 364	1 364	1 364	None.	None.
Sub-Programme: Transport Safety and Compliance							
Number of roadside checks conducted.	2 165	2 850	3 137	3 000	3 255	255	More shifts were introduced due to a National directive to be visible 24 hours and attending to taxi conflicts.
Sub-Programme: Transport Systems							
Number of Provincial Regulating Entity (PRE) hearings conducted.	-	48	48	48	48	None.	None.

PROGRAMME 4: TRANSPORT OPERATIONS							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Infrastructure Operations							
Number of IRMA projects completed.	4	4	2	4	4	None.	None.

Strategy to overcome areas of under performance

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Number of km subsidised	The underperformance was due to the National Bus Strike that affected two operational days (12 and 13 April 2017).	None.
Number of trips subsidised		

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

The Programme spent 99.1% of its budget and in the process achieved 5 of the 7 (71%) planned targets at year end. The

underperformance on the 2 planned targets was due to the nationwide bus strike in April 2017. An amount of R10, 089 million was surrendered to Treasury. The Department has requested to roll over an amount of R5, 925 million to the 2018/19 financial year. Although a link between the budget and under expenditure exists, the expenditure also includes other operational activities which were not included as targets in the Annual Performance Plan.

Sub-programme expenditure

Sub-Programme Name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2,431	2,431	0	2, 189	2, 189	0
Public Transport Services	1,155,161	1,144,742	10,419	1, 053, 017	1, 053, 015	2
Transport Safety and Compliance	37,114	36,780	334	48, 354	48, 354	0
Transport Systems	24,217	24,217	0	10, 767	10, 767	0
Infrastructure Operations	11,635	11,299	336	22, 262	22, 262	0
TOTAL	1,230,558	1,219,469	11,089	1, 136, 589	1, 136, 587	2

PROGRAMME 5: COMMUNITY BASED PROGRAMMES



1.5 PROGRAMME 5: COMMUNITY BASED PROGRAMMES

Purpose

The purpose of the 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 (EPWP).

Sub-programmes

- Programme support
- Community development
- Innovation and empowerment
- EPWP coordination and monitoring

Strategic objectives

Strategic objectives

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

Strategic objectives, performance indicators, planned targets and actual achievements

Since inception in 2004, the Expanded Public Works Programme (EPWP) has provided training to assist job seekers to build the skills necessary to gain employment and create new enterprises. The province created 39 072 work opportunities in the 2017/18 financial year through the use of labour intensive methods. This will go a long way in addressing employment creation, entrepreneurship support and skills development for various designated groups.

PROGRAMME 5: COMMUNITY BASED PROGRAMMES					
Strategic objectives	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Coordinate, monitor and evaluate implementation of EPWP III across the Province.	63 360 Work opportunities created	60 222 Work opportunities reported	39 072 Work opportunities reported	-21 150 Work opportunities reported	Minimal reporting by public bodies.

Reason for deviation

Under achievement was due to minimal reporting by public bodies on implemented projects and the strict validation requirements of the EPWP reporting system.
Performance indicators

Number of Performance Indicators	Achieved	Not Achieved	% Achieved
10	3	7	30%

PROGRAMME: COMMUNITY BASED PROGRAMMES							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Community Development							
Number of EPWP work opportunities created by the Provincial Department of Public Works/ Roads	16 577	6 638	8 351	18 909	8 377	-10 532	The set target was for all provincial departments under the Infrastructure sector.
Number of Full Time Equivalents (FTE) created by the Provincial Department of Public Works/ Roads	5 953	2 690	2 986	6 166	2 388	-3 778	

PROGRAMME: COMMUNITY BASED PROGRAMMES							
Performance Indicator	Actual Achievement 2014/15	Actual Achievement 2015/16	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Sub-Programme: Innovation and Empowerment							
Number of Beneficiary Empowerment Interventions	3	3	3	3	3	None.	None.
Number of public bodies reporting on EPWP targets within the Province	31	30	31	30	30	None.	None.
Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the Province	4	4	4	7	7	None.	None.
Sub-Programme: EPWP Co-ordination and Monitoring							
Number of work opportunities reported in the EPWP Phase III Business Plan targets	50 467	25 340	63 360	60 222	39 072	-21 150	Minimal reporting by public bodies.
Number of Full Time Equivalents (FTEs) reported	22 798	14 258	29 601	23 205	19 329	-3 876	
Number of youths employed (18-35)	26 544	11 814	30 550	33 122	18 745	-14 377	
Number of women employed	32 887	18 058	44 286	33 122	25 380	-7 742	
Number of people with disabilities	75	562	895	1 204	212	-992	<ul style="list-style-type: none"> Minimal reporting by public bodies. Difficulty in recruiting people with disability as they fear they grant might be stopped.

Strategy to overcome areas of under performance

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Number of EPWP work opportunities created by the Provincial Department of Public Works/ Roads.	The set target was for all provincial departments under the Infrastructure sector.	Implement the data recovery plan and ensure that target setting for the next MTSF period is applicable only to the DPWRT.
Number of Full Time Equivalents (FTEs) created by the Department of Public Works/ Roads.		

Areas of under-performance	Reason for under-performance	Strategy to overcome areas of under performance
Number of work opportunities reported in the EPWP Phase III Business Plan targets	Under reporting by public bodies.	<ul style="list-style-type: none"> Several interventions are being implemented by the Department to support public bodies and to assist in the achievement of the Provincial targets i.e. training, site verification, technical support, sector meetings, etc. A Data Recovery plan was also developed which will be continue in the 2018/19 financial year.
Number of Full Time Equivalents (FTEs) reported		
Number of youths employed (18-35)		
Number of women employed		
Number of people with disabilities	Most people with disabilities are receiving social grants.	One on one meetings will be held with relevant public bodies and sectors to strengthen participation by people with disabilities in government programmes.

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

The Programme spent 98.8% of its budget allocation for the year

under review and in the process achieved 3 of the 10 (30%) planned targets. EPWP however 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. All public bodies are responsible for implementation, reporting and record keeping for their EPWP projects.

Sub-programme expenditure

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2,096	2,096	0	1, 827	1, 827	0
Community Development	42,494	41,749	745	47, 426	47, 421	5
Innovation and Empowerment	16,485	16,361	124	12, 129	12, 129	0
EPWP Co-Ordination and Monitoring	12,409	12,409	0	14, 514	14, 514	0
TOTAL	73,484	72,615	869	75, 896	75, 891	5

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 2017 to 31 March 2018

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	610, 063	609,971	N/A
All provincial local municipalities	Municipalities	Rates and taxes	Yes	186,316	186,316	N/A

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
Households	Employees	Injury on duty, leave gratuity and claims against the state (cash)	Yes	15,578	15,578	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2017 to 31 March 2018, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
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, 059, 932 billion. The Department managed to spend R2, 059,750 billion (100%) by the end of the financial year.

The tables below details the conditional grants and ear marked funds received during for the period 1 April 2017 to 31 March 2018.

Conditional Grant: 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	1,461,269
Amount received (R'000)	1,461,269
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	1,461,189
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.

Conditional Grant: 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	581,934
Amount received (R'000)	581,934
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	581,841
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.

Conditional Grant: Expanded Public Works 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	16,729
Amount received (R'000)	16,729
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	16,720
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. In addition, significant progress was 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. In relation to transport infrastructure, 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. Subsequent analyses were documented to provide high level information regarding the province's road asset management function.

Infrastructure projects which have been completed in the 2017/18 financial year:

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
Department of Education				
1. Davel Primary School	Repair of storm damaged school	18-Apr-17	18-Apr-17	None.
2. Vezimfundo Primary School	Rehabilitation of Storm Damage School	25-Feb-17	26-Apr-17	Delayed payment by client department.
3. Khunjuliwe Secondary School	Alterations and additions	15-May-17	10-May-17	None
4. Hlalani Combined School	Upgrading of basic services (water, sanitation and electricity)	31-May-17	26-May-17	None.
5. Lomahasha Primary School	Repairs of storm damaged school.	08-Aug-17	06-Jun-17	None.
6. MC Zitha Combined School	Repairs of storm damaged school	08-Aug-17	06-Jun-17	None.
7. Masana High School	Construction of five classrooms	09-Jul-17	09-Jun-17	None.
8. Ekwenzeni Primary School	Repairs of storm damaged school	03-Aug-17	20-Jun-17	None.
9. Mpuluzi Secondary School	Demolishing of existing pit toilets and construction of 9 new ablution units	31-May-17	23-Jun-17	Late completion of project due to delayed payments to contractor.
10. Bondzeni Secondary School	Repairs of storm damaged school	19-May-17	30-Jun-17	Project delayed due to community and sub-contractor disruptions.
11. Mahlale Secondary School	Replacement of 12 storm damaged classrooms and administrative block	26-Dec-16	30-Jun-17	Project delayed due to community and sub-contractor disruptions.
12. Rindzani High School	Repair of burnt School	30-Jun-17	30-Jun-17	None.
13. Sidlemu Primary School	Repairs of storm damaged school	05-Aug-17	05-Jul-17	None.
14. Mbazima Primary School	Repairs of storm damaged school	05-Aug-17	05-Jul-17	None.
15. Mjejane Primary School	Repairs of storm damaged school	05-Aug-17	05-Jul-17	None.
16. Magewu Primary School	Repairs of storm damaged school	08-Aug-17	12-Jul-17	None.
17. Khula Secondary School	Repairs of storm damaged school	04-Aug-17	12-Jul-17	None.
18. Makhathini Primary School	Drilling of borehole, equipping of borehole, refurbishment of the existing waterborne toilets and construction of a new toilet block	01-Sep-17	21-Jul-17	None.
19. Duvha Primary School	Construction of 24 classrooms, guardhouse, library, admin block, kitchen, computer centre, 2 x ablution facilities, external works and bulk servicer for Part A	24-Jul-17	24-Jul-17	None
20. Phambanisa Primary School	Replacement of damaged roof covering complete with timber trusses and ceilings to 9 Classrooms.	05-Aug-17	01-Aug-17	None.
21. Chief Makunyula Primary School	Repairs of storm damaged school	04-Aug-17	01-Aug-17	None.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
22. Mphaku Primary School	Demolishing of pit toilets. Construction of 10 waterborne toilets. Renovations to 2 x Grade R waterborne toilets. Construction of septic tank & french drain. Drill and equip borehole.	04-Sep-17	03-Aug-17	None.
23. Sekhusele Primary School	Repairs of storm damaged school	04-Aug-17	04-Aug-17	None.
24. Sinethemba Secondary School	Construction of 1 computer technical workshop and construction of ablution block.	08-Aug-17	04-Aug-17	None
25. Ramodieg Primary School	Repairs of storm damaged school	02-Dec-17	04-Aug-17	None.
26. DM Motsaosele Secondary School	Repairs of Storm Damaged: Library	19-Aug-16	11-Aug-17	Works completed behind schedule.
27. Mokebe Secondary School	Provision of 12 waterborne toilets. Provide 1 X 5000L and 1 X 2500L water tank and connect them to municipal pipe storage	02-Dec-17	11-Aug-17	None.
28. Morwe Primary School	Demolish existing pit toilets and build 10 water borne toilets. Renovate existing toilets. Provide 1 X 5000L elevated water tank	02-Dec-17	11-Aug-17	None.
29. Serisha Secondary School	Renovations and Additions of existing 4 classrooms, construction of new 4 classrooms, administrative block and 10 toilets, water supply, 3 x sport ground and security fencing.	16-Aug-17	06-Aug-17	None.
30. Samson Sibuyi Primary School	Construction of 10 enviroloo toilets and provision of water	06-Oct-17	16-Aug-17	None.
31. Seganyane Primary School	Demolish pit toilets and construction of 4 X water borne toilets. Construction of Grade R waterborne toilets. Renovations to 12 ventilated improved pit laterine, construction of septic tank and french drain, drill and equip borehole, install 2 tanks.	04-Sep-17	17-Aug-17	None.
32. Bakutswe Secondary School	Repair of burnt School	30-Jun-17	21-Aug-17	Project delayed due to community disruptions.
33. Mphephethe Primary School	Drilling and equipping of borehole. Demolishing of existing asbestos toilet blocks and construction of new toilet blocks	01-Sep-17	29-Aug-17	None.
34. Kwanang Primary. School	Repair of burnt School	30-Aug-17	30-Aug-17	None.
35. Lehlogonolo Primary School	Construction of new toilets and demolition of pit toilets	31-Aug-17	31-Aug-17	None.
36. Mehlobomvu Secondary	Repairs of storm damaged facilities	03-Aug-17	01-Sep-17	Delays due community disruptions.
37. Sibongamandla Secondary	Renovations of 31 toilets and provision of borehole	02-Dec-17	01-Sep-17	None.
38. Sibukosethu Primary	Refurbishment of existing 35 toilets	02-Dec-17	01-Sep-17	None.
39. Mbhunu Secondary	Repairs of storm damaged school	03-Sep-17	01-Sep-17	None.
40. Ngwarele Primary School	Demolish pit toilets and construction of 12 water borne toilets. Construction of 2 X Grade R waterborne toilets. Construction of septic tank and French drain, borehole	01-Sep-17	01-Sep-17	None.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
41. Gugulethu Primary School	Phase 1: Demolition of existing pit toilets and waterborne toilets. Construction of 12 new ablution units (Enviroloo)	05-Sep-17	05-Sep-17	None.
42. Shinyukane Secondary School	Repairs of storm damaged school	04-Aug-17	06-Sep-17	Late completion of project due to delayed payments to contractor
43. Nkwenkwezi Primary School	Demolish of asbestos waterborne toilets. Construction of 2 X Grade R waterborne toilets. Renovations to 24 X waterborne toilets and install 2 tanks.	01-Sep-17	07-Sep-17	Late completion of project due to delayed payments to contractor
44. Sibambayana Primary School	Provision of water. Demolishing of existing pit toilets and construct 10 waterborne toilets. Construction of Grade R waterborne toilets. construction of septic tank and French drain and water reticulation	01-Sep-17	11-Sep-17	Late completion of project due to delayed payments to contractor
45. Ekujabuleni Primary School	Demolishing of existing pit toilets and construct 11 waterborne toilets	05-Sep-17	13-Sep-17	Works completed behind schedule and penalties were imposed
46. Mjokwane Secondary School	Repairs of storm damaged school	31-Sep-17	13-Sep-17	None
47. Elukhanyisweni Secondary School	6 Water storage tanks, demolishing of existing Pit Toilet blocks, renovate None. functioning toilets and construction of 11 new water borne toilets	06-Dec-17	15-Sep-17	None.
48. Aplose Chiloane Primary School	Phase 1: Demolishing & Construction of 6 Classrooms, Refurbishment of 3 Classrooms, Grade R Centre, Admin Block, 25 Toilets, Fence, Sports ground, Parking, Ramps and Rails, Upgrading of Electricity and Water.	31-Jan-18	18-Sep-17	None.
49. Klein Vrystad Primary School	Demolish existing ablutions and Construct 13 enviro-loo toilets and upgrade water services.	01-Dec-17	19-Sep-17	None.
50. Sifundakhona Primary School	Demolition of existing pit toilets. Construction of 9 new ablution units (enviroloo)	05-Sep-17	20-Sep-17	Works completed behind schedule and penalties were imposed.
51. Extension K Secondary School	Demolishing of existing toilets and construction of new ablution units (waterborne), refurbishment of the existing school.	28-Sep-17	20-Sep-17	None.
52. Saselani Primary School	Demolishing of pit toilets. Construction of 4 X Grade R waterborne toilets, Construction of septic tank and french drain, fencing to water tank.	20-Sep-17	20-Sep-17	None
53. Nwankupana Primary School	Demolishing of pit toilets, renovations to 24 waterborne toilets. Construction of 2 Grade R waterborne toilets, renovations to 1 X 4 Ventilated improved pit latrine, construction of septic tank and french drain borehole and install 2 tanks	20-Sep-17	20-Sep-17	None

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
54.Lindokuhle Primary School	Drilling of borehole, equipping of borehole, 5 Water Storage tanks, demolishing of existing Pit Toilet blocks and construction of 25 new water borne toilets	06-Dec-17	22-Sep-17	None.
55.Botleng Secondary School	Demolishing of existing toilets and construction of new ablution units (waterborne), refurbishment of the existing school.	27-Sep-17	26-Sep-17	None.
56.Phopholo Primary School	Repairs of storm damaged school	05-Oct-17	29-Sep-17	None.
57.Rankalia Primary School	Demolition of old pit toilet and construction of 13 waterborne toilet with septic tank and borehole	05-Oct-17	29-Sep-17	None.
58.Mmamethlake Secondary School	Rehabilitation of existing waterborne toilet unblock sewerage, replace pipe and all plumbing system) construction of a new septic tank	05-Oct-17	29-Sep-17	None.
59.Matempule Primary	Demolition of old pit toilet and construction of 13 waterborne toilet with septic tank and borehole	07-Oct-17	29-Sep-17	None.
60.Lefiswane Primary School	Demolition of old pit toilet and construction of 10 waterborne toilet with septic tank and borehole	07-Oct-17	29-Sep-17	None.
61.Phunghutsha Secondary	Demolition of old pit toilet and construction of 13 waterborne toilet with septic tank and borehole	06-Oct-17	06-Oct-17	None.
62.Rakau Combined	Demolition of old pit toilet and construction of 13 (6 boys & 7girls) waterborne toilet with septic tank and borehole	06-Oct-17	06-Oct-17	None.
63.Manoka Secondary	Demolition of old pit toilet and construction of 7 waterborne toilet with septic tank and borehole	05-Oct-17	06-Oct-17	Delay in the sign off completion certificate.
64.Mabothe Secondary	Construction of 20 toilets	05-Oct-17	06-Oct-17	Delay in the sign off completion certificate.
65.Mantlole Primary	Demolition of old pit toilet and construction of 7) waterborne toilet with septic tank and borehole	05-Oct-17	06-Oct-17	Delay in the sign off completion certificate.
66.Magashule Primary School	Construction of 23 enviroloolo toilets	07-Oct-17	06-Oct-17	None.
67.Seruene Primary School	Demolition of old pit toilet and construction of 18 waterborne toilet with septic tank and borehole	07-Oct-17	13-Oct-17	Late completion of project due to delayed payments to contractor
68.Moepi Secondary School	Rehabilitation of 13 waterborne toilets.	07-Oct-17	13-Oct-17	Late completion of project due to delayed payments by client department.
69.Sikhulile Secondary School	Rehabilitation of 18 toilets	05-Dec-17	16-Oct-17	None.
70.Thula Pirmary School	Storm damage repairs	17-Oct-17	17-Oct-17	None.
71.Samora Machel Secondary School	Demolishing of existing pit toilets and construction of 21 new enviro-loo toilets and provision of water (Borehole).	05-Dec-17	18-Oct-17	None.
72.Nancy Shiba Primary School	Refurbishment and renovations of 18 toilets	02-Dec-17	20-Oct-17	None.
73.Salubindza Primary School	Demolition of eight classrooms, erection of palisade fencing and construction of sixteen enviro-loo toilets	17-Nov-17	25-Oct-17	None.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
74.Moeke Primary School	Demolition of old pit toilet and construction of 9 (2 staffs, 3 boys & 4 girls) waterborne toilet with septic tank and borehole	26-Oct-17	26-Oct-17	None
75.Sibisi Combined School	Demolition of old pit toilet and construction of 10 waterborne toilet with septic tank and borehole	27-Oct-17	27-Oct-17	None.
76.Moloto Combined School	Demolition of old pit toilet and construction of 9 waterborne toilet with septic tank and borehole	27-Oct-17	27-Oct-17	None.
77.Ikageleng Primary School	Demolition of old pit toilet and construction of 13 waterborne toilet with septic tank and borehole	27-Oct-17	27-Oct-17	None.
78.Mhlangazane Primary School	Demolition of 14 pit latrines and construction of 15 Envirolloo toilets, Drilling and Casting of Borehole, and 2 tanks	07-Dec-17	31-Oct-17	None.
79.Mmutle Primary School	Demolition of old pit toilet and construction of 10 waterborne toilet with septic tank and borehole	03-Nov-17	01-Nov-17	None.
80.Rekwele Primary School	Demolish existing pit toilets, construct 11 waterborne toilets. Provide 2 x 5000L elevated water tank.	05-Dec-17	02-Nov-17	None.
81.Qhubekani Primary School	Demolition of existing pit and refurbishment existing toilets. Construction of 13 new ablution units (Waterborne)	03-Sep-17	03-Nov-17	Works completed behind schedule and penalties imposed.
82.Sikhulisiwe Primary	Demolish existing pit toilets and refurbishment of existing ablutions , construct 21 toilets and additional water tanks	05-Sep-17	06-Nov-17	Works completed behind schedule and penalties imposed.
83.Motoaneng Primary	Construction of 15 additional toilets, refurbishment of the existing waterborne toilets and equipping of borehole, 9 water storage	06-Dec-17	07-Nov-17	None.
84.Mmamogoswa Primary School	Demolishing of pit toilets and construction of 9 waterborne toilets	14-Nov-17	10-Nov-17	None
85.Mphumelomuhle Secondary School	Drilling of borehole, equipping of borehole, 4 water storage, and refurbishment of the existing waterborne toilets and construction of disabled toilets	06-Dec-17	15-Nov-17	None.
86.Mjejane Primary School	Demolishing of existing pit toilets, 8 platforms and construction of 15 new enviro-loo toilets and 2 enviro-loo toilets for community.	05-Dec-17	23-Nov-17	None.
87.Mavula Primary School	Drilling of borehole, equipping of borehole, 4 water tanks, and refurbishment of the existing waterborne toilets	06-Dec-17	24-Nov-17	None.
88.Phaphamani Primary School	Upgrading and Drilling of borehole, equipping of borehole, 6 water tanks, and refurbishment of the existing waterborne toilets and construction of 10 additional toilets	05-Dec-17	24-Nov-17	None.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
89. kwaMhlanga Secondary School	Drilling of borehole, equipping of borehole, 3 Water storage tanks, demolishing of existing Pit Toilet blocks and Construction of 10 New Toilets	05-Dec-17	24-Nov-17	None.
90. Gavazana Primary School	Construction of 20 enviro-loo toilets (inclusive of 4 GR R toilets), upgrading of existing borehole, provision of 2 X 5 000L water tanks and drinking fountains. Demolition of 16 existing pit toilets.	21-Feb-18	24-Nov-17	None.
91. Ekulindeni Secondary School	Repairs to the existing laboratory.	14-Dec-17	27-Nov-17	None.
92. Mandlesive Secondary School	Renovation of 32 existing enviro-loo toilets and construction of 2 new enviro-loo for learners with disabilities and demolition of the existing pit toilets.	28-Jan-18	28-Nov-17	None.
93. Ndawonye Primary School	Demolish existing ablution, renovate and construct 14 new toilets and upgrade water and sewer services	19-Dec-17	28-Nov-17	None.
94. Khuphukani Primary	Storm damage repairs	01-Feb-18	28-Nov-17	None.
95. Mehlwemamba Primary	Demolish existing toilets, construct 10 toilets upgrade water services	11-Nov-17	28-Nov-17	Works completed behind schedule.
96. Mmasekaseka Primary School	Demolition of old pit toilet and construction of 13 (5 boys & 8 girls) waterborne toilet with septic tank and borehole	14-Nov-17	28-Nov-17	Works completed behind schedule.
97. Imizamoyethu Primary School	Renovate existing ablutions, construction of 10 toilets and upgrade water and sewer services	01-Dec-17	01-Dec-17	None.
98. Goodwin Maloka Primary School	Demolition of old pit toilet and construction of 9 (2 staffs, 3 boys & 4 girls) waterborne toilet with septic tank and borehole	05-Dec-17	05-Dec-17	None.
99. Enkhokhokhweni Primary School	Demolishing of existing pit toilets and construction of 24 new ablution units	07-Dec-17	06-Dec-17	None.
100. Mdzabu Secondary School	Demolishing of existing pit toilets and construction of 14 new enviro-loo toilets.	05-Dec-17	06-Dec-17	Delay in the sign off completion certificate.
101. Alex Benjamin Secondary	Repairs of storm damaged school	26-Jan-18	07-Dec-17	None.
102. Itsoseng Primary School	Repairs of storm damaged school	09-Jan-18	07-Dec-17	None.
103. Simunye Primary School	Demolition of 14 pit toilets and construction of five new enviro-loo toilets, electricity, drilling and casting of borehole and 2 tanks	07-Dec-17	07-Dec-17	None.
104. Bhekimfundvo Primary School	Demolition of existing 14 pit latrines and construction of 10 enviro-loo toilets, provision of electricity, 2 No. of dining fountains and 2 x 5000 liters of jojo tanks and palisade fence around storage tanks	08-Dec-17	08-Dec-17	None.
105. Mayibuye School	Demolition existing toilets and construction of 20 toilets and provision of water	07-Dec-17	11-Dec-17	Late completion of project due to delayed payments to contractor.
106. Benjamin Primary School	Renovate 4 and build 20 new toilets	08-Dec-17	11-Dec-17	Late completion of project due to delayed payments to contractor.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
107. Masana Secondary School	Construction of 10 waterborne toilets	12-Dec-17	12-Dec-17	None.
108. Gedlembane Secondary School	Renovation of 33 existing waterborne toilets and water reticulation.	28-Jan-18	13-Dec-17	None.
109. Phola Secondary School	Demolishing of existing pit toilets and construction of 13 toilet units	08-Dec-17	13-Dec-17	Late completion of project due to late payments to contractor
110. George Mhaule Primary School	Demolishing of existing pit toilets and construction of 17 new ablution units and provision of water	08-Dec-17	13-Dec-17	Late completion of project due to delayed payments to contractor
111. Mtimandze Secondary School	Demolishing of existing pit toilets and construction of 18 new enviro-loo toilets.	05-Dec-17	13-Dec-17	Delay in the sign off completion certificate.
112. Nhanyane Secondary School	Demolishing of existing pit toilets and construction of 18 enviro-loo toilets and provision of water	05-Dec-17	13-Dec-17	Delay in the sign off completion certificate.
113. Magudu Primary School	Construction of 20 Waterborne toilets, upgrading of existing borehole, provision of 2 X 5 000L water tanks and drinking fountains. Upgrading of existing borehole. Demolition of 28 existing pit toilets.	21-Feb-18	14-Dec-17	None.
114. Ikageng Secondary School	Storm damage repairs	16-Jan-18	14-Dec-17	None.
115. Peter Mokaba Primary School	Drilling of borehole, equipping of borehole, 6 Water storage tanks, demolishing of existing Pit Toilet blocks and Construction of 29 New Toilets	05-Dec-17	14-Dec-17	Late completion of project due to delayed payments to contractor
116. Entabamhlophe Combined School	Construction of 25 toilets and Septic tank and french drain. Demolition of 10 pit toilets, existing asbestos block of waterborne toilets, and renovation of the 2 existing water borne toilets. Provision of drinking fountains, installation of 10 000L Jojo tank with stand.	21-Feb-18	15-Dec-17	None.
117. Ikhwezi Primary School	Construction of 5 new toilets, renovate existing toilets and upgrade water and sewer services	04-Dec-17	22-Dec-17	Project delayed due to community disruptions
118. Imbekezelo Primary School	Renovation of 20 toilets, construct 2 toilets and existing toilets and upgrade water and sewer services	05-Dec-17	22-Dec-17	Project delayed due to community disruptions
119. Sothemban Primary School	Repairs of storm damaged school	09-Jan-18	08-Jan-18	None.
120. Zithuthukiseni Primary School	Repairs of storm damaged school	01-Feb-18	11-Jan-18	None.
121. MD Covadia Combined School	Repairs of storm damaged school	12-Jan-18	12-Jan-18	None.
122. Silindile Primary School	Demolish existing pit toilets, build 12 waterborne toilets. Provide 2 x 5	05-Dec-17	12-Jan-18	Project delayed due to community and sub-contractor disruptions.
123. Ntizi Secondary School	Repairs of storm damaged school	30-Jan-18	17-Jan-18	Extension of Time was approved.
124. Mambane Secondary School	Repairs of storm damaged school	30-Jan-18	17-Jan-18	Extension of Time was approved.
125. KaShabalala Secondary School	Construction of new welded steel palisade security fence (Phase 1)	23-Feb-18	18-Jan-18	None.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
126. Moodies Primary School	Demolishing of existing pit toilets and construction of 18 new enviro-loo toilets	12-Dec-17	19-Jan-18	Extension of Time was approved
127. Hlalisani Primary School	Repairs of storm damaged school	19-Jan-18	19-Jan-18	None.
128. Phopolo Primary School	Demolition of old pit toilet and construction of 13 waterborne toilet with septic tank and borehole	31-Jan-18	29-Jan-18	None.
129. Lethabong Secondary School	Equipping of borehole, 5 water storage tanks, demolishing of existing pit toilets. construction of new 15 new waterborne toilets	06-Dec-17	25-Jan-18	Works completed behind schedule.
130. Nyabela Secondary	Drilling of borehole, equipping of borehole, 3 Water storage tanks, demolishing of existing Pit Toilet blocks and Construction of 10 New Toilets	07-Dec-17	26-Jan-18	Works completed behind schedule.
131. Musa Secondary School	Drilling of borehole, equipping of borehole, 7 Water storage tanks, demolishing of existing Pit Toilet blocks and Construction of 10 New Toilets	06-Dec-17	26-Jan-18	Works completed behind schedule.
132. Madlayedwa Primary School	Build 9 waterborne toilets. Provide 2 x 5000L elevated tank.	05-Dec-17	26-Jan-18	Works completed behind schedule.
133. Beketelani Primary School	Repair of 4 classrooms and the community built kitchen.	13-Jan-18	26-Jan-18	Works completed behind schedule.
134. Kwasikhova Primary School	Demolition of existing 8 pit latrines and construction of 10 Enviro-loo toilets, e, providing electricity, 2 No. Of drinking fountains and 2 No. Of 5000 liters jojo tanks and palisade fence around the storage tanks	06-Dec-17	08-Dec-17	Works completed behind schedule.
135. Matlolane (and ex Relane) Primary School	Demolition and construction of 06 x new class rooms, administration block, kitchen, guard house, 10 toilets, water, electricity and fence	30-Jan-18	22-Feb-18	Works completed behind schedule.
136. Masana Secondary School	Construction of 5 classrooms	24-Jan-17	30-Jan-18	Works completed behind schedule.
137. Mammalti Primary School	Storm repairs. Replacement of roof and ceilings to 4 classrooms	08-Feb-18	31-Jan-18	None.
138. Ramodiegi Primary School	Storm repairs. Replacement of roof and ceilings to 5 classrooms	08-Feb-18	31-Jan-18	None.
139. Sifundzekhaya Primary School	Construction of 25 Enviro-loo toilets, upgrading of existing borehole, provision of 2 X 5 000L water tanks and drinking fountains. Demolition of existing pit toilets.	21-Feb-18	01-Feb-18	None.
140. Zidobhele Secondary School	Repairs of storm damaged school	25-Jan-18	01-Feb-18	Works completed behind schedule.
141. Mhlutshwa Primary School	Repairs of storm damaged school	22-Jan-18	06-Feb-18	Late commencement of electrical works delayed the completion of the project.
142. Ezwenilethu Primary School	Repairs of storm damaged school	09-Jan-18	08-Feb-18	None.
143. Thembalihle Primary School	Repairs of storm damaged school	05-Feb-18	09-Feb-18	Works completed behind schedule.
144. Relane Primary School	Demolition and construction of 06 x new class rooms, administration block, kitchen, guard house, 10 toilets, water, electricity and fence	30-Jan-18	12-Feb-18	Delayed due community disruptions.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
145. Umlambo Combined School	Repairs of storm damaged school	13-Feb-18	13-Feb-18	Extension of Time was approved
146. Hlezikuhle Primary School	Repairs of storm damaged school	31-Jan-18	14-Feb-18	Delayed due disruptions by local community and business forums.
147. Langelibalele Primary School	Drilling of borehole, equipping of borehole, 7 water storage tanks, demolishing of existing pit and dilapidated water borne Toilet blocks and construction of 22 new water borne toilets.	06-Dec-17	14-Feb-18	Project delayed due to community and sub-contractor disruptions.
148. Sihlezi Primary School	Construction of 25 waterborne toilets, Septic tank and french drain. Demolition of 10 pit toilets and renovation of the 2 existing water borne toilets. Provision of drinking fountains, installation of 2X 10 000L Jojo tank with stand.	09-Apr-18	14-Feb-18	None.
149. Majika Primary School	Construction of 37 enviro-loo toilets, refurbishment to 2 existing waterborne toilets, upgrading of existing borehole, provision of 2 X 10 000L water tanks and 6 drinking fountains. Demolition of 22 existing pit toilets.	21-Feb-18	15-Feb-18	None.
150. Mokebe Secondary School	Repairs of storm damaged school	5-Feb-18	09-Feb-18	Works completed behind schedule.
151. Qhubekani Primary School	Repairs of storm damaged school	6-Feb-18	19-Feb-18	Late payments by client department.
152. Andisa Primary School	Demolish existing pit toilets. Renovate existing waterborne toilets and build new 10 waterborne toilets with septic tank. Provide 2 X 5000L of water tanks.	05-Dec-17	20-Feb-18	Project delayed due to community and sub-contractor disruptions.
153. Mawewe Primary School	Demolish existing pit toilets. Renovate existing waterborne toilets and build new 10 waterborne toilets with septic tank. Provide 2 X 5000L of water tanks.	21-Feb-18	21-Feb-18	None.
154. Magotshwa Secondary School	Repairs of five classrooms, laboratory, library, kitchen and administration block	13-Jan-18	08-Feb-18	Works completed behind schedule.
155. Lundanda Primary School	Construction of 37 enviro-loo toilets, upgrading of existing borehole, provision of 2 X 5 000L water tanks and drinking fountains. Upgrading of existing borehole. Refurbishment of 2 waterborne toilets. Demolition of 12 existing pit toilets.	20-Feb-18	26-Feb-18	Works completed behind schedule.
156. Mapalane Primary School	Phase 1: Demolishing & construction of 15 Classrooms, Grade R Centre, Administration Block, Kitchen, Fence, 25 Toilets, Upgrading Electricity and Water Supply, Upgrading of Combo Court	30-Sep-17	26-Feb-18	Delayed access to demolish unsafe structures.
157. Mhola Primary School	Repairs of storm damaged school	14-May-18	28-Feb-18	None

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
158. Driekoppies Primary School	Construction of 37 enviro-loo toilets, refurbishment to 3 existing waterborne toilets, upgrading of existing borehole, provision of 4 X 5 000L water tanks and drinking fountains. Demolition of 16 existing pit toilets.	21-Feb-18	28-Feb-18	Works completed behind schedule.
159. Kufakwezwe Primary School	Renovate 17 enviroloo toilets, construction of 4 new enviroloo toilets, provision of water tanks and water reticulation, demolition of 8 classrooms and demolition of existing toilets.	12-Mar-18	01-Mar-18	None.
160. Cibiliza Secondary School	Construction of a perimeter fence at Cibiliza Primary	28-Jan-18	01-Mar-18	Works completed behind schedule.
161. Nganana Secondary	Renovation of 34 toilets and upgrade water and sewer services	04-Nov-17	02-Mar-18	Works completed behind schedule as approved Extension of Time exceeded by 30 days.
162. Sitfokotile Secondary School	Construction of 18 enviroloo toilets, provision of 2 x 5 000 litre water tanks and drinking fountains. Demolition of 16 existing pit toilets, construction of palisade fence around the tanks.	19-Mar-18	06-Mar-18	None.
163. Wesley Memorial Primary School (EPWP)	Construction of 22 Enviroloo toilets, installation of borehole, provision of 2 X 5 000L water tanks and drinking fountains. Refurbishment of overflowing septic tank. Demolition of 8 existing water borne toilets.	07-Mar-18	07-Mar-18	None.
164. Vaalrivier Special School	Construction of 10 waterborne toilets, septic tanks and french drain.	21-Feb-18	07-Mar-18	Works completed behind schedule.
165. Arbor Primary School	Drilling of borehole, equipping of borehole, refurbishment of the existing waterborne toilets and construction of a new toilet.	02-Sep-17	07-Mar-18	Works completed behind schedule.
166. Sichelalwati Primary School	Repairs of storm damaged school	21-Apr-18	14-Mar-18	None.
167. Buhlebuyeza Primary	Demolish existing toilets, construction of 10 toilets and upgrade water and sewer services	04-Nov-17	19-Mar-18	Works completed behind schedule and penalties were applied.
168. Bergplaas Primary School	Demolishing existing toilets, construction of 5 enviro-loo toilets, renovate existing waterborne ablutions and upgrading water and sewer services.	01-Nov-17	19-Mar-18	Works completed behind schedule and penalties were applied.
169. Ekulindeni Secondary School	Repairs of storm damaged school	14-May-18	27-Feb-18	None.
170. Phumelela Secondary School	Drilling of borehole, equipping of borehole, refurbishment of the existing waterborne toilets and construction of new toilet blocks	01-Sep-17	23-Mar-18	Works completed behind schedule.
171. Tinhlonhla Secondary School	Phase 1: Provision of water	02-Aug-18	23-Mar-18	None.
Department of Health				
1. Oakley Clinic	Upgrading and replacement of fences, guard house and waste disposal facilities	24-Sep-16	04-Apr-17	Works completed behind schedule.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
2. Mbuzini Community Health Centre	General building maintenance	28-Feb-17	10-May-17	Works completed behind schedule.
3. Shongwe Hospital	Repair of storm damages	10-May-17	10-May-17	None.
4. Mangweni Clinic	Storm Damage Repairs	31-Mar-17	31-May-17	Works completed behind schedule.
5. Dlodluma Clinic	Storm Damage Repairs	27-Jan-17	02-Jun-17	Works completed behind schedule.
6. Goromane Clinic	Construction of concrete palisade fence	20-Jun-17	20-Jun-17	None.
7. Middelburg Pharmaceutical Depot	The repairs and refurbishments of the storm damages	14-Jun-17	24-Aug-17	Works completed behind schedule and penalties were imposed.
8. Marite Clinic	Renovations, rehabilitations and refurbishment of clinic, upgrading of existing fence to concrete palisade, construction of guard house, general refuse, external covered waiting area, supply and installation of 1 park home clinic unit and medical waste container.	23-Apr-17	26-Sep-17	Late completion of project due to delayed payments to contractor.
9. Mpakeni Clinic	Renovation, rehabilitation and refurbishment of Mpakeni Clinic	23-Jan-17	28-Sep-17	Works completed behind schedule.
10. Nkangala District Office	Renovation, rehabilitation and refurbishment of the district Nkangala district office	29-Sep-17	29-Sep-17	None.
11. Middelburg Pharmaceutical Depot	The repairs and refurbishment of storm damages HVAC equipment	14-Jun-17	10-Oct-17	Poor performance by contractor.
12. Themba Hospital	General building maintenance	26-Oct-17	26-Oct-17	None.
13. Themba Hospital Nursing College	General building maintenance at Themba Hospital Nursing College	14-Dec-17	27-Oct-17	None.
14. Themba Hospital	Repair and replacement of damaged timber doors, steel doors and screens as well as glazing of various building facilities	10-Oct-17	27-Oct-17	Delayed payments by client department.
15. Elijah Mango Nursing College	General building maintenance at Elijah Mango Nursing College	17-Oct-17	27-Oct-17	Late completion of project due to delayed payments to contractor.
16. Mgobodzi Clinic	Renovations, rehabilitations and refurbishment of the existing structure and upgrading of existing fence to concrete palisade fencing	17-Apr-17	31-Oct-17	Late completion of project due to delayed payments to contractor.
17. Shongwe Hospital	Repair and maintenance of various building facilities	08-Nov-17	08-Dec-17	Late completion of project due to delayed payments to contractor.
18. Sibange Clinic	Repairs, rehabilitation and refurbishment of Clinic	23-Dec-16	25-Jan-18	Community disruptions and change of scope of works.
19. Rob Ferreira Hospital	Construction of a compactor room, Grease Trap Unit and external works.	13-Feb-18	13-Feb-18	None.
20. Matikwane Hospital	The repair of storm damages (Immediate intervention)	05-Mar-18	20-Feb-18	None.
Department of Social Development				
1. Tweefontein Early Childhood Development Centre	Construction of a new Early Childhood Development Centre	30-Jun-17	24-Nov-17	Works completed behind schedule.
2. Ermelo Early Childhood Development Centre	Construction of a new Early Childhood Development Centre	24-May-17	28-Nov-17	Works completed behind schedule.
3. Siyabuswa Early Childhood Development Centre	Construction of a new Early Childhood Development Centre	02-Jun-17	15-Dec-17	Late completion of project due to site changes, delayed payments and sub-contracting disputes.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
4. Swartfontein Treatment Centre (Phase II)	Five (x5) male housing unit, administrative block, TV room guard house, water, electricity, landscaping, paving and parking.	02-Nov-17	07-Mar-18	Works completed behind schedule.
Department of Culture, Sport and Recreation				
1. Mtfuntini Public Library	General Building Maintenance at Mtfuntini Public Library	31-Mar-17	03-Apr-17	Works behind schedule.
2. Mbuzini Main Public Library	General Building Maintenance at Mbuzini Public Library	16-Feb-17	07-Apr-17	Works completed works behind schedule.
3. Verena Library	Construction of new library	29-Oct-16	13-Apr-17	Late completion due to delayed payments and also slow performance by sub-contractors.
4. Ekulindeni Public Library	Repairs and maintenance of various building facilities	20-Sep-17	15-Sep-17	None
5. Khululwazi Public Library	Repairs and maintenance of various building facilities	28-Sep-17	22-Sep-17	None
6. Balfour Library	Construction of new Library	17-Mar-17	29-Sep-17	Late completion due to delayed payments
7. Vukuzakhe Public Library	Repairs and maintenance of various building facilities	08-Jan-18	08-Nov-17	None
8. Delmas Public Library	Repairs and maintenance of various building facilities	28-Feb-18	13-Dec-17	None
9. Botleng Public Library	General Building Maintenance works and renovations	31-Jan-18	12-Jan-18	None.
10. Siyabuswa Public Library	General Building Maintenance works and renovations	13-Feb-18	13-Feb-18	None.
11. Thembisile Hani Public Library	Emergency Repair of Storm Damaged Building facilities	28-Feb-18	27-Mar-18	Late completion due to the delay in relocation of library staff and equipment.
12. Nhlazatshe Public Library	Emergency Repair of Storm Damaged Building facilities	11-Mar-18	15-Feb-18	None.
13. Wesseltun Public Library	General Building Maintenance works	12-Mar-18	16-Feb-18	None.
Transport Infrastructure				
1. Rehabilitation, upgrading and maintenance of road P26/4 from KM 7.71 at T-Junction with N17 from Ermelo to Swaziland, to km 27.61 at road P107/2 to Middleburg, towards Breyten (22km)	Rehabilitation, upgrading and maintenance of surfaced road.	26-Jan-17	26-Jun-17	Additional scope of work.
2. Rehabilitation: Coal Haul road P109/1 between P30/2 (R38) and the R35 (4 km)	Rehabilitation of surfaced road.	24-Mar-17	07-Sep -17	Inclement weather and slow contractor performance
3. Rehabilitation of Road D2951 between Mbuzini and R571 (Samora Machel Monument) (25km)	Rehabilitation of surfaced road.	24-Feb-18	14-Dec-17	Project completed ahead of schedule.
Transport Operations				
1. Avontuur Footbridge	Construction of footbridge	31-Mar-17	30-Jul-17	Project commenced later than planned.
2. Marapyane Bus shelters	Construction of bus shelters	23-Nov-17	15-Feb-17	Project commenced later than planned.
3. Boschfontein Culvert	Construction of culvert	19- Sep-17	04-Dec-17	Project commenced later than planned.
4. Dluhluma Culvert	Construction of culvert bridge	26-Sep-17	19-Dec-17	Project commenced later than planned.

The following projects were not completed in the 2017/18 financial year:

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
Department of Education				
1. Basizeni Special School	Dismantling and carting away of existing damaged prefab buildings and construction of 8 new special school classrooms.	05-Sep-17	30-May-18	Community disruptions and poor performance contractor.
2. Sekhukhusa Senior School	Demolition of 9 classrooms and construction of 8 classrooms, refurbishment of 4 classrooms, demolition of old administrative block and construction of 1 administration block, 20 toilets, fence, 3 sports ground, parking, ramps and rails, upgrading of electricity and water supply.	30-Nov-17	30-Apr-18	Late payments and community unrest.
3. Mtfophi (Daantjie) Primary School	Construction of Grade R centres, classroom, library, administration block, computer centre, multi-purpose hall, 5 blocks of enviro-loo toilets, kitchen, fence, electricity, water, ramps and rails, 3 sports ground and parking bays.	29-Sep-17	20-Apr-18	Community unrest, inclement weather and defects on civil works.
4. Bonginhlanhla Primary	Demolish existing toilets and construction of 23 toilets	Project was put on hold	Project was put on hold	Procurement processes to be finalised.
5. Dikotelo Primary School	Demolition of old pit toilet and construction of 13 (7 boys & 6 girls) waterborne toilet with septic tank and borehole	6-Oct-17	30-Apr-18	Slow performing contractor.
6. Hlanganani Secondary school	Demolish existing pit toilets and build 13 waterborne toilets. Provide 4 X 5000L of water tanks	N/a	N/a	- Planning was completed in the 2016/17 financial year. - Selection and appointment of contractors in progress.
7. Itsoseng Primary School	Demolition of old pit toilet and construction of 13 (7 boys & 6 girls) waterborne toilet with septic tank and borehole	17-Oct-17	30-Apr-18	Late appointment of contractor.
8. Nsizwane Primary School	Demolishing of existing pit toilets and construction of 12 new enviro-loo toilets.	5-Dec-17	30-Apr-18	Contractor commenced late and is progressing slowly.
9. Puledi Secondary School	Construction of 14 enviro-loo toilets and provision of water	N/A	N/A	Project still on hold due to change of scope.
10. Sidlasoke Secondary School	Demolish existing pit toilets, build 7 waterborne toilets. Provide an additional 5000L water tank.	Project was put on hold	Project was put on hold	Procurement processes to be finalised.
11. Mbambiso secondary school	Replacement of roof and ceiling on four classrooms and one toilet block	N/A	N/A	Project put on hold by Client Department.
12. Siyamukela Primary School	<ul style="list-style-type: none"> • Replacement of roof and ceiling on four classrooms and one toilet block. • Replacement of electrical works and flooring 	N/A	N/A	Project put on hold by Client Department.
13. Siyathokoza Secondary School	Replacement of damaged roof covering complete with timber trusses, ceiling, wiring and lights fittings.	19-Jan-18	30-Apr-18	Slow works performance.
14. Lelengaye Primary School	Maintenance on the roof structure blocks required	19-Jan-18	30-Apr-18	Slow works performance.
15. Freddy Sithole High School	Demolition of 20 existing pit toilets. Construction of 25 new enviroloo toilets	11-Mar-18	04-Apr-18	Slow works performance.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
16. Mgobodzi Combined School	Construction of 37 enviroloo toilets, installation of borehole with pumping equipment and demolition of 18 pit toilets.	21-Mar-18	30-Apr-18	Slow works performance.
17. Intfutuko Primary School	Construction of 37 enviroloo toilets, installation of borehole with pumping equipment and demolition of 16 pit toilets.	21-Mar-18	30-Apr-18	Slow works performance.
18. Ndlemane Primary School	Construction of 33 enviroloo toilets, installation of borehole with pumping equipment and demolition of 14 existing pit toilets.	21-Feb-18	30-Apr-18	Slow works performance.
19. Tindzeleni Primary School	Demolition of all 19 existing pit ablution facilities, Construction of 25 enviro loo toilets, installation of borehole with pumping equipment and renovation of 2 waterborne toilets.	21-Feb-18	30-Apr-18	Progress on site was delayed due to poor site management.
20. Duma Primary School	Construction of 30 waterborne toilets, upgrading of existing borehole, refurbishment of the 4 existing water borne toilets, upgrading of existing water tanks and drinking fountains. Upgrading of existing borehole. Demolition of 18 existing pit toilets.	8-Mar-18	30-Apr-18	Community unrest.
21. Sukumani Primary School	Construction of 37 enviro loo toilets, upgrading of existing borehole, refurbishment of the 4 existing water borne toilets, upgrading of existing borehole. Demolition of 19 existing pit toilets.	21-Feb-18	21-Aug-18	Poor project administration.
22. Mhlume Secondary School	Construction of 30 enviro loo toilets, upgrading of existing borehole, refurbishment of the 4 existing water borne toilets, provision of 2 X 5 000L water tanks and drinking fountains. Demolition of 26 existing pit toilets.	21-Feb-18	30-Apr-18	Sectional Handover was done on 8 March for two blocks but the Contractor still needed to finish the outstanding work.
Department of Health				
1. Mapulaneng Hospital	Construction of a new hospital (Phase 1: Construction of access road, erection of perimeter fencing, installation of sewer and water pipe lines)	14-Feb-18	29-Jun-18	Poor performance by contractor.
2. Khumbula Clinic	Paving and erection of waiting area	5-Feb-18	30-Apr-18	Delays due to community strike and inclement weather.
3. Rob Ferreira Hospital	Completion of works for statutory compliance: Extension and realigning of existing road and renovation of existing parking	10-Apr-18	16-May-18	Delay in the appointment of suitable sub-contractor to carry out the completion of the carports.
4. Rob Ferreira Hospital	Construction of new mortuary	6-Mar-18	31-May-18	The roof installation caused a delay of about a month and has influenced the critical path items.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
5. Makoko Clinic	Renovations, rehabilitation and refurbishment of existing Clinic facilities to include main clinic, rondavel house, new temporary structure, new concrete palisade fence and guard house, new 3 x 1000l jojo tank elevated on steel tank stand, new septic tank, upgrading of existing borehole and covered waiting area.	20-May-18	20-May-18	Project was awarded later than the planned.
6. Goromane Clinic	Renovations and additions at Goromane Clinic in Madrass B.	09-Oct-18	09-Oct-18	The project was divided into two phases. Phase 1 was complete and Phase 2 is continuing.
7. Luphisi Clinic	Renovations, rehabilitation and refurbishment of existing Clinic facilities (Phase 2: Building works).	25-Sep-18	25-Sep-18	Project awarded later than the planned.
Department of Social Services				
1. Construction of ECD Centers: Manzini	Construction of a new ECD centers in Tsemanani Primary School	23-Jan-18	30-Apr-18	The lack of power connectivity delayed the Practical Completion of the project.
2. Construction of ECD Centers: Standerton	Construction of ECD centres	N/A	N/A	Original contractor was terminated and process to appoint a new contract is underway.
3. Nkangala Inpatient You Treatment Centre (Phase 1)	5 residential apartment for boys, dining hall, administrative block, workshops, garages and store, staff residence, fencing, water and electricity.	30-Apr-18	30-Jun-18	Two months production time was lost due to community unrest and decisions relating to the sewer plant and changes to the scope of work.
Department of Culture, Sport and Recreation				
1. Mashishing (Lydenburg) Regional Library	Upgrade of library	15-Mar-18	15-May-18	Variation order approved.
2. Standerton Regional Library	Upgrade of library	12-Mar-18	24-Apr-18	Poor performance by contractor.
Transport Infrastructure				
1. Upgrading of a Rural Access Road D3968 between R40 Junction (near Bushbuckridge) and Rolle via Merry Pebble (Phase 1) (10km)	Upgrading of a Rural Access Road	15-Dec-17	15-May-18	Budget constraints and slow performance by the contractor.
2. Upgrade: D236 (Umjindi Trust Road) West of Barberton from end paved at km 6.3 to km 14.3 (8km)	Upgrade road from gravel to surface.	12-Feb-18	12-Feb-18	Community unrest and inclement weather. Awaiting revised completion date.
3. Reconstruction of a Flood Damaged bridge on Road D 2968, including repair of damaged sections of road between Numbi and Makoko (8km)	Reconstruction of a flood damaged bridge.	20-Jul-17	19-Jan-18	Community unrests, inclement weather and poor contractor performance. Awaiting revised completion date.

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. Ndlaphu Primary School	Renovation of all 33 existing toilets.	13-Jun-18
Department of Health		
1. Mapulaneng Hospital (Phase 2)	Construction of bulk earthworks and platforms	15-Jul-18
2. Bethal Hospital	Upgrading and alteration to include Task 1: Demolition of ward 3, 5, 6, pharmacy, filling station, residence on adjoining site, garden buildings, medical class, including site works etc. New 2 x hostels, doctor's accommodation, alteration to laundry. Task 2: Demolition of nursing training centre, mortuary, stores, EMS, nurses home, Doctor's flats and accommodation, pre-school, lecture room, mobile school, asset store and wellness clinic. Construction of new wards, kitchen, mortuary, gas bank, laboratory, high care, theatre, casualty, x-ray, dental, OPD, waste collection, guardhouses and site related works. Task 3: Demolition of ward 1, theatre, kitchen, human resources, admin, ward 2, x-ray, construction of new admin, stores, allied health and site related works.	25-Oct-19
3. Mmamethlake Hospital	Construction of groundsman's workshop, mechanical workshops, mortuary, laundry, secondary gate house, plant room, demolishing and construction of new nursing home accommodation, construction of section of OPD, pharmacy, x-ray unit, casualty, patient admin, ante natal ward, labour ward, post-natal ward, neo natal ward, surgical ward, theatres, CSSD and kitchen.	24-Aug-18
4. Middelburg Hospital	Planning and construction of a new district hospital.	31-Dec-19
Transport Infrastructure		
1. Upgrade: D4383 km 4.9 - 14.1 from P33/5 (R536) to D4382 near Justicia & Lilydale (9.2km) and Upgrade: D3969 km 13.82 - 16.92 and D4385 km 0 - 4.9 from D4381 (Kildare) to D4382 Justicia & Lilydale (8.0km)	Upgrade road from gravel to surface.	28-Jul-18
2. Road P8/1 between Mashishing and Bambi (N4) (Phase 2) (18 km)	Rehabilitation of surfaced road.	24-Jun-19
3. Rehabilitation of Road D4396 from D4394 (km 0) through New Forest A to D4394 (Dwarsloop to Thulamahashe) (9.96km)	Rehabilitation of surfaced road.	03-Feb-19
4. Rehabilitation of Road D4394 from (D4394 at km 1.7) towards Thulamahashe to D4396 T-junction (D4394 at km 6.8) (5.06 km)	Rehabilitation of surfaced road.	31-Oct-18
5. Rehabilitation of coal haul road P49/1 from Montagu Street (Middelburg) to N4 (4.3km)	Rehabilitation of surfaced road.	30-Nov-18
6. Rehabilitation of Coal Haul Road P182/1 (R542) from km 13.2 to km 26.25 between van Dyksdrift and Hendrina (13.05 km) (Phase2)	Rehabilitation of coal haul road.	29-Apr-18
7. Rehabilitation of Coal Haul Road P53/2 (R50) Leandra to Standerton (40km) (Phase 2)	Rehabilitation of coal haul road.	15-Jan-19

Project Name	Scope of Work	Targeted Completion Date
8. Rehabilitation of coal haul Road P36/1 (R50) from km 62.6 to km 71.7 between Delmas and the N12 (9.1 km)	Rehabilitation of surfaced road.	22-Jul-19
Transport Operations		
1. Daggakraal culvert-bridge	Construction of culvert bridge	31-Sep-18

Plans to close down or down-grade any current facilities

There were no plans to close down or down grade any facilities, however Piet Koornhof Building was forced closed by the Department of Labour due to unsafe conditions of the building. The Provincial Treasury has allocated an additional amount of R11 million for the repair and maintenance of the building during the 2017/18 Budget adjustment period. The project is still in progress. The building will be reoccupied once the project is completed.

Progress made on the maintenance of infrastructure

Building Infrastructure

Most client departments are responsible for budgeting and implementation of their own maintenance programme. However in other instances, maintenance is clustered and presented as a single line item in some of the IPMPs that are received from client departments. Overall, the maintenance programme goals include addressing risks identified through Asset Management. During the year, the Culture, Sport and Recreation programme, was amended to include the general maintenance of 22 libraries for assessment and construction. At year end, general building maintenance was completed on 3 libraries and 12 health facilities benefitted from renovation, refurbishment, repairs and maintenance.

DPWRT has its own building maintenance programme that is coordinated at regional level to ensure effective management. In 2017/18, the Department completed 18 preventative building maintenance projects at a cost of R27 000 00.00 million. Other significant maintenance projects conducted during the year relates to the installation of waterproofing membrane to prevent leakage, installation of 4 new lifts, installation of power transforms, repairs to water insulators and upgrading of PABX System at Riverside Government Complex. Perimeter fencing was installed due to frequent theft of government equipment and renovations to various office blocks at Pilgrims Rest. An entrance gate was upgraded at KwaMhlanga Government Complex. On the other hand, minor day to day routine maintenance continues at the other facilities where funds are permitting.

Transport Infrastructure

As the Province continues to try and manage trade-offs between its ever-growing maintenance backlog and resource constraints, it still maintains its operations required to sustain the functionality and structural integrity of its road network. From the public's perspective, the most visible or obvious asset that DPWRT maintains is the road surface. Maintenance operations embarked upon during the year were mainly upgrade, rehabilitation, routine and preventative maintenance. The maintenance programme also played a vital role in the employment and facilitation of short-term employment through the use of labour intensive methods during project implementation. The development of the computerized Maintenance Management System (MMS) gives the Department more effective and efficient roads maintenance productivity. The system complements the existing Roads Asset

Management System (RAMS) and combined these systems will support evidence-based transport infrastructure planning.

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

Public Works

The number of projects implemented by the Department has a huge impact on the expenditure of our 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

Although DPWRT is in receipt of the Provincial Roads Maintenance Grant, the increasing backlog partly attributed to flood damages and maintenance of the coal haulage road network poses a major challenge. There has been more pressure on the Department's limited available capital budget as there are growing needs towards rural access development.

Through the Municipal Support Programme, DPWRT endeavour not only to intervene in areas where Municipalities are falling short in delivering roads infrastructure services, but to also build internal capacity through providing skills training and formalising standards for roads maintenance in Municipalities. DPWRT purchased 17 graders in the 2017/18 financial year in support of this Programme. The computerized MMS is complete with the completion of the user specification, functional specification, and business analysis. With the full implementation of the MMS, the Department seeks to achieve more effective and efficient maintenance productivity.

Changes in the Asset Holdings

The asset holdings of the Department has changed over the 2017/18 financial as follows (R'000):

Opening Balance	R 377, 320
Adjustments	R 0
Disposals	(R 9, 381)
Additions	R 61, 975
TOTAL	R 429, 914

Of the R429, 914 million, the Department spent R61, 975 million to acquire the following movable additional assets (R'000):

Transport Assets	R 8, 180
Computer Equipment	R 1, 596
Furniture & Office Equipment	R 326
Other machinery & Equipment	R 51, 873
TOTAL	R 61, 975

Disposal of assets

The Department disposed immovable assets (property) amounting to R11, 276 million during the period under review.

Four (4) auctions were held during the financial year for disposal of assets:

Region	Month	Amount (R '000)
Nkangala	November 2017	2, 980
Nkangala	November 2017	1, 823
Bohlabela	July 2017	2, 859
Ehlanzeni	December 2017	3, 614
TOTAL		11, 276

Material losses

Material losses to the value of R0, 491 million were recorded for the 2017/18 financial year.

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

The Department records all its assets 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 is as follows:

Name	Good	Fair	Poor
Computers	20%	60%	20%
Furniture	30%	30%	40%
Vehicles	20%	50%	30%
Other Machinery and Equipment	30%	40%	30%

Maintenance projects that have been undertaken during the 2017/18 financial year:

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
Riverside Government Complex				
1. Waterproofing for Building 1-10	Waterproof building 1-10 (Phase1and 2)	31-Mar-18	19-Mar-18	None.
2. Upgrade of PABX System	Upgrade of system	31-Oct-17	21-Sep-17	None.
3. Installation power transformers	Install power transformers	30-Jun-17	13-Feb-18	Project commenced later than planned.
4. Repairs of all water insulators	Repairs of all water insulators	30-Jul-17	02-Nov-17	Project commenced later than planned.
5. Replacement of lifts at Building 2 and 4	Replacement of lifts	31-Mar-18	28-Feb-18	Project completed ahead of schedule.
6. Replacement of damaged flexible joints	Replacement of damaged flexible joints	30-Jul-17	02-Nov-17	Project commenced later than planned.
7. Re-painting of road markings	Re-painting of road markings	31-Aug-17	09-Oct-17	Project commenced later than planned.
8. Re-painting of toilets	Re-painting of toilets in Building 1	31-Aug-17	09-Oct-17	Project commenced later than planned.
9. Repair fire system	Repairs to fire system	30-Jun-17	25-Jul-17	Project commenced later than planned.
Ehlanzeni (Bohlabela)				
1. Installing of a perimeter fence at Pilgrim's Rest	Installing of a perimeter fence	31-Oct-17	29-Jul-17	Project commenced earlier than planned.

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
2. Renovation of Library	External wall cracks, paintwork, demarcation of offices, electrical, plumbing, carpentry & joinery, iron monger, roofing and flooring.	31-Oct-17	08-Sep-17	Project completed ahead of schedule.
1. Renovation of main office: Pilgrim's Rest	Repair cracks, painting, water-proofing, ceiling, carpentry and joinery, glazing and iron mongery.	31-Oct-17	18-Sep-17	Project completed ahead of schedule.
2. Main offices: Pilgrims Rest	Electrical and Plumbing renovations.	31-Oct-17	18-Sep-18	Project completed ahead of schedule.
3. Pilgrims Rest Maintenance	Rainwater disposal, carpentry & joinery, iron monger, roofing and plaster (External)	31-Oct-17	08-Sep-17	Project completed ahead of schedule.
4. Renovation of Manoge Office Pilgrims Rest	Repair wall cracks, painting, iron monger, tiling, flooring, roofing and plumbing	31-Oct-17	08-Sep-17	Project completed ahead of schedule.
5. Stage at Gold panning site: Pilgrims Rest	Renovation of the gold panning site.	31-Oct-17	28-Sep-17	Project completed ahead of schedule.
6. Pilgrims Rest Maintenance	Construction of Ablution block	31-Oct-17	28-Sep-17	Project completed ahead of schedule.
Nkangala District				
7. KwaMhlanga Entrance Gate	Upgrading of entrance gate	31-Oct-17	28-Sep-17	Project completed ahead of schedule.

Progress made in addressing the building maintenance backlog

Provincial Property

The Department has 5 346 properties in the immovable asset register as per the Custodian Asset Management Plan (CAMP: 2018/19) and 1 552 assets were assessed. The remaining 3 794 properties refer to vacant land, schools, clinics and hospitals. Assets are categorised into 5 condition ratings from C1 (very poor) to C5 (very good). The current ratings are as follows:

- 0.77% (12) Assets are on rating C1 meaning that the assets have failed and are not operational or fit for occupancy i.e. Residential houses, offices for DHS in Elukwatini, 2 offices for DSD in Moloto and Kwamhlanga, 2 buildings in Pilgrims Rest and the Piet Koornhof building in Nkangala.
- 28% (434) Assets are on rating C2 stating that the assets have deteriorated badly with some structural defects. These assets have a high risk index with high cost implications.
- 64.94% (1008) Assets are on rating C3 meaning that the assets are in average condition and requires attention with medium cost implications.
- 5.16% (80) Assets are on rating C4 meaning that the assets exhibits superficial war and tear with minor defects and has a low cost implication.
- 1.16% (18) Assets are on rating C5 meaning that the assets have no apparent defects.

The diagram below highlights the current condition of state owned buildings.

Figure 10: Condition rating of state accommodation

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 estimate budget required to maintain the provincial buildings amounts to R838 million per year. Currently, maintenance budgets are allocated to the respective departments.

Transport infrastructure maintenance backlog

Our province has a road network of 13 837km of which 5 494km are surfaced roads and 8 343km are gravel roads. While we have this huge backlog, we are also faced with a challenge of aging infrastructure which requires regular maintenance. The demand for better roads remains high and this requires the Department to find a balance between planning, design, construction and maintenance. It makes perfect sense that 50% of the Department's budget went to this area of work.



Summary of maintenance expenditure

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

Infrastructure projects	2017/2018			2016/2017		
	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	41,510	16,070	25,440	33, 409	59, 289	(25, 880)
Existing infrastructure assets	1,835,963	1,732,337	103,626	1, 951, 659	1, 861,251	90, 408
- Upgrades and additions	203,748	210,901	(7,153)	215, 344	302, 770	(87, 426)
- Rehabilitation, renovations and refurbishments	735,113	667,869	67,244	886, 672	766, 916	119, 756
- Maintenance and repairs	897,102	853,567	43,535	849, 643	791, 565	58, 078
TOTAL	1,877,473	1,748,407	129,066	1, 985, 068	1, 920, 540	64, 528



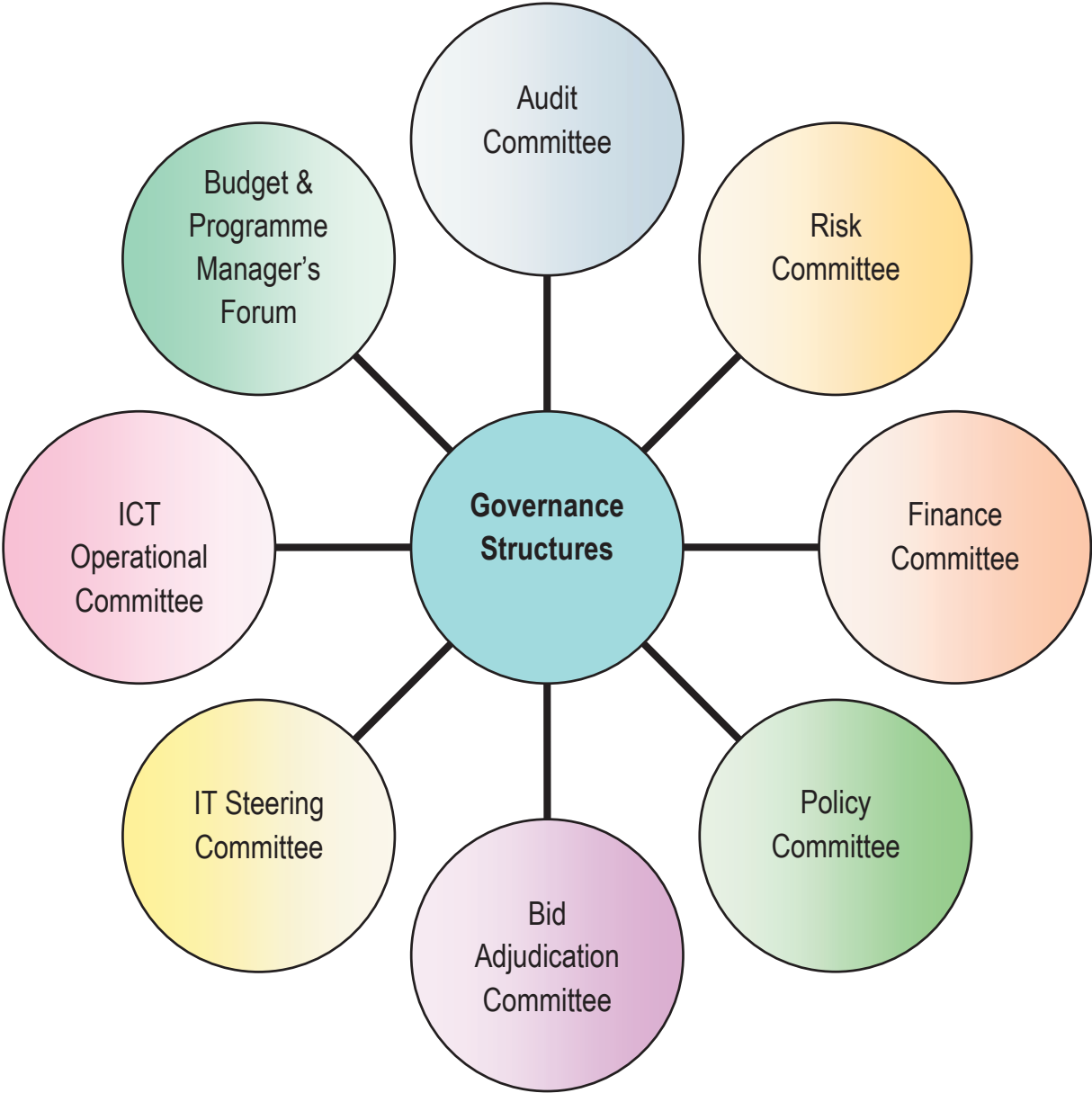
PART C: GOVERNANCE



1. INTRODUCTION

The Department has developed a number of internal controls (e.g. policies, standard operating procedures, frameworks, etc.) to guide its everyday business practices. DPWRT further adheres to the Public Finance Management Act No 1 of 1999 and Public Service Act 1994 which provide the basis for corporate

governance principles. Over and above this, a number of internal accountability forums and committees is in place to ensure good governance and transparency. These forums and committees meet on a weekly and monthly basis to set strategic direction, monitor, evaluate and report on specific key performance areas.



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 Framework, 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 chaired by the external Risk Management advisor 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.

Our risk management approach provides the structure for designing, implementing, monitoring, reviewing and continually improving risk management practices across the Department. In addition, the risk management report has been enhanced to include litigation, labour cases and IT information.

3. FRAUD AND CORRUPTION

DPWRT does not tolerate fraud and corrupt conduct by either employees or those doing business with the state. The Department's 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 and Ethics 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.

The Department's 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.

4. MINIMISING CONFLICT OF INTEREST

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. To minimise conflict of interest within Supply Chain, all practitioners are further required to sign the code of conduct for Supply Chain Management.

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

The Department continues to improve the management of health and safety of its employees and buildings. Several information sessions are conducted on Injury on Duty to explain how to report cases and what processes and procedures to follow. As a result, the number of Injury on Duty (IOD) cases reported increased from 15 in 2016/17 to 25 in 2017/18. The high vacancy rate, especially in the technical field, further resulted in the increased number of cases reported. The Department's Health and Safety unit will however continue its hard work on improving health and safety.

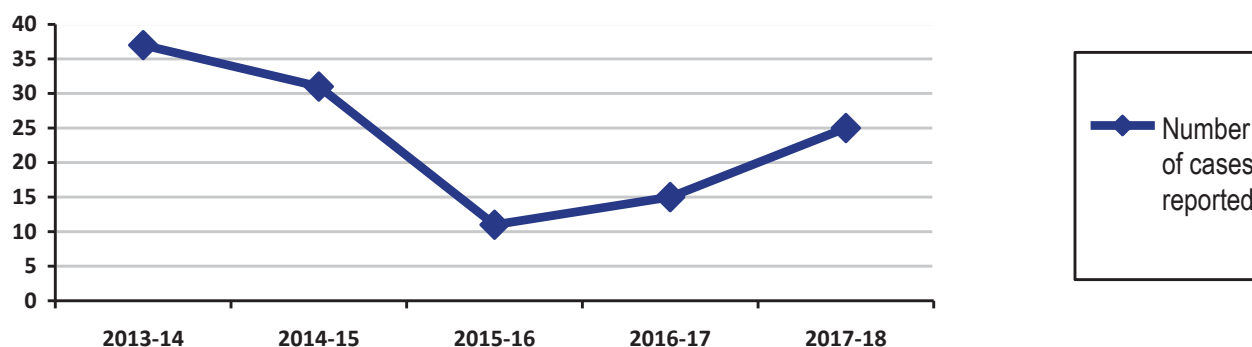


Figure 14: Injury on duty cases reported

7. PORTFOLIO COMMITTEES

Portfolio Committees have a mandate to oversee the performance of the Department and hold it accountable through various measures 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. 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 2017/18 and how the Department has addressed these matters.

Portfolio Committee Meetings with DPWRT: 01 April 2017 - 31 March 2018

Name of Report	Date
Budget Vote 8: 2017/18	11 May 2017
Budget Appropriation Bill, 2017	30 May 2017
Annual Report: 2016/17	02 November 2017
Quarterly Performance Report: 1 st Quarter	17 August 2017
Quarterly Performance Report: 2 nd Quarter	16 November 2017
Quarterly Performance Report: 3 rd Quarter	27 February 2018

Budget Vote 8: 2017/18

Resolutions	Progress by 31 March 2018
1. The department must provide a progress on the implementation of the 56 projects of which infrastructure designs are ready for tender.	<ul style="list-style-type: none"> The Department has completed 58 designs in the 2017/18 financial year which include unplanned designs. Annexure A was attached for the project list.
2. The department must budget to put tar on the road between Mgobodzi and Boschfontein to enable the Community to access Shongwe Hospital.	<ul style="list-style-type: none"> The road was regavelled in the 2017/18 financial year and maintenance will continue to be carried out periodically to keep the road safe and trafficable. At current budget levels (given the pressure of new upgrade projects that were received in year), the Department is not able to include the road for upgrading from gravel to tar in the current MTEF period. However, the Department will endeavour to prioritise the project in next MTEF period.
3. The department must provide a progress report on the implementation of the 241 Capital Infrastructure projects.	<ul style="list-style-type: none"> The Department has completed 208 projects in the 2017/18 financial year. Delays were due to community disruptions, poor performance by contractors, delayed payments, etc. Annexure B was attached for the list of completed projects.
4. The department implement and complete the 15 km project on Merry Pebble Road in Bushbuckridge and submit a progress report to the Committee on quarterly basis.	<ul style="list-style-type: none"> The project is currently 94% completed. Delays were mainly due to budget constraints and community unrest. Annexure C was attached for the project profile and quarterly progress reports.
5. The department must submit a report on the state of the Provincial Road Network inclusive of major surfaced and tarred roads.	<ul style="list-style-type: none"> The Province has a total network length of 13 581km which includes 5 428km of paved and 8 153km of unpaved roads. The condition of surfaced roads are as follows: <ul style="list-style-type: none"> 11% is in a very good condition, 21% is in a good condition, 28% is in a fair condition, 32% is in a poor condition and 8% is in a very poor condition. Annexure D was attached for the Road Analysis Report, 2017.
6. The department must submit the Maintenance plan and progress report to the Committee on the implementing Maintenance projects.	<ul style="list-style-type: none"> The Department completed 18 Building Maintenance projects in the 2017/18 financial year. Annexure E was attached for the Maintenance Plan.

Budget Appropriation Bill, 2017

Resolutions	Progress by 31 March 2018
1. The department must submit a report detailing how they plan to deal with the programmes and projects that will be affected by the deficit within the limited budget. The report must be submitted within 7 working days after adoption of this Committee report by the House.	<ul style="list-style-type: none"> The Department is currently verifying the accounts for municipal rates and taxes. The Department has increased the budget allocation for rates and taxes by R30 million starting from the 2017/18 financial year. The Department has delayed the start of some multi-year infrastructure projects to ensure that cash-flows are aligned to available budget. The Department has reviewed its operational plans to determine operational efficiency areas. The Department has registered budget pressure with Treasury and the Budget and Finance Committee. Reduction on the use of external consultancy services especially on designs.
2. The Department must monitor its financial management strictly to minimize accruals and ensure that where accruals are incurred, they are committed and cash backed in order to avoid a negative impact on service delivery areas. In addition, the department must submit a plan on how the accruals must be resolved in the department. The plan must be submitted to the Committee within 7 days from the date of adoption of this Committee report by the House.	The Department continues to monitor its budget and expenditures trends. The report on accruals was submitted to the Office of the Secretary of Legislature on the 8 th of June 2017. Annexure A was attached.
3. The department must improve its financial management and spend within the allocated budget.	<p>The Department has endeavoured to improve its financial management through the following:</p> <ul style="list-style-type: none"> Alignment of cash flow projections to the Operational Plan; Monitoring of procurement plans for acquisition of goods and services, including infrastructure procurement; In-Year monitoring of expenditures trends; Intensification of cost curtailment measures; and Reduction on the use of external consultancy services especially on designs.
Cross-Cutting	
1. The moratorium should not negatively affect service delivery	<ul style="list-style-type: none"> The Department has conducted internal rationalisation on the senior management level to balance the gaps on vacant posts however, there is a big gap created by the non-filling of vacated technical posts such as artisans and boiler operators in the Department. The Department has finalized an exercise of identifying critical technical posts with the aim to get approval from EXCO to fill them.
2. Departments and public entities must strengthen their internal financial systems and controls to ensure proper cash management controls.	<ul style="list-style-type: none"> The Department is spending its budget within the allocated cash flow. The Department further performs weekly monitoring of its cash flow in line with available funds.
3. Departments are cautioned to monitor their financial management strictly to minimize accruals; furthermore, to ensure that accruals are committed and cash backed. The committee does not condone accruals but condemn accruals.	<ul style="list-style-type: none"> The Department has only implemented targets/ projects that have been planned and budgeted for. New unfunded mandates has been duly reported to Provincial Treasury and the Budget and Finance Committee. Implementation of the cost curtailment measures was intensified to raise more savings to absorb the accruals. Expenditure trends are monitored on a weekly basis.
4. Departments and public entities must ensure proper management and implementation of cost curtailment measures; and ensure that cost curtailment measures will not impact negatively on service delivery.	<ul style="list-style-type: none"> The Department has implemented cost curtailment measures and necessary care has been taken to avoid disruption of service delivery when these measures are implemented. Circulars on cost curtailment measures has been circulated to all staff members in the Department. The Department also participate in contracts procured by National Treasury i.e. RT-15 on telecommunication with a view to realise savings.

Resolutions	Progress by 31 March 2018
5. Departments and public entities must improve its financial management stay within their budget allocations for the 2017/18 financial year and not exceed the allocated budget.	<ul style="list-style-type: none"> • The Department continues to monitor its budget and expenditure through the In-Year-Monitoring- (IYM) and Infrastructure Reporting Model (IRM) reports. • Departmental performance reports are also compiled on a monthly and quarterly basis to ensure that spending is in line with the approved APP. The Department only implement targets/ projects that have been planned and budgeted for. • New unfunded mandates are duly reported to Provincial Treasury and the Budget and Finance Committee. • Implementation of the cost curtailment measures has been intensified to raise more savings. • Expenditure trends are monitored on a weekly basis.

Annual Report: 2016/17

Resolutions	Progress by 31 March 2018
1. A plan to move from the current audit outcome to a clean audit must be developed and implemented by the Department. Furthermore, all the matters relating to the non-compliance with legislation as identified by the AG must be addressed and mitigated through an audit plan. The implementation thereof should be monitored on a regular basis.	<ul style="list-style-type: none"> • The Department developed an Audit Action Plan to mitigate findings raised in the 2016/17 financial year. A progress report was attached as Annexure A. • The Department has also developed an Internal Audit Action plan on all findings raised by Internal Audit. A progress report was attached as Annexure B. • The above mentioned plans are monitored on a monthly basis through the following structures: Top Management Meeting, Budget and Programme Managers Forum, Risk Management and Audit Committee.
2. The department must develop measures to ensure proper financial management regarding personnel expenditure. Issues of personnel travelling and others must be monitored in order to keep the expenditure to a minimum or to the level which has been planned for in terms of quarterly expenditure plan.	<ul style="list-style-type: none"> • The Department is budgeting for compensation of employees using personnel focusing models provided for and guided by Provincial Treasury. • The Department further implemented a new approved organizational structure which is aligned to its strategy with effect from the 01 of April 2017. • The Department implements internal controls such as policies and procedure manuals on travelling and subsistence. • The Department is further enforcing and monitoring national and internal cost containment measures in order to curb expenditure on travelling and subsistence in line with projections.
3. The targets must be implemented as planned and implementation monitoring systems must be tightened for each programme in order to avoid deviations of performance targets. Ensure targets captured in the APP of the department are correct to ensure proper alignment of the budget and reporting.	<ul style="list-style-type: none"> • The Department endeavored to achieve all planned targets by the end of the financial year hence the improvement from 58% in the 2015/16 financial year to 72% in the 2016/17 financial year. • 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 i.e. creation of EPWP work opportunities, building infrastructure, contractor performance, etc. • The Department's budget further refers to other operational activities which are not linked to specific targets in the APP e.g. VIP accommodation, telecommunication, municipal services, payment of rates and taxes, payment for professional services for coal haulage, the Road Asset Management System (RAMS) and Maintenance Management System (MMS), training of operators, escalation in bus subsidies allocated in terms of DORA, purchasing of law enforcement vehicles, uniform, firearms and equipment, construction of a pounding yard etc. • The Department will however strive to improve on its target setting during the strategic planning sessions with programmes before finalization of the APP.

Resolutions	Progress by 31 March 2018
<p>4. The department must continue to ensure that budget is spent as planned and for the purpose it's allocated for. Proper financial systems must be put in place, as well as be implemented and monitored accordingly.</p>	<ul style="list-style-type: none"> The Department's allocated budget is linked to the annual performance plan, however challenges are being experienced during implementation that results in fiscal constraints e.g. urgent demand for paved roads, transport services and pressure from municipalities on rates and taxes. Some performance outcomes are not directly linked to the expenditure trends of the Programme i.e. construction cost for building infrastructure works are coordinated on behalf of client departments. The budget further refers to other operational activities which is not linked to specific targets in the APP as outlined in bullet three (3) of resolution 10.3 on the previous slide. The expenditure is monitored on a monthly basis through the following structures: Top Management Meetings and the Budget and Programme Managers Forums.
<p>5. The department must find ways that sufficient budget is allocated to programmes and that the budget is spent for what is meant in order to avoid negatively affecting the implementation of targets and programmes due to improper planning and budgeting.</p>	<ul style="list-style-type: none"> The Department does prepares its plans in line with the available financial resources as allocated by Treasury. However, challenges of budget pressures are being experienced due to external demand for urgent implementation of projects and programmes without funding. The Department will continue to prioritize completion of existing commitments over new unfunded demands for services.
<p>6. The plan which has been developed by the department to address accruals must be implemented accordingly and monitored on a regular basis in order to decrease the accrual balance and should be cash backed. Cost curtailing measures must be implemented as planned, with an exception of reduction of learnerships and internship.</p>	<p>The Department has put plans in place to clear accruals and came with initiatives to reduce the burden of accruals and its impact in the current budget i.e. revision of the Transport infrastructure project plan and delays in the start of new capital projects resulting in some savings.</p> <ul style="list-style-type: none"> Accruals were paid during the first quarter of the 2017/18 financial year. The Department has intensified the implementation of cost curtailment measures throughout the financial year to raise savings on operational items. Spending is strictly monitored on a monthly basis. Necessary care has been taken to avoid disruption of service delivery when these measures are implemented.
<p>7. The department must continue to implement the revenue collection plan and ensure that all programmes and economic classification items collect revenue as planned. The implementation of the plan must be closely monitored in all programmes to avoid under-performance.</p>	<ul style="list-style-type: none"> The Department based its estimates on the sale of capital assets on historical data. Revenue collection for the sale of capital assets is dependent on the type and number of items auctioned and the amount collected. The under collection was due to auction proceeds which was less than anticipated. However, the overall revenue target for the 2016/17 financial year was exceeded by R3 767 000 or 14.7%. The Department will however continue to closely monitor implementation of the revenue collection plan.
<p>8. The quarterly financial plan and cash flow management plan that is in place must be properly implemented by the department to ensure that there is sufficient funds to pay for services that are planned for.</p>	<ul style="list-style-type: none"> The Department does reconciliation of expenditure against the available budget (cash flow management) on a weekly basis. The Department also monitors the expenditure through the In-Year Monitoring (IYM) report. The Department has a Budget and Programme Managers Forum that monitors performance and expenditure. However, the rippling effect on the multi-year over commitments on capital infrastructure projects and pressures on the arrear payment of municipal rates and taxes impacts on the cash availability.
<p>9. The department must review its decision to decrease the number of Learnerships and Internships within the department. Other ways of cost curtailment must be explored without affecting the skills development plan of the department.</p>	<ul style="list-style-type: none"> The Department has enrolled 120 interns and 70 learners for the 2017/18 financial year. This indicates an increase from the 110 interns and 60 learners that were planned for enrolment in the 2016/17 financial year.
<p>10. A Proper HR management plan must be developed to address challenges that may arise from resignations within the department</p>	<p>The Department is constantly realigning functions to manage the effects of resignations in order to address the gaps and challenges.</p>

Resolutions	Progress by 31 March 2018
11. The HR management plan that will be developed must include issues of equity at all levels of employment. Measures to increase the SMS equity must also be developed.	The Department will ensure that the employment equity targets are achieved at all levels and the 50% gender balance is achieved at SMS level in filling vacancies.

8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) met with the Department on the 3rd of November 2017 to deliberate on

the Department's Annual Report: 2016/17. The meeting was an open session for the public, including the media as required by Standing Rule 116 and section 118 (1) (b) of the Constitution of the Republic of South Africa, Act No. 108 of 1996.

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
3.	Audit opinion	(i) The Accounting Officer must address all matters raised by Auditor General and ensure that the department achieves and maintain a 'clean audit'.	<ul style="list-style-type: none"> The Department developed an Audit Action Plan to mitigate findings raised by the Auditor General in the 2016/17 financial year. A progress report was attached as Annexure A. The Department has also developed an Internal Audit Action plan on all findings raised by Internal Audit and progress is monitored on a monthly basis. A progress report was attached as Annexure B. The above mentioned plans are monitored on a regular basis through the following structures: Top Management Meeting, Programme Managers Forum, Risk Management and Audit Committee. 	-
4.	Accruals	(i) The Accounting Officer must pay all creditors within 30 days of receipt of invoice.	<ul style="list-style-type: none"> The Department strives to pay all service providers within 30 days of receipt of invoices. During the 2017/18 financial year, only 6 invoices were not paid within 30 days during the 1st quarter of the financial year due to CSD banking details that were not matched. 100% of invoices were paid within 30 days in the 2nd and 3rd quarter of the 2017/18 financial year resulting in 99.9% achievement. The Department will continue to pay all invoices within 30 days of receipt. 	-
		(ii) The Accounting Officer must minimise accruals.	<ul style="list-style-type: none"> The Department implemented cost curtailment measures with minimal impact on the service delivery programs to absorb the payables emanating from the previous financial year. Budget and Programme Managers Forums are held regularly to monitor expenditure and to avoid accruals for the 2017/18 financial year. 	-
5.	Irregular Expenditure	(i) The Accounting Officer must follow the necessary process to regularise the expenditure relating to concluded investigations.	<ul style="list-style-type: none"> The Department has written off an amount of R403 034 million. The balance of R 40 463 million is still under further investigation i.e. to be written off or condoned by Treasury. 	-
		(ii) The Accounting Officer must implement all recommendations contained in the reports of the concluded investigations.	The Department has developed an Irregular Expenditure Register which is monitored on a monthly basis. Annexure C was attached for the progress report.	-
		(iii) The Accounting Officer must submit a progress report to the Committee on progress made to regularise the R440 660 000.00.	<ul style="list-style-type: none"> The Department has written off/ derecognised an amount of R403 034 401.45 since the beginning of the financial year. The balance of R 40 463 148.08 is still under further investigation i.e. to be written off or condoned by Treasury. Annexure C was attached for the progress report on Irregular Expenditure. 	-

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
6.	Fruitless and Wasteful Expenditure	(i) The Accounting Officer must submit to the Committee; the final report on the investigation (Fruitless & wasteful expenditure of R579 000).	Annexure D was attached for the report on Fruitless and Wasteful Expenditure.	-
		(ii) The Accounting Officer must recover all fruitless and wasteful expenditure from officials found liable in law.	<ul style="list-style-type: none"> Annexure D was attached for the report on Fruitless and Wasteful Expenditure. The balance of R169 625 is still under various stages of investigation. 	-
8.	Internal Controls	(i) The Accounting Officer must implement the remedial Audit Action Plan and submit a report to the Committee.	Annexure A was attached for progress on the Audit Action Plan.	-

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There were no prior modifications to audit reports. The Department received an unqualified audit opinion in the previous financial year. However, the Auditor General did raise matters on non-compliance that the Department addressed through its Audit Action Plan.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Progress made in clearing / resolving the matter
Expenditure for capital work in progress does not agree to the expenditure in Commitment list.	<ul style="list-style-type: none"> a) Draft commitment registers were prepared for each project - it shows monthly expenditure, cumulative expenditure and remaining commitment every month. b) Quarterly reviews on Work in progress (WIP) and Commitment list was performed by the WIP forum. c) Standard agreements between the Department and consultants was drafted and is awaiting for finalisation. d) Presentation on Work-In-Progress was made to the Asset Management Forum. e) Quarterly reviews on the AFS was performed together with the WIP and Commitment list. f) Monthly reconciliations to be carried out with Finance's Budget Section.
Closing balance of work in progress disclosed in the financial statement does not agree with the supporting schedule of work in progress.	
Projects recorded as work in progress but not included in the commitment list and other projects disclosed in the fixed asset register as completed.	
Expenditure for completed project recorded as work in progress.	
Total expenditure incurred as per work in progress does not agree to the amount transfer or capitalized to fixed asset register.	

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 reviewing and evaluating 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

At the highest level of the Department's governance structures is the Audit Committee. The internal audit function is a key component of our 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 in the following focus areas:

- 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 planned 19 audits and 21 audit reports were completed.

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.

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

Name	Qualifications	Internal or external	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	None.	01-Sep-15	N/A	4
GC Letsoalo	<ul style="list-style-type: none"> •Post Grad Dipl. In Risk Management •B. Com Accounting •Articles – SAICA •LLB – (Current) 	External	None.	01-Sep-15	N/A	5
TH Mbatha	<ul style="list-style-type: none"> •CA (SA) •B. Accounting Science •Honors B. Accounting Science 	External	None.	01-Sep-15	N/A	4
JN Mpjane	<ul style="list-style-type: none"> •B. Honors (CTA) •B Com Degree CA (SA) 	External	None.	01-Dec-17	N/A	2
G Khoza	<ul style="list-style-type: none"> •B Proc Degree, •LLB Degree •Higher Diploma in Tax Law •Introduction to safety management •Accredited Arbitrator/ Mediator/ Facilitator/ Trainer 	External	None.	01-Dec-17	N/A	1

Ms G Khoza and Mr JN Mpjane were appointed by the Department on the 1st of December 2017.



12. AUDIT COMMITTEE REPORT

We are pleased to present the report of the Audit Committee for the financial year ended 31 March 2018. The Audit Committee reviewed the Annual Report and met with the Department on the 29th of May 2018.

Audit Committee Responsibility

The Audit Committee reports, that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports, that it has adopted appropriate formal terms of reference as per its Audit Committee Charter and hence regulated its affairs in compliance with all of the above.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessment conducted in the department revealed certain weaknesses, which were then raised with the Department. The Audit Committee also met and discussed with the Member of the Executive Council all matters that were brought to our attention through Internal Audit and other management reports.

The Audit Committee is satisfied that the Internal Audit plan fairly represented assurance required in managing the risk profile and control environment of the of the Entity and identified a number of risk-based, mandatory, performance and follow-up audits to be performed during the year. The following internal audit work was completed during the year under review:

- Interim Financial Statement Six Months review;
- Government Motor Transport;
- Division Of Revenue Act;
- Supply Chain Management Stores Audit;
- Transport Operations – Operating Licences
- Human Resource Practices and Administration;
- Immovable Asset Management;
- Accommodation payments in line with Treasury instruction;
- Follow up AG management letter;
- Property Management – Rates & Taxes
- Performance Management System
- Quality Assurance Reviews
- Nine (9) Irregular Expenditure Enquiry reports were completed during the year under review.

The following were areas of concern:

- Late submission by divisions of required documentation hence a delay of audits.
- Poor implementation of internal controls due to staff shortage, mainly in districts. This was found around revenue management and leave management.
- Lack of segregation of duties due to vacant positions in revenue management;
- Inadequate maintenance and control of government vehicles in certain districts.
- Delay in management response to audit findings raised.
- Lack of understanding of audit processes by internal officials

Internal Audit

The Internal Audit Manager reported functionally to the Committee and had unrestricted access to the Committee chairman. The internal audit function is subject to independent

quality review every five years or as and when the committee determines appropriate. The next independent quality review will be conducted in the next financial year.

The committee has:

- Reviewed and recommended the internal audit charter for approval;
- Approved the three-year rolling internal audit plan;
- Evaluated the independence, effectiveness and performance of the internal audit function/ department and compliance with its mandate;
- Satisfied itself that the internal audit function has the necessary resources, budget, standing and authority within the company to enable it to discharge its functions;
- Assessed the performance of the Internal Audit Manager; and
- Encouraged co-operation between external and internal audit.

Risk Management

The Department's risk management was reported to the Audit Committee on a quarterly basis and was seen as continuous improvement by management. The Audit Committee is satisfied that the actual management of risk is receiving attention. However, the Committee together with Management continues to refine a very dynamic risk profile of the Department.

Management has been advised to embed risk management throughout the Department. Management should take full responsibility for the entire Enterprise Risk Management process and continue to support the Chief Risk Officer to even further enhance the performance of the Department.

In-Year Management and Monthly/Quarterly Report

The Audit Committee has taken note of the contents and quality of the monthly and quarterly reports prepared and issued by the Head of the Department during the period under review. The quality of these reports were not in terms of the PFMA and the Division of Revenue Act. Though the Audit Committee has noted improvement in the completeness, accuracy and validity of reporting on performance information; the committee remains of the view that the system needs improvement in the compilation of the portfolio of evidence to substantiate performance reporting.

The Audit Committee has taken note of the content and quality of the monthly and quarterly reports prepared and issued by the Head of the Department during the period under review. The committee is of the view that a lot of improvement has taken place into the preparation of these reports when compared with the previous years and is convinced that going forward, the reports will be of high standard. The later statement is mainly issued due to some minor improvements that still need to be done with regard to preparation of Financial Statements, up to a level where there would be no adjustments required on first time submission.

The committee also remains concerned about performance targets and indicators that are determined by the National Departments but implemented at provincial level i.e. The Department is required to report on EPWP job creation targets that were set for Provinces to achieve over a period of 5 years but becomes almost impossible due to the economic conditions of the country. The Department, who plays a coordination role for the Programme, are then required to include these targets in their Annual Performance Plan on behalf of the Province which consists of 30 public bodies including provincial departments and municipalities. This negatively affects the overall performance of the Department.

Evaluation of the Annual Financial Statements

The Audit Committee has reviewed the half yearly Annual Financial Statements of the Department and has noted adjustments which had to be made to these statements. We are of the view that by the time we review the Annual Financial Statements prior to submission for external audit purposes most of the adjustments which were noted during the half yearly review will not reoccur. It must be noted that during our review of the half yearly financials, the committee was positively impressed by the following;

- Reduction of accruals
- Payment of creditors within 30 days
- Reduction of unauthorised expenditure for the year under review
- Reduction of wasteful and fruitless expenditure for the year under review
- Improved rate of expenditure



Ms KG Mbonambi
Chairperson of the Audit Committee
Department of Public Works, Roads and Transport
31 July 2018

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 Entity's compliance with legal and regulatory provisions; and
- Reviewed adjustments resulting from the audit.

Auditor-General's Report

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



PART D: HUMAN RESOURCE MANAGEMENT



1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The total work force as at 01 April 2017 was 3 152 and reduced by 189 to 2 963 by 31 March 2018. This reflects a continuous reduction of staff without replacement since the introduction of the moratorium on filling of posts. In line with the Strategic Plan of the Department, the HR Priority were enhancement of good governance and accountability; and improvement of the overall performance of the Department. There are improvements on both good governance and performance of the Department in relation to Human resources.

Employee performance management

In compliance to the PSR 2016 as amended, the DPWRT's Performance Management and Development System, has been integrated to a larger extent to all the programmes to ensure that the planning frameworks and objectives of employees' work priorities are aligned. Information sessions has been coordinated to ensure proper understanding of the new tools and implementation approach for all processes on contracting, monitoring, evaluation and recognition of performance. The system is supported with training for all employees which is done by the Human Resource Utilization and Capacity Development (HRU & CD) unit. Mid-term reviews are conducted for individual employees and the system provides a framework for managers and staff to be rewarded according to prescribed categories. Equally, employees are given an opportunity to document in their Personal Development Plans (PDPs) where performance improvement is required. The Department thereafter assist managers and staff in their performance improvement efforts.

Employee wellness programmes

The Department promotes employee health and wellness through information sharing sessions and marketing of the programme by conducting activities within the four pillars namely:

- (i) Safety, Health, Environment and Quality (SHEQ)
- (ii) Health and Productivity
- (iii) HIV and AIDS, and TB Management
- (iv) Wellness programmes

In breaking the barriers on the transformation agenda, awareness activities are conducted to align to the national strategy on partnerships and implementation of Gender, Disability, and Youth and Children. DPWRT continued to help employees find a healthier work-life balance through coordinating various sporting activities.

Challenges

- There was a slight increase in the number of Injury on Duty cases reported. Information sessions were conducted on Injury on Duty and how to report cases, which result in more employees being aware of Injury on Duty and the reporting procedure.

The second challenge results from the high vacancy rate especially in technical field which impacts negatively to service delivery.

Future HR plans /goals

In pursuance of the outcome to develop an efficient, effective and development-oriented public service, the Department will implement the following future plans/goals:

- Implementation of Artisan Development programmes.
- Ongoing investment on skills development.
- Career pathing and succession plans.
- The number of audit findings on human resource management by Auditor General has reduced substantially in 2017/18 financial year compared to the previous financial years. This achievement can be attributed to the improvement on compliance with public service prescripts.
- The moratorium on filling of posts still poses a challenge on replacing all vacated posts which may affect the service delivery services at the coal face of the Department. The Department has prioritised technical posts for approval by EXCO in order to deal with the challenge in future.

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 2017 and 31 March 2018

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	235 040	160 478	0.00	0.00	68.30	17.00
Assets & Liabilities	17	12	0.00	0.00	70.60	0.00
Public Works Infrastructure	792 743	288 969	0.00	0.00	36.50	31.00
Transport Infrastructure	2 414 096	395 232	0.00	0.00	16.40	42.00
Transport Operations	1 216 834	102 756	0.00	0.00	8.40	11.00
Community Based Programmes	77 894	44 757	0.00	0.00	57.50	5.00
Total	4 736 624	992 205	0.00	0.00	20.90	106.00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
01 Lower skilled (Levels 1-2)	124 929.00	11.40	670.00	186 461.00
02 Skilled (Levels 3-5)	268 661.00	24.50	1 262.00	212 885.00
03 Highly skilled production (Levels 6-8)	262 859.00	24.00	632.00	415 916.00
04 Highly skilled supervision (Levels 9-12)	235 353.00	21.50	315.00	747 152.00
05 Senior management (Levels 13-16)	72 935.00	6.70	61.00	1 195 656.00
10 Contract (Levels 1-2)	92.00	0.00	0.00	0.00
11 Contract (Levels 3-5)	2 431.00	0.20	15.00	162 067.00
12 Contract (Levels 6-8)	3 769.00	0.30	12.00	314 083.00
13 Contract (Levels 9-12)	4 543.00	0.40	9.00	504 778.00
14 Contract (Levels 13-16)	7 942.00	0.70	6.00	1 323 667.00
18 Contract Other	19 584.00	1.80	472.00	41 492.00
20 Abnormal Appointment	31 578.00	2.90	5 905.00	5 348.00
Total	1 034 674.00	94.40	9 359.00	110 554.00

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2018

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	130 491	73.40	3 980	2.20	5 840	3.30	6 810	2.20
Mtr: Administration	184	75.40	3	1.20	6	2.50	13	0.00
Public Works Infrastructure	221 853	71.80	9 609	3.10	13 982	4.50	15 202	7.90
Mtr: Public Works	157	36.10	0	0.00	7	1.60	3	0.00
Transport Infrastructure	331 119	74.10	4 131	0.90	24 039	5.40	35 229	5.80
Mtr: Roads Infrastructure	77	12.70	0	0.00	0	0.00	0	4.90
Transport Operations	78 488	69.60	4 488	4.00	4 973	4.40	6 533	5.90
Community Based Programmes	39 313.00	81.30	41.00	0.10	953.00	2.00	1 069.00	5.30

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
Mtr: Community Based Programmes	273.00	79.40	0.00	0.00	0.00	0.00	0.00	0.70
Total	801 956.00	73.20	22 253.00	2.00	49 800.00	4.50	64 858.00	2.20

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018

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
01 Lower skilled (Levels 1-2)	84 076.00	67.20	2 288.00	1.80	10 569.00	8.40	17 409.00	13.90
02 Skilled (Levels 3-5)	195 338.00	72.10	5 020.00	1.90	18 637.00	6.90	22 930.00	8.50
03 Highly skilled production (Levels 6-8)	201 331.00	72.40	10 158.00	3.70	8 988.00	3.20	15 340.00	5.50
04 Highly skilled supervision (Levels 9-12)	194 051.00	72.60	4 447.00	1.70	5 421.00	2.00	7 610.00	2.80
05 Senior management (Levels 13-16)	59 515.00	71.80	21.00	0.00	5 737.00	6.90	1 425.00	1.70
10 Contract (Levels 1-2)	75.00	81.50	0.00	0.00	4.00	4.30	2.00	2.20
11 Contract (Levels 3-5)	1 827.00	75.20	245.00	10.10	82.00	3.40	77.00	3.20
12 Contract (Levels 6-8)	3 378.00	82.80	43.00	1.10	14.00	0.30	34.00	0.80
13 Contract (Levels 9-12)	4 144.00	83.80	0.00	0.00	61.00	1.20	32.00	0.60
14 Contract (Levels 13-16)	7 094.00	80.70	0.00	0.00	287.00	3.30	0.00	0.00
18 Contract Other	19 549.00	99.50	31.00	0.20	0.00	0.00	0.00	0.00
20 Abnormal Appointment	31 577.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	801 956.00	73.20	22 253.00	2.00	49 800.00	4.50	64 858.00	5.90

3.2. Employment and Vacancies

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

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	404	395	2.20	2
Public Works Infrastructure	853	847	0.70	3
Transport Infrastructure	1582	1573	0.60	0
Transport Operations	273	271	0.70	0
Community Based Programme	370	368	0.50	0
Total	3482	3454	0.80	5

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	683	670	1.90	0
Skilled (3-5)	1268	1262	0.50	0
Highly skilled production (6-8)	636	632	0.60	0
Highly skilled supervision (9-12)	316	315	0.30	0
Senior management (13-16)	65	61	6.20	0
Other (Contract)	514	514	0	5
Total	3482	3454	0.8	0

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	184	182	1.10	1
Agriculture related, permanent	2	2	0	0
All artisans in building, permanent	162	161	0.60	0
Architects town and traffic planners, permanent	6	6	0	0
Artisan project and related superintendent, permanent	17	17	0	0
Auxiliary and related workers, permanent	21	21	0	0
Boiler and related operators, permanent	58	58	0	0
Building and other property caretakers, permanent	9	9	0	0
Bus and heavy vehicle drivers, permanent	11	11	0	0
Cartographers and surveyors permanent	1	1	0	0
Cartographic surveying and related technicians, permanent	6	6	0	0
Civil engineering technicians, permanent	15	15	0	0
Cleaners in offices, workshops, hosp, etc, permanent	113	112	0.90	1
Client inform clerks (switchboard receptionist, inform clerks), permanent	2	2	0	0
Communication and information related, permanent	5	5	0	0
Electrical and electronics engineers technicians	1	1	0	0
Engineering sciences related, permanent	37	37	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Engineers and related professionals related, permanent	40	40	0	1
Farm hands and labourers, permanent	43	42	2.30	0
Finance and economics related, permanent	14	14	0	0
Financial and related professionals, permanent	34	34	0	0
Financial clerks and credit controllers, permanent	143	143	0	0
Head of Department / Chief Executive officer, permanent	2	2	0	0
Human resources and organizational development related professionals, permanent	7	7	0	0
Human resources clerks, Permanent	59	59	0	0
Human Resources Related, Permanent	536	529	1.30	0
Information Technology Related, Permanent	6	6	0	0
Inspectors of Apprentices works and Vehicles, Permanent	13	13	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	19	19	0	0
Light vehicle drivers, Permanent	15	15	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	1	1	0	0
Motor vehicle drivers, Permanent	15	15	0	0
Motorises farm and forestry plant operators, Permanent	1	1	0	0
Natural sciences related, Permanent	3	3	0	0
Other administrative & related clerks and organisers, Permanent	124	124	0	0
Other administrative policy and related officers, Permanent	6	5	16.70	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Other occupations, Permanent	11	11	0	0
Quantity surveyors & rela prof not class elsewhere, Permanent	8	8	0	0
Regulatory inspectors, Permanent	119	119	0	0
Risk management and security services, Permanent	2	2	0	0
Road superintendents, Permanent	48	48	0	0
Road trade workers, permanent	6	6	0	0
Road workers, permanent	100	1136	0.08	0
Secretaries & other keyboard operating clerks, Permanent	100	99	1	0
Senior managers, Permanent	38	34	10.50	1
Trade labours Permanent	206	205	0.50	0
Trade quality controllers, Permanent	9	9	0	0
Trade related, Permanent	3	3	0	0
Water plant and related operators, Permanent	33	33	0	0

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;
 - for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a

- prolonged course or study and/or specialised instruction;
- where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2018

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	2	2	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	10	10	100	0	0
Salary Level 13	38	38	100	0	0
Total	51	51	100	0	0

Table 3.3.2 SMS post information as on 30 September 2017

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	2	2	0	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	0	0	0
Salary Level 14	10	10	0	0	0
Salary Level 13	37	37	0	0	0
Total	50	50	0	0	0

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	0	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 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
Not applicable.

Reasons for vacancies not advertised within twelve months
Not applicable.

Notes

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

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
Provincial Moratorium on filing of posts.

Reasons for vacancies not advertised within twelve months
Provincial Moratorium on filing of posts.

Notes

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

3.4 Job Evaluation

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



Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018

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)	683	0	0	0	0	0	0
Skilled (Levels 3-5)	1268	4	0.30	1	100	0	0
Highly skilled production (Levels 6-8)	636	13	2	0	0	0	0
Highly skilled supervision (Levels 9-12)	316	42	13.30	1	100	0	0
Senior Management Service Band A	45	8	17.80	0	0	0	0
Senior Management Service Band B	15	1	6.70	0	0	0	0
Senior Management Service Band C	4	1	25	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Other	472	0	0	0	0	0	0
Contract (Level 3-5)	15	0	0	0	0	0	0
Contract (Level 6-8)	12	1	8.30	0	0	0	0
Contract (Level 9-12)	9	0	0	0	0	0	0
Contract band A	4	0	0	0	0	0	0
Contract band C	1	0	0	0	0	0	0
Contract band D	1	1	1	0	0	0	0
Total	3 482	71	2	2	100	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 2017 and 31 March 2018

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

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 2017 and 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
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 evaluation for the period 1 April 2017 and 31 March 2018

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

Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

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 2017 and 31 March 2018

Salary band	Number of employees at beginning of period 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	1079	0	20	1.90
Skilled (Levels3-5)	1110	0	117	10.50
Highly skilled production (Levels 6-8)	553	0	31	5.60
Highly skilled supervision (Levels 9-12)	304	0	8	2.60
Senior Management Service Bands A	45	0	0	0
Senior Management Service Bands B	12	0	1	8.30
Senior Management Service Bands C	4	0	1	25.00
Senior Management Service Bands D	1	0	0	0
Other permanent	329	529	386	117.30
Contract (Level 1-2), permanent	9		0	0
Contract (Level 3-5), permanent	6	0	1	16.7
Contract (Levels 6-8), Permanent	12	11	12	100
Contract (Level 9-12)	4	7	4	100
Contract Band A Permanent	5	1	1	20
Contracts Band B Permanent	1	0	0	0
Contract Band D Permanent	1	0	0	0
Total	3 475	548	582	16.70

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, permanent	198	3	23	11.60
Agricultural related, permanent	2	0	0	0
All Artisan in building, Permanent	168	0	8	4.8
Architects town & Traffic planners, permanent	5	1	0	0
Artisan Project & related superintendents permanent	17	0	0	0
Auxiliary and related workers, permanent	25	0	4	16
Boiler and related operators, permanent	60	0	2	3.30
Building and other property caretakers, permanent	9	0	0	0
Bus and heavy vehicle drivers, permanent	11	0	0	0
Cartographers and surveyors permanent	1	0	0	0
Cartographic surveying and related technicians, permanent	7	0	0	0
Civil engineering technicians, permanent	13	1	0	0
Cleaners in offices, workshops, hosp, etc, permanent	120	0	11	9.20
Client inform clerks (switchboard receptionist, inform clerks), permanent	2	0	0	0
Communication and information related, permanent	2	0	0	0
Engineering sciences related, permanent	39	0	1	2.60
Engineers and related professionals related, permanent	31	12	1	3.20
Farm hands and labourers, permanent	44	0	1	2.30
Finance and economics related, permanent	15	0	0	0
Financial and related professionals, permanent	34	0	0	0
Financial clerks and credit controllers, permanent	148	1	4	2.70
Head of Department / Chief Executive officer, permanent	2	0	0	0
Human resources and organizational development related professionals, permanent	8	0	0	0
Human resources clerks, Permanent	60	0	1	1.70
Human Resources Related, Permanent	366	527	385	105.20
Information Technology Related, Permanent	6	0	0	0
Inspectors of Apprentices works and Vehicles, Permanent	15	0	1	6.70
Language Practitioners Interpreters & other commun, Permanent	1	0	0	0
Legal related, permanent	4	0	0	0

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Library mail and related clerks, Permanent	20	0	0	0
Light vehicle drivers, Permanent	19	0	5	26.30
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	3	0	2	66.70
Motor vehicle drivers, Permanent	16	0	1	6.30
Motorises farm and forestry plant operators, Permanent	1	0	0	0
Natural sciences related, Permanent	3	0	0	0
Other administrative & related clerks and organisers, Permanent	132	1	10	7.60
Other administrative policy and related officers, Permanent	6	0	1	16.70
Other occupations, Permanent	12	0	1	8.30
Quantity surveyors & rela prof not class elsewhere, Permanent	8	0	0	0
Regulatory inspectors, Permanent	119	0	0	0
Risk management and security services, Permanent	2	0	0	0
Road superintendents, Permanent	54	0	6	11.10
Road trade workers, permanent	8	0	2	25.00
Road workers, permanent	1286	0	87	7.00
Secretaries & other keyboard operating clerks, Permanent	105	1	7	6.70
Security guards, permanent	1	0	1	100.00
Senior managers, Permanent	36	1	12	5.60
Trade labours Permanent	216	0	13	6.00
Trade quality controllers, Permanent	9	0	0	0
Trade related, Permanent	3	0	0	0
Water plant and related operators, Permanent	35	0	2	5.70
TOTAL	3475	548	582	16.70

Notes

- The CORE classification, as prescribed by the DPSA, should be used for completion of this table.
- Critical occupations are defined as occupations or sub-categories within an occupation –
 - (a) in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria;

- (b) for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction;
- (c) where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and
- (d) in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

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 2017 and 31 March 2018

Termination Type	Number	% of Total Resignations
Death	37	6.40
Resignation	60	1.70
Expiry of contract	385	11.10
Dismissal – operational changes	0	0
Dismissal – misconduct	2	0.10
Dismissal – inefficiency	0	0
Discharged due to ill-health	3	0.10
Retirement	95	2.80
Transfer to other Public Service Departments	0	0
Other	0	0
Total	582	16.90

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018

Occupation	Employees 1 April 2017	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 permanent	198	1	0.50	158	79.80
Agricultural related, permanent	2	0	0	1	50.00
All Artisan in building, Permanent	168	0	0	10	6.00
Architects town & Traffic planners, permanent	5	0	0	3	60.00
Artisan Project & related superintendents permanent	17	0	0	2	11.80
Auxiliary and related workers, permanent	25	0	0	22.00	88.00
Boiler and related operators, permanent	60	0	0	35	58.00
Building and other property caretakers, permanent	9	0	0	8	88.90
Bus and heavy vehicle drivers, permanent	11	0	0	10	90.90
Cartographers and surveyors permanent	1	0	0	1	100.00
Cartographic surveying and related technicians, permanent	7	0	0	0	0
Civil engineering technicians, permanent	13	0	0	0	0
Cleaners in offices, workshops, hosp, etc, permanent	120	0	0	83	69.20

Occupation	Employees 1 April 2017	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
Client inform clerks (switchboard receptionist, inform clerks), permanent	2	0	0	2	100.00
Communication and information related, permanent	2	5	250	2	100.00
Engineering sciences related, permanent	39	0	0	25	64.10
Engineers and related professionals related, permanent	31	0	0	23	74.20
Farm hands and labourers, permanent	44	0	0	18	40.90
Finance and economics related, permanent	15	0	0	12	80.00
Financial and related professionals, permanent	34	0	0	29	85.30
Financial clerks and credit controllers, permanent	148	0	0	125	84.50
Head of Department / Chief Executive officer, permanent	2	0	0	2	100.00
Human resources and organizational development related professionals, permanent	8	0	0	5	62.50
Human resources clerks, Permanent	60	0	0	54	90.00
Human Resources Related, Permanent	366	12	3.30	40	10.90
Information Technology Related, Permanent	6	0	0	5	83.30
Inspectors of Apprentices works and Vehicles, Permanent	15	0	0	11	73.30
Language Practitioners Interpreters & other commun, Permanent	1	0	0	0	0
Legal related, permanent	4	0	0	1	25.00
Library mail and related clerks, Permanent	20	1	5	18	90.00
Light vehicle drivers, Permanent	19	0	0	7	36.80

Occupation	Employees 1 April 2017	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
Logistical support personnel, Permanent	6	0	0	5	83.30
Material-recording and transport clerks, Permanent	7	0	0	7	100.00
Mechanical engineering technicians, Permanent	5	0	0	1	20.00
Messengers porters and deliverers, Permanent	3	0	0	2	66.70
Motor vehicle drivers, Permanent	16	0	0	8	50.00
Motorises farm and forestry plant operators, Permanent	1	0	0	1	100.00
Natural sciences related, Permanent	3	0	0	3	100.00
Other administrative & related clerks and organisers, Permanent	132	0	0	119	90.20
Other administrative policy and related officers, Permanent	6	0	0	3	50.00
Other occupations, Permanent	12	0	0	9	75.00
Quantity surveyors & rela prof not class elsewhere, Permanent	8	0	0	5	62.50
Regulatory inspectors, Permanent	119	0	0	104	87.40
Risk management and security services, Permanent	2	0	0	2	100.00
Road superintendents, Permanent	54	0	0	40	74.10
Road trade workers, permanent	8	0	0	3	37.50
Road workers, permanent	1236	0	0	692	56.00
Secretaries & other keyboard operating clerks, Permanent	105	1	1	93	88.60
Security guards, permanent	1	0	0	0	0
Senior managers, Permanent	36	0	0	25	69.40
Trade labours Permanent	216	0	0	165	76.40
Trade quality controllers, Permanent	9	0	0	6	66.70

Occupation	Employees 1 April 2017	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
Trade related, Permanent	3	0	0	1	33.30
Water plant and related operators, Permanent	35	0	0	29	82.90
TOTAL	3475	20	0.60	2035	58.60

Table 3.5.5 Promotions by salary band for the period 1 April 2017 and 31 March 2018

Salary Band	Employees 1 April 2017	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)	1079	0	0	161	14.90
Skilled (Levels 3-5)	1110	12	1.10	1139	102.60
Highly skilled production (Levels 6-8)	553	7	1.30	453	81.90
Highly skilled supervision (Levels 9-12)	304	1	0.30	218	71.7
Senior Management (Level 13-16)	62	0	0	42	67.70
Other, permanent	329	0	0	8	2.40
Contract (1-2) Permanent	9	0	0	0	0
Contract (3-5) Permanent	6	0	0	8	133.30
Contracts (6-8) Permanent	12	0	0	1	8.30
Contracts (9-12) Permanent	4	0	0	1	25
Contracts (13-16) Permanent	7	0	0	4	57.10
Total	3475	20	0.60	2035	58.60

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 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	23	0	0	1	12	0	1	0	37
Professionals	327	0	0	11	353	1	0	2	694
Technicians and associate professionals	108	4	2	6	118	1	0	5	244
Labourers and related workers	878	1	0	14	622	0	0	0	1515
Clerks	176	2	0	3	258	2	0	12	453
Service and market sales workers	72	0	0	0	49	0	0	0	121

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Craft and related trades workers	194	0	0	26	37	0	0	0	257
Plant and machine operators and assemblers	95	0	0	5	33	0	0	0	133
Total	1873	7	2	66	1482	4	1	19	3454
Employees with disabilities	33	1	0	4	30	0	0	1	69

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	2	1	0	0	0	4
Senior Management	35	0	0	2	19	0	1	0	57
Professionally qualified and experienced specialists and mid-management	178	4	2	19	106	1	0	5	315
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	345	1	0	26	247	2	0	11	632
Semi-skilled and discretionary decision making	775	1	0	15	469	1	0	1	1262
Unskilled and defined decision making	317	1	0	0	352	0	0	0	670
Not available, permanent	204	0	0	0	268	0	0	0	472
Contract (top management) permanent	1	0	0	1	0	0	0	0	2
Contract (senior management) permanent	4	0	0	0	0	0	0	0	4
Contract (professionally qualified) permanent	4	0	0	1	3	0	0	1	9
Contract (skilled technical) permanent	8	0	0	0	3	0	0	1	12
Contract (semi-skilled) permanent	1	0	0	0	14	0	0	0	15
Total	1873	7	2	66	1482	4	1	19	3459

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

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	0	0	0	0	0
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 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	4	0	0	1	0	0	0	0	4
Senior Management	22	0	0	0	14	0	1	0	37
Professionally qualified and experienced specialists and mid-management	119	1	2	9	82	1	0	5	219
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	228	1	0	10	211	2	0	8	460
Semi-skilled and discretionary decision making	682	1	0	12	454	1	0	1	1151
Unskilled and defined decision making	81	0	0	0	80	0	0	0	161
Not available, permanent	4	0	0	0	4	0	0	0	8
Contract (top management) permanent	1	0	0	0	0	0	0	0	1
Contract (senior management) permanent	3	0	0	0	0	0	0	0	3

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (professionally qualified) permanent	0	0	0	0	0	1	0	0	1
Contract (skilled technical) permanent	1	0	0	0	0	0	0	0	1
Contract (semi-skilled) permanent	1	0	0	0	7	0	0	0	8
Total	1146	3	2	32	853	4	1	14	2055
Employees with disabilities	28	1	0	2	28	0	0	1	60

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	1	1
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	3	1	0	2	2	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	19	0	0	3	9	0	0	0	31
Semi-skilled and discretionary decision making	76	0	0	0	41	0	0	0	117
Unskilled and defined decision making	13	0	0	0	7	0	0	0	20
Not available, permanent	115	0	0	0	231	0	0	0	386
Contract (senior management) permanent	1	0	0	0	0	0	0	0	1
Contract (professionally qualified) permanent	2	0	0	0	0	0	0	2	4
Contract (skilled technical) permanent	9	0	0	0	3	0	0	0	12
Contract (semi-skilled) permanent	0	0	0	0	1	0	0	0	1
TOTAL	279	1	0	5	294	0	0	3	582
Employees with Disabilities	2	0	0	0	0	0	0	0	3

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Finally written warning	2	0	0	0	0	0	0	0	2
No outcome	1	0	0	0	0	0	0	0	1
Suspended without payment	2	0	0	0	0	0	0	0	2
Total	5	0	0	0	0	0	0	0	5

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	13	0	03	0	03
	Male	26	0	04	0	04
Professionals	Female	316	0	114	0	114
	Male	263	0	128	0	128
Technicians and associate professionals	Female	128	0	111	0	111
	Male	132	0	107	0	107
Clerks	Female	283	0	56	0	56
	Male	194	0	12	0	12
Service and sales workers	Female	49	0	34	0	34
	Male	73	0	16	0	16
Craft and related trades workers	Female	40	0	12	0	12
	Male	233	0	06	0	06
Plant and machine operators and assemblers	Female	34	0	08	0	08
	Male	109	0	12	0	12
Elementary occupations	Female	431	0	249	0	249
	Male	826	0	238	0	238
Sub Total	Female	1294	38	587	58	683
	Male	1857	32	523	42	597
Total		3151	70	1110	100	1280

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 2017

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
Salary Level 16	1	1	1	100
Salary Level 15	1	1	1	100
Salary Level 14	10	10	10	100
Salary Level 13	38	38	38	100
Total	50	50	50	100

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018

Reasons
Not applicable.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2017.

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 (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

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	1021	1452	70.30	5650.83	5535
African Male	1333	1840	72.40	7908.28	5933
Asian, Female	1	1	100	22.27	22 274
Asian, Male	1	2	50	18.66	18660
Coloured Female	2	4	50	28.05	14026
Coloured Male	2	6	33.30	10.84	5420
Total black Female	1024	1457	70.30	5701.16	5568
Total black Male	1336	1848	72	7937.78	5941
White Male	46	62	74.20	455.85	9910
White Female	16	18	88.90	181.94	11371
Employees with a disability	55	69	79.70	299.36	5443
Total	2477	3454	71.70	14576.07	5885

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Lower Skilled (Levels 1-2)	565	670	84.30	1680.68	2975
Skilled (level 3-5)	1098	1262	87	4044.99	3684
Highly skilled production (level 6-8)	522	632	82.60	3847.14	7370
Highly skilled supervision (level 9-12)	229	315	72.70	3641.56	15902
Other	0	472	0	0	0
Contract (Level 3-5)	8	15	53.30	24.13	3016
Contract (levels 6-8)	2	12	16.70	13.89	6947
Contract (levels 9-12)	2	9	22.20	44.05	22025
Total	2426	3387	71.60	13296.44	5481

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial clerks and credit controllers	123	143	86	932.01	7577
Human resources clerks	51	59	86.40	313.21	6141
Motorised farm and forestry plant operators	1	1	100	3.40	3398
All artisans in the building metal machinery ect	141	161	87.60	982.17	6966

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Human resources & orginaset develeopm & relate prof	7	7	100	101.73	14522
Messengers porters and deliverers	2	1	200	7.83	3917
Risk management and security services	2	2	100	14.07	7033
Road trade workers	6	6	100	38.61	6434
Boiler and related operators	53	58	91.40	179.23	3382
Finance and economics related	11	14	78.60	191.74	17431
Logistical support personnel	5	6	83.30	39.83	7966
Natural sciences related	3	3	100	14.44	4814
Other administrat & related clerks and organisers	100	124	80.60	617.82	6178
Auxiliary and related workers	21	21	100	72.58	3456
Other occupations	9	11	81.80	105.94	11771
Legal related	4	4	100	94.20	23549
Financial and related professionals	30	34	88.20	472.29	15743
Building and other property caretakers	8	9	88.90	25.56	3195
Water plant related operators	33	33	100	134.37	4072
Architects town and traffic planners	3	6	50	95.62	31872
Administrative related	146	182	80.20	1860.44	12743
Communication and information related	2	5	40	14.28	7138
Secretaries and other keyboard operating clerks	85	99	85.90	391.33	4604
Library mail and related clerks	15	19	78.90	87.16	5810
Cleaners in offices and workshops hospitals etc.	105	112	93.80	330.17	3144
Human resources related	29	529	5.50	318.21	10973
Head of Department/Chief Executive Officer	1	2	50	21.02	21021
Trade Labourers	189	205	92.20	630.71	3337
Road Superintendents	46	48	95.80	299.84	6518
Language Practitioners and interpreters and other communications	0	1	0	0	0

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Regulatory inspectors	66	119	55.50	475.04	7198
Cartographic Surveying and related technicians	4	6	66.70	35.22	8806
Civil engineering technicians	7	15	46.70	76.44	10920
Road workers	965	1136	84.90	3152.29	3267
Material-recording and transport clerks	7	7	100	40.89	5842
Farm hands and labourers	41	42	97.60	127.23	3103
Other administrative policy and related officers	3	5	60	45.51	15169
Artisan project and related superintendents	12	17	70.60	145.78	12148
Inspectors of apprentices works and vehicles	10	13	76.90	100.09	10009
Bus and heavy vehicle drivers	9	11	81.80	31.82	3536
Senior managers	26	34	76.50	590.65	22717
Client Information clerks(switchboard reception information clerks)	2	2	100	12.03	6013
Engineers and related professionals	19	40	47.50	459.08	24162
Cartographers and surveyors	0	1	0	0	0
Trade related	3	3	100	24.26	8086
Trade quality controllers	9	9	100	80.20	8911
Light vehicle drivers	12	15	80	44.73	3727
Electrical and electronics engineering technicians	0	1	0	0	0
Engineering Sciences related	27	37	73	430.59	15948
Motor vehicle drivers	8	15	53.30	34.42	4302
Quantity surveyors and related not classified elsewhere	7	8	87.50	171.06	24436
Mechanical engineering technicians	2	5	40	37.50	18750
Information Technology related	5	6	83.30	54.31	10862
Agriculture related	2	2	100	17.14	8570
Total	2477	3454	71.70	14576.07	5885

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 to 31 March 2018

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	32	47	68.10	722.01	22563	56861.33
Band B	16	14	114.30	443.64	27727.50	23739.09
Band C	3	4	75	113.98	37993.50	6957.66
Band D	0	2	0	0	0	4093.21
Total	51	67	76.10	1279.64	25090.90	91651.29

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 2017 and 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled (level 1-2)	1	11.10	1	10	0	0
Other	0	0	1	10	1	100
Highly skilled supervision (Lev. 9-12)	3	33.30	3	30	0	0
Skilled (level 3-5)	2	22.20	2	20	0	0
Senior management Contract (level 13-16)	3	33.30	3	30	0	0
Total	9	100	10	100	1	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Drivers operators and ships crew	2	22.20	2	20	0	0
Elements occupations	1	11.10	2	20	1	100
Professionals and managers	6	66.70	6	60	0	0
Total	9	100	10	100	1	100

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 2017 to 31 December 2018

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	4080	81.60	518	26.70	8	2195
Skilled (levels 3-5)	5511	82.10	796	41.10	7	3786
Highly skilled production (levels 6-8)	2896	83.10	391	20.20	7	3717
Highly skilled supervision (levels 9 -12)	1039	87.80	161	8.30	6	2636

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)
Top and Senior management (levels 13-16)	156	89.10	29	1.50	5	638
Total	17762	423.70	1895	97.8	33	12972

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2018

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)	30	100	2	8,70	15	16
Skilled (Levels 3-5)	311	100	5	21.70	62	186
Highly skilled production (Levels 6-8)	282	97.90	13	56.50	22	353
Highly skilled supervision (Levels 9-12)	186	100	3	13	62	508
Total	809	397.90	23	999	161	1063

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 2017 to 31 December 2018

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	16456.84	18	895
Skilled Levels 3-5)	35203.68	25	1405
Highly skilled production (Levels 6-8)	15864.38	24	655
Highly skilled supervision (Levels 9-12)	7708	24	323
Senior management (Levels 13-16)	1252	20	62
Total	76484.90	111	3340

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2018

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2018
Lower skilled (Levels 1-2)	0	0	0	23
Skilled Levels 3-5)	67	16	4	71
Highly skilled production (Levels 6-8)	51	8	6	82
Highly skilled supervision (Levels 9-12)	14	4	4	67
Senior management (Levels 13-16)	4	2	2	81
Total	136	30	5	72

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

Table 3.10.5 Leave payouts for the period 1 April 2017 and 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2017/18 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2017/18	7194	141	51021
Current leave payout on termination of service for 2017/18	33	3	11000
Total	7227	144	50188

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

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

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		Mrs N.R Mahlalela Director: HRU&CD
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.	✓		There are 6(six) professional social workers and 1 Support staff with a budget of R 400.000 for HIV&AIDS and TB management, Wellness management, Health and Productivity
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.	✓		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.	✓		In all the Districts there are representatives of the different cost centres. • Ms Monica Mahlangu: Nkangala District • Ms Smangele Nkosi: Ehlanzeni District • Mr Oupa Nhleko: Gert Sibande District • Mr Sam Silinda: Bohlabela District
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		• The HIV and AIDS and TB Management policy • The Wellness management policy • The Sports policy
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.	✓		Through the reviewed HIV and 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 you achieved.	✓		Employees are encouraged to undergo HCT during the awareness workshops, campaigns and wellness days. The results have been very positive though the same employees are the one's testing. 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.	✓		Evaluation of Programmes implemented is done on annual basis which informs the planning for the next financial year interventions.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2017 and 31 March 2018

Total number of Collective agreements	None.
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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 2017 and 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	2	40
Suspended without pay	2	20
No outcome	1	20
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	5	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018

Type of misconduct	Number	% of total
Absent from work without reason or permission	1	33.3
Fails to comply with or contravenes an act	1	33.3
Steals bribes or commit fraud	1	33.3
Total	3	100

Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018

Grievances	Number	% of Total
Number of grievances resolved	20	29.9
Number of grievances not resolved	47	70.1
Total number of grievances lodged	67	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018

Disputes	Number	% of Total
Number of disputes upheld	1	16,7
Number of disputes dismissed	5	83,3
Total number of disputes lodged	6	100

Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

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 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training (Internship)	Total
Legislators, senior officials and managers	Female	13	0	10	0	10
	Male	26	0	10	0	10
Professionals	Female	316	0	60	0	60
	Male	263	0	50	0	50
Technicians and associate professionals	Female	128	0	30	0	30
	Male	132	0	70	0	70
Clerks	Female	283	0	50	0	50
	Male	194	0	50	0	50
Service and sales workers	Female	49	0	20	0	20
	Male	73	0	15	0	15
Craft and related trades workers	Female	40	0	50	0	50
	Male	233	0	25	0	25
Plant and machine operators and assemblers	Female	34	0	10	0	10
	Male	109	0	20	0	20
Elementary occupations	Female	431	38	200	0	200
	Male	826	32	150	0	390
Sub Total	Female	1294	38	430	63	531
	Male	1857	32	390	57	479
Total		3151	70	820	120	1010

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	13	0	03	0	03
	Male	26	0	04	0	04
Professionals	Female	316	0	114	0	114
	Male	263	0	128	0	128
Technicians and associate professionals	Female	128	0	111	0	111
	Male	132	0	107	0	107
Clerks	Female	283	0	56	0	56
	Male	194	0	12	0	12
Service and sales workers	Female	49	0	34	0	34
	Male	73	0	16	0	16
Craft and related trades workers	Female	40	0	12	0	12
	Male	233	0	06	0	06
Plant and machine operators and assemblers	Female	34	0	08	0	08
	Male	109	0	12	0	12
Elementary occupations	Female	431	38	249	0	249
	Male	826	32	238	0	238
Sub Total	Female	1294	38	587	58	683
	Male	1857	32	523	42	597
Total		3151	70	1110	100	1280

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 2017 and 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	19	76
Temporary Total Disablement	6	24
Permanent Disablement	0	0
Fatal	0	0
Total	25	100

3.15 Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Programme 2: Public Works Infrastructure			
1. Parliamentary Village	1	230	R32, 724
Programme 3: Transport Infrastructure			
1. Updated road network management system (rams and sub-systems)	1	230	R9,922,106
2. Capex Pmu (Eq Share Funded Portion of Total Pmu) - Adding Technical Capacity & Support To Internal Staff To Ensure Adequate Programme Management	1	230	R4,694,676
3. Capex Pmu (Prmg Funded Portion of Total Pmu) - Adding Technical Capacity & Support To Internal Staff To Ensure Adequate Programme Management	1	230	R22,619,199
4. Develop and implement maintenance management system (MMS)		230	R1,652,489
5. Upgrading Of Gedlembane Road In Pienaar/Dantjie In The Mpumalanga Province	1	115	R467 468
6. Upgrading Of Road D2950 In Mananga In Ehlanzeni Region of The Mpumalanga Province (13km)	1	115	R6 951 000
7. Consulting Engineering Services For Upgrade of Boelang Ring Road Including Road D3933, D3934, Link Road, D3935 And D3936	1	115	R2 138 581.06
8. Upgrade Of Road D3973 Between Hoxani And R40 (At Marite) Including Repairs At Goromane Bridge And Approaches In Bohlabela Region of Mpumalanga Province	1	115	R11 839 548
9. Upgrade And Rehabilitation of Road D233 Loueiville In Ehlanzeni Region of Mpumalanga Province (10km)	1	115	R 9 608 957.82
10. Reconstruction Mooiplaas Phase3: D481 From Ebuleni To Maanhaar Between Mooiplaas And Ukulindeni	1	115	R2 739 804

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
11. Upgrade of Road D4407 Between Hluvukani And Timbavati (7.82km) And Road D4416 Between Timbavati And Road P194/1 Near Welverdiend (3.37km)	1	230	R 6 977 425.41
12. Upgrade for road D2950 From D797 Towards Dluhluma & Ringroad	1	58	NIL
13. Design: Upgrade of Road D3960 and D4442 Between Ga-Motibidi and Rainbow	1	58	NIL
14. Rehabilitation of Coal Haul Road P29/1 from D2669 And D2821 Near D686 (12.55 Km) + Sinkhole On P29/1 Near Delmas - Part A	1	115	R 3 007 930.69
15. Rehabilitation of Coal Haul Road P29/1 From D2669 And D2821 Near D686 (12.55 Km) + Sinkhole On P29/1 Near Delmas - Part B	1	115	R 7 192 684.54
16. Rehabilitation of Coal Haul Road P141/1 Between South of Clewer And North of Kriel In Nkangala Region of Mpumalanga Province	1	115	R 10 339 802.01
17. Rehabilitation of a Sinkhole on Road D2543 Near Leandra	1	58	R 2 927 171.96
18. Design Review: Rehabilitation of Coal Haul Road P182/1 (Phase 3)	1	58	NIL
19. Rehabilitation of 11.95 Km of Road D 3930 from Acornhoek to Hluvukani	1	115	NIL
20. Design Review: Rehabilitation of Road P95/1 from Verena Crossing to Gauteng Border, Including The Intersection - Phase 2 (13km)	1	58	NIL
21. Upgrading of a Rural Access Road D3968 Between R40 Junction (Near Bushbuckridge) And Rolle Via Merry Pebble (Phase 1) (10km)	1	230	R 8 314 728
22. Upgrade: D4383 Km 4.9 - 14.1 From P33/5 (R536) To D4382 Near Justicia & Lilydale (9.2km) And Upgrade: D3969 Km 13.82 - 16.92 And D4385 Km 0 - 4.9 From D4381 (Kildare) To D4382 Justicia & Lilydale (8.0km)	1	230	R9 658 421
23. Upgrade: D236 (Umjindi Trust Road) West of Barberton From End Paved At Km 6.3 To Km 14.3 (8km) And Patch Reseal Of 6.3km	1	230	R9 826 945
24. Brick Paving And Rehabilitation: Louisville Road D233 (Eq Share Part) (5 Km)	1	58	R7 747 994
25. Construction of Access to New Traffic College (Eq Share)	1	230	R9 219 294
26. Rehabilitation of Road D4396 from D4394 (Km 0) Through New Forest A to D4394 (Dwaarsloop To Thulamahashe) (Km 9.96)	1	115	R12 009 897
27. Rehabilitation of Road D4394 From (D4394 At Km 1.7) Towards Thulamahashe To D4396 T-Junction (D4394 At Km 6.8) (5.06 Km)	1	58	R -
28. Rehabilitation of Road D2951 between Mbuzini And R571 (Samora Machel Monument) (25km)	1	230	R8 176 400

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
29. Rehabilitation of Sections of Road P8/1 Between Mashishing And Bambi (N4) (Phase 2) (18 Km)	1	115	R7 232 200
30. Rehabilitation of Coal Haul Road P49/1 From Montagu Street (Middelburg) To N4 (4.3km)	1	58	R6 303 000
31. Rehabilitation of Coal Haul Road P182/1 (R542) from Km 13.2 To Km 26.25 Between Van Dyksdrift And Hendrina (13.05 Km) (Phase2)	1	230	R12 273 500
32. Rehabilitation of Coal Haul Road P53/2 (R50) Leandra To Standerton (40km) (Phase 2)	1	230	R10 000 000
33. Rehabilitation of Coal Haul Road P36/2 From Delmas To Gauteng Boundary (Towards Devon & Balfour) (13km)	1	58	R2 316 000
34. Rehabilitation: Sinkhole on Coal Haul Road P29/1 (R555) ± 6 Km From Delmas (2Km Eq)	1	58	R895 300
35. Rehabilitation of Coal Haul Road P109/1 Between P30/2 (R38) And The R35 (4km)	1	173	R2 685 474
36. Selective Rehabilitation of Coal Haul Road P26/4 Between Ermelo And Breyten (19.5km)	1	58	R1 286 400
37. Reconstruction of a Flood Damaged Bridge On Road D 2968, Including Repair of Damaged Sections of Road Between Numbi And Makoko (8 Km)	1	230	R4 500 000
38. Reconstruction of a Flood Damaged Bridge on Road D2944 Boschfontein to Magogeni	1	58	R1 000 000
39. Maintenance consultants for assisting the department with management of maintenance of Maintenance – <i>Nkangala</i>	1	230	R15 861 356.85
40. Maintenance consultants for assisting the department with management of maintenance – <i>Gert Sibande</i>	1	230	R15 381 858.71
41. Maintenance consultants for assisting the department with management of maintenance– <i>Bohlabela & Ehlanzeni</i>	1	230	R15 512 785.37
Programme 4: Transport Operations			
1. PWRT/2211/16/MP Appointment of consultant to collect information of freight movement to update Mpumalanga databank.	1	230	R3 200 000
Programme 5: Community Based Programmes			
1. Sakha'bakhi Programme Management	1	230	R6 498 000
2. NYS Building Maintenance Mentorship	1	230	R17 375 000

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Programme 2: Public Works Infrastructure			
1. Parliamentary Village	100%	100%	1
Programme 3: Transport Infrastructure			
1. Updated Road Network Management System (Rams And Sub-Systems)	11.08%	11.08%	1
2. Capex Pmu (Eq Share Funded Portion of Total Pmu) - Adding Technical Capacity & Support To Internal Staff To Ensure Adequate Programme Management	100%	100%	1
3. Capex Pmu (Prmg Funded Portion Of Total Pmu) - Adding Technical Capacity & Support To Internal Staff To Ensure Adequate Programme Management	100%	100%	1
4. Develop and implement maintenance management system (mms)	11.08%	11.08%	1
6. Upgrading of Gedlembane Road In Pienaar/ Dantjie In The Mpumalanga Province	100%	100%	1
7. Upgrading of Road D2950 In Mananga In Ehlanzeni Region of The Mpumalanga Povice (13km)	100%	100%	1
8. Consulting Engineering Services For Upgrade Of Boelang Ring Road Including Road D3933, D3934, Link Road, D3935 And D3936	21.36%	21.36%	1
9. Upgrade Of Road D3973 Between Hoxani And R40 (At Marite) Including Repairs At Goromane Bridge And Approaches In Bohlabela Region of Mpumalanga Province	100%	100%	1
10. Upgrade And Rehabilitation of Road D233 Loueiville In Enhlanzeni Region of Mpumalanga Province (10km)	100%	100%	1
11. Reconstruction Mooiplaas Phase3: D481 From Ebuleni To Maanhaar Between Mooiplaas And Ukulindeni	100%	100%	1
12. Upgrade Of Road D4407 Between Hluvukani And Timbavati (7.82km) And Road D4416 Between Timbavati And Road P194/1 Near Welverdiend (3.37km)	11.08%	11.08%	1
13. Upgrade For Road D2950 From D797 Towards Dludluma & Ringroad	100%	100%	1
14. Design: Upgrade of Road D3960 And D4442 Between Ga-Motibidi And Rainbow	100%	100%	1
15. Rehabilitation of Coal Haul Road P29/1 From D2669 And D2821 Near D686 (12.55 Km) + Sinkhole On P29/1 Near Delmas - Part A	100%	100%	1
16. Rehabilitation of Coal Haul Road P29/1 From D2669 And D2821 Near D686 (12.55 Km) + Sinkhole On P29/1 Near Delmas - Part B	100%	100%	1
17. Rehabilitation of Coal Haul Road P141/1 Between South of Clewer And North Of Kriel In Nkangala Region of Mpumalanga Province	100%	100%	1
18. Rehabilitation of A Sinkhole On Road D2543 Near Leandra	100%	100%	1
19. Design Review: Rehabilitation of Coal Haul Road P182/1 (Phase 3)	100%	100%	1

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
20. Rehabilitation Of 11,95 Km Of Road D 3930 From Acornhoek To Hluvukani	100%	100%	1
21. Design Review: Rehabilitation of Road P95/1 From Verena Crossing To Gauteng Border, Including The Intersection - Phase 2 (13km)	100%	100%	1
22. Upgrading of A Rural Access Road D3968 Between R40 Junction (Near Bushbuckridge) And Rolle Via Merry Pebble (Phase 1) (10km)	100%	100%	1
23. Upgrade: D4383 Km 4.9 - 14.1 From P33/5 (R536) To D4382 Near Justicia & Lilydale (9.2km) And Upgrade: D3969 Km 13.82 - 16.92 And D4385 Km 0 - 4.9 From D4381 (Kildare) To D4382 Justicia & Lilydale (8.0 Km)	90%	90%	1
24. Upgrade: D236 (Umjindi Trust Road) West Of Barberton From End Paved At Km 6.3 To Km 14.3 (8km) And Patch Reseal Of 6.3km	50%	50%	1
25. Brick Paving And Rehabilitation: Louisville Road D233 (Eq Share Part) (5 Km)	100%	100%	1
26. Construction of Access To New Traffic College (Eq Share)	100%	100%	1
27. Rehabilitation of Road D4396 From D4394 (Km 0) Through New Forest A To D4394 (Dwaarsloop To Thulamahashe) (Km 9.96)	100%	100%	1
28. Rehabilitation of Road D4394 From (D4394 At Km 1.7) Towards Thulamahashe To D4396 T-Junction (D4394 At Km 6.8) (5.06 Km)	100%	100%	1
29. Rehabilitation of Road D2951 Between Mbuzini And R571 (Samora Machel Monument) (25km)	100%	100%	1
30. Rehabilitation of Sections of Road P8/1 Between Mashishing And Bambi (N4) (Phase 2) (18 Km)	100%	100%	1
31. Rehabilitation of Coal Haul Road P49/1 From Montagu Street (Middelburg) To N4 (4.3km)	100%	100%	1
32. Rehabilitation of Coal Haul Road Road P182/1 (R542) From Km 13.2 To Km 26.25 Between Van Dyksdrift And Hendrina (13.05 Km) (Phase2)	100%	100%	1
33. Rehabilitation of Coal Haul Road P53/2 (R50) Leandra To Standerton (40km) (Phase 2)	30%	30%	1
34. Rehabilitation of Coal Haul Road P36/2 From Delmas To Gauteng Boundary (Towards Devon & Balfour) (13km)	100%	100%	1
35. Rehabilitation: Sinkhole On Coal Haul Road P29/1 (R555) ± 6 Km From Delmas (2 Km Eq)	100%	100%	1
36. Rehabilitation of Coal Haul Road P109/1 Between P30/2 (R38) And The R35 (4km)	100%	100%	1
37. Selective Rehabilitation of Coal Haul Road P26/4 Between Ermelo And Breyten (19.5km)	100%	100%	1
38. Reconstruction of A Flood Damaged Bridge On Road D 2968, Including Repair Of Damaged Sections of Road Between Between Numbi And Makoko (8 Km)	100%	100%	1

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
39. Reconstruction of A Flood Damaged Bridge On Road D2944 Boschfontein To Magogeni	100%	100%	1
40. Maintenance Consultants For Assisting The Department With Management of Maintenance – <i>Nkangala</i>	100%	100%	1
41. Maintenance Consultants For Assisting The Department With Management of Maintenance – <i>Gert Sibande</i>	90%	90%	1
42. Maintenance Consultants For Assisting The Department With Management of Maintenance– <i>Bohlabela & Ehlanzeni</i>	100%	100%	1
Programme 4: Transport Operations			
1. PWRT/2211/16/MP Appointment of consultant to collect information of freight movement to update Mpumalanga databank.	100%	100%	1
Programme 5: Community Based Programmes			
2. Sakha'bakhi Programme Management	100%	100%	1
3. NYS Building Maintenance Mentorship	100%	100%	1

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 and 31 March 2018

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

PART E: ANNUAL FINANCIAL STATEMENTS



REPORT OF THE AUDITOR-GENERAL TO PROVINCIAL LEGISLATURE ON VOTE NO. 8: DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

Qualified opinion

1. I have audited the financial statements of the Department of Public Works, Roads and Transport set out on pages 123 to 220, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, 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 to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this auditor's report, 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 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as prescribed by the National Treasury 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, 2017 (Act No. 3 of 2017) (Dora).

Basis for qualified opinion

Commitments

3. The department did not disclose retentions as provisions in accordance with MCS chapter 14, Provisions and contingencies. Included in capital commitments were retentions not yet paid. The department did not have adequate internal controls to maintain records of unpaid retention amounts and I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary relating to capital commitments stated at R1 030 970 000 (2017: R962 177 000) in note 17 to the financial statements.
4. Included in current commitments were orders that had no contractual obligation to incur future expenditure to deliver goods, services and capital assets, in accordance with MCS chapter 14, Provisions and contingencies. Also included in current commitments were accruals and purchase orders that had already been paid. Some of these commitments were further recorded at the incorrect amounts. Consequently, current commitments included in note 17 to the financial statements is understated by R76 557 460.

Context for the opinion

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
6. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matters

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

Restatement of corresponding figures

9. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2017 have been restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2018.

Irregular expenditure

10. As disclosed in note 21 to the financial statements, irregular expenditure of R39 089 000 incurred in previous years was still under investigation.
11. As disclosed in note 21 to the financial statements, irregular expenditure of R1 418 000 was incurred, as procurement processes had not been followed properly.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and 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.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

16. 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 material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
17. My procedures address the reported performance information, which must be based on the approved

performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – public works infrastructure	30 - 34
Programme 3 – transport infrastructure	36 - 38
Programme 4 – transport operations	40 - 42
Programme 5 – community based programmes	44 - 46

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

20. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 5 – community based programme

21. The reported achievement in the annual performance report did not agree to the supporting evidence provided for the indicators listed below. The supporting evidence provided indicated that the achievements of these indicators were as follows:

Performance indicator	Reported achievement	Audited value
Indicator 2: number of full time equivalent created by the provisional department of public works	2 388	1 053
Indicator 7: number of full time equivalent	19 329	9 515
Indicator 9: number of women employed	25 380	22 560
Indicator 10: number of people with disabilities	212	173

22. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2 – public works infrastructure
 - Programme 3 – transport infrastructure
 - Programme 4 – transport operations

Adjustment of material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the public works infrastructure programme. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information. Those that were not corrected are reported above.

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. Refer to the annual performance report on pages 25 to 46 for information on the achievement of planned targets for the year and explanations provided for the under- or overachievement of a significant number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 21 of this report.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

27. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements, performance report and annual report

28. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(b) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

Expenditure management

29. Prepayments were made before goods and services were received, in contravention of treasury regulation 31.1.2(c)

OTHER INFORMATION

30. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the accounting officer's report, audit committee's report, overview of human resources, and those programmes not scoped in. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported in the auditor's report.
31. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

32. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

33. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

34. I have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

35. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the qualified opinion, the findings on the performance report and the findings on compliance with legislation included in this report.

Leadership

36. Management did not exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls.
37. Management did not develop and monitor the implementation of action plans to address internal control deficiencies.

Financial and performance management

38. Management did not implement controls over daily and monthly processing and reconciling transactions.
39. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information.

AUDITOR — GENERAL

Mbombela
31 July 2018



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE - AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting

in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease continuing as a going concern

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

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.





MPUMALANGA PROVINCIAL GOVERNMENT
Department of Public Works, Roads and Transport

Vote No. 08
Annual Financial Statements

2017/18 Financial Year

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

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

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

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per programme									
2017/18					2016/17				
	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	230,597	-	4,920	235,517	235,517	-	100.0%	246,234	246,234
2. Public Works Infrastructure	810,816	-	(736)	810,080	797,542	12,538	98.5%	755,720	755,720
3. Transport Infrastructure	2,426,938	-	558	2,427,496	2,414,126	13,370	99.4%	2,385,389	2,385,146
4. Transport Operations	1,236,808	-	(6,250)	1,230,558	1,219,469	11,089	99.1%	1,136,589	1,136,587
5. Community Based Programmes	71,976	-	1,508	73,484	72,615	869	98.8%	75,896	75,891
TOTAL	4,777,135	-	-	4,777,135	4,739,269	37,866	99.2%	4,599,828	4,599,578

2017/18					2016/17				
	Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure			
TOTAL (brought forward)	4,777,135	4,739,269			4,599,828	4,599,578			
Reconciliation with statement of financial performance									
Actual amounts per statement of financial performance (total revenue)									
Actual amounts per statement of financial performance (total expenditure)									

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

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per economic classification									
	2017/18					2016/17			
	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	2,889,633	-	(20,362)	2,869,271	2,914,059	(44,788)	101.6%	2,379,711	2,642,896
Compensation of employees	1,013,077	-	(20,371)	992,706	992,316	390	100.0%	920,740	920,740
Salaries and wages	858,624	-	(14,576)	844,048	844,048	-	100.0%	781,593	781,593
Social contributions	154,453	-	(5,795)	148,658	148,268	390	99.7%	139,147	139,147
Goods and services	1,876,556	-	9	1,876,565	1,921,743	(45,178)	102.4%	1,458,971	1,802,509
Administrative fees	1,222	-	(519)	703	703	-	100.0%	1,080	1,080
Advertising	778	-	46	824	824	-	100.0%	2,695	2,695
Minor assets	870	-	(102)	768	768	-	100.0%	597	9,141
Audit costs: External	10,602	-	(890)	9,712	9,712	-	100.0%	10,036	10,036
Catering: Departmental activities	1,686	-	(322)	1,364	1,364	-	100.0%	955	955
Communication	15,059	-	1,702	16,761	16,761	-	100.0%	17,802	17,797
Computer services	1,479	-	(386)	1,093	1,093	-	100.0%	942	942
Consultants: Business and advisory services	22,682	-	9,656	32,338	32,338	-	100.0%	18,959	18,959
Infrastructure and planning services	205,981	-	(7,318)	198,663	198,663	-	100.0%	119,791	119,791
Scientific and technological services	263	(263)	-	-	-	-	-	-	-

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

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18						2016/17		
	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
Legal services	10,560	-	2,168	12,728	12,728	-	100.0%	6,898	6,898
Contractors	692,287	-	(33,551)	658,736	714,507	(55,771)	108.5%	387,210	714,403
Agency and support / outsourced services	61,280	-	(28,524)	32,756	32,756	-	100.0%	48,614	48,614
Fleet services	52,117	-	1,377	53,494	53,494	-	100.0%	45,176	45,176
Inventory: Clothing material and supplies	926	-	15,088	16,014	16,014	-	100.0%	5,326	5,326
Inventory: Food and food supplies	159	-	(159)	-	-	-	-	-	-
Inventory: Fuel, oil and gas	13,431	-	(981)	12,450	12,450	-	100.0%	8,863	8,863
Inventory: Materials and supplies	46,715	-	30,011	76,726	76,726	-	100.0%	55,533	55,533
Inventory: Other supplies	741	-	(741)	-	-	-	-	-	-
Consumable supplies	2,362	-	2,437	4,799	4,799	-	100.0%	13,883	13,883
Consumable: Stationery, printing and office supplies	11,997	-	1,418	13,415	13,415	-	100.0%	13,767	13,767
Operating leases	36,628	-	20,127	56,755	56,755	-	100.0%	40,545	40,545
Property payments	182,617	-	(28,665)	153,952	153,952	-	100.0%	168,255	168,255
Transport provided: Departmental activity	442,234	-	(15,290)	426,944	417,007	9,937	97.7%	395,581	403,387
Travel and subsistence	33,806	-	33,167	66,973	66,973	-	100.0%	67,973	67,973

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

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2017/18										2016/17	
	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		
Training and development	23,689	-	(2,856)	20,833	20,238	595	97.1%	20,677	20,677		
Operating payments	3,931	-	3,564	7,495	7,489	6	99.9%	7,323	7,323		
Venues and facilities	399	-	(185)	214	214	-	100.0%	490	490		
Rental and hiring	55	-	-	55	-	55	-	-	-		
Transfers and subsidies	794,350	-	17,650	812,000	811,908	92	100.0%	758,196	758,194		
Provinces and municipalities	170,000	-	16,316	186,316	186,316	-	100.0%	169,077	169,077		
Municipalities	170,000	-	16,316	186,316	186,316	-	100.0%	169,077	169,077		
Municipal bank accounts	170,000	-	16,316	186,316	186,316	-	100.0%	169,077	169,077		
Departmental agencies and accounts	-	*	43	43	43	-	100.0%	-	-		
Departmental agencies and accounts	-	-	43	43	43	-	100.0%	-	-		
Public corporations and private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982		
Private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982		
Other transfers to private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982		

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

APPROPRIATION STATEMENT
for the year ended 31 March 2018

	2017/18						2016/17		
	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	14,216	-	1,362	15,578	15,578	-	100.0%	14,135	14,135
Social benefits	5,613	-	4,644	10,257	10,257	-	100.0%	10,507	10,507
Other transfers to households	8,603	-	(3,282)	5,321	5,321	-	100.0%	3,628	3,628
Payments for capital assets	1,093,152	-	(246)	1,092,906	1,010,344	82,562	92.4%	1,461,921	1,115,135
Buildings and other fixed structures	980,371	-	(7,917)	972,454	894,841	77,613	92.0%	1,374,592	1,048,918
Buildings	35,496	-	(16,228)	19,268	7,044	12,224	36.6%	-	-
Other fixed structures	944,875	-	8,311	953,186	887,797	65,389	93.1%	1,374,592	1,048,918
Machinery and equipment	112,781	-	7,671	120,452	115,503	4,949	95.9%	87,329	66,217
Transport equipment	46,327	-	15,507	61,834	61,834	-	100.0%	64,691	48,336
Other machinery and equipment	66,454	-	(7,836)	58,618	53,669	4,949	91.6%	22,638	17,881
Payments for financial assets	-	-	2,958	2,958	2,958	-	100.0%	-	3,000
Total	4,777,135	-	-	4,777,135	4,739,269	37,866	99.2%	4,599,828	4,599,578

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Programme 1: Administration									
2017/18					2016/17				
	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	9,196	-	(1,740)	7,456	7,456	-	100.0%	6,898	6,898
2. Management of the Department	5,893	-	(1,022)	4,871	4,871	-	100.0%	3,756	3,756
3. Corporate Support	215,508	-	7,682	223,190	223,190	-	100.0%	235,580	235,580
Total for sub programmes	230,597	-	4,920	235,517	235,517	-	100.0%	246,234	246,234
Economic classification									
Current payments	227,154	-	1,157	228,311	228,311	-	100.0%	243,046	243,046
Compensation of employees	162,462	-	(1,849)	160,613	160,613	-	100.0%	170,028	170,028
Salaries and wages	145,400	-	(4,578)	140,822	140,822	-	100.0%	143,723	143,723
Social contributions	17,062	-	2,729	19,791	19,791	-	100.0%	26,305	26,305
Goods and services	64,692	-	3,006	67,698	67,698	-	100.0%	73,018	73,018
Administrative fees	1,067	-	(663)	404	404	-	100.0%	578	578
Advertising	172	-	299	471	471	-	100.0%	1,651	1,651
Minor assets	-	-	107	107	107	-	100.0%	60	60
Audit costs: External	10,602	-	(890)	9,712	9,712	-	100.0%	10,036	10,036
Catering: Departmental activities	1,056	-	(326)	730	730	-	100.0%	678	678

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2017/18										2016/17	
	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	1,729	-	1,288	3,017	3,017	-	100.0%	1,273	1,273		
Computer services	1,307	-	(214)	1,093	1,093	-	100.0%	938	938		
Consultants: Business and advisory services	27	-	1,033	1,060	1,060	-	100.0%	1,128	1,128		
Infrastructure and planning services	-	-	-	-	-	-	-	-	-		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	7,092	-	5,583	12,675	12,675	-	100.0%	6,679	6,679		
Contractors	1,549	-	(1,066)	483	483	-	100.0%	9	9		
Agency and support / outsourced services	-	-	5	5	5	-	100.0%	6	6		
Fleet services	-	-	19	19	19	-	100.0%	10,006	10,006		
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-		
Inventory: Food and food supplies	137	-	(137)	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	98	-	(98)	-	-	-	-	-	-		
Inventory: Materials and supplies	653	-	(652)	1	1	-	100.0%	341	341		
Inventory: Other supplies	-	-	-	-	-	-	-	-	-		

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2017/18										2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Consumable supplies	1,027	-	(386)	641	641	-	100.0%	1,989	1,989		
Consumable: Stationery, printing and office supplies	11,765	-	613	12,378	12,378	-	100.0%	11,844	11,844		
Operating leases	3,135	-	(867)	2,268	2,268	-	100.0%	2,168	2,168		
Property payments	12,431	-	(12,431)	-	-	-	-	-	-		
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-		
Travel and subsistence	9,733	-	9,044	18,777	18,777	-	100.0%	20,361	20,361		
Training and development	3	-	102	105	105	-	100.0%	140	140		
Operating payments	1,109	-	2,481	3,590	3,590	-	100.0%	2,959	2,959		
Venues and facilities	-	-	162	162	162	-	100.0%	174	174		
Rental and hiring	-	-	-	-	-	-	-	-	-		
Transfers and subsidies	2,125	-	89	2,214	2,214	-	100.0%	1,305	1,305		
Provinces and municipalities	-	-	-	-	-	-	-	1	1		
Municipalities	-	-	-	-	-	-	-	1	1		
Municipal bank accounts	-	-	-	-	-	-	-	1	1		
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-		
Departmental agencies	-	-	-	-	-	-	-	-	-		

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2017/18										2016/17	
	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	-	-	-	-	-	-	-	-	-		
Private enterprises	-	-	-	-	-	-	-	-	-		
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-		
Households	2,125	-	89	2,214	2,214	-	100.0%	1,304	1,304		
Social benefits	2,125	-	89	2,214	2,214	-	100.0%	1,304	1,304		
Other transfers to households	-	-	-	-	-	-	-	-	-		
Payments for capital assets	1,318	-	716	2,034	2,034	-	100.0%	1,883	1,883		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		
Buildings	-	-	-	-	-	-	-	-	-		
Other fixed structures	-	-	-	-	-	-	-	-	-		
Machinery and equipment	1,318	-	716	2,034	2,034	-	100.0%	1,883	1,883		
Transport equipment	-	-	1,666	1,666	1,666	-	100.0%	1,101	1,101		
Other machinery and equipment	1,318	-	(950)	368	368	-	100.0%	782	782		
Payments for financial assets	-	-	2,958	2,958	2,958	-	100.0%	-	-		
Total	230,597	-	4,920	235,517	235,517	-	100.0%	246,234	246,234		

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1.1 Office of the MEC									
	2017/18					2016/17			
	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	9,196	-	(1,802)	7,394	7,394	-	100.0%	6,800	6,800
Compensation of employees	7,368	-	(1606)	5,762	5,762	-	100.0%	5,263	5,263
Goods and services	1,828	-	(196)	1,632	1,632	-	100.0%	1,563	1,563
Transfers and subsidies	-	-	62	62	62	-	100.0%	18	18
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	62	62	62	-	100.0%	18	18
Payments for capital assets	-	-	-	-	-	-	-	80	80
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	80	80
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9,196	-	(1,740)	7,456	7,456	-	100.0%	6,898	6,898

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1.2 Management of the Department									
	2017/18						2016/17		
	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	5,819	-	(948)	4,871	4,871	-	100.0%	3,729	3,729
Compensation of employees	5,077	-	(523)	4,554	4,554	-	100.0%	3,121	3,121
Goods and services	742	-	(425)	317	317	-	100.0%	608	608
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	74	-	(74)	-	-	-	-	27	27
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	74	-	(74)	-	-	-	-	27	27
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	5,893	-	(1,022)	4,871	4,871	-	100.0%	3,756	3,756

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1.3 Corporate Support									
	2017/18					2016/17			
	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	212,139	-	3,907	216,046	216,046	-	100.0%	232,517	232,517
Compensation of employees	150,017	-	280	150,297	150,297	-	100.0%	161,644	161,644
Goods and services	62,122	-	3,627	65,749	65,749	-	100.0%	70,873	70,873
Transfers and subsidies	2,125	-	27	2,152	2,152	-	100.0%	1,287	1,287
Provinces and municipalities	-	-	-	-	-	-	-	1	1
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	2,125	-	27	2,152	2,152	-	100.0%	1,286	1,286
Payments for capital assets	1,244	-	790	2,034	2,034	-	100.0%	1,776	1,776
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1,244	-	790	2,034	2,034	-	100.0%	1,776	1,776
Payments for financial assets	-	-	2,958	2,958	2,958	-	100.0%	-	-
Total	215,508	-	7,682	223,190	223,190	-	100.0%	235,580	235,580

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Programme 2: Public Works Infrastructure									
	2017/18					2016/17			
	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	4,396	-	168	4,564	4,564	-	100.0%	4,125	4,125
2. Design Public Works	59,900	-	(11,927)	47,973	47,973	-	100.0%	32,960	32,960
3. Construction Public Works	46,607	-	(6,562)	40,045	27,821	12,224	69.5%	24,046	24,046
4. Maintenance Public Works	23,851	-	(1,832)	22,019	22,019	-	100.0%	17,715	17,715
5. Property Management	676,062	-	19,417	695,479	695,165	314	100.0%	676,874	676,874
Total for sub programmes	810,816	-	(736)	810,080	797,542	12,538	98.5%	755,720	755,720
Economic classification									
Current payments	598,889	-	(8,776)	590,113	590,113	-	100.0%	559,502	559,502
Compensation of employees	300,909	-	(6,574)	294,335	294,335	-	100.0%	272,111	272,111
Salaries and wages	253,271	-	1,043	254,315	254,314	-	100.0%	234,615	234,615
Social contributions	47,638	-	(7,617)	40,021	40,021	-	100.0%	37,496	37,496
Goods and services	297,980	-	(2,202)	295,778	295,778	-	100.0%	287,391	287,391
Administrative fees	-	-	98	98	98	-	100.0%	131	131
Advertising	96	-	(96)	-	-	-	-	-	-
Minor assets	768	-	(570)	198	198	-	100.0%	455	455

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	2017/18					2016/17			
	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	-	-	57	57	57	-	100.0%	30	30
Communication	9,450	-	3,512	12,962	12,962	-	100.0%	15,561	15,561
Computer services	58	-	(58)	-	-	-	-	-	-
Consultants: Business and advisory services	4,744	-	4,563	9,307	9,307	-	100.0%	2,003	2,003
Infrastructure and planning services	46,762	-	(15,821)	30,941	30,941	-	100.0%	17,025	17,025
Scientific and technological services	263	-	(263)	-	-	-	-	-	-
Legal services	3,138	-	(3,085)	53	53	-	100.0%	219	219
Contractors	11,455	-	4,178	15,633	15,633	-	100.0%	13,371	13,371
Agency and support / outsourced services	-	-	1,583	1,583	1,583	-	100.0%	1,659	1,659
Fleet services	140	-	(139)	1	1	-	100.0%	2	2
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	1,995	1,995	1,995	-	100.0%	613	613
Inventory: Food and food supplies	22	-	(22)	-	-	-	-	-	-
Inventory: Fuel, oil and gas	4,414	-	(4,088)	326	326	-	100.0%	-	-

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2017/18										2016/17	
	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	5,706	-	2,394	8,100	8,100	-	100.0%	8,655	8,655		
Inventory: Other supplies	-	-	-	-	-	-	-	-	-		
Consumable supplies	63	-	2,477	2,540	2,540	-	100.0%	3,813	3,813		
Consumable: Stationery, printing and office supplies	2	-	442	444	444	-	100.0%	689	689		
Operating leases	33,107	-	1,188	34,295	34,295	-	100.0%	30,491	30,491		
Property payments	170,148	-	(16,196)	153,952	153,952	-	100.0%	168,255	168,255		
Transport provided: Departmental activity	2,833	-	(2,833)	-	-	-	-	-	-		
Travel and subsistence	4,113	-	17,391	21,504	21,504	-	100.0%	22,346	22,346		
Training and development	484	-	(442)	42	42	-	100.0%	26	26		
Operating payments	214	-	1,533	1,747	1,747	-	100.0%	1,790	1,790		
Venues and facilities	-	-	-	-	-	-	-	257	257		
Rental and hiring	-	-	-	-	-	-	-	-	-		
Transfers and subsidies	173,056	-	15,951	189,007	189,007	-	100.0%	173,271	173,271		
Provinces and municipalities	170,000	-	16,316	186,316	186,316	-	100.0%	169,076	169,076		
Municipalities	170,000	-	16,316	186,316	186,316	-	100.0%	169,076	169,076		
Municipal bank accounts	170,000	-	16,316	186,316	186,316	-	100.0%	169,076	169,076		

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2017/18							2016/17		
	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	-	-	43	43	43	-	100.0%	-	-
Departmental agencies	-	-	43	43	43	-	100.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Households	3,056	-	(408)	2,648	2,648	-	100.0%	4,195	4,195
Social benefits	3,056	-	(408)	2,648	2,648	-	100.0%	4,188	4,188
Other transfers to households	-	-	-	-	-	-	-	7	7
Payments for capital assets	38,871	-	(7,911)	30,960	18,422	12,538	59.5%	22,947	22,947
Buildings and other fixed structures	35,496	-	(7,917)	27,579	15,355	12,224	55.7%	18,143	18,440
Buildings	35,496	-	(16,228)	19,268	7,044	12,224	36.6%	-	-
Other fixed structures	-	-	8,311	8,311	8,311	-	100.0%	18,143	18,440

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2017/18								2016/17	
	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	3,375	-	6	3,381	3,067	314	90.7%	4,804	4,507
Transport equipment	-	-	1,663	1,663	1,663	-	100.0%	-	-
Other machinery and equipment	3,375	-	(1,657)	1,718	1,404	314	81.7%	4,804	4,507
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	810,816	-	(736)	810,080	797,542	12,538	98.5%	755,720	755,720

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2.1 Programme Support									
	2017/18					2016/17			
	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	4,344	-	220	4,564	4,564	-	100.0%	4,005	4,005
Compensation of employees	3,452	-	404	3,856	3,856	-	100.0%	3,455	3,455
Goods and services	892	-	(184)	708	708	-	100.0%	550	550
Transfers and subsidies	-	-	-	-	-	-	-	6	6
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	6	6
Payments for capital assets	52	-	(52)	-	-	-	-	114	114
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	52	-	(52)	-	-	-	-	114	114
Heritage assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4,396	-	168	4,564	4,564	-	-	4,125	4,125

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2.2 Design Public Works									
	2017/18					2016/17			
	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	59,804	-	(11,863)	47,941	47,941	-	100.0%	32,752	32,752
Compensation of employees	18,073	-	(3,357)	14,716	14,716	-	100.0%	15,061	15,061
Goods and services	41,731	-	(8,506)	33,225	33,225	-	100.0%	17,691	17,691
Transfers and subsidies	56	-	(30)	26	26	-	100.0%	189	189
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	56	-	(30)	26	26	-	100.0%	189	189
Payments for capital assets	40	-	(34)	6	6	-	100.0%	19	19
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	40	-	(34)	6	6	-	100.0%	19	19
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	59,900	-	(11,927)	47,973	47,973	-	100.0%	32,960	32,960

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2.3 Construction Public Works									
	2017/18					2016/17			
	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	26,447	-	(5,478)	20,969	20,969	-	100.0%	23,984	23,984
Compensation of employees	22,062	-	(3,760)	18,302	18,302	-	100.0%	20,725	20,725
Goods and services	4,385	-	(1,718)	2,667	2,667	-	100.0%	3,259	3,259
Transfers and subsidies	-	-	15	15	15	-	100.0%	62	62
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	15	15	15	-	100.0%	62	62
Payments for capital assets	20,160	-	(1,099)	19,061	6,837	12,224	35.9%	-	-
Buildings and other fixed structures	20,000	-	(939)	19,061	6,837	12,224	35.9%	-	-
Machinery and equipment	160	-	(160)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	46,607	-	(6,562)	40,045	27,821	12,224	69.5%	24,046	24,046

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2.4 Maintenance Public Works									
	2017/18					2016/17			
	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	23,728	-	(1,752)	21,976	21,976	-	100.0%	17,683	17,683
Compensation of employees	3,314	-	3,709	7,023	7,023	-	100.0%	2,674	2,674
Goods and services	20,414	-	(5,461)	14,953	14,953	-	100.0%	15,009	15,009
Transfers and subsidies	-	-	43	43	43	-	100.0%	32	32
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	43	43	43	-	100.0%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	32	32
Payments for capital assets	123	-	(123)	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	123	-	(123)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	23,851	-	(1,832)	22,019	22,019	-	100.0%	17,715	17,715

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2.5 Property Management									
	2017/18					2016/17			
	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	484,566	-	10,097	494,663	494,663	-	100.0%	481,078	481,078
Compensation of employees	254,008	-	(3,570)	250,438	250,438	-	100.0%	230,196	230,196
Goods and services	230,558	-	13,667	244,225	244,225	-	100.0%	250,882	250,882
Transfers and subsidies	173,000	-	15,923	188,923	188,923	-	100.0%	172,982	172,982
Provinces and municipalities	170,000	-	16,316	186,316	186,316	-	100.0%	169,076	169,076
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	3,000	-	(393)	2,607	2,607	-	100.0%	3,906	3,906
Payments for capital assets	18,496	-	(6,603)	11,893	11,579	314	97.4%	22,814	22,814
Buildings and other fixed structures	15,496	-	(6,978)	8,518	8,518	-	100.0%	18,143	18,440
Machinery and equipment	3,000	-	375	3,375	3,061	314	90.7%	4,671	4,376
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	676,062	-	19,417	695,479	695,165	314	100.0%	676,874	676,874

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Programme 3: Transport Infrastructure									
	2017/18					2016/17			
	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	1,805	-	(124)	1,681	1,681	-	100.0%	1,517	1,517
2. Infrastructure Planning	53,382	-	(6,541)	46,841	46,841	-	100.0%	60,004	60,004
3. Design Roads	126,131	-	14,627	140,758	140,758	-	100.0%	62,252	62,252
4. Construction Roads	947,233	-	(1,793)	945,440	880,715	64,725	93.2%	1,355,164	1,027,212
5. Maintenance Roads	1,298,387	-	(5,611)	1,292,776	1,344,131	(51,355)	104.0%	906,452	1,234,161
Total for sub programmes	2,426,938	-	558	2,427,496	2,414,126	13,370	99.4%	2,385,389	2,385,146
Economic classification									
Current payments	1,412,591	-	528	1,413,119	1,468,890	(55,771)	103.9%	1,017,257	1,344,450
Compensation of employees	406,278	-	(11,040)	395,238	395,238	-	100.0%	373,505	373,505
Salaries and wages	338,704	-	(12,980)	325,724	325,724	-	100.0%	310,918	310,918
Social contributions	67,574	-	1,940	69,514	69,514	-	100.0%	62,587	62,587
Goods and services	1,006,313	-	11,5368	1,017,881	1,073,652	(55,771)	105.5%	643,752	970,945
Administrative fees	150	-	(40)	110	110	-	100.0%	149	149
Advertising	-	-	37	37	37	-	100.0%	-	-
Minor assets	102	-	320	422	422	-	100.0%	32	32
Audit costs: External	-	-	-	-	-	-	-	-	-

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2017/18										2016/17	
	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	-	-	404	404	404	-	100.0%	156	156		
Communication	614	-	(220)	394	394	-	100.0%	474	474		
Computer services	95	-	(95)	-	-	-	-	4	4		
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-		
Infrastructure and planning services	159,219	-	8,503	167,722	167,722	-	100.0%	102,766	102,766		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	-	-	-	-	-	-	-	-	-		
Contractors	678,983	-	(36,371)	642,612	698,383	(55,771)	108.7%	370,566	697,759		
Agency and support / outsourced services	60,816	-	(30,148)	30,668	30,668	-	100.0%	45,946	45,946		
Fleet services	39,477	-	2,249	41,726	41,726	-	100.0%	35,167	35,167		
Housing	-	-	-	-	-	-	-	-	-		
Inventory: Clothing material and supplies	926	-	11,902	12,828	12,828	-	100.0%	4,153	4,153		
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	8,919	-	3,178	12,097	12,097	-	100.0%	8,863	8,863		

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2017/18										2016/17	
	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	40,356	-	28,241	68,597	68,597	-	100.0%	41,320	41,320		
Inventory: Other supplies	-	-	-	-	-	-	-	-	-		
Consumable supplies	-	-	1,098	1,098	1,098	-	100.0%	6,811	6,811		
Consumable: Stationery, printing and office supplies	-	-	147	147	147	-	100.0%	914	914		
Operating leases	-	-	20,192	20,192	20,192	-	100.0%	7,886	7,886		
Property payments	9	-	(9)	-	-	-	-	-	-		
Transport provided: Departmental activity	81	-	(81)	-	-	-	-	-	-		
Travel and subsistence	12,198	-	1,128	13,326	13,326	-	100.0%	13,274	13,274		
Training and development	1,803	-	2,432	4,235	4,235	-	100.0%	3,459	3,459		
Operating payments	2,490	-	(1,254)	1,236	1,236	-	100.0%	1,793	1,793		
Venues and facilities	75	-	(45)	30	30	-	100.0%	19	19		
Rental and hiring	-	-	-	-	-	-	-	-	-		
Transfers and subsidies	8,671	-	996	9,667	9,667	-	100.0%	8,434	8,434		
Provinces and municipalities	-	-	-	-	-	-	-	-	-		
Municipalities	-	-	-	-	-	-	-	-	-		
Municipal bank accounts	-	-	-	-	-	-	-	-	-		

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	2017/18						2016/17		
	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	8,671	-	996	9,667	9,667	-	100.0%	8,434	8,434
Social benefits	68	-	4,278	4,346	4,346	-	100.0%	4,813	4,813
Other transfers to households	8,603	-	(3,282)	5,321	5,321	-	100.0%	3,621	3,621
Payments for capital assets	1,005,676	-	(966)	1,004,710	935,569	69,141	93.1%	1,359,698	1,029,262
Buildings and other fixed structures	944,014	-	-	944,014	879,289	64,725	93.1%	1,342,436	1,016,465
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	944,014	-	-	944,014	879,289	64,725	93.1%	1,342,436	1,016,465

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2017/18							2016/17		
	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	61,662	-	(966)	60,696	56,280	4,416	92.7%	17,262	12,797
Transport equipment	185	-	4,233	4,418	4,418	-	100.0%	500	495
Other machinery and equipment	61,477	-	(5,199)	56,278	51,862	4,416	92.2%	16,762	12,302
Payments for financial assets	-	-	-	-	-	-	-	-	3,000
Total	2,426,938	-	558	2,427,496	2,414,126	13,370	99.4%	2,385,389	2,385,146

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3.1 Programme Support									
	2017/18					2016/17			
	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	1,736	-	(55)	1,681	1,681	-	100.0%	1,517	1,517
Compensation of Employees	1,405	-	(77)	1,482	1,482	-	100.0%	1,324	1,324
Goods and services	331	-	(132)	199	199	-	100.0%	193	193
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	69	-	(69)	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	69	-	(69)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,805	-	(124)	1,681	1,681	-	100.0%	1,517	1,517

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3.2 Infrastructure Planning									
	2017/18					2016/17			
	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	53,362	-	(6,521)	46,841	46,841	-	100.0%	59,980	59,980
Compensation of employees	9,973	-	343	10,316	10,316	-	100.0%	9,603	9,603
Goods and services	43,389	-	(6,864)	36,525	36,525	-	100.0%	50,377	50,377
Transfers and subsidies	-	-	-	-	-	-	-	24	24
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	24	24
Payments for capital assets	20	-	(20)	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20	-	(20)	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	53,382	-	(6,541)	46,841	46,841	-	100.0%	60,004	60,004

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3.3 Design Roads									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	126,131	-	14,627	140,758	140,758	-	100.0%	62,244	62,244
Compensation of employees	7,553	-	(600)	6,953	6,953	-	100.0%	6,815	6,815
Goods and services	118,578	-	15,227	133,805	133,805	-	100.0%	55,429	55,429
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	8	8
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	8	8
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	126,131	-	14,627	140,758	140,758	-	100.0%	62,252	62,252

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3.4 Construction Roads									
	Adjusted Appropriation	2017/18				2016/17			
		Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3,151	-	(1,725)	1,426	1,426	-	100.0%	12,472	12,472
Compensation of employees	2,111	-	(905)	1,206	1,206	-	100.0%	11,920	11,920
Goods and services	1,040	-	(820)	220	220	-	100.0%	552	552
Transfers and subsidies	68	-	(68)	-	-	-	-	256	256
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	68	-	(68)	-	-	-	-	256	256
Payments for capital assets	944,014	-	-	944,014	879,289	64,725	93.1%	1,342,436	1,011,484
Buildings and other fixed structures	944,014	-	-	944,014	879,289	64,725	93.1%	1,342,436	1,011,465
Machinery and equipment	-	-	-	-	-	-	-	-	19
Payments for financial assets	-	-	-	-	-	-	-	-	3000
Total	947,233	-	(1,793)	945,440	880,715	64,725	93.2%	1,355,164	1,027,212

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3.5 Maintenance Roads									
	2017/18					2016/17			
	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	1,228,211	-	(5,798)	1,222,413	1,278,184	(55,771)	104.6%	881,044	1,127,884
Compensation of employees	385,236	-	(9,955)	375,281	375,281	-	100.0%	343,843	343,843
Goods and services	842,975	-	4,157	847,132	902,903	(55,771)	106.6%	527,201	864,394
Transfers and subsidies	8,603	-	1,064	9,667	9,667	-	100.0%	8,154	8,154
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	8,603	-	1,064	9,667	9,667	-	100.0%	8,154	8,154
Payments for capital assets	61,573	-	(877)	60,696	56,280	4,416	92.7%	17,254	17,770
Buildings and other fixed structures	-	-	-	-	-	-	-	-	5000
Machinery and equipment	61,573	-	(877)	60,696	56,280	4,416	92.7%	17,254	12,770
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,298,387	-	(5,611)	1,292,776	1,344,131	(51,355)	104.0%	906,452	1,234,161

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Programme 4: Transport Operations									
	2017/18					2016/17			
	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	3,644	-	(1,213)	2,431	2,431	-	100.0%	2,189	2,189
2. Public Transport Services	1,161,458	-	(6,297)	1,155,161	1,144,742	10,419	99.1%	1,053,017	1,053,015
3. Transport Safety & Compliance	45,674	-	(8,560)	37,114	36,780	334	99.1%	48,354	48,354
4. Transport Systems	13,937	-	10,280	24,217	24,217	-	100.0%	10,767	10,767
5. Infrastructure Operations	12,095	-	(460)	11,635	11,299	336	97.1%	22,262	22,262
Total for sub programmes	1,236,808	-	(6,250)	1,230,558	1,219,469	11,089	99.1%	1,136,589	1,136,587
Economic classification									
Current payments	579,260	-	(14,639)	564,621	554,288	10,333	98.2%	484,246	500,596
Compensation of employees	105,584	-	(2,416)	103,168	102,778	390	99.6%	66,134	66,134
Salaries and wages	88,861	-	(1,397)	87,464	87,464	-	100.0%	56,788	56,788
Social contributions	16,723	-	(1,019)	15,704	15,314	390	97.5%	9,346	9,346
Goods and services	473,676	-	(12,223)	461,453	451,510	9,943	97.8%	418,112	434,462
Administrative fees	5	-	49	54	54	-	100.0%	101	101
Advertising	-	-	28	28	28	-	100.0%	12	12
Minor assets	-	-	41	41	41	-	100.0%	50	8,594

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	2017/18						2016/17		
	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	295	-	(218)	77	77	-	100.0%	32	32
Communication	2,841	-	(2,607)	234	234	-	100.0%	232	232
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	10,419	-	1,360	11,779	11,779	-	100.0%	9,470	9,470
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	330	-	(330)	-	-	-	-	-	-
Contractors	300	-	(292)	8	8	-	100.0%	1,922	1,922
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services	12,500	-	(752)	11,748	11,748	-	100.0%	1	1
Inventory: Clothing material and supplies	-	-	496	496	496	-	100.0%	560	560
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	27	27	27	-	-	-	-

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2017/18										2016/17	
	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	-	-	28	28	28	-	100.0%	-	-		
Inventory: Other supplies	741	-	(741)	-	-	-	-	-	-		
Consumable supplies	1,252	-	(1,066)	186	186	-	100.0%	2	2		
Consumable: Stationery, printing and office supplies	-	-	238	238	238	-	100.0%	275	275		
Operating leases	386	-	(386)	-	-	-	-	-	-		
Property payments	29	-	(29)	-	-	-	-	-	-		
Transport provided: Departmental activity	439,320	-	(12,376)	426,944	417,007	9,937	97.7%	395,581	403,387		
Travel and subsistence	4,088	-	4,740	8,828	8,828	-	100.0%	6,966	6,966		
Training and development	1,002	-	(1,002)	-	-	-	-	2,374	2,374		
Operating payments	118	-	598	715	709	6	99.2%	494	494		
Venues and facilities	50	-	(28)	22	22	-	100.0%	40	40		
Rental and hiring	-	-	-	-	-	-	-	-	-		
Transfers and subsidies	610,495	-	474	610,969	610,877	92	100.0%	575,186	575,184		
Provinces and municipalities	-	-	-	-	-	-	-	-	-		
Municipalities	-	-	-	-	-	-	-	-	-		
Municipal bank accounts	-	-	-	-	-	-	-	-	-		

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2017/18									2016/17	
	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	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982	
Private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982	
Other transfers to private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982	
Households	361	-	545	906	906	-	100.0%	202	202	
Social benefits	361	-	545	906	906	-	100.0%	202	202	
Other transfers to households	-	-	-	-	-	-	-	-	-	
Payments for capital assets	47,053	-	7,915	54,968	54,304	664	98.8%	77,157	60,807	
Buildings and other fixed structures	861	-	-	861	197	664	22.9%	14,013	14,013	
Buildings	-	-	-	-	-	-	-	-	-	
Other fixed structures	861	-	-	861	197	664	22.9%	14,013	14,013	

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	2017/18						2016/17		
	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	46,192	-	7,915	54,107	54,107	-	100.0%	63,144	46,794
Transport equipment	46,142	-	7,945	54,087	54,087	-	100.0%	63,090	46,740
Other machinery and equipment	50	-	(30)	20	20	-	100.0%	54	54
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,236,808	-	(6,250)	1,230,558	1,219,469	11,089	99.1%	1,136,589	1,136,587

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4.1 Programme Support									
	2017/18					2016/17			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3,644	-	(1,213)	2,431	2,431	-	100.0%	2,189	2,189
Compensation of employees	3,371	-	(1,280)	2,091	2,091	-	100.0%	1,833	1,833
Goods and services	273	-	67	340	340	-	100.0%	356	356
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3,644	-	(1,213)	2,431	2,431	-	100.0%	2,189	2,189

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4.2 Public Transport Services									
	2017/18					2016/17			
	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	505,954	-	(14,923)	491,031	480,704	10,327	97.9%	416,128	432,478
Compensation of employees	40,759	-	(1,288)	39,471	39,081	390	99.0%	7,881	7,881
Goods and services	465,195	-	(13,635)	451,560	441,623	9,937	97.8%	408,247	424,597
Transfers and subsidies	610,465	-	10	610,475	610,383	92	100.0%	574,984	574,982
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	610,134	-	(71)	610,063	609,971	92	100.0%	574,984	574,982
Households	331	-	81	412	412	-	100.0%	-	-
Payments for capital assets	45,039	-	8,616	53,655	53,655	-	100.0%	61,905	45,555
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	45,039	-	8,616	53,655	53,655	-	100.0%	61,905	45,555
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,161,458	-	(6,297)	1,155,161	1,144,742	10,419	99.1%	1,053,017	1,053,015

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4.3 Transport Safety and Compliance									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	2016/17	
	R'000	R'000	R'000	R'000	R'000	R'000	%	Final Appropriation	Actual expenditure
Economic classification									
Current payments	44,010	-	(7,888)	36,122	36,122	-	100.0%	46,586	46,586
Compensation of employees	40,682	-	(8,048)	32,634	32,634	-	100.0%	41,458	41,458
Goods and services	3,328	-	160	3,488	3,488	-	100.0%	5,128	5,128
Transfers and subsidies	30	-	(1)	29	29	-	100.0%	193	193
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	30	-	(1)	29	29	-	100.0%	193	193
Payments for capital assets	1,634	-	(671)	963	629	334	65.3%	1,575	1,575
Buildings and other fixed structures	531	-	-	531	197	334	37.1%	390	390
Machinery and equipment	1,103	-	(671)	432	432	-	100.0%	1,185	1,185
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	45,674	-	(8,560)	37,114	36,780	334	99.1%	48,354	48,354

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4.4 Transport Operations									
	2017/18					2016/17			
	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	13,937	-	10,115	24,052	24,052	-	100.0%	10,712	10,712
Compensation of employees	12,440	-	9,512	21,952	21,952	-	100.0%	9,304	9,304
Goods and services	1,497	-	603	2,100	2,100	-	100.0%	1,408	1,408
Transfers and subsidies	-	-	165	165	165	-	100.0%	1	1
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	165	165	165	-	100.0%	1	1
Payments for capital assets	-	-	-	-	-	-	-	54	54
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	54	54
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13,937	-	10,280	24,217	24,217	-	100.0%	10,767	10,767

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4.5 Infrastructure Operations									
	2017/18					2016/17			
	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	11,715	-	(730)	10,985	10,979	6	99.9%	8,631	8,631
Compensation of employees	8,332	-	(1,312)	7,020	7,020	-	100.0%	5,658	5,658
Goods and services	3,383	-	582	3,965	3,959	6	99.8%	2,973	2,973
Transfers and subsidies	-	-	300	300	300	-	100.0%	8	8
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	300	300	300	-	100.0%	8	8
Payments for capital assets	380	-	(30)	350	20	330	5.7%	13,623	13,623
Buildings and other fixed structures	330	-	-	330	-	330	-	13,623	13,623
Machinery and equipment	50	-	(30)	20	20	-	100.0%	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	12,095	-	(460)	11,635	11,299	336	97.1%	22,262	22,262

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Programme 5: Community Based Programmes									
	2017/18					2016/17			
	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
2Sub programme									
1. Programme Support	2,142	-	(46)	2,096	2,096	-	100.0%	1,827	1,827
2. Community Development	42,491	-	3	42,494	41,749	745	98.2%	47,426	47,421
3. Innovation and Empowerment	13,929	-	2,556	16,485	16,361	124	99.2%	12,129	12,129
4. EPWP: Co-ordination and Monitoring	13,414	-	(1,005)	12,409	12,409	-	100.0%	14,514	14,514
Total for sub programmes	71,976	-	1,508	73,484	72,615	869	98.8%	75,896	75,891
Economic classification									
Current payments	71,739	-	1,368	73,107	72,457	650	99.1%	75,660	75,655
Compensation of employees	37,844	-	1,508	39,352	39,352	-	100.0%	38,962	38,962
Salaries and wages	32,388	-	3,336	35,724	35,724	-	100.0%	35,549	35,549
Social contributions	5,456	-	(1,828)	3,628	3,628	-	100.0%	3,413	3,413
Goods and services	33,895	-	(140)	33,755	33,105	650	98.1%	36,698	36,693
Administrative fees	-	-	37	37	37	-	100.0%	121	121
Advertising	510	-	(222)	288	288	-	100.0%	1,032	1,032
Minor assets	-	-	-	-	-	-	-	-	-
Audit costs: External	-	-	-	-	-	-	-	-	-

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2017/18										2016/17	
	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	335	-	(239)	96	96	-	100.0%	59	59		
Communication	425	-	(271)	154	154	-	100.0%	262	257		
Computer services	19	-	(19)	-	-	-	-	-	-		
Consultants: Business and advisory services	7,492	-	2,700	10,192	10,192	-	100.0%	6,358	6,358		
Infrastructure and planning services	-	-	-	-	-	-	-	-	-		
Scientific and technological services	-	-	-	-	-	-	-	-	-		
Legal services	-	-	-	-	-	-	-	-	-		
Contractors	-	-	-	-	-	-	-	1,342	1,342		
Agency and support / outsourced services	464	-	36	500	500	-	100.0%	1,003	1,003		
Fleet services	-	-	-	-	-	-	-	-	-		
Inventory: Clothing material and supplies	-	-	695	695	695	-	100.0%	-	-		
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-		
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-		
Inventory: Materials and supplies	-	-	-	-	-	-	-	5,217	5,217		

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	2017/18						2016/17		
	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	20	-	314	334	334	-	100.0%	1,268	1,268
Consumable: Stationery, printing and office supplies	230	-	(22)	208	208	-	100.0%	45	45
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	3,674	-	864	4,538	4,538	-	100.0%	5,026	5,026
Training and development	20,397	-	(3,946)	16,451	15,856	595	96.4%	14,678	14,678
Operating payments	-	-	207	207	207	-	100.0%	287	287
Venues and facilities	274	-	(274)	-	-	-	-	-	-
Rental and hiring	55	-	-	55	-	55	-	-	-
Transfers and subsidies	3	-	140	143	143	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-

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	2017/18						2016/17		
	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	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Households	3	-	140	143	143	-	100.0%	-	-
Social benefits	3	-	140	143	143	-	100.0%	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	234	-	-	234	15	219	6.4%	236	236
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	234	-	-	234	15	219	6.4%	236	236
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	234	-	-	234	15	219	6.4%	236	236
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	71,976	-	1,508	73,484	72,615	869	98.8%	75,896	75,891

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.1 Programme Support									
	2017/18					2016/17			
	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	2,142	-	(46)	2,096	2,096	-	100.0%	1,827	1,827
Compensation of employees	1,744	-	153	1,897	1,897	-	100.0%	1,672	1,672
Goods and services	398	-	(199)	199	199	-	100.0%	155	155
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2,142	-	(46)	2,096	2,096	-	100.0%	1,827	1,827

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.2 Community Development									
	2017/18					2016/17			
	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	42,338	-	(137)	42,201	41,606	595	98.6%	47,355	47,350
Compensation of employees	19,764	-	1,735	21,499	21,499	-	100.0%	23,080	23,080
Goods and services	22,574	-	(1,872)	20,702	20,107	595	97.1%	24,275	24,270
Transfers and subsidies	3	-	140	143	143	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	3	-	140	143	143	-	100.0%	-	-
Payments for capital assets	150	-	-	150	-	150	-	71	71
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	150	-	-	150	-	150	-	71	71
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	42,491	-	3	42,494	41,749	745	98.2%	47,426	47,421

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.3 Innovation and Empowerment									
	2017/18					2016/17			
	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	13,845	-	2,556	16,401	16,346	55	99.7%	12,113	12,113
Compensation of employees	5,637	-	(388)	5,249	5,249	-	100.0%	4,744	4,744
Goods and services	8,208	-	2,944	11,152	11,097	55	99.5%	7,369	7,369
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	84	-	-	84	15	69	17.9%	16	16
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	84	-	-	84	15	69	17.9%	16	16
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13,929	-	2,556	16,485	16,361	124	99.2%	12,129	12,129

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APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.4 EPWP: Co-ordination and Monitoring									
	2017/18					2016/17			
	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	13,414	-	(1,005)	12,409	12,409	-	100.0%	14,365	14,365
Compensation of employees	10,699	-	8	10,707	10,707	-	100.0%	9,466	9,466
Goods and services	2,715	-	(1,013)	1,702	1,702	-	100.0%	4,899	4,899
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	149	149
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	149	149
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13,414	-	(1,005)	12,409	12,409	-	100.0%	14,514	14,514

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

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, disclosure notes and Annexure 1 (A-D) 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
Administration	235,517	235,517	-	0%
Public Works Infrastructure	810,080	797,542	12,538	2%
Transport Infrastructure	2,427,496	2,414,126	13,370	1%
Transport Operations	1,230,558	1,219,469	11,089	1%
Community Based Programmes	73,484	72,615	869	1%

Programme 1: No variance

Programme 2: There were roll-over requested for Pietkoornhof for improvements of the building and Parliament village project. The funds for Pietkoornhof building project were received in November 2017 adjustment budget. The parliamentary village project was awarded for implementation during February 2018, hence the projects could not be completed during the financial year under review.

Programme 3,4 and 5: Immaterial variance

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				
Compensation of employees	992,706	992,316	390	0%
Goods and services	1,876,565	1,921,743	(45,178)	(2%)
Transfers and subsidies				
Provinces and municipalities	186,316	186,316	-	0%
Departmental agencies and accounts	43	43	-	0%
Public corporations and private enterprises	610,063	609,971	92	0%

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018**

Households	15,578	15,578	-	0%
Payments for capital assets				
Buildings and other fixed structures	972,454	894,841	77,613	8%
Machinery and equipment	120,452	115,503	4,949	4%
Payments for financial assets	2,958	2,958	-	0%

On payment for capital assets line item there were roll-over requested for Pietkoornhof Building and Parliamentary village. The funds were received during adjustment budget for Pietkoonhoof building and the Parliamentary village project was awarded for implementation during February 2018 and the projects are multi-year ongoing infrastructure projects.

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	1,461,269	1,461,189	80	0%
	Public Transport Operations Grant	581,934	581,841	93	0%
	Expanded Public Works Programme Incentive Grant	16,729	16,720	9	0%

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**STATEMENTS OF FINANCIAL PERFORMANCE
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	<u>1</u>	4,777,135	4,599,828
TOTAL REVENUE		4,777,135	4,599,828
EXPENDITURE			
Current expenditure			
Compensation of employees	<u>3</u>	992,316	920,740
Goods and services	<u>4</u>	1,921,743	1,802,508
Total current expenditure		2,914,059	2,723,248
Transfers and subsidies			
Transfers and subsidies	<u>6</u>	811,908	758,194
Total transfers and subsidies		811,908	758,194
Expenditure for capital assets			
Tangible assets	<u>7</u>	1,010,344	1,115,136
Total expenditure for capital assets		1,010,344	1,115,136
Payments for financial assets	<u>5</u>	2,958	3,000
TOTAL EXPENDITURE		4,739,269	4,599,578
SURPLUS/(DEFICIT) FOR THE YEAR		37,866	250
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		37,866	250
Annual appropriation		37,684	206
Conditional grants		182	44
Departmental revenue and NRF Receipts	<u>11</u>	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		37,866	250

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**STATEMENTS OF FINANCIAL POSITION
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		51,276	9,005
Cash and cash equivalents	<u>8</u>	41,636	-
Receivables	<u>9</u>	9,640	9,005
Non-current assets		2,648	6,990
Receivables	<u>9</u>	2,648	6,990
TOTAL ASSETS		53,924	15,995
LIABILITIES			
Current liabilities		49,099	11,002
Voted funds to be surrendered to the Revenue Fund	<u>10</u>	37,866	250
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>11</u>	1,121	2,877
Bank overdraft	<u>12</u>	-	1,687
Payables	<u>13</u>	10,112	6,188
TOTAL LIABILITIES		49,099	11,002
NET ASSETS		4,825	4,993
	Note	2017/18 R'000	2016/17 R'000
Represented by:			
Recoverable revenue		4,825	4,993
TOTAL		4,825	4,993

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STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		4,993	4,882
Transfers:		(168)	111
Debts recovered (included in departmental receipts)		(276)	(599)
Debts raised		108	710
Closing balance		<u>4,825</u>	<u>4,993</u>
TOTAL		<u><u>4,825</u></u>	<u><u>4,993</u></u>

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CASH FLOW STATEMENT
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4,802,456	4,625,491
Annual appropriated funds received	<u>1.1</u>	4,777,135	4,599,828
Departmental revenue received	<u>2</u>	21,564	22,348
Interest received	<u>2.3</u>	3,757	3,315
Net (increase)/decrease in working capital		7,631	8,379
Surrendered to Revenue Fund		(30,279)	(37,016)
Current payments		(2,914,059)	(2,723,248)
Payments for financial assets	<u>5</u>	(2,958)	(3,000)
Transfers and subsidies paid		(811,908)	(758,194)
Net cash flow available from operating activities	<u>14</u>	<u>1,050,883</u>	<u>1,112,412</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	<u>7</u>	(1,010,344)	(1,115,136)
Proceeds from sale of capital assets	<u>2.4</u>	2,952	1,635
Net cash flows from investing activities		<u>(1,007,392)</u>	<u>(1,113,501)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(168)	111
Net cash flows from financing activities		<u>(168)</u>	<u>111</u>
Net increase/(decrease) in cash and cash equivalents		43,323	(978)
Cash and cash equivalents at beginning of period		(1,687)	(709)
Cash and cash equivalents at end of period	<u>8</u>	<u>41,636</u>	<u>(1,687)</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

PART A: ACCOUNTING POLICIES

<p>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.</p>	
1	<p>Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
6	<p>Comparative information</p>
6.1	<p>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.</p>
6.2	<p>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.</p>
7	<p>Revenue</p>
7.1	<p>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.</p>
7.2	<p>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.</p>
7.3	<p>Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably. <p>The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy</p>
8	<p>Expenditure</p>

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8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	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.
10	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
11	Payables Payables recognised in the statement of financial position are recognised at cost.
12	Capital Assets
12.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

12.2	<p>Movable capital assets</p> <p>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.</p> <p>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 forms part of the cost of the existing asset when ready for use.</p>
12.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
12.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
13	Provisions and Contingents
13.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
13.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
13.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
13.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
14	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • transferred to receivables for recovery. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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15	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
16	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
17	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
18	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
19	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
20	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>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.</p>
21	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
22	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

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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:

	2017/18			2016/17	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	235,517	235,517	-	246,234	246,234
Public Works Infrastructure	810,080	810,080	-	755,720	755,720
Transport Infrastructure	2,427,496	2,427,496	-	2,385,389	2,385,389
Transport Operations	1,230,558	1,230,558	-	1,136,589	1,136,589
Community Based Programmes	73,484	73,484	-	75,896	75,896
Total	4,777,135	4,777,135	-	4,599,828	4,599,828

1.2 Conditional grants

	Note	2017/18 R'000	2016/17 R'000
Total grants received	28	2,059,932	2,208,501

2. Departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	12,110	11,298
Fines, penalties and forfeits	2.2	8,703	9,051
Interest, dividends and rent on land	2.3	3,757	3,315
Sales of capital assets	2.4	2,952	1,635
Transactions in financial assets and liabilities	2.5	751	1,999
Total revenue collected		28,273	27,298
Less: Own revenue included in appropriation	11	28,273	27,298
Departmental revenue collected		-	-

2.1 Sales of goods and services other than capital assets

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	Note 2	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department		12,110	11,298
Sales by market establishment		4,906	5,108
Administrative fees		2,619	2,355
Other sales		4,585	3,855
Sales of scrap, waste and other used current goods		-	-
Total		12,110	11,298
2.2 Fines, penalties and forfeits			
	Note 2	2017/18 R'000	2016/17 R'000
Penalties		8,703	9,051
Total		8,703	9,051
2.3 Interest, dividends and rent on land			
	Note 2	2017/18 R'000	2016/17 R'000
Interest		3,757	3,315
Total		3,757	3,315
2.4 Sale of capital assets			
	Note 2	2017/18 R'000	2016/17 R'000
Tangible assets		2,952	1,635
Machinery and equipment	25	2,952	1,635
Total		2,952	1,635
2.5 Transactions in financial assets and liabilities			
	Note 2	2017/18 R'000	2016/17 R'000
Loans and advances			
Receivables		433	1,169
Stale cheques written back		34	35
Other Receipts including Recoverable Revenue		284	795
Total		751	1,999

The other receipts including recoverable revenue amount includes previous financial years' expenditure.

3. Compensation of employees

3.1 Salaries and Wages

Note	2017/18	2016/17
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	3	R'000	R'000
Basic salary		660,890	610,451
Performance award		14,647	15,764
Service Based		56,482	53,135
Compensative/circumstantial		28,225	20,658
Periodic payments		5,860	4,066
Other non-pensionable allowances		77,944	77,519
Total		844,048	781,593

The other non-pensionable allowance relates to capital remuneration, housing allowance and non-pensionable all other.

3.2 Social contributions

	<i>Note</i> 3	2017/18 R'000	2016/17 R'000
Employer contributions			
Pension		84,125	77,202
Medical		63,889	61,704
Bargaining council		254	241
Total		148,268	139,147
Total compensation of employees		992,316	920,740
Average number of employees		2,963	3,151

Over and above the number of employees there are 5,900 siyatentela contractors appointed using the PERSAL system.

4. Goods and services

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Administrative fees		703	1,080
Advertising		824	2,695
Minor assets	4.1	768	9,141
Catering		1,364	955
Communication		16,761	17,797
Computer services	4.2	1,093	942
Consultants: Business and advisory services		32,338	18,959
Infrastructure and planning services		198,663	119,791
Legal services		12,728	6,898
Contractors		23,859	2,745
Agency and support / outsourced services		32,756	48,614

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Audit cost – external	4.3	9,712	10,036
Fleet services		53,494	45,176
Inventory	4.4	105,190	69,722
Consumables	4.5	18,214	27,650
Operating leases		56,755	40,545
Property payments	4.6	844,600	879,912
Transport provided as part of the departmental activities		417,007	403,387
Travel and subsistence	4.7	66,973	67,973
Venues and facilities		214	490
Training and development		20,238	20,677
Other operating expenditure	4.8	7,489	7,323
Total		1,921,743	1,802,508

4.1 Minor assets

	<i>Note</i> 4	2017/18 R'000	2016/17 R'000
Tangible assets			
Machinery and equipment		768	9,141
Total		768	9,141

4.2 Computer services

	<i>Note</i> 4	2017/18 R'000	2016/17 R'000
SITA computer services		456	452
External computer service providers		637	490
Total		1,093	942

4.3 Audit cost – External

<i>Note</i>	2017/18	2016/17
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	4	R'000	R'000
Regularity audits		9,712	10,036
Total		9,712	10,036
4.4 Inventory			
	<i>Note</i>	2017/18	2016/17
	4	R'000	R'000
Clothing material and accessories		16,014	5,326
Fuel, oil and gas		12,450	8,863
Materials and supplies		76,726	55,533
Total		105,190	69,722
4.5 Consumables			
	<i>Note</i>	2017/18	2016/17
	4	R'000	R'000
Consumable supplies		4,799	13,883
Uniform and clothing		2,075	5,397
Household supplies		2,597	2,846
Building material and supplies		-	150
IT consumables		33	1,172
Other consumables		94	4,318
Stationery, printing and office supplies		13,415	13,767
Total		18,214	27,650
<i>The other item relates to medical kit.</i>			
4.6 Property payments			
	<i>Note</i>	2017/18	2016/17
	4	R'000	R'000
Property maintenance and repairs		690,649	711,656
Other		153,951	168,256
Total		844,600	879,912
<i>The other items relates to contracted maintenance of property, cleaning and gardening, pest control, water and electricity.</i>			
4.7 Travel and subsistence			
	<i>Note</i>	2017/18	2016/17
	4	R'000	R'000
Local		66,969	67,590
Foreign		4	383
Total		66,973	67,973
4.8 Other operating expenditure			
	<i>Note</i>	2017/18	2016/17
	4	R'000	R'000
Professional bodies, membership and subscription fees		178	226
Other		7,311	7,097

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018**

Total	7,489	7,323
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The other item relates to non-life insurance premium, printing and publication services.

5. Payments for financial assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Debts written off	5.1	2,958	3,000
Total		2,958	3,000

5.1 Debts written off

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Other debt written off	5		
Irrecoverable debts written off		2,958	3,000
Total debt written off		2,958	3,000

6. Transfers and subsidies

		2017/18 R'000	2016/17 R'000
	<i>Note</i>		
Provinces and municipalities	29	186,316	169,077
Departmental agencies and accounts	Annex 1A	43	-
Public corporations and private enterprises	Annex 1B	609,971	574,982
Households	Annex 1C	15,578	14,135
Total		811,908	758,194

7. Expenditure for capital assets

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Tangible assets		1,010,344	1,115,136
Buildings and other fixed structures	26	894,841	1,048,919
Machinery and equipment	25	115,503	66,217
Total		1,010,344	1,115,136

7.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Total R'000
Tangible assets	1,010,344	1,010,344
Buildings and other fixed structures	894,841	894,841
Machinery and equipment	115,503	115,503
Total	1,010,344	1,010,344

7.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds R'000	Total R'000
Tangible assets	1,115,136	1,115,136
Buildings and other fixed structures	1,048,919	1,048,919
Machinery and equipment	66,217	66,217

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Total					1,115,136	1,115,136
7.3 Finance lease expenditure included in Expenditure for capital assets						
		<i>Note</i>	2017/18	2016/17		
			R'000	R'000		
Tangible assets						
Machinery and equipment			53,654	45,555		
Total			53,654	45,555		
8. Cash and cash equivalents						
		<i>Note</i>	2017/18	2016/17		
			R'000	R'000		
Consolidated Paymaster General Account			59,361	-		
Disbursements			(17,725)	-		
Total			41,636	-		
9. Receivables						
			2017/18	2016/17		
			Current	Non-current	Total	
			R'000	R'000	R'000	
	<i>Note</i>					
Claims recoverable	9.1		4,966	-	4,966	5,153
Staff debt	9.2		56	220	276	108
Other debtors	9.3		4,618	2,428	7,046	3,744
Total			9,640	2,648	12,288	9,005
9.1 Claims recoverable						
		<i>Note</i>				
		<i>9 and Annex 3</i>				
Provincial departments						
Total						
9.2 Staff debt						
		<i>Note</i>				
		<i>9</i>				
Employees						
Total						

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9.3 Other debtors

	Note 9	2017/18 R'000	2016/17 R'000
Suppliers		699	3,574
Rentals (Business and Housing)		4,789	4,904
Ex-Employees		229	288
Recoverable Funds: Mbombela Services		1,282	1,282
Inter-departmental claims		-	91
Sal: Tax		38	99
Sal: Reversal Control: CA		8	221
Sal: Deduction Disallowance: CA		1	19
Total		7,046	10,478

10. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		250	9,804
Transfer from statement of financial performance (as restated)		37,866	250
Paid during the year		(250)	(9,804)
Closing balance		37,866	250

11. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2017/18 R'000	2016/17 R'000
Opening balance		2,877	2,791
Transfer from Statement of Financial Performance (as restated)		-	-
Own revenue included in appropriation		28,273	27,298
Paid during the year		(30,029)	(27,212)
Closing balance		1,121	2,877

12. Bank Overdraft

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		-	(1,687)
Total		-	(1,687)

13. Payables – current

	Note	2017/18 R'000	2016/17 R'000
Amounts owing to other entities			
Clearing accounts	13.1	419	112
Other payables	13.2	9,693	6,076
Total		10,112	6,188

13.1 Clearing accounts

	Note 13	2017/18 R'000	2016/17 R'000
Description			
Sal: Income Tax		35	23

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Sal: ACB Recall: CA	357	64
Sal: Housing: CL	-	25
Sal: GEHS Refund Control: CL	27	-
Total	419	112

13.2 Other payables

	<i>Note</i> 13	2017/18 R'000	2016/17 R'000
Description			
Road Traffic Management Corporation (RTMC)		-	6,000
Budget Activities		59	59
Auctions Payable to Departments		-	17
Eskom: Amajuba Project		9,607	-
Health: Refund		27	-
Total		9,693	6,076

14. Net cash flow available from operating activities

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance		37,866	250
Add back non cash/cash movements not deemed operating activities		1,013,017	1,112,162
(Increase)/decrease in receivables – current		3,707	3,454
Increase/(decrease) in payables – current		3,924	4,925
Proceeds from sale of capital assets		(2,952)	(1,635)
Expenditure on capital assets		1,010,344	1,115,136
Surrenders to Revenue Fund		(30,279)	(37,016)
Own revenue included in appropriation		28,273	27,298
Other non-cash items			
Net cash flow generated by operating activities		1,050,883	1,112,412

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

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account		59,361	(1,687)
Disbursements		(17,725)	
Total		41,636	(1,687)

16. Contingent liabilities and contingent assets

16.1 Contingent liabilities

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Liable to Nature			
Claims against the department	<i>Annex 2</i>	316,413	262,981

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Total		316,413	262,981
17. Commitments			
	<i>Note</i>	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		402,934	665,347
Capital expenditure			
Approved and contracted		1,030,970	962,177
Total Commitments		1,433,904	1,627,524

Current Expenditure:

Scholar Transport- (Not later than a year- R214,545 million; Later than a year but not later than 5 years- R68,468 million).

Riverside Government complex maintenance – (Not later than a year- R33,217 million; Later than a year but not later than 5 years- R72,451 million).

Open orders amounting to R14,254 million.

Capital Expenditure

Infrastructure Projects: DPWRT amounting to R1,030, 970 billion.

18. Accruals and payables not recognised

18.1 Accruals

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	16,449	3,781	20,230	61,867
Transfers and subsidies	-	-	-	261
Other	1,351	-	1,351	1,064
Total	17,800	3,781	21,581	63,192

	<i>Note 18</i>	2017/18 R'000	2016/17 R'000
Listed by programme level			
Administration		6,341	5,379
Public Works Infrastructure		4,653	10,132
Transport Infrastructure		768	6,130
Transport Operations		8,538	41,284
Community Based Programmes		1,281	267
Total		21,581	63,192

18.2 Payables not recognised

2017/18 R'000	2016/17 R'000
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Listed by economic classification

	30 Days	30+ Days	Total	Total
Goods and services	-	-	-	16,733
Transfers and subsidies	-	-	-	-
Other	-	-	-	-
Total	-	-	-	16,733

	<i>Note</i> 18	2017/18 R'000	2016/17 R'000
Listed by programme level			
Administration		-	-
Public Works Infrastructure		-	-
Transport Infrastructure		-	16,733
Transport Operations		-	-
Community Based Programmes		-	-
Total		-	16,733

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	<i>Annex 4</i>	-	2
Confirmed balances with other government entities	<i>Annex 4</i>	5	-
Total		5	2

19. Employee benefits

	<i>Note</i>	2017/18 R'000	2016/17 R'000
Accruals			
Leave entitlement		55,691	55,608
Service bonus (Thirteenth cheque)		27,404	26,093
Provisions			
Performance awards		14,647	15,764
Capped leave commitments		80,194	80,275
Other		2,801	2,131
Total		180,737	179,871

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Leave entitlement disclosed is inclusive of the negative leave credits amounting to R553 thousand.

Capped leave commitment disclosed is inclusive of the negative leave credits amounting to R111 thousand.

Performance awards disclosed is expenditure of R14,647 million for the 2017/2018 financial year.

The other relates to cash awards for long service recognition, i.e. 20, 30 and 40 years of continued services respectively for the next twelve months.

At this stage the department is not able to reliably measure the long term portion of the long service recognition.

20. Lease commitments

20.1 Operating leases

	Buildings and other fixed structures	Machinery and equip- ment	Total
2017/18			
Not later than 1 year	23,881	1,183	25,064
Later than 1 year and not later than 5 years	11,325	1,090	12,415
Total lease commitments	35,206	2,273	37,479

	Buildings and other fixed structures	Machinery and equip- ment	Total
2016/17			
Not later than 1 year	20,074	1,227	21,301
Later than 1 year and not later than 5 years	22,995	1,054	24,049
Total lease commitments	43,069	2,281	45,350

The operating leases are for office accommodation, members of parliament residences and photocopier machines.

20.2 Finance leases

	Machinery and equip- ment	Total
2017/18		
Not later than 1 year	62,434	62,434
Later than 1 year and not later than 5 years	14,017	14,017
Total lease commitments	76,451	76,451

	Machinery and equip- ment	Total
2016/17		
Not later than 1 year	28,605	28,605
Later than 1 year and not later than 5 years	29,145	29,145
Total lease commitments	57,750	57,750

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

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

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	Note	2017/18 R'000	2016/17 R'000
Opening balance		442,123	448,456
Add: Irregular expenditure – relating to current year		2,159	1,463
Less: Amounts not condoned and recoverable		(8)	-
Less: Amounts not condoned and not recoverable		(403,026)	(7,796)
Closing balance		41,248	442,123

Analysis of irregular expenditure awaiting condonation per age classification

Current year	2,159	1,463
Prior years	39,089	440,660
Total	41,248	442,123

21.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Procurement process not properly followed	None	2,159
Total		2,159

21.3 Details of irregular expenditure recoverable (Not condoned)

Incident	Condoned by (condoning authority)	2017/18 R'000
Recoverable amounts	Accounting Officer	8
Total		8

21.4 Details of irregular expenditure not recoverable (Not condoned)

Incident	Condoned by (condoning authority)	2017/18 R'000
De-recognition and write off	Accounting Officer	403,026
Total		403,026

All the irregular expenditure written off were investigated and concluded and recommended for de-recognition and write offs as irrecoverable.

22. Fruitless and wasteful expenditure

22.1 Reconciliation of fruitless and wasteful expenditure

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	Note	2017/18 R'000	2016/17 R'000
Opening balance		806	4,039
Less: Amounts resolved or written off		(636)	(3,233)
Less: Amounts transferred to receivables for recovery	15.6		
Closing balance		170	806

22.2 Analysis of fruitless and wasteful expenditure awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	170	806
Total	170	806

23. Related party transactions

	Note	2017/18 R'000
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In kind goods and services provided/received

During the financial year under review the department provided free accommodation to the following Departments

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

During the financial year under review the department has been using network infrastructure provided by the Department of Finance free of charge for transversal systems.

24. Key management personnel

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	No. of Individuals	2017/18 R'000	2016/17 R'000
Political office bearers (provide detail below)	1	1,951	1,971
Officials:			
Level 15 to 16	2	3,729	4,907
Level 14 (incl. CFO if at a lower level)	10	9,742	9,258
Family members of key management personnel			
Total		15,422	16,136

25. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	488,757	-	69,709	(9,381)	549,085
Transport assets	269,710		15,913	(4,200)	281,423
Computer equipment	22,371		1,596	(1,214)	22,753
Furniture and office equipment	22,691		327	(390)	22,628
Other machinery and equipment	173,985		51,873	(3,577)	222,281
SPECIALISED MILITARY ASSETS	4,439	-	-	-	4,439
Specialised military assets	4,439	-	-	-	4,439
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	493,196	-	69,709	(9,381)	553,524

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25.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease pay- ments)	Received current, not paid (Paid cur- rent year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	115,503	7,860	(53,654)	-	69,709
Transport assets	61,834	7,733	(53,654)	-	15,913
Computer equipment	1,514	82	-	-	1,596
Furniture and office equipment	327	-	-	-	327
Other machinery and equipment	51,828	45	-	-	51,873
SPECIALISED MILITARY ASSETS	-	-	-	-	-
Specialised military assets	-	-	-	-	-

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TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	115,503	7,860	(53,654)	-	69,709
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Included above are Transport assets amounting to R7, 733 million which are under investigation.

25.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	(9,381)	-	(9,381)	2,952
Transport assets	(4,200)	-	(4,200)	1,406
Computer equipment	(1,214)	-	(1,214)	18
Furniture and office equipment	(390)	-	(390)	25
Other machinery and equipment	(3,577)	-	(3,577)	1,503
SPECIALISED MILITARY ASSETS	-	-	-	-
Specialised military assets	-	-	-	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	(9,381)	-	(9,381)	2,952

25.3 Movement for 2016/17

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	358,019	111,437	25,029	(5,728)	488,757
Transport assets	154,162	111,437	7,049	(2,938)	269,710
Computer equipment	23,087	-	1,211	(1,927)	22,371
Furniture and office equipment	21,748	-	1,150	(207)	22,691
Other machinery and equipment	159,022	-	15,619	(656)	173,985
SPECIALISED MILITARY ASSETS	4,439	-	-	-	4,439
Specialised military assets	4,439	-	-	-	4,439
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	362,458	111,437	25,029	(5,278)	493,196

25.3.1. Prior period error

Note

2016/17

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		R'000
Nature of prior period error	39	
Relating to 2016/17 <i>affecting the opening balance</i>		111,437
Transport Assets		111,437
Total prior period errors		111,437

25.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Machinery and equip- ment R'000	Total R'000
Opening balance	37,070	37,070
Value adjustments	(9)	(9)
Additions	804	804
Disposals	(6,374)	(6,374)
TOTAL MINOR ASSETS	31,491	31,491

	Machinery and equipment	Total
Number of R1 minor assets	4,078	4,078
Number of minor assets at cost	25,838	25,838
TOTAL NUMBER OF MINOR ASSETS	29,916	29,916

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018

	Machinery and equip- ment R'000	Total R'000
Opening balance	31,757	31,757
Prior period error	-	-
Additions	9,141	9,141
Disposals	(3,828)	(3,828)
TOTAL MINOR ASSETS	37,070	37,070

	Machinery and equip- ment	Total
Number of R1 minor assets	7,958	7,958
Number of minor assets at cost	30,159	30,159
TOTAL NUMBER OF MINOR ASSETS	30,159	30,159

26. Immovable Tangible Capital Assets

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MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value ad- justments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	54,013,362	-	1,343,792	(23,968)	55,333,186
Dwellings	418,947	-	-	(1,370)	417,577
Non-residential buildings	5,878,083	-	389,032	(22,598)	6,244,517
Other fixed structures	47,716,332	-	954,760		48,671,092
LAND AND SUBSOIL ASSETS	275,527	-	1,491	(680)	276,338
Land	275,527	-	1,491	(680)	276,338
TOTAL IMMOVABLE TANGI- BLE CAPITAL ASSETS	54,288,889	-	1,345,283	(24,648)	55,609,524

The majority of additions on non-residential buildings are for properties recently vested with the province.

The other fixed structures are completed assets transferred from work-in-progress to the asset register.

The disposals are properties that are vested with national departments.

Immovable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures	22	238,874

The 22 assets to the value of R238,874 million are assets transferred from City of Mbombela.

26.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

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

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BUILDING AND OTHER FIXED STRUCTURES	894,841	1,335,076	(886,125)	-	1,343,792
Dwellings	6,836	-	(6,836)	-	-
Non-residential buildings	8,716	380,316	-	-	389,032
Other fixed structures	879,289	954,760	(879,289)	-	954,760
LAND AND SUBSOIL ASSETS	-	1,491	-	-	1,491
Land	-	1,491	-	-	1,491
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	894,841	1,336,567	(886,125)	-	1,345,283

26.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	(23,968)	(23,968)	
Dwellings	-	(1,370)	(1,370)	-
Non-residential buildings	-	(22,598)	(22,598)	-
Other fixed structures	-	-	-	-
LAND AND SUBSOIL ASSETS		(680)	(680)	-
Land	-	(680)	(680)	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	-	(24,648)	(24,648)	-

26.3 Movement for 2016/17

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MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	52,838,941	11,914	1,162,507	-	54,013,362
Dwellings	416,462	2,485	-	-	418,947
Non-residential buildings	5,850,214	9,429	18,440	-	5,878,083
Other fixed structures	46,572,265	-	1,144,067	-	47,716,332
LAND AND SUBSOIL ASSETS	287,441	(11,914)	-	-	275,527
Land	287,441	(11,914)	-	-	275,527
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	53,126,382	-	1,162,507	-	54,288,889

26.3.1 Prior period error

	Note 26	2016/17 R'000
Relating to 2016/17		
Dwellings		2,485
Non-Residential Buildings		9,429
Land		(11,914)
Total prior period errors		-

The dwellings and non-residential buildings were incorrectly classified as land.

26.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

	Note	Opening balance 1 April 2017	Current Year WIP	Ready for use (As- sets to the AR)	Closing balance 31 March 2018
	Annexure 6	R'000	R'000	R'000	R'000
Buildings and other fixed structures		1,163,114	886,125	(954,760)	1,094,479

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Machinery and equipment	82,648	53,654	(7,733)	128,569
Intangible assets	-	-	-	-
TOTAL	1,245,762	939,779	(962,493)	1,223,048

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

Note <i>Annexure 6</i>	Opening balance 1 April 2016 R'000	Prior pe- riod error R'000	Current Year WIP R'000	Ready for use (As- sets to the AR) R'000	Closing balance 31 March 2017 R'000
Buildings and other fixed structures	1,023,997	242,078	1,041,106	(1,144,067)	1,163,114
Machinery and equipment	148,530	-	45,555	(111,437)	82,648
TOTAL	1,172,527	242,078	1,086,661	(1,255,504)	1,245,762

26.5 Immovable assets (additional information)

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		Note	2017/18	2016/17
a) Unsurveyed land	Estimated completion date	Annexure 7	Area	Area
Mpumalanga	2021-2022			
b) Properties deemed vested		Annexure 7	Number	Number
Land parcels				
Facilities				
Schools			-	-
Clinics			-	-
Hospitals			-	-
Office buildings			-	-
Dwellings			-	-
Storage facilities			-	-
Other			8,423	8,530

The movement of properties on this category are properties which were transferred to municipalities.

c) Facilities on unsurveyed land	Duration of use	Annexure 7	Number	Number
Schools			889	889
Clinics			150	150
Hospitals			9	9
Office buildings			108	108
Dwellings			212	212
Storage facilities			-	-
Other			122	122
d) Facilities on right to use land	Duration of use	Annexure 7	Number	Number
Schools			383	407
Clinics			18	18
Hospitals			2	3
Office buildings			10	10
Dwellings			23	23
Storage facilities			-	-
Other			4	4

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27. Prior period errors

27.1 Correction of prior period errors

	Note	Amount before error correction 2016/17 R'000	Prior period error 2016/17 R'000	Restated Amount 2016/17 R'000
Assets:				
Receivables				
Current assets	<u>9</u>	15,995	(6,990)	9,005
Non-current assets		-	6,990	6,990
Movable tangible capital assets				
Transport assets	<u>39</u>	377,320	111,437	488,757
Immovable tangible capital assets				
Dwellings	<u>26</u>	416,462	2,485	418,947
Non-residential buildings		5,850,214	9,429	5,859,643
Land		287,441	(11,914)	275,527
Net effect		6,947,432	111,437	7,058,869

Receivables were classified as current in the 2016/2-17 financial year, hence the correction to non-current assets retrospectively.

The transport assets amounting to R111, 437 million were not included in the opening balance for 2016/2017 financial year.

The dwellings and non-residential buildings were incorrectly classified as land in the 2016/2017 financial year.

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30. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT				2016/17	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Over-spending)	% of funds spent by department	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	1,461,269	-	-	-	1,461,269	1,461,269	1,461,189	80	100%	1,638,865	1,638,827
Public Transport Operation Grant	581,934	-	-	-	581,934	581,934	581,841	93	100%	549,132	549,130
Expanded Public Works Programme Incentive Grant	16,729	-	-	-	16,729	16,729	16,720	9	100%	20,504	20,500
Total	2,059,932	-	-	-	2,059,932	2,059,932	2,059,750	182	100%	2,208,501	2,208,457

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31. STATEMENT OF OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds With-held R'000	Re-alloca-tions by National Treasury or National De-partment %
Albert Luthuli Municipality	11,832	-	782	12,614	12,614	-	-
Msukaligwa municipality	12,848	-	(45)	12,803	12,803	-	-
Mkhondo municipality	3,888	-	(815)	3,073	3,073	-	-
Pixley Ka- Seme Municipality	1,224	-	-	1,224	1,224	-	-
Lekwa Municipality	2,440	-	3,498	5,938	5,938	-	-
Dipaliseng Municipality	1,224	-	824	2,048	2,048	-	-
Govan Mbeki Municipality	7,344	-	(18)	7,326	7,326	-	-
Victor Khanye Municipality	3,321	-	1,624	4,945	4,945	-	-
Emalahleni Municipality	14,711	-	(1,984)	12,727	12,727	-	-
Steve Tshwete Municipality	15,182	-	(2,414)	12,768	12,768	-	-
Emakhazeni Municipality	5,682	-	3,651	9,333	9,333	-	-
Thembisile Hani Municipality	5,694	-	2,697	8,391	8,391	-	-
Dr JS Moroka Municipality	2,860	-	(881)	1,979	1,979	-	-
Thaba Chweu Municipality	15,000	-	(495)	14,505	14,505	-	-
Nkomazi Municipality	14,799	-	(1,046)	13,753	13,753	-	-
Bushbuckridge Municipality	20,000	-	75	20,075	20,075	-	-
Mbombela/Umjindi Municipality	31,951	-	10,863	42,814	42,814	-	-
TOTAL	170,000	-	16,316	186,316	186,316	-	-

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

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION					TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Independent Communication Authority of South Africa	-	-	43	43	43	43	100%	-

TOTAL	-	-	43	43	43		100%	-
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ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENTS
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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				2016/17	
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital		Current
Private Enterprises									
Subsidies									
Financial Assistance to Taxi Industries	7,738	-	-	7,738	7,738	100.0%	-	7,300	7,300
Provincial Bus Subsidies	20,462	-	(60)	20,402	20,392	100.0%	-	-	18,552
Buscor	478,347	-	123	478,470	478,388	100.0%	-	450,989	450,989
Putco	2,909	-	(57)	2,852	2,852	100.0%	-	-	2,550
Great North Transport	24,040	-	(77)	23,963	23,963	100.0%	-	-	22,891
Megabus T/A Unitrans	61,080	-	-	61,080	61,080	100.0%	-	-	58,052
Thembalethu Bus Services	7,083	-	-	7,083	7,083	100.0%	-	-	6,650
Tilly's Passenger Bus Service	8,475	-	-	8,475	8,475	100.0%	-	-	7,998
TOTAL	610,134	-	(71)	610,063	609,971	100.0%	-	574,982	574,982

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

	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
HOUSEHOLDS							
Transfers							
Employee social benefit: Injury on duty	2,125	-	(582)	1,543	1,543	100%	984
Employee social benefit: Leave gratuity	3,488	-	5,226	8,714	8,714	100%	9,523
Claims against state (cash)	8,603	-	(3,282)	5,321	5,321	100%	3,628
TOTAL	14,216	-	1,362	15,578	15,578	100%	14,135

ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1D
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Received in kind			
Road Traffic Management Corporation	Mobile Testing Station	-	4,269
TOTAL		-	4,269

ANNEXURES (UNAUDITED SUPPLEMENTARY SCHEDULES) TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 2
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017 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 2018 R'000
Claims against the department					
Claims against the department: Roads matters	107,562	25,046	(305)	-	132,303
Claims against the department: General matters	41,223	-	-	-	41,223
Claims against the department: Government vehicle matters	369	76	-	-	445
Claims against the department: Pothole claims matters	19,730	5,038	(3,698)	-	21,070
Claims against the department: Departmental matters	56,047	26,519	(100)	-	82,466
Claims against the department: Labour matters	61	-	-	-	61
Claims against the department: Transport matters	37,989	855	-	-	38,844
TOTAL	262,981	57,534	(4,103)	-	316,412

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

Government Entity	Confirmed balance out-standing		Unconfirmed balance out-standing		Total		Cash in transit at year end 2017/18	
	31/03/2018		31/03/2018		31/03/2018		Receipt date up to six (6) working days after year end	
	R'000	R'000	R'000	R'000	R'000	R'000		Amount R'000
Department								
Agriculture and Land Administration	565	1,432	-	-	565	1,432	-	-
Community Safety, Security and Liaison (Mpumalanga)	418	307	186	-	604	307	-	-
Economic Development & Tourism	124	60	-	-	124	60	-	-
Education	-	798	229	-	229	798	-	-
Human Settlement	193	25	-	-	193	25	-	-
Co-Operative Government and Traditional Affairs	333	113	-	-	333	113	-	-
Mpumalanga Provincial Legislature	-	14	14	-	14	14	-	-
Health (Mpumalanga)	1,830	1,419	-	-	1,830	1,419	-	-
Office of the Premier	331	487	39	24	370	511	-	-
Social Development	-	172	127	-	127	172	-	-
South African Police Service	-	-	24	8	24	8	-	-
Culture, Sport and Recreation	499	221	-	58	499	279	-	-

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

Government Entity	Confirmed balance out-standing		Unconfirmed balance out-standing		Total		Cash in transit at year end 2017/18	
	31/03/2018		31/03/2018		31/03/2018		Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Finance	52	3	-	-	52	3	-	-
South African Social Security Service	-	-	-	15	-	15	-	-
Mpumalanga Tourism and Parks Agency	-	-	2	-	2	-	-	-
TOTAL	1,898	5,051	3,068	105	4,966	5,156	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18	
	31/03/2018		31/03/2018		31/03/2018		31/03/2017	
	R'000	R'000	R'000	R'000	R'000	R'000	Payment date up to six (6) working days before year end	Amount R'000
DEPARTMENTS								
Current								
Government Printing Works	5	2	-	-	5	2	-	-
TOTAL	5	2	-	-	5	2	-	-

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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**ANNEXURE 5
INVENTORIES**

Inventories [Per major category]	Note	Quantity	2017/18 R'000	Quantity	2016/17 R'000
Opening balance		1,321	139	1,759	240
Add/(Less): Adjustments to prior year balance		-	-	(10)	10
Add: Additions/Purchases – Cash		1,278,918	201,396	2,464,279	227,078
Add: Additions - Non-cash		-	-	-	-
(Less): Disposals		(117)	(9)	-	-
(Less): Issues		(1280,133)	(201,516)	(2,464,651)	(227,179)
Add/(Less): Adjustments		85	(4)	(56)	(10)
Closing balance		74	6	1,321	139

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MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	82,648	53,654	(7,733)	128,569
Transport assets	82,648	53,654	(7,733)	128,569
BUILDINGS AND OTHER FIXED STRUCTURES	1,163,114	886,125	(954,760)	1,094,479
Dwellings	-	6,836	-	6,836
Other fixed structures	1,163,114	879,289	(954,760)	1,087,643
TOTAL	1,245,762	939,779	(962,493)	1,223,048

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, Construc- tion not started	Planned, Construc- tion started	Total R'000
0 to 1 Year	2	8	321,300
1 to 3 Years		6	749,107
3 to 5 Years		1	148,370
Total	2		1,218,777

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance R'000	Prior pe- riod error R'000	Current Year Capi- tal WIP R'000	Ready for use (Asset register) R'000	Closing bal- ance R'000
MACHINERY AND EQUIPMENT	148,530	-	45,555	(111,437)	82,648
Transport assets	148,530	-	45,555	(111,437)	82,648
BUILDINGS AND OTHER FIXED STRUCTURES	1,266,075	-	1,041,106	(1,144,067)	1,163,114
Dwellings	-	-	-	-	-
Other fixed structures	1,266,075	-	1,041,106	(1,144,067)	1,163,114
TOTAL	1,414,605	-	1,086,661	(1,255,504)	1,245,762

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ANNEXURE 7
ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

		Note	2017/18	2016/17
a) Unsurveyed land	Estimated completion date	Annexure 7	Area	Area
Mpumalanga	2021-2022			
b) Properties deemed vested		Annexure 7	Number	Number
Land parcels				
Facilities				
Other			8,415	8,530
The movement of properties on this category are properties which were transferred to municipalities.				
c) Facilities on unsurveyed land	Duration of use	Annexure 7	Number	Number
Schools			816	889
Clinics			141	150
Hospitals			8	9
Office buildings			97	108
Dwellings			161	212
Other			10	122
d) Facilities on right to use land	Duration of use	Annexure 7	Number	Number
Schools			395	407
Clinics			22	18
Hospitals			2	3
Office buildings			10	10
Dwellings			22	23
Other			1	4
Vesting Information				
e) Surveyed Unregistered land (not vest-ed)		Annexure 7	Number	Number
Schools			459	423
Clinics			41	36
Hospitals			1	-
Office buildings			29	22
Dwellings			199	196
Other			11	4
f) Transfers		Annexure 7	Number	Number
Schools			-	4
Office buildings			1	1
Dwellings			3	-
Other			11	1

