

**PROVINCIAL
GOVERNMENT
WESTERN CAPE**

**DEPARTMENT OF
TRANSPORT AND
PUBLIC WORKS**

**ANNUAL REPORT
2007/08**



PR: 224/2008

ISBN number: 978-0-621-38131-3

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APOLOGY

We fully acknowledge the Province's language policy and endeavour to implement it. It has been our experience that the English version is in the greatest demand. Consequently, the document will be available in the other two official languages as soon as possible. In the event of any discrepancy between the different translations of this document, the English text shall prevail.

VERSKONING

Ons gee volle erkenning aan die Provinsie se taalbeleid en streef daarna om dit toe te pas. Praktyk het egter geleer dat die Engelse weergawe van die dokument in aanvraag is. Die dokument sal gevolglik so gou as moontlik in die ander twee amptelike tale van die Wes-Kaap beskikbaar wees.

ISINGXENGXEZO

Siyawuqonda umgaqo-nkqubo weelwimi wePhondo kwaye siyazama ukuwufezekisa. Kambe ke sayiqwalasela yeyokuba lulwimi lwesiNgesi ekufuneka lusetyenzisiwe kolu xwebhu. Iya kufumaneka nangezinye iilwimi ezimbini ezisemthethweni zaseNtsona Koloni kwakamsinya.

FOREWORD

As I took over this immense portfolio in August 2008, I cannot claim credit for the performance of the Department during the period under review. This must be attributed to Marius Fransman, who led the Department on a path of continued transformation for the last three and a half years to the benefit of the poor and marginalised.

The Department can be proud of the many great achievements that it has made and the passion with which it engaged the challenge of transforming itself, our province and our country in general. In the process, programmes have been developed that are pioneering and that address the needs of the poorest of the poor whilst simultaneously delivering on the departmental mandate.

The Department can take great pride in the way it has interacted with and touched the lives of ordinary men and women in our communities across the length and breadth of this province. This is the real legacy that will continue to be built upon and one which will always remain a source of inspiration and fulfillment.

I am encouraged that Minister Fransman leaves behind a department that can truly be proud of its world class programmes and dedicated management and staff.

On behalf of Minister Fransman, I want to thank both the Standing Committee on Public Accounts and the Standing Committee on Finance and Economic Development for their robust and thought-provoking engagements in the past year.

I am looking forward to working with the Department and want to appeal and encourage the Transport and Public Works team, ably led by Thami Manyathi, to continue with their efforts to build a better life for all in the Province.

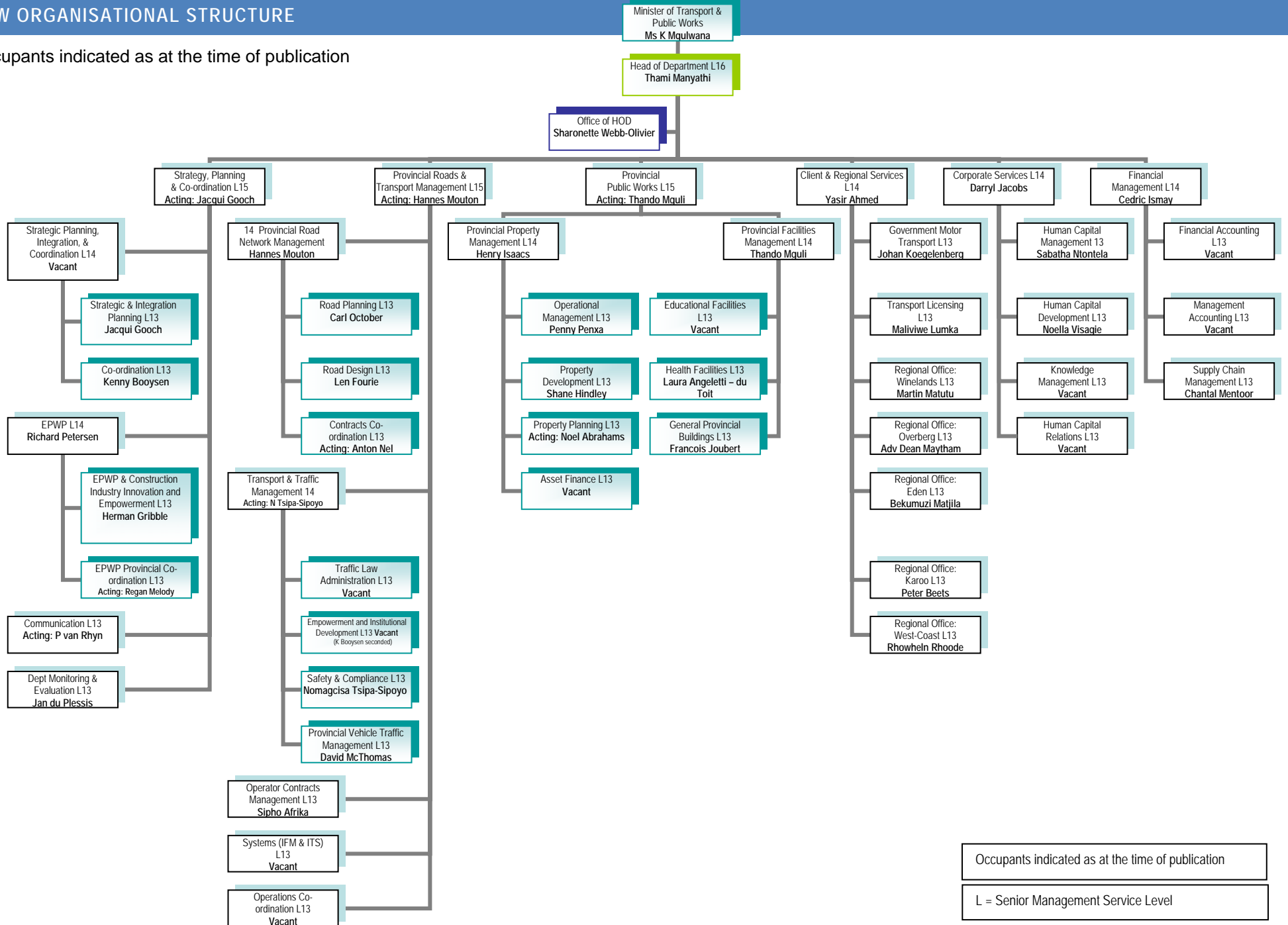
MS KOLEKA MQULWANA

MINISTER OF TRANSPORT AND PUBLIC WORKS

Date: 4 September 2008

NEW ORGANISATIONAL STRUCTURE

Occupants indicated as at the time of publication



Occupants indicated as at the time of publication
L = Senior Management Service Level

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ABBREVIATIONS

ABE	Affirmable Business Enterprises	MEDS	Micro Economic Development Strategy
AsgjSA	Accelerated and Shared Growth Initiative of South Africa	MIG	Municipal Infrastructure Grant
BBBEE	Broad Based Black Economic Empowerment	MTEF	Medium Term Expenditure Framework
BEE	Black Economic Empowerment	MVTS's	Motor Vehicle Testing Stations
BOT	Build, Operate and Transfer	eNaTIS	National Traffic Information System
CARP	Community Access Roads	NEMA	National Environmental Management Act, 1998
CBD	Central Business District	NHTS	National Household Travel Survey
CBP	Community Based Programmes	NLTTA	National Land Transport Transition Act, 2000
CBPWP	Community Based Public Works Programme (Branch)	NQF	National Qualification Framework
CCT	City of Cape Town	PDI	Previously Disadvantaged Individual
CETA	Construction Sectoral Education and Training Authority	PFMA	Public Finance Management Act, 1999
CIDB	Construction Industry Development Board	iKapa GDS	Provincial Growth and Development Strategy
DBSA	Development Bank of South Africa	IGP	Infrastructure Grant to Provinces
DLTC	Driver Licence Testing Centre	POLB	Provincial Operating Licence Board
EEP	Employment Equity Plan	PPP	Public Private Partnership
DORA	Division of Revenue Act	PrDP	Professional Drivers Permit
EIA	Environmental Impact Assessment	PSAIP	Provincial Strategic Accommodation Infrastructure Plan
EPWP	Expanded Public Works Programme	PSDF	Provincial Spatial Development Framework
FET	Further Education and Training	PTP	Public Transport Plan
FIFA	Federation Internationale de Football Association	PTIP	Public Transport Improvement Programme
GIAMA	Government Immovable Assessment Management Act, 2007 (Act 19 Of 2007)	ROD	Record of Decision
HDI	Historically Disadvantaged Individual	RPM	Rational Portfolio Management system
HEI	Higher Education Institution	TETA	Transport Education and Training Authority
IDP	Integrated Development Plan (municipal)	SALGA	South African Local Government Association
IDT	Independent Development Trust	SANRAL	South African National Roads Agency Limited
IDIP	Infrastructure Delivery Improvement Programme	SAPS	South African Police Service
ITP	Integrated Transport Plan	SARCC	South African Rail Commuter Corporation
LIC	Labour Intensive Construction	SDA	Service Delivery Agreement
MEC	Member of the Executive Council	SIP	Strategic Infrastructure Plan
SME	Small Medium Enterprise	UA	User Agreement
SMME	Small Medium and Micro Enterprise	VDF's	Vehicle Data Fixes
TRAC	Technology Research Activity Centre	IPIPs	Infrastructure Implementation Plans
TIA	Transport Impact Assessment	WCLLA	Western Cape Land Administration Act, 1998
RTMC	Road Traffic Management Corporation	WEO	Women Equity Ownership
ABET	Adult Basic Education and Training	SCOA	Standard Chart of Accounts
SMS	Senior Management Service	FET	Further Education & Training
PLTF	Provincial Land Transport Framework	DRU	Dispute Resolution Unit

ITS	Intelligent Transport System	IFMS	Integrated Fleet Management System
BPM	Best Practice Model	ProvCMU	Provincial Compliance Monitoring Unit
SLA	Service Level Agreement	VTS	Vehicle Testing Station
CDW	Community Development Worker	CBO	Community Based Organisation
NGO	Non-Governmental Organisation	GRMS	Gravel Road Management System
MMS	Maintenance Management System	PMS	Pavement Management System

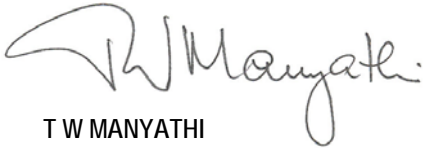
PART ONE:

**GENERAL
INFORMATION**

PART ONE: GENERAL INFORMATION

SUBMISSION OF THE ANNUAL REPORT

It is my pleasure to formally submit the Annual Report for the period 1 April 2007 to 31 March 2008 of the Department of Transport and Public Works in terms of the Public Finance Management Act, 1999 to Minister K Mqulwana, Provincial Minister of Transport and Public Works.



T W MANYATHI

ACCOUNTING OFFICER

Date: 1 September 2008

INTRODUCTION

In the Annual Performance Plan for the 2007/08 financial year, targets were set for different areas in the Department, in order to ensure that performance can be measured. The most important targets and some key projects are set out below:

- The delivery of health infrastructure through 17 planning projects, 350 maintenance projects and 26 construction projects.
- The delivery of education infrastructure through 8 planning projects, 62 maintenance projects and 23 construction projects.
- The development of an immovable asset management plan and implementation of a City of Cape Town Central Business District Office accommodation plan for the Provincial Government.
- Improved safety, access and mobility and reduced road user costs through 28 construction projects, maintenance of 1 028 km roads (regravelling and resealing) and 18 designs.
- In support of integrated public transport, the customisation, adoption and testing of an integrated fare management and integrated ticketing system, the training of 3 000 persons involved in the public transport system, the conclusion of 10 service level agreements with authorities to undertake enforcement and the reduction in the response time on operating licence application to 85 days.
- To assist in identifying high accident locations improve the management of accident information through the verification of 18 000 accident forms;
- To reduce the damage to provincial road infrastructure through testing 480 000 vehicles for overloading.
- "Massification" of the Expanded Public Works Programme: The creation of 40 000 work opportunities, establishment of eleven EPWP forums (sector, provincial and district) to promote the mainstreaming of EPWP, ensuring that 800 learners qualify from the Learnership 1000 program, and taking on 500 learners as part of the National Youth Service.
- Setting up of a Public Transport Operating Entity.
- Roll-out of projects in preparation of the 2010 FIFA World Cup:
 - Upgrading of the Koeberg Interchange
 - Upgrading of the N2 Corridor to provide Public Transport Priority lanes and the Airport Interchange.
 - Commissioning of the Integrated Fare Management and Intelligent Transport systems.
- Completion of the Postdam Interchange
- Construction of the transport shared services centre.

The Department managed to spend 98.2% of its budget to deliver its intended outputs that would benefit the people of the Western Cape.

INFORMATION ON THE MINISTRY

During the year under review, the Ministry focused on a number of key areas, which included the following:

- Continued skills development programmes within the built sector environment.
- Promotion of improvements to the rail network in an attempt to encourage a modal shift from road to rail transport.
- Setting up a steering committee, chaired alternately by the Minister of Transport and Public Works and the Mayoral Committee Member for Transport in the City of Cape Town, in an attempt to improve inter-governmental relations.
- The development of an opportunities portal which supports unemployed persons to register and be linked to up-coming work opportunities.
- Actively participated in various national and provincial government imbizos.
- Roll-out of the Provincial Government's Social Transformation Programme.

INSTITUTIONS REPORTING TO THE EXECUTIVE AUTHORITY

Provincial Operating Licence Board (POLB)

The Provincial Operating Licence Board is established in terms of Section 30 of the National Land Transport Transition Act, 2000 (Act 22 of 2000), the functions of which include the following:

- To receive, consider and decide on or otherwise dispose of:
 - Applications for the granting of operating licences for intraprovincial transport
 - Applications for the granting of operating licences for interprovincial transport
 - Applications for the renewal, amendment or transfer of operating licences for intraprovincial transport; and
 - Applications for the renewal, amendment or transfer of operating license for interprovincial transport

Provincial Transport Registrar

The Provincial Transport Registrar is established in terms of Section 53 of the National Land Transport Transition Act, 2000 (Act 22 of 2000), the functions of which include the following:

- To receive and consider and decide on applications for the registration or provisional registration of associations based in the province and their member, and of any non-members;
- Decide on and effect the suspension or cancellation of such registration;
- Keep records of all information required to maintain the National Transport Register.

BILLS SUBMITTED TO THE WESTERN CAPE PARLIAMENT DURING THE FINANCIAL YEAR

No bills were submitted during the financial year under review to the Western Cape Parliament.

MINISTERIAL VISITS ABROAD

In support of the Department's strategic objectives Minister Fransman undertook the following foreign fact-finding missions:

PLACE	DATE	PURPOSE
Cuba, Brazil and Columbia	29 June 2007 to 19 July 2007	To accompany Minister Didiza, Minister of Public Works, to sign a Memorandum of Understanding on skills development with the Minister of Construction of Cuba and Brazil. Further, the trip to Columbia investigated aspects of public transport restructuring.
People's Republic of China	29 October 2007 to 10 November 2007	To enhance sound political relations with the Shandong Province, investigate interventions relating to public transport including intelligent transport issues, minibus taxi manufacturing, and light rail systems.

VISION AND MISSION STATEMENT

VISION

A people centered infrastructure and transport system through a transformed department.

MISSION

To deliver a transport system and property infrastructure that is integrated, accessible, safe, reliable, affordable, sustainable and of the desired quality, through socially just, developmental and empowering processes that will improve the quality of life.

LEGISLATIVE MANDATE

The achievement of our vision and mission, as presented above, are primarily guided by the following constitutional and other legislative mandates:

- Advertising Along Roads and Ribbon Development Act, 1940 (Act 21 of 1940)
- Cape Roads Ordinance, 1976 (Ord. 19 of 1976)
- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Constitution of the Western Cape, 1998 (Act 1 of 1998)
- Construction Regulation R1010 of 2003 (for compliance to occupational health and safety within the construction industry)
- Construction Industry Development Board Act, 2000 (Act 38 of 2000) and Regulations
- Division of Revenue Act (an annual Act of Parliament)
- Employment Equity Act, 1998 (Act 55 of 1998)
- Municipal Finance Management Act, 2003 (Act 56 of 2003)
- National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977)
- National Land Transport Transition Act, 2000 (Act 22 of 2000)
- National Road Traffic Act, 1996 (Act 93 of 1996)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) and Regulations
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Public Finance Management Act, 1999 (Act 1 of 1999 as amended) and Treasury Regulations, 2005
- Public Service Act, 1994 (Act 103 of 1994) and Regulations, 2001
- Road Safety Act, 1972 (Act 9 of 1972)
- Road Transportation Act, 1977 (Act 74 of 1977)
- Road Traffic Act, 1989 (Act 29 of 1989)
- Skills Development Act, 1998 (Act 97 of 1998)
- Western Cape Toll Road Act, 1999 (Act 11 of 1999)
- Western Cape Land Administration Act, 1998 (Act 6 of 1998)
- Western Cape Road Traffic Act, 1998 (Act 12 of 1998) - [under review]

Government Motor Transport (GMT)

The Government Motor Transport (GMT) trading entity operates within the administration of the Department of Transport and Public Works. GMT derives its functions from section D.IV of the Public Service Staff Code, which is still applicable in terms of section 42 of the Public Service Act, 1994. National Cabinet approved the transfer of functions from the national Department of Transport to the provincial government as from 1 April 1988. GMT has as its main purpose the provision of state vehicles to national and provincial departments used for transportation, in order that each department may carry out its services efficiently and effectively.

PART TWO:

**PROGRAMME
PERFORMANCE**

PART TWO: PROGRAMME PERFORMANCE

VOTED FUNDS

APPROPRIATION	MAIN APPROPRIATION	ADJUSTED APPROPRIATION	ACTUAL AMOUNT SPENT	UNDER EXPENDITURE
R'000s	R'000s	R'000s	R'000s	R'000s
	2 206 698	2 388 183	2 344 477	43 706
Responsible Minister	Minister of Transport and Public Works			
Administering Department	Department of Transport and Public Works			
Accounting Officer	Head of Department			

AIM OF THE VOTE

A people centered infrastructure and transport system through a transformed department.

SUMMARY OF PROGRAMMES

The Public Works, Roads and Transport sector adopted a uniform budget and programme structure for the country that reflects the minimum number of programmes required. The activities of the Department of Transport and Public Works for the Western Cape are organised in the six programmes as indicated in Table 1.

Table 1: Programme and Sub-Programme Structure

PROGRAMME	SUB-PROGRAMME
1. Administration <i>To provide the overall management and administrative support of the department. Includes human resources management and financial management. In addition, it provides for strategic direction, a measure of integrated planning, project management oversight as well as communication services.</i>	1.1 Office of the Provincial Minister – Transport and Public Works 1.2 Head of Department 1.3 Corporate Support
2. Public Works <i>To provide accommodation for all provincial departments, manage the provincial portfolio for the optimum benefit of all those concerned and to render professional and technical services to departments in respect of buildings and related infrastructure.</i>	2.1 Programme Support 2.2 Health 2.3 Education 2.4 Agriculture 2.5 Social Development 2.6 Other Infrastructure 2.7 Property Management
3. Roads Infrastructure <i>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 and economic growth through socially just, developmental and empowering processes..</i>	3.1 Programme Support 3.2 Planning 3.3 Design 3.4 Construction 3.5 Maintenance
4. Public Transport <i>To plan, regulate and facilitate the provision of public transport services and infrastructure, through own provincial resources and through co-operation with national and local authorities, as well as</i>	4.1 Programme Support 4.2 Planning 4.3 Infrastructure 4.4 Empowerment and Institutional

<p><i>the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access. The Expanded Public Works Programme is one of the methods utilised to deliver these services.</i></p>	<p>4.5 Management 4.6 Operator Safety and Compliance Regulation and Control</p>
<p>5. Traffic Management <i>To create an appropriately authorized and safe transport environment, provide a professional and efficient service to all clients and to maximize revenue generation. The Expanded Public Works Programme is one of the methods utilised to deliver these services.</i></p>	<p>5.1 Programme Support 5.2 Safety Engineering 5.3 Transport Administration and Licensing 5.4 Overload Control</p>
<p>6. Community Based Programme (CBP) <i>To ensure delivery of accessible services through integrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the Western Cape by way of community development and the Expanded Public Work Programme.</i></p>	<p>6.1 Programme Support 6.2 Empowerment Impact Assessment 6.3 Community Development 6.4 Emerging Contractor Development</p>

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT FOR 2007/08

The core functions / service delivery areas of the Department are:

- To play an anchor role in the iKapa Growth and Development Strategy (iKapa GDS) through integrated planning in respect of transport, property and works, as well as the coordination of the Expanded Public Works Programme (EPWP).
- 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 socially just, developmental and empowering processes.
- To plan, regulate and facilitate the provision of public transport services and infrastructure, through own provincial resources and through co-operation with national and local authorities, as well as with the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access.
- To ensure delivery of accessible services through integrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the Western Cape, by way of community developmental programmes.
- To provide accommodation for all provincial departments, to manage the provincial property portfolio for the delivering on strategic outcomes of the *iKapa* GDS and facilitating service delivery by all provincial departments and to render professional and technical services to departments in respect of buildings and related infrastructure.
- To create an appropriately regulated and safe transport environment, provide professional and efficient services to all clients and citizens and to maximise the generation of revenue.
- To conduct the overall management and administrative support of the department, as well as the respective branches within the department in accordance with the Public Service Act, 1994, the Public Finance Management Act, 1999 (Act 1 of 1999 as amended), the annual Division of Revenue Act and other applicable legislation.
- To utilise the Expanded Public Works Programme as one of the methods to deliver the services described above, to contribute to skills development and the fight against poverty.

R 63 million was rolled over from 2006/07 to 2007/08 in respect of the following services:

- Completion of flood damage repairs in nature reserves and road infrastructure in the Southern Cape – R 45.311 million.
- Subsidies to municipalities for routine road maintenance – R 5.196 million.
- Completion of community access road projects – R 6.684 million.
- Upgrading of Somerset West-Sir Lowry's Pass (Phase 1) project – R 6.319 million.

During 2007/08, the following significant developments external to the Department impacted on the demand for the Department's services and/or its ability to deliver those services:

Provincial Growth and Development Strategy (PGDS)

The *iKapa* GDS was approved as a White Paper by the Provincial Cabinet in November 2007. With integrated transport as one of the path-breakers to achieving shared growth and integrated development, the Department was required to engage various stakeholders regarding the programme of delivery. Given the thrusts of the *iKapa* GDS, the strategic management framework of the Department was revisited to begin alignment of the organisation to deliver on the strategy of the provincial government.

Intergovernmental arrangements

In order to successfully deliver on the mandate of integrated transport, an inter-governmental agreement was drafted and initially agreed to between the national and provincial governments and the City of Cape Town. During 2007/08 the City of Cape Town decided to reconsider their support for the agreement and the establishment of a Public Transport Operating Entity. Such support was consequently withdrawn, resulting in an impasse between the two spheres of government. Delivery of certain programmes and projects has become difficult as it relies on relationships between officials rather than institutionalised mechanisms.

Skills

The limited supply of persons with scarce skills and work experience in areas of engineering, architecture, transport economics and town planning continued to place pressure on delivery within the departmental environment. In response to this challenge the Department succeeded in:-

- Placing 59 recently qualified graduates since the start of Masakh'iSizwe.
- Appointing retired built sector professionals for both mentoring and carrying out professional work during the course of the year.
- Introducing a retention strategy aimed at retaining built sector professionals.
- Recruiting Cuban professionals – both engineers and architects.

Construction Industry Development Board (CIDB)

Compliance with the Construction Industry Development Board Act, 2000 (CIDBA) took effect from 31 August 2005 with regard to the Province of the Western Cape. As an infrastructure delivery organisation the department is registered with the Construction Industry Development Board to gain access to the Register of Projects and the Register of Contractors as all contractors have to be registered on the Register of Contractors to enable the awarding of tenders. An imbalance has developed between the availability of contractors in specific categories of works and the number of projects being advertised for those categories. This culminated in certain contractors becoming over-committed.

A contractor development outreach centre, the Contractor Contact Centre, was established in partnership with the CIDB and is currently functioning with regard to registration of and assistance to contractors, information and general enquiries.

In collaboration with the CIDB and the Infrastructure Development Improvement Programme all contract documentation utilised by Public Works was revised to become CIDB compliant. Documentation relating to the entire supply chain was also reviewed and integrated by technical assistants appointed by IDIP.

The Department, in collaboration with the CIDB, engaged in workshops with the Industry in developing documentation, procedures and processes for the professional service providers register which is in the consultation stage.

Service delivery agreements

Public Works engaged in the review of the service delivery agreements with the Departments of Health and Education, however, the existing service delivery agreements signed in the previous year remained intact and were complemented by the signing of the Infrastructure Implementation Plans (IIPS). All other client departments were forwarded concept service delivery agreements and currently their comments are being incorporated in order to adapt the service delivery agreements to the satisfaction of all parties.

The department has the responsibility to register, set standards and audit Driving Licence Testing Centres (DLTC's). In order to improve service delivery, the Department was in the process of concluding service level agreements with 54 (fifty four) DLTC's. It is the intention to complete this process during 2008/09.

Cost of delivery

The sharp increases in construction prices continued during 2007/08. Resource allocations to deliver road infrastructure was insufficient to cover these increases. Consequently planned starting dates of many projects over the MTEF period were moved to later dates. Backlogs in road infrastructure provision and maintenance therefore continue to grow.

The increase in the cost of delivery, which is a result of the boom in the construction industry, the inflation rate, availability of raw materials and a limited numbers of enterprises to do the work, had a negative impact in the building industry. In particular, contractors who had already been awarded contracts prior to the boom were affected as the escalation formulae could not accommodate the increased building prices.

Flood damage

Extensive flooding in the Southern Cape during 2006 and again during 2007 caused damage to the road network in those areas. Although the roads could generally be made trafficable within a short period of time, structural damage is still being dealt with and will continue to be repaired into the 2008/09 financial year.

Environmental Impact Assessments

The obtaining of Environmental Impact Assessment Records of Decision (ROD), had a constraining effect on the Department's ability to plan and deliver infrastructure projects within committed timeframes as the processes are time consuming and the duration thereof very often unpredictable. Nevertheless, the Department of Environmental Affairs and Development Planning has taken action to process ROD's for major projects such as Koeberg Interchange as matters of priority.

Approval of quarries and borrow pits

New regulations have made it virtually impossible for contractors to mine materials for road contracts locally. This reflects in contract prices as resources from remote sites or commercial sources had to be used.

Transport planning processes

Amendments to the National Land Transport Transition Act, 2000 (Act 22 of 2000) requires the thirty municipalities in the Western Cape to prepare and review Integrated Transport Plans. These municipalities were categorised in terms of the type of Integrated Transport Plan that is to be prepared in the review process.

Public Transport environment

The Department established a Dispute Resolution Unit to specifically deal with conflict in the road-based public transport industry.

Compliance Monitoring Unit

The delegation of powers by the Minister of Transport to enforce legal compliance at vehicle testing stations and driving licence testing centres by Provincial Compliance Monitoring Units is pending. This renders such units unable to enforce compliance at the various centres and results in dependency on interventions by the relevant national inspectorates, which in turn causes inefficiencies in the system. The Department of Transport and the Road Traffic Management Corporation are defining the roles and functions of the national and provincial monitoring bodies and this process is intended to be completed during 2008/09.

Overload control

Current levels of overloading remain constant at about 4.4%. Overloading causes serious damage to the national, provincial and local road network in the Province. As part of the Department's continuous endeavour to address this problem, the upgrading of Beaufort West weighbridge site was completed and various electronic equipment and computer processes were upgraded.

Weigh-in-motion electronic surveillance systems were introduced, enabling early on-road identification of possibly overloaded vehicles. This has reduced the number of vehicles which have to use the weighbridges and is thus to the benefit of the law-abiding hauliers.

Electronic data management systems introduced at the weighbridges makes automatic reporting to all role-players possible and eliminates the possibility of fraudulent transactions.

The Department is depended on the law enforcement capacity of the Department of Community Safety to meet set overload control targets.

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT FOR 2007/08

The following significant developments internal to the Department impacted on the Department's ability to deliver on its strategic plan:

Macro-level Restructuring

The proposed macro-level organisational structure for the Department was endorsed by both the Provincial Cabinet and Minister for Public Service and Administration, where after it was approved by the Minister for Transport and Public Works. The macro-structure aims at strengthening the Department's organisational structure in order to address the priority interventions of the *iKapa* GDS, while facilitating integration and coordination of high level and transversal strategic interventions.

Change in key personnel

During the period under review three members of the Senior Management Service, two from the Roads Infrastructure Branch (retirement) and one from the Public Works Branch (resigned), left the employ of the department, while the fixed term contract of another member in the Branch Community Based Programme expired.

Strike Action

During May/June of 2007 the service delivery programme was adversely affected by the national public sector strike. The Department had to pull all its resources together to maintain the levels of service delivery and to minimise the impact of backlogs after the strike had been resolved. This was successfully achieved.

Knowledge management

The Department has also faced a challenge in respect of reducing duplication of information, limiting the loss of information when staff leave the organization (ie loss of corporate memory) and preserving unstructured information. The establishment of a Knowledge Centre, which serves as a repository of all Departmental information has begun to address this challenge.

Expanded Public Works

A Terms of Reference for a new micro-organisational structure was developed, in conjunction with the Department of the Premier, outlining that EPWP will be driven by a Provincial Steering Group and provide expert support to the 4 sector working groups.

Table 2: Summary of post vacancies and supernumeraries

STAFF CATEGORIES	NUMBER			% AVERAGE ANNUAL CHANGE
	2005	2006	2007	
Total staff complement	1 864	1 866	1 952	4.61
Number of professional and managerial posts	298	314	349	11.1
Number of professional and managerial posts filled	201	227	233	2.60
Number of excess staff	0	0	0	-

Note: Professionals & Managers include SMS members. Also the above table of posts filled does not include 23 Graduates (Masakhi'sizwe),-11 Retired Professionals and 14 Foreign Professionals, as these 48 professionals are all appointed additional to the approved establishment.

Table 3: Key expenditure indicators

CATEGORY OF EXPENDITURE	PERCENTAGE OR RANDS ('000s)			AVERAGE %
	2005	2006	2007	
Compensation of employees expenditure as % of total expenditure	8.97	8.03	8.99	8.66
Expenditure on maintenance of buildings as a % of total expenditure	2.08	1.88	0.51	1.49
Expenditure on maintenance of road infrastructure as a % of total expenditure	32.38	29.20	27.97	29.85
Expenditure on construction of buildings as a % of total expenditure	4.07	3.21	0.22	2.50
Expenditure on construction of road infrastructure as a % of total expenditure	13,99	19.92	22.67	18.86
Expenditure on public transport infrastructure as a % of total expenditure	6.49	2.21	1.38	3.36
Other expenditure as a % of total expenditure	32.02	35.55	38.26	35.28
TOTAL	100.00	100.00	100.00	100.00

Table 4: Progress with promoting Historically Disadvantaged Individuals (HDI)

CATEGORY OF EXPENDITURE	PERCENTAGE OR RANDS ('000s)			ANNUAL AVERAGE
	2005	2006	2007	
ROADS INFRASTRUCTURE				
Number of contracts	140	143	75	119
Total Rand value of contracts	578 852	791 302	999 561	789 905
% of total contracts to HDI by value	36.35%	52.26%	28.94%	39.18%
PUBLIC WORKS GENERAL				
Number of tenders/ quotations	90	74	142	102
Total Rand value of tenders/ quotations	54 561	89 411	149 093	97 688
% of total tenders/ quotations to HDI by value	68.17%	80.46%	33.61%	60.74%
PUBLIC WORKS HEALTH				
Number of tenders/ quotations	78	101	100	93
Total Rand value of tenders/ quotations	56 660	450 340	108 641	205 214
% of total tenders/ quotations to HDI by value	88.13%	68.97%	89.54%	82.21%

CATEGORY OF EXPENDITURE	PERCENTAGE OR RANDS ('000s)			ANNUAL AVERAGE
	2005	2006	2007	
PUBLIC WORKS EDUCATION				
Number of tenders/quotations	126	202	161	163
Total Rand value of tenders/quotations	141 447	297 108	25 792	154 782
% of total tenders/quotations to HDI by value	82.79%	71.18%	97.43%	83.80%
PUBLIC WORKS ADMINISTRATION				
Number of tenders/quotations	Not available	Not available	30	30
Total Rand value of tenders/quotations	Not available	Not available	8 806	8 806
% of total tenders/quotations to HDI by value	Not available	Not available	92.64%	92.64%
PUBLIC WORKS TOTAL				
Number of tenders/quotations	545	713	433	564
Total Rand value of tenders/quotations	259 329	876 935	292 333	476 199
% of total tenders/quotations to women by value	54.22% (R 140 601)	29.79% (R 261 234)	43.52% (R 127 237)	42.51% (R176 357)
% of total tenders/quotations to HDI by value	75.76% (R 196 479)	71.51% (R 627 074)	61.66% (R 180 244)	69.64% (R 334 599)

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS FOR THE 2007/08 FINANCIAL YEAR

The following major policy developments and legislative changes took place:

Special Needs Passenger Policy

A policy was drafted and consultation begun with regard to ensuring that the public transport system is universally accessible to special needs passengers. These passengers include the young, the elderly, persons with impairments/disabilities, as well as people who are unable to navigate using the current signage.

Transport Precinct Development Framework

A framework document was drafted to give guidance to the development of transport precincts. Seven principles: accessibility, integration, sustainability, development value, constructability and phasing, operations and liveability; were identified as fundamental to the development of transport precincts. This framework forms the base of any transport precinct development. It will be utilised to leverage private and other public sector investment around transport nodes. The theory in the Framework was applied to a number of different nodes across the Western Cape including George, Philippi and Saldanha Bay.

Transport Impact Assessment (TIA) Regulations

Whenever a developer plans to develop property they are required to prepare a Transport Impact Assessment in terms of the NLTTA, Act 22 of 2000. Regulations were drafted to outline minimum requirements for the preparation of TIA's. The TIA is required to consider what improvements are needed in terms of the road network and even the implications for the public transport system.

Government Immovable Asset Management Act (GIAMA)

The Government Immovable Asset Management Act was enacted but becomes effective on a date(s) determined by the Minister of Public Works. Meanwhile the Department, in collaboration with the Department of Public Works, is preparing for the implementation of the legislation.

Infrastructure Delivery Improvement Programme (IDIP)

The Department actively participates in the National Treasury's Infrastructure Development Implementation Plan (IDIP). The aim of IDIP is to address blockages that impede accelerated infrastructure delivery, ranging from organisational structure, financial and technical resources as well as modalities of delivery. Education and Health Infrastructure delivery was focused upon.

Skills Strategy for public transport industry

A skills strategy was developed to guide the formulation of a policy framework and implementation plan to empower road based public transport industry modes with the necessary skills to ensure a safe, reliable, effective and affordable public transport service.

Communication Strategy for public transport

The outcomes of a public transport perception audit were utilised to inform the development of a communication strategy.

Registrar regulations

Regulations in terms of the NLTTA, pertaining to the Registrar were developed and approved by the Provincial Minister. These regulations aim to improve the regulation of the taxi industry and its associations. They will be gazetted during 2008/09.

Road Traffic Management Corporation (RTMC)

The Road Traffic Management Corporation (RTMC) came into effect in December 2005. The RTMC co-ordinates traffic related issues across the three spheres of government and between departments. From 1 July 2007 the RTMC charged a transaction fee of R 30.00 on the baseline motor vehicle licence fees determined by each province and which are collected by all registering authorities.

Human Capital Development

A Succession Planning Policy aimed at facilitating succession planning in the Department was approved and implementation is underway. This policy will facilitate career development for staff.

DEPARTMENTAL RECEIPTS

The net aggregate departmental receipts collected for 2007/08 is R 105.955 million or 6% above the estimates. This performance is mainly related to the following over collections:

- Motor vehicle licence fees- R 18 million
- Rentals – R 9 million
- Licences and permits and other administrative fees – R 6 million.
- Disposal of immovable assets – R 56 million
- Accident claims – R 3 million
- Refund from the City of Cape Town of the Greenpoint stadium transfer payment in accordance with the transfer agreement – R 10 million.

The increased collection of revenue is mainly due to the following:

- Increased motor vehicle population and improved collection efforts.
- Higher than expected demand for personalised and special motor vehicle licence numbers.
- Higher than expected number of applications to stage sports and fun events and for filming shoots on public roads.
- Improved rental collection
- Disposal of capital assets of transactions initiated in the previous year.

Table 5: Departmental receipts

DEPARTMENTAL RECEIPTS	ACTUAL COLLECTION 2004/05 R'000	ACTUAL COLLECTION 2005/06 R'000	ACTUAL COLLECTION 2006/07 R'000	BUDGETED COLLECTION 2007/08 R'000	ACTUAL COLLECTION 2007/08 R'000	% DEVIATION FROM TARGET
Tax revenue						
Motor vehicle licenses	695 160	758 594	797 291	776 106	794 175	2.33
Non-Tax revenue						
Sales by market establishment	18 118	28 370	30 845	20 928	30 080	43.73
Administrative fees	10 987	14 956	16 707	11 868	17 759	49.64
Other Sales	1 610	1 668	1 644	853	4 599	439.15
Sales: scrap, waste, other goods	29	39	30	0	101	100.00
Transfers received	58	0	4 179	0	0	0
Interest, dividends and rent on land	56	24	19	0	7	100.00
Sales of capital assets	14 067	30 441	19 723		56 356	100.00
Financial transactions in assets and liabilities	4 338	44 527	26 917	39 304	51 937	32.14
Departmental revenue	744 423	878 619	897 355	849 059	955 014	12.48

SPECIFIC CHALLENGES AND RESPONSES

Listed below are the most significant challenges affecting the Department.

Challenge 1: Addressing the vast number of outstanding motor vehicle licence fees and penalties

Due to various factors impeding the management of this process, the number of vehicles with outstanding licence fees has increased during the last financial year.

Response to Challenge 1

Strengthen the collection capacity for licence fees and improve the integrity of data.

Challenge 2: Optimal utilisation of immovable asset portfolio

Optimal utilisation of the immovable asset portfolio to generate once-off receipts and revenue streams.

Response to Challenge 2

Development of an immovable asset management strategy encompassing the above.

ISSUES REQUIRING ONGOING ATTENTION

Increasing motor vehicle license fees is an annual consideration. However, given the current level of motor vehicle fees in the Western Cape the Government took the policy decision not to increase motor vehicle license fees in 2007/08.

DEPARTMENTAL PAYMENTS

The Department spent R 2.344 billion or 98.2% of the budget allocation.

Programme 1 - Administration

Expenditure for the 12 months to March 2008 was R 121.765 million or 99.1% after application of final virement.

Under spending:

Current:	R 0.163m
Transfers:	R 0.406m
Capital:	R 0.514m
Total	R 1.083m

The under spending is mainly due to the lag in the filling of vacant posts and the consideration of providing of subsidised motor vehicles rather than the acquisition of government motor vehicles. This decision resulted in part of the operational cost for vehicle use being transferred to the users.

Programme 2 - Public Works

Expenditure for the 12 months to March 2008 was R 462.675m or 99.5% after application of final virement.

Under spending:

Current:	R 1.090m
Transfers:	R 0.080m
Capital:	R 1.033m
Total	R 2.203m

The under spending is mainly due to vacant posts not being filled as planned, as well as under spending on item land and subsoil assets due to properties not purchased.

Programme 3 - Roads Infrastructure

Expenditure for the 12 months to March 2008 was R 1.346 million or 99.7% after application of final virement.

Under spending:

Current:	R 0.239m
Transfers:	R 3.474m
Capital:	R 0.257m
Total	R 3.970m

The under spending is mainly due to claims for maintenance on provincial proclaimed roads not received as well as a municipality that was unable to finalise a roads construction project because of a shortage of bitumen.

Programme 4 - Public Transport

Expenditure for the 12 months to March 2008 was R 174.302 million or 87.9% after application of final virement.

Under spending:

Current:	R 2.650m
Transfers:	R 21.107m

Capital:	R 0.328m
Total	R 24.085m

The under spending is mainly due to the following:

- Vacant posts not being filled as planned. Middle Management posts were advertised and could not attract the appropriate skills due to unattractive remunerative packages.
- A capital transfer payment of R20 million to the City of Cape Town was not effected due to the lack of progress with a project.
- A transfer payment to the South African Rail Commuter Corporation of R1.1 million could not be effected as the agreement between the Department and the SARCC could not be concluded by 31 March 2008.

Programme 5 - Traffic Management

Expenditure for the 12 months to March 2008 was R 210.099 million or 99.96% after application of final virement.

Under spending:

Current:	R 0.055m
Transfers:	R 0.001m
Capital:	R 0.033m
Total	R 0.089m

Programme 6 - Community Based Programme

Expenditure for the 12 months to March 2008 was R 29.248 million or 70.4% after application of final virement.

Under spending:

Current:	R 11.183m
Transfers:	R 0.001m
Capital:	R 1.092m
Total	R 12.276m

The under spending is mainly due to vacant posts not being filled as planned and an agreement with a service provider for the implementation of the Social Transformation Programme (STP 21) could not be concluded before the end of the financial year.

The table below shows the variance between actual expenditure and budget after taking final virement into account

Table 6: Variance between actual expenditure and budget

PROGRAMMES	MAIN APPROPRIATION 2007/08 R'000	ADJUSTMENTS APPROPRIATED R'000	VIREMENT R'000	TOTAL VOTED R'000	ACTUAL EXPENDITURE R'000	VARIANCE R'000
Administration	107 677	15 171		122 848	121 765	1 083
Public Works	417 492	54 926	(7 540)	464 878	462 675	2 203
Road Infrastructure	1 223 735	122 847	3 776	1 350 358	1 346 388	3 970
Public Transport	202 474	(2 687)	(1 400)	198 387	174 302	24 085
Traffic Management	212 312	(10 898)	8 774	210 188	210 099	89
Community Based Programme	43 008	2 126	(3 610)	41 524	29 248	12 276
TOTAL	2 206 698	181 485		2 388 183	2 344 477	43 706

Note: Virement between main divisions are further explained in Part 4 Annual financial Statements; General review of state of affairs

SPECIFIC CHALLENGES AND RESPONSES

Listed below are the most significant cross-cutting challenges in respect of payments affecting the Department.

Challenge 1: Shortage of skilled staff

Attraction and retention of people with scarce skills, especially suitably skilled professional and technical staff in the fields of engineering, architecture and other skills in the built sector.

Response to Challenge 1

The Masakh' iSizwe bursary programme was set up to develop and attract professionals in the engineering and built environment fields into the Department and for industry. A Bursary Collaboration Venture (BCV) was established as part of MS to co-ordinate the awarding of bursaries as well as the workplace training of the bursars. The Masakh' iSizwe programme is ongoing at a level of 300 bursaries per annum.

Retention of the professionals is being managed through the development of a professionals training programme to enable graduates to complete the requirements for professional qualifications in the minimum period necessary. To this end the Bursary Collaboration partners are providing some of the training components not provided by the Department.

Challenge 2: Alignment of business processes and structure to strategy

Assessment of the purpose, mandate and service delivery responsiveness of the Department to align the business processes and structure of the Department to its strategy.

Response to Challenge 2

The re-organisation of the Department's macro organisational structure was undertaken in collaboration with the Department of the Premier, in order to align business processes and the overall direction of the Department with the strategic intent of the Government of the Western Cape.

ISSUES REQUIRING ONGOING ATTENTION

The implementation of the approved macro organisational structure by December 2008.

It is the intention to conclude the development of micro structures in support of the macro structure.

PROGRAMME PERFORMANCE

Key measurable objectives were developed per main division and incorporated into the 2007/08 Annual Performance Plan. In the next section the achievements on these objectives are elucidated.

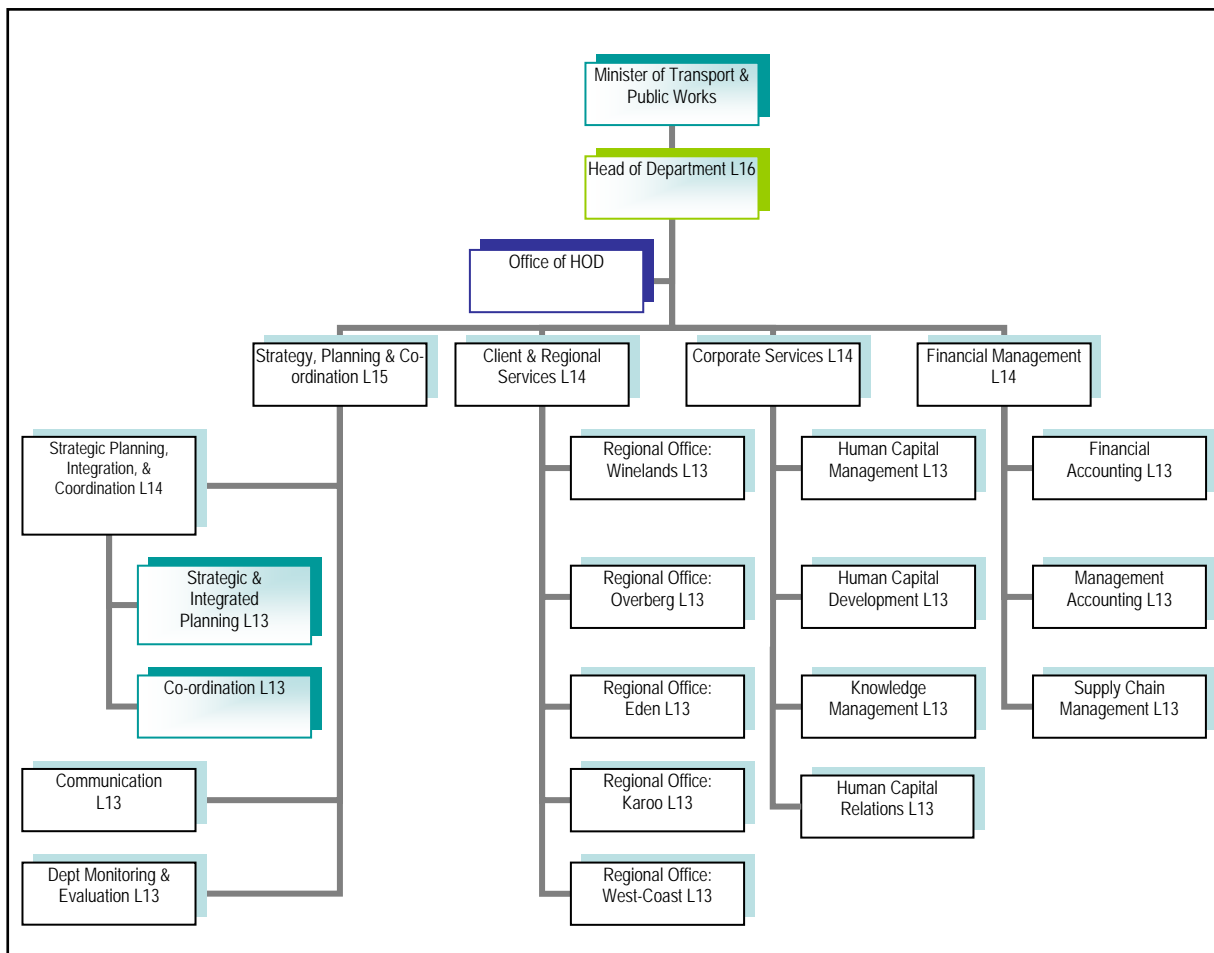


Figure 1: Macro-Organisational Structure Linked to Programme 1

SERVICE DELIVERY ACHIEVEMENTS

PROGRAMME 1: ADMINISTRATION

STRATEGIC GOAL 1:	Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.
STRATEGIC OBJECTIVE:	
1.1	To maintain the relevance of the Strategic Infrastructure Plan.
STRATEGIC GOAL 3:	Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development
STRATEGIC OBJECTIVE:	
3.1	To ensure that integrated planning is undertaken which promotes public transport.
STRATEGIC GOAL 4:	Facilitate and develop the skills required for infrastructure-led economic growth.
STRATEGIC OBJECTIVES:	
4.1	To develop and implement mentorship programmes to promote skills development.
4.2	To enhance, develop and implement programmes to develop specialised skills towards infrastructure led growth.
STRATEGIC GOAL 6:	Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.
STRATEGIC OBJECTIVES:	
6.1	To mainstream transformational elements into the Department's operational activities.
6.2	To promote a harmonious working environment compliant with the transformational agenda.

REVIEW

Macro organisational structure

The re-organisation of the Department's macro organisational structure was approved by the Executing Authority after consultation with Provincial Cabinet and the Minister for Public Service and Administration. Accordingly a process commenced to match and place SMS members into the new structure, where after vacancies will be advertised nationwide to attract the widest possible pool of candidates into the Department.

Skills development

To address the skills shortage experienced both internally and externally, as defined in the Masakh'iSizwe Bursary Policy, extensive skills development initiatives were embarked upon. Internally focus was placed on senior management development to address specifically the skills gap as identified in the skills gap analysis. Gaps identified included communication, project management, strategic management and financial management. As a start, 12 SMS members attended training to address these gaps. In addition, 17 senior managers participated in the Khaedu project (an action learning programme to improve management skills for delivering Batho Pele).

Further interventions involved development of a middle management cadre via the junior management programme and progression to a middle management programme. 25 employees graduated from this programme.

ABET was intensified with the focus on the progression from ABET to FET and Learnerships. 35 Learners progressed from ABET to FET. Learnerships focused on essential skills in basic construction operations such as roadworks, structures and drainage.

To professionalise staff, bursaries were allocated in fields Such as Public Management, Project Management, Human resource development, Accounting and Information technology.

The Masakh'iSizwe programme continued with the allocation of bursaries in the scarce skills discipline. 59 Graduates have since been employed in the Department. The mentorship programme for bursary holders continued. 11 Mentors were employed.

Improving financial management

Improving the quality of financial management is an ongoing process. With the aim to strengthen financial management capacity a team of financial accounting and management accounting specialists were contracted-in to assist the Department with improving of financial management controls. It is the intention to create a control environment that is conducive to the preparation of annual financial statements that present fairly the financial position of the Department while simultaneously building capacity in this regard through the transfer of skills.

With the assistance of the contracted-in financial and management accounting specialists, a financial management improvement plan was commissioned and implementation begun. The plan, as part of a broader strategy, is aimed at addressing the findings highlighted in the Report of the Auditor-General for the financial year ended 2006/07. Those matters on which a qualified audit opinion was expressed were given priority treatment.

Accredited training courses were arranged and implemented on the subjects of: Contract management, Project management as well as Strategic sourcing and commodity management. In addition, serving members on bid adjudication committees were subjected to training on their responsibilities. Training on CIDB prescripts, procedures and registers was also undertaken.

The Department prepared for the implementation of the improved Standard Chart of Accounts (SCOA) with effect from 1 April 2008. This project, generally known as the "SCOA toning" project is driven by the National Treasury. As part of the budget reform process the project is aimed at improving financial data (e.g. infrastructure reporting and item classification), accountability and modernising the accounts of government by bringing budget and expenditure reporting in line with international best practice.

Transport planning

The municipal integrated transport planning review process was initiated with the categorisation of all thirty municipalities in terms of the type of plan to be developed. In support of this, the Department began the drafting of a capacity building programme for municipalities.

The draft Special Needs Passenger policy with respect to public transport which was under development by the Department was completed. The said policy was submitted to the Cabinet Committees for approval to initiate a public participation process in the next financial year. To support this, a conference regarding accessible transport was hosted by the Department in October 2007 to obtain input to the draft policy from the disability sector. The conference resolved that an implementation plan should be developed to give substance and depth to the policy.

A key intervention of the Department outside of the metropolitan area for increasing mobility and supporting growth and development is the George Mobility Strategy. Substantial progress was made with the project, including the identification and planning for the public transport depot, beginning the community and operator consultation, undertaking a socio-economic survey to baseline improvements once the service is operational, and continued infrastructure improvements to the key road corridors.

A transport precinct development framework was drafted to guide the design of transport nodes and the areas surrounding them. The framework provides guiding principles for leveraging private and public sector investment into the surrounding area. This framework is being applied to both the Philippi station precinct and George station and long distance nodes.

2010 FIFA World Cup

The 2010 FIFA World Cup Project Manager for the Department was supported through the appointment of a team of event transport specialists who collectively delivered on a Provincial Transport Operations Manual.

Communication

The communications unit of the Department was strengthened through increasing internal capacity.

Knowledge management

The Department continued on the Enterprise Content Management path by focussing on an e-Registry aligned to National Archives Records Standards. The functional requirements for the Human Capital Management workflow were drafted and in the Financial Management environment the project initiation was signed off. The system already shows a reduction in the flow of paperwork, increased productivity and effective and efficient management of archives and records in the Department.

Employee health and wellness within the Department

Flowing from the Employee Health and Wellness survey undertaken during 2006, the Department embarked on various intervention strategies that received the attention and cooperation of all managers. It was indicated that 45% of the Department's employees could benefit from a wellness intervention. An intervention schedule was consulted and agreed on, showing detail on action at departmental, manager/supervisor and individual level. Areas addressed include but are not limited to staff participation in decision-making, work overload and promoting and extending opportunities for staff growth and development. The Department continues to provide dedicated wellness support by means of a service provider where individuals may access employee health interventions.

SERVICE DELIVERY ACHIEVEMENTS

Table 7: Programme 1: Administration: measurable objectives, performance indicators and targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies						
1.1 To maintain the relevance of the Strategic Infrastructure Plan						
To develop regional level SIPs to inform the annual update of the provincial SIP	SIP for each district developed	N/A	3	0	3	100
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development						
3.1 To ensure that integrated planning is undertaken which promotes public transport						
To ensure approved annual municipal integrated transport plans are in place	Number of plans approved	5	6	0	(6)	100
To review the Provincial Land Transport Framework	Annual review undertaken	0	Yes	No	No review undertaken	100
To develop mobility strategy concepts for transport in district areas	Mobility strategy concepts in place for relevant area	George / Central Karoo	Cape Winelands / West Coast	No / Partial concept for West Coast	No mobility strategy concepts in place	100
<i>**To plan integrated transport projects</i>	<i>Number of project plans</i>	<i>N/A</i>	<i>8</i>	<i>8</i>	<i>0</i>	<i>0</i>
4. Facilitate and develop the skills required for infrastructure-led economic growth						
4.1 To develop and implement mentorship programmes to promote skills development						
To appoint mentors for departmental bursary students	One mentor appointed for each 20 bursars	12	6	11	5	83
To hold information sessions to clarify the roles between mentor and mentee	Number of sessions per year	N/A	5	3	(2)	40
4.2 To enhance, develop and implement programmes to develop specialised skills towards infrastructure led growth						
To award bursaries to students studying in scarce skills categories	Number of bursaries awarded per academic year	127	230	294	64	28
To develop an exit strategy for EPWP learners	Implementable strategy in place for EPWP learners	N/A	1	1	0	0
6. Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate						

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
6.1 To mainstream transformation elements into the Department's operational activities						
To incorporate transformational elements into the performance agreements of all SMS members	Number of SMS performance concluded	31	31	29	(2)	6
To ensure focal unit meetings occur within the department	Quarterly focal unit meetings	4	4	9	5	125
6.2 To promote a harmonious working environment compliant with the transformation agenda						
To implement diversity management training for all staff	Number of staff trained	N/A	750	0	(750)	100
To implement programmes / interventions to counter negative aspects identified in the health and wellness risk assessment	Number of programmes run	N/A	2	0	(2)	100

** denotes nationally required performance measures

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

- 1.1 District SIPs: The outsourcing of work was reduced in order to build the capacity of young staff members in the Strategic Support Unit. This resulted in slower than anticipated progress in developing district SIP's.
- 3.1 Integrated Transport Plans: ITPs were processed and approval from the appropriate authority is pending.
- 3.1 Provincial Land Transport Framework (PLTF): The intention was to undertake the review of the PLTF internally to build and develop internal capacity, which resulted in slower than anticipated progress. Newly appointed staff require substantial time to assimilate and understand the content and draft an update.
- 3.1 Cape Winelands and West Coast Districts Mobility Strategy Concepts: The outsourcing of work was reduced in order to build the capacity of young staff members in the Strategic Support Unit. This resulted in slower than anticipated progress in developing concepts for the mobility strategies. Work has begun on the concept for the West Coast.
- 4.1 Mentors: Increase in mentors due to a larger number of bursars.
- 4.1 Mentor and Mentee Sessions: Decrease due to the inclusion of the life skills programme as well as the students attempting to cope with challenging university requirements.
- 4.2 Bursaries awarded: The awarding of bursaries was accelerated.
- 6.1 SMS performance agreements: A delay in the completion of all performance agreements.
- 6.2 Diversity Management: Due to late award of the tender for a training service provider.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Sufficiently trained staff internally

Trained and experienced internal capacity to manage, develop and implement infrastructure projects is limited. This obviously relates into a slower pace of development and/or implementation as capacity building of internal staff takes time.

Response to Challenge 1

Mentorship and training is being given to capacitate new staff. Projects are prioritised to allow for high visibility projects to be undertaken internally and not outsourced.

Challenge 2: Performance Agreements

Timely submission of all performance agreements.

Response to Challenge 2

The Department of the Premier instituted a Performance Management Information System (Permis).

ISSUES REQUIRING ONGOING ATTENTION

Monitoring and supporting the process for the implementation of new macro structure.

Monitoring and supporting the process for the development of micro structures that underpin the new macro structure.

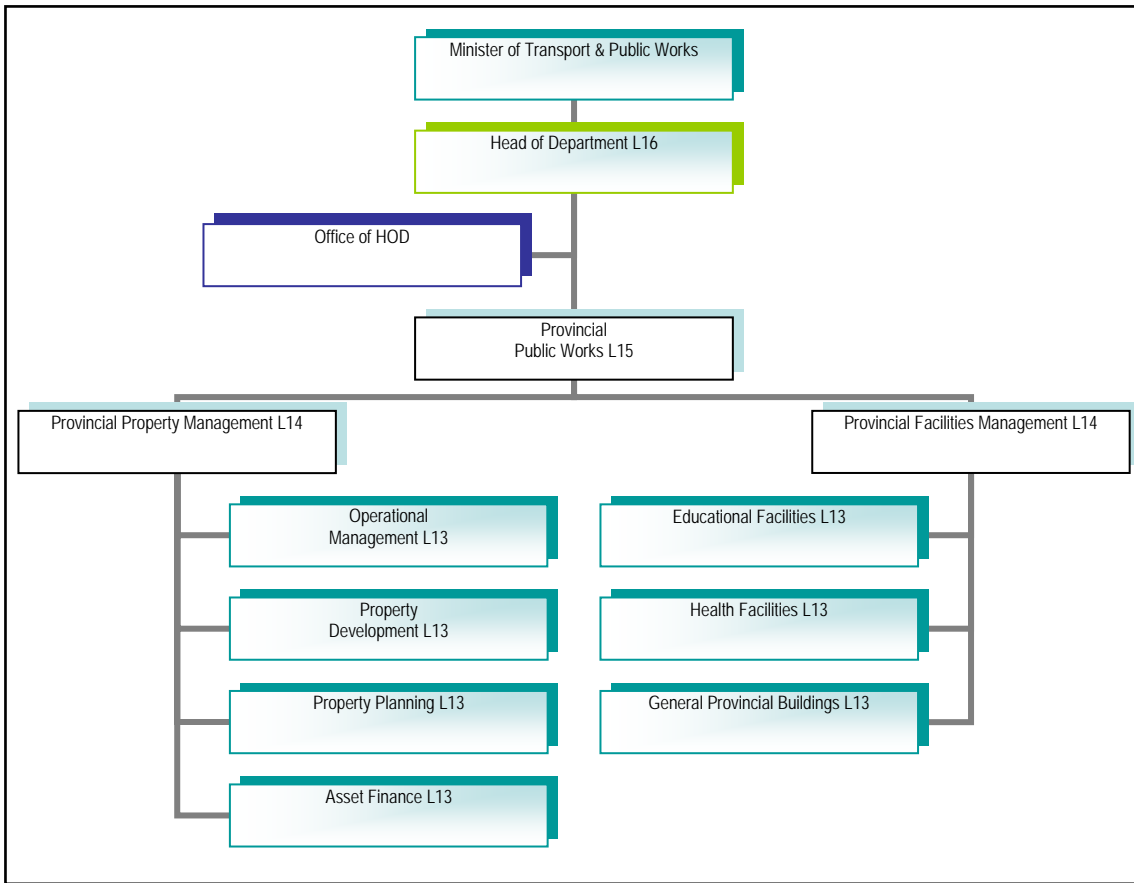


Figure 2: Macro-Organisational Structure Linked to Programme 2

PROGRAMME 2: PUBLIC WORKS

STRATEGIC GOAL 1:	Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.
STRATEGIC OBJECTIVE	
1.1	To ensure alignment of accommodation and infrastructure projects to provincial and national priorities, targets and prescripts.
STRATEGIC GOAL 2:	Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape.
STRATEGIC OBJECTIVE	
2.1	To accelerate infrastructure delivery and reducing infrastructure and maintenance backlog.
STRATEGIC GOAL 3:	Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.
STRATEGIC OBJECTIVE	
3.1	To provide technical and professional built sector advise and manage infrastructure delivery for all public transport built sector facilities.
STRATEGIC GOAL 4:	Facilitate and develop the skills required for infrastructure-led economic growth.
STRATEGIC OBJECTIVE	
4.1	To build a critical mass of skilled built sector practitioners and professionals to meet the demand for built sector skills.
STRATEGIC GOAL 5:	Lead and facilitate the internalisation of the EPWP across all departments in the Province.
STRATEGIC OBJECTIVE	
5.1	To reduce income poverty and unemployment.
STRATEGIC GOAL 6:	Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.
STRATEGIC OBJECTIVE	
6.1	To improve efficiency, effectiveness, and representivity of the Public Works Branch.
STRATEGIC GOAL 7:	Ensure that BBBEE is realised
STRATEGIC OBJECTIVE	
7.1	To create opportunities among historically disadvantaged to enable entry into the first economy.

Table 8: The Province's property portfolio by Department

STATE OWNED PORTFOLIO	LAND				BUILDINGS	
	Number of properties	Number of vacant urban properties	Number of unutilized rural properties	Total number of hectares	Number of properties with buildings	Square metres of building
Health Department	254	0	0	1 763	1 583	1 685 643
Education Department	3 798	0	0	16 091	8 876	4 964 358
Social Development Department	10	0	0	78	150	100 000
Other Clients Combined	1 316	444	0	10 917	1 723	395 944
Unutilised	0	0	0	0	0	0
TOTAL	5 378	444	0	28 849	12 332	7 145 945

Table 9: The Province's leased portfolio by Department

LEASED PORTFOLIO	LAND		BUILDINGS		COST TO GOVERNMENT IN R'000
	Number of properties leased	Total number of hectares	Number of buildings leased	Square metres of building	
Health Department			55	23 460.24	R 11 809
Education Department			353	526 103.92	R 55 148
Social Development Department			26	17 129.70	R 9 563
Agriculture			32	3 803.00	R 1 485
Other			48	43 599.16	R 51 370
TOTAL			514	614 096.02	R 129 375

Table 10: Condition of government buildings by Department

DEPARTMENT	CONDITION OF STATE OWNED BUILDINGS (Number and Percentage)										Total
	Very Good		Good		Fair		Poor		Very Poor		
Health Department	48	3%	392	24%	499	32%	316	20%	328	21%	1 583
Education Department	411	5%	1 790	20%	5 580	63%	520	6%	575	6%	8 876
Other Infrastructure	25	1%	462	25%	814	44%	267	14%	305	16%	1 873
GRAND TOTAL	484	4%	2 644	21%	6 893	56%	1 103	9%	1 208	10%	12 332

Table 11: The Demand for new space

DEPARTMENT	NUMBER	NUMBER OF SQUARE METRES	PLANNED CAPITAL EXPENDITURE		
			Base Year 2007/08 R'000	MTEF 1 2008/09 R'000	MTEF 2 2009/10 R'000
Health Department					
Hospitals	2	45 000	30 000	150 000	130 000
Clinics	2	1 000	0	1 000	8 000
Community Health Centres	9	9 000	0	10 000	50 000
Ambulance Stations	6	3 000	0	2 600	12 000
Forensic Pathology Laboratories	3	5 000	32 700	33 000	11 000
Education Department			*	*	*
Primary Schools	16	56 000	53 953	29 413	47 000
Secondary Schools	12	51 600	73 123	31 866	80 599
Additional Classrooms & mobiles	20	1 200	4 615	1 561	1 500
EMDC, Service Points, Forums & Admin Buildings	11	6 600	11 226	49 000	35 026

DEPARTMENT	NUMBER	NUMBER OF SQUARE METRES	PLANNED CAPITAL EXPENDITURE		
			Base Year 2007/08 R'000	MTEF 1 2008/09 R'000	MTEF 2 2009/10 R'000
Special Schools	1	4 293	493	10 000	15 516
Other office accommodation			*	*	*
Other infrastructure	11	19 833	177 099	64 342	51 569

* Note that the funding for Health and Education infrastructure and maintenance projects are located on the budgets of Health and Education respectively.

REVIEW AND ASSESSMENT OF THE PAST FINANCIAL YEAR

Property management

The following projects in support of the Sustainable Human Settlement Strategy were in progress: The Park (previously the old Conradie Hospital), and Oude Molen (previously part of Valkenberg Hospital). The Department was also involved in a process with the Department of Local Government and Housing for the utilisation of provincial land for the establishment of human settlements such as at Ravensmead, Observatory, Ruyterwacht, Plumstead and Southfield. It is expected that the arrangements with regard to the disposal of the identified land parcels will be brought to conclusion in 2008/09.

The Department advertised 13 properties for disposal aimed at the empowerment in the property industry. Evaluation and adjudication of bids are to be finalized in the 2008/09 financial year.

The Department embarked on the ennoblement of properties of strategic value, such as Somerset Hospital Precinct, Porter Estate and Oude Molen Estate. The process of Environmental Impact Assessment commenced during the year and is ongoing. The rezoning process at Somerset Hospital commenced.

Fourteen education facilities and one health facility were acquired.

The Karatara settlement was transferred to the municipality of Knysna.

Empowerment of women was targeted through the disposal of five properties in George, Strand, Milnerton and Franschoek. A Women in Construction programme was embarked upon to empower women to enter the mainstream construction industry. In addition, the Women in Property project was launched during November to accelerate the empowerment of women in the property sector.

A program for youth empowerment was also embarked upon in order to enable the youth to enter the construction industry as contractors.

Health works

The following projects were in planning, construction or completed:

- Community Health Centres: construction of three new community health centres at Stanford, Montagu, and Simondium was completed.
- Emergency Medical Stations: construction of three new emergency medical stations at Hermanus, Atlantis, and Caledon was completed.
- Coroner Services: five coroner service facilities were under construction at Worcester, Malmesbury, Hermanus, George, and Paarl.
- Hospitals: Paarl and Worcester construction in progress. Khayelitsha and Mitchell's Plain new hospitals are in planned, as well as the new phase for the extension and upgrading of George and Vredenburg Hospitals. The first phase for the upgrading of Riversdale Hospital was completed.
- ARV clinics: construction started on the upgrading and extension of the Kraaifontein Clinic. Planning progressed for Cross Roads, Gugulethu and Michael M (Khayelitsha) Clinics.

Education works

In support of a common objective to contribute to accelerated and shared growth, the construction of new schools continued. Construction of the following schools was completed:

- Secondary Schools in Khayelitsha; namely Makhaya, Kuyasa and Litha Park;
- Primary Schools in Khayelitsha, namely Kuyasa and Maccassar;
- Primary School in Delft South; and
- Primary School in Heinz Park in Philippi.

The following schools remain under construction and are to be completed in 2008/09: Khayamandi Secondary, Kuyasa Primary, Samora Primary and Table View Primary School.

In support of the Expanded Public Works Programme, the building preventative maintenance program focused on increased labour-based methodologies continued. The objective is to create additional job opportunities through this programme. In addition learnerships for artisans, technicians and professionals within the Built Environment sector were created as a contribution to alleviate the scarce skills challenge. Since inception 5 906 jobs were created, 3 554 individuals have left either by resigning, finding new work or other reasons. Presently there are 2 352 people employed on the program and predominately women.

General building works

To provide an environment for the improved functioning of provincial departments, construction of a provincial node in Beaufort West was completed. The node accommodates a traffic centre, an ambulance station, a disaster management centre an impoundment facility. In addition, construction commenced for a shared service centre in Athlone. The centre will provide for public transport services and motor vehicle licensing, as well as accommodation for other Provincial services. The design of a government precinct in George commenced.

2010 FIFA World Cup

Financial assistance of R30 million was given to the City of Cape Town for the upgrading of the Athlone Soccer Stadium. Additional initiatives in support of the 2010 FIFA World Cup are the planning phases that commenced on the redevelopment of the Somerset/City Hospital and Philippi stadium precincts.

SERVICE DELIVERY ACHIEVEMENTS

Table 12: Programme 2: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies						
1.1 Ensure alignment of accommodation and infrastructure projects to provincial and national priorities, targets and prescripts						
To develop the Immovable Asset Management Plan for the Province	Percentage complete	0	100	90	(10)	10
To review service delivery agreements with client departments and entities	Number of service delivery agreements	0	12	10	(2)	17
To conclude user agreements with departments, institutions and entities	Number of departments	0	12	0	(12)	100
	Number of institutions	0	0	0	0	0
	Number of entities	0	0	1	1	100

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
To conclude property user portfolios	Percentage of properties with user agreements	0	80	50	(30)	38
To develop sustainable and integrated human settlements	Number of projects	0	2	2	0	0
To vest state land in the name of the Province	Percentage of properties vested	0	100	81.5	(18.5)	19
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Accelerate infrastructure delivery and reduce infrastructure and maintenance backlogs						
To construct infrastructure	Number of health projects	30	56*	30	(26)	46
	Number of education projects	27	19*	18	(1)	5
	Number of general buildings projects	22	27*	22	(5)	19
To reduce the maintenance backlog of the building stock	Number of health projects	184	253*	126	(127)	50
	Number of education projects	410	450*	496	46	10
	Number of general buildings projects	232	100*	304	204	204
To optimise revenue through the sale of land and buildings	Number of properties sold	40	70	13	(57)	81
To optimise revenue through the rental of land and buildings	Number of rental agreements	2 292	650	3 438	2 788	429%
To provide accommodation through the acquisition (buy & lease) of land and buildings	Number of properties purchased	56	4	15	11	275
	Number of properties leased in	542	470	517	47	10
To optimally utilise the provincial property portfolio	Number of user department assessment reports	0	0	0	0	0
	Number of properties inspected	100	600	224	(376)	63
	Number of properties evaluated	100	300	21	(279)	93
	Number of properties ennobled	10	50	1	(49)	98
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development						
3.1 To provide technical and professional built sector advise and manage infrastructure delivery for all public transport built sector facilities						
To provide technical and professional built sector advise and manage infrastructure delivery for all public transport built sector facilities	Number of public transport buildings & Facilities	0	3	4	1	33
4. Facilitate and develop the skills required for infrastructure-led economic growth						
4.1 To build a critical mass of skilled built sector practitioners and professionals to meet the demand for built sector skills						
To facilitate practical training for learners, artisans, tradesmen and built sector professionals	Number training opportunities for learners					
	Health	123	100	112	12	12

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
	Education	500	50	70	20	40
	General buildings	88	20	26	6	30
	Property Management	4	1	4	3	300
5. Lead and facilitate the internalisation of the EPWP across all departments in the Province						
5.1 Reduction of income poverty and unemployment						
To create employment opportunities	Number of direct employment opportunities created through Health infrastructure	6456	5000	305	(4695)	94
	Number of direct employment opportunities created through Education infrastructure	3604	400*	2043	1643	411
	Number of direct employment opportunities created through general building infrastructure	3078	1000	1409	409	41
	Number of direct national youth service employment opportunities created through public works	N/A	500	43	(457)	91
	Number of EPWP building preventative maintenance work opportunities	3000	3000	5583	2583	86
7. Ensure that BBBEE is realised						
7.1 To create opportunities among historically disadvantaged to enable entry into the first economy						
To increase participation of BBBEE enterprises and black professional service providers in the mainstream built sector	Percentage of value of tenders and quotes to BEE service providers	71	65	62	(3)	5
	Percentage of value of tenders to women	29	50	44	(6)	12
	Percentage of value to PDI professional service providers	50	50	50	0	0
	Number of information sessions	4	0	0	0	0

* Annual Performance Plan targets rectified

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

- 1.1 Immovable Asset Management Plan: Deviation is due to the alignment of the plan with the requirements of GIAMA.
- 1.1 Service Delivery Agreements: There were protracted negotiations with client departments on specific issues contained in the service delivery agreements, which needed to be resolved before concluding the remaining two service level agreements.

- 1.1 User Agreements: As at the end of the financial year the Department was still in negotiations with its client departments with regard to the terms and conditions of the User Agreements.
- 1.1 User Portfolios: Verification of data extracted from the provincial Asset Register is pending.
- 1.1 Vesting of State Land: Delays in vesting are attributed to disputes on ownership with other organs of state and due to the lack of historical data that are required to confirm the usage immediately prior to 27 April 1994.
- 2.1 Number of properties sold: The remainder of the properties are either in the process of transfer with the state attorney or in the process of obtaining the necessary approval to dispose.
- 2.1 Number of rental agreements: The output includes parking agreements which were not initially included in the target.
- 2.1 Number properties acquired: Funds were appropriated in the Adjustments Estimates, enabling the acquisition of properties mostly for Education and Health.
- 2.1 Number of properties ennobled: The Department embarked on the ennoblement of properties of strategic value, such as Somerset Hospital Precinct, Porter Estate and Oude Molen Estate. The process of Environmental Impact Assessment and rezoning are time-consuming because of the regulatory requirements.
- 7.1 BEE Service Providers: Outcomes have been negatively affected by a single major contract, which had less BEE equity ownership but still compelled to achieve 30 % BEE status as a condition of contract as what is reported is only the tender target.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Increasing accommodation needs (space) of client departments

The impact of the increasing accommodation needs (space) of client departments.

Response to Challenge 1

The development of a CBD Accommodation Plan reflecting the current accommodation needs of client departments, future requirements and rationalisation of office space, is underway.

Investigate the development of Regional Office Precincts for the provincial government departments operating at regional level [6 Regional Model] namely Eden (George), West Coast (Vredenberg), Overberg (Caledon), Cape Winelands (Worcester), Central Karoo (Beaufort West) and one Metro.

Revise norms and standards for office use, downwards, to encourage efficient and optimal use of space.

Investigate the implementation of the User Pay Principle as a deterrent to departments to hold on to or demand space not needed and to hand back space currently not utilised to Public Works.

Challenge 2: Changing needs of client departments

Ability to respond effectively to the changing infrastructure and accommodation needs of client departments.

Response to Challenge 2

Conclusion and review of service delivery agreements with client departments.

Frequent consultation regularly with client departments on the provincial accommodation plan in respect of head office accommodation.

Acquire client needs schedules in time.

Plan, design and construct facilities in the agreed timeframes and set cost and quality specifications.

Challenge 3: Increasing maintenance backlogs

To determine a sustainable solution to the growing maintenance backlog.

Response to Challenge 3

Implement full life cycle costing in newly designed and newly constructed building in order to reduce future maintenance cost.

Resubmit a budget to treasury to finance the maintenance backlog and future maintenance needs.

Currently investigating the introduction of the User pay principle in the utilisation of buildings in order to encourage users to improve facility management, day-to-day maintenance, and aversion of overcrowding and vandalism.

With the implementation of Government Immovable Asset Management Act of 2007 (GIAMA) the national Department of Public Works has developed guidelines for the completion of an Immovable Asset Management Plan. One of the objects of GIAMA is to optimize the cost of service delivery by, inter alia, the maintenance of existing immovable assets.

The Department will commence with the development of an Immovable Asset Management Plan once these guidelines are available. One of the minimum requirements of a custodian immovable asset management plan is that the maintenance activities required and the total and true cost of the maintenance activities are identified.

Undertake the development of a policy with guidelines with regard to the funding of maintenance, cleaning services and telecommunication services and the carry through costs into the outer years. (Life Cycle costing and operational costs per property)

Challenge 4: Optimal management of provincial property portfolio

The challenge is to optimally manage the Provincial Property Portfolio particularly within the context of sustainable human settlements and integrated development.

Response to Challenge 4

The identification of suitable land for the development of integrated and sustainable human settlements.

Development of a Total Asset Management framework.

ISSUES REQUIRING ONGOING ATTENTION

The conclusion and review of:

- User agreements with user departments and the finalisation of the Property User Portfolio that specify the properties used by the departments for core business.
- Service delivery agreement pertaining to service delivery within the infrastructure sector with all client departments.

The provincial property portfolio consists of 5 378 erven, of which 2 753 are already registered in the name of the Western Cape Provincial Government; the title deeds of 1 394 erven are with the State Attorney for the endorsement thereof in the name of the province; and 1 231 must still be processed for endorsement. The Department has implemented a process, in consultation with the national Department of Public Works, to fast track the finalisation of the confirmation for the vesting of properties.

**PROGRAMME THREE:
ROADS INFRASTRUCTURE**

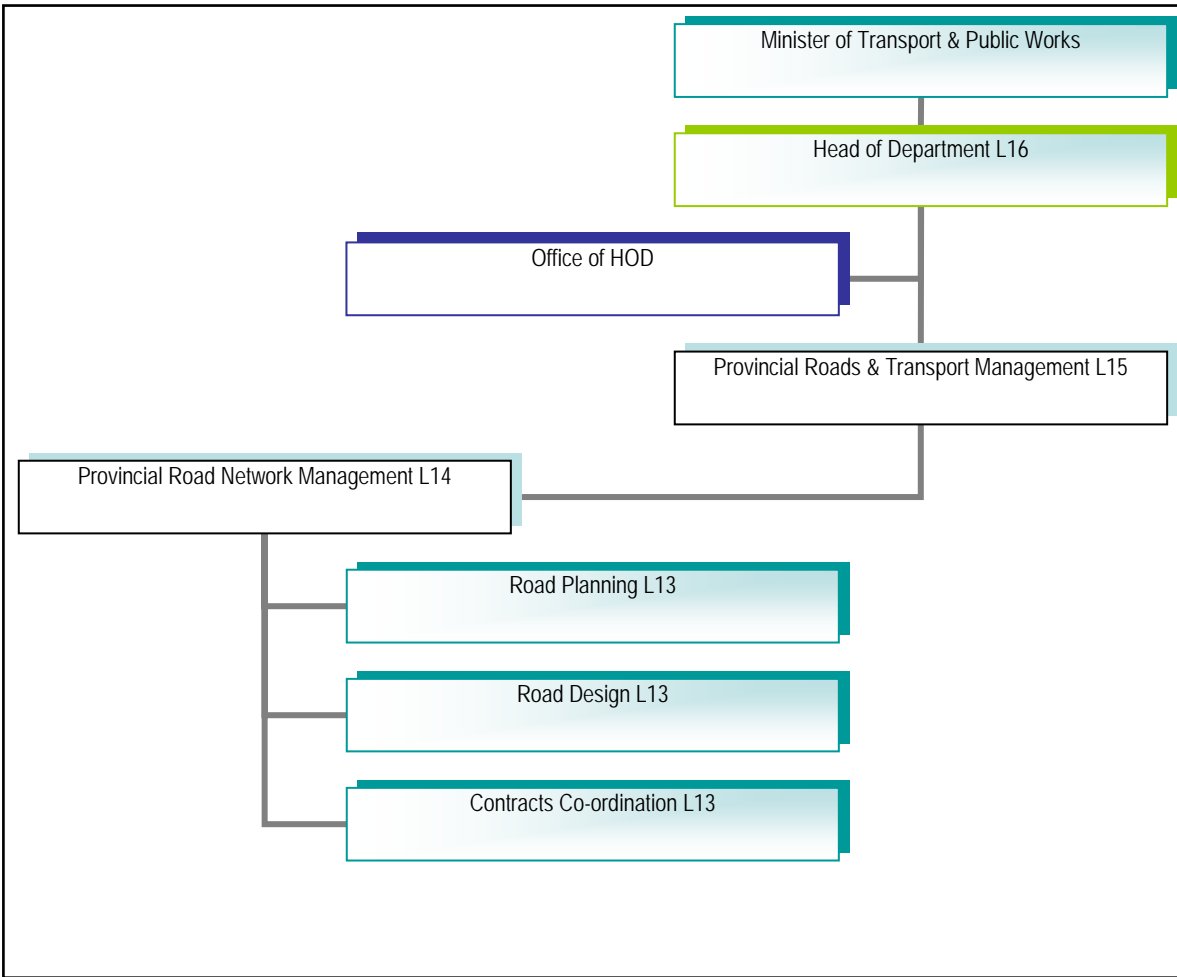


Figure 3: Organisational Structure Linked to Programme 3

PROGRAMME 3: ROAD INFRASTRUCTURE

STRATEGIC GOAL 1:	Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.
STRATEGIC OBJECTIVE	
1.1	Road infrastructure delivery that supports iKapa Elihlumayo lead strategies.
STRATEGIC GOAL 2:	Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape
STRATEGIC OBJECTIVE:	
2.1	Optimal allocation of resources.
STRATEGIC GOAL 3:	Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.
STRATEGIC OBJECTIVE	
3.1	Public transport first.
STRATEGIC GOAL 4:	Facilitate and develop the skills required for infrastructure-led economic growth.
STRATEGIC OBJECTIVE	
4.1	To improve the capacity of government to deliver on roads infrastructure projects.
STRATEGIC GOAL 5:	Lead and facilitate the internalisation of the EPWP across all departments in the Province.
STRATEGIC OBJECTIVE	
5.1	Road infrastructure delivery through the application of EPWP principles.
STRATEGIC GOAL 6:	Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.
STRATEGIC OBJECTIVE	
6.1	Improved efficiency, effectiveness, and representivity of the Roads Infrastructure Branch.
STRATEGIC GOAL 7:	Ensure that BBBEE is realised
STRATEGIC OBJECTIVE	
7.1	Black and women participation in road infrastructure procurement.

Table 13: Condition of road infrastructure by region

REGION OF PROVINCE	CONDITION OF INFRASTRUCTURE (Km's or No.)					Total Km's or Total No.
	Very Good	Good	Fair	Poor	Very Poor	
CENTRAL KAROO DISTRICT MUNICIPALITY						
Highways						
Surfaced Roads (excluding highways)	195.53	219.42	130.36	34.17	0.00	579.48
Gravel Roads	0.00	327.18	656.31	945.23	479.60	2 408.32
Bridges with span > 2 metre						88
Culverts with span > 2 metres						297

REGION OF PROVINCE	CONDITION OF INFRASTRUCTURE (Km's or No.)					Total Km's or Total No.
	Very Good	Good	Fair	Poor	Very Poor	
EDEN DISTRICT MUNICIPALITY						
Highways						
Surfaced Roads (excluding highways)	404.90	530.80	362.79	69.29	0.66	1 368.44
Gravel Roads	118.30	1 019.89	1 434.66	426.65	61.38	3 060.88
Bridges with span > 2 metres						181
Culverts with span > 2 metres						377
OVERBERG DISTRICT MUNICIPALITY						
Highways						
Surfaced Roads (excluding highways)	258.60	366.51	109.96	26.49	11.69	773.25
Gravel Roads	13.83	148.22	372.33	672.51	204.20	1 411.09
Bridges with span > 2 metre						105
Culverts with span > 2 metres						183
CAPE WINELANDS DISTRICT MUNICIPALITY						
Highways						
Surfaced Roads (excluding highways)	535.80	650.94	280.54	83.84	14.54	1 565.66
Gravel Roads	8.72	106.88	393.20	778.84	222.38	1 510.02
Bridges with span > 2 metre						187
Culverts with span > 2 metres						310
WEST COAST DISTRICT MUNICIPALITY						
Highways						
Surfaced Roads (excluding highways)	138.83	458.16	438.30	311.77	47.59	1 394.65
Gravel Roads	12.32	26.85	436.67	1 070.98	580.68	2 127.50
Bridges with span > 2 metre						182
Culverts with span > 2 metres						230
CAPE TOWN METRO						
Highways						
Surfaced Roads (excluding highways)	162.73	69.99	66.87	34.80	2.51	336.90

REGION OF PROVINCE	CONDITION OF INFRASTRUCTURE (Km's or No.)					Total Km's or Total No.
	Very Good	Good	Fair	Poor	Very Poor	
Gravel Roads	0.00	0.00	0.00	4.02	7.00	11.02
Bridges with span > 2 metre						130
Culverts with span > 2 metres						24
TOTAL WHOLE PROVINCE						
Highways						
Surfaced Roads (excluding highways)	1 696.39 (28 %)	2 295.82 (38 %)	1 388.82 (23 %)	560.36 (9 %)	76.99 (1 %)	6 018.38
Gravel Roads	153.17 (1 %)	1 629.02 (15 %)	3 293.17 (31 %)	3 898.23 (37 %)	1 555.24 (15 %)	10 528.83
Bridges with span > 2 metre						873
Culverts with span > 2 metres						1 421
For the purpose of this table, the degrees of overall condition of pavement mean the following:						
Very Good	Very few of no defects. Degree of defects c 3 (less than warning)					
Good	Few defects. Degree of structural defects mostly less than warning					
Fair	A few defects with degree of defects seldom severe. Extent is only local if degree is severe (excluding surfacing defects)					
Poor	General occurrence of particularly structural defects with degrees warning to severe					
Very Poor	Many defects. The degree of the majority of structural defects is severe and the extent is predominantly general to extensive					

REVIEW AND ASSESSMENT OF THE PAST FINANCIAL YEAR

Maintenance

To pro-actively address the need for gravel in respect of the re-gravelling programme some 1000 strategic borrow pits across the Province were identified. The pits will be subjected to environmental impact assessments prior to use to streamline the environmental approvals. However there is a risk that the identified borrow pits, whilst still being subjected to an environmental process, are overtaken as commercial sources by the landowners before they can be expropriated.

Opportunities for local emerging contractors, compliant with Expanded Public Works Programme principles, continued to be provided through various road maintenance activities.

The 18 contractor development learnerships that commenced in 2006/07 continued. In addition, 20 new contractor development learnerships commenced.

Women continued to be empowered through ensuring that they were integrally involved and targeted in the design and implementation of economic empowerment programmes, particularly in road maintenance contracts. The level of involvement of women in road maintenance contracts is in the order of 46 per cent.

Forty-four members of staff were registered as Category 18.1 Learners with the Construction Education Training Authority.

Construction

The following major projects were completed:

- Potsdam Interchange on the N7
- Bottelary Road rehabilitation
- The construction of the N2 inbound lane between Borchards Quarry and Vanguard Drive

- Bredasdorp to Elim upgrading to surfaced standard
- The rehabilitation of Main Road 23 between Wellington and Hermon
- The rehabilitation of Trunk Road 24 between Malmesbury and Hermon

The following new projects commenced:

- The rehabilitation of Trunk Road 2 (N2) outbound between Vanguard Drive and Borcherd's Quarry Interchanges, with the addition of a lane and including the upgrading of the Airport Access Interchange
- The improvement of Lynedoch Intersection near Spier
- The repair of slopes in Huis River Pass on TR31/5 between Ladismith and Calitzdorp
- The upgrade to surfaced standard of the road from the N7 to Algeria (DR1487)
- The rehabilitation and protection of Trunk Road 2 between White Bridge and Knysna
- Safety improvements on TR33/01: Mossel Bay
- The upgrade of Koeberg Interchange

The rehabilitation of the N2 between Borcherd's Quarry and Vanguard Drive Interchanges included the addition of a lane reserved for public transport between 05:30 and 09:00 during the week. A system of automatic number plate recognition was set up for enforcing the lane. The success thereof is monitored.

The following measures were put in place to reduce the engineering and technical skill shortages in the Department:

- an intensified recruitment drive for persons with scarce skills
- a mentorship programme for graduates
- school awareness and assistance programmes in mathematics and science.

National approval of the permanent toll plazas for Chapman's Peak Drive has been pending for more than two years. This has led to a "Designated Event", which translated into the department carrying the financial risk that would otherwise have been for the account of the concessionaire.

Planning for the N1 Corridor capacity improvements (including freight access to and from the Port of Cape Town and facilitating public transport movement into the city) was finalised. The first phase, the addition of directional ramps to Koeberg Interchange, linking the M5 to the N1 eastwards and an additional lane outbound from the City, commenced.

Road safety improvements were included in all rehabilitation and maintenance projects. In addition, preparations were made to extend the street lighting along the N1.

Labour intensive activities through EPWP projects were increased. In particular, community access roads in the five districts within the Province were targeted in the implementation of this intervention.

SERVICE DELIVERY ACHIEVEMENTS

Table 14: Sub-Programme 3.2: Planning: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the iKapa Elihlumayo strategies						
1.1 Road infrastructure delivery that supports iKapa Elihlumayo lead strategies						
To ensure approved municipal Integrated Transport Plans	Number of plans approved	5	6	0	(6)	100

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
To review the Provincial Land Transport Framework	Percentage completed	0	100	0	(100)	100
<i>**To update and draft transport legislation and regulations</i>	<i>Number of pieces of legislation finalised</i>	<i>0</i>	<i>2</i>	<i>1</i>	<i>(1)</i>	<i>50</i>
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Optimal allocation of resources						
To optimise roads infrastructure resource allocation	dTims optimisation model results	dTims run	dTims run	dTims run	0	0
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development						
3.1 Public transport first						
To respond timeously to development plan applications and land use proposals	Percentage dealt with on time (non-cumulative)	100	98	100	2	2
4. Facilitate and develop the skills required for infrastructure-led economic growth						
4.1 To improve the capacity of government to deliver on roads infrastructure projects						
To promote the study of maths and science at school	Number of schools visited	0	30	61	31	103
	Annual TRAC report	0	1	0	(1)	100
To provide accredited professional training to graduates	Number of graduates trained	5.75	7	3	(4)	57
7. Ensure that BBBEE is realised						
7.1 Black and women participation in road infrastructure projects						
To promote BEE in road planning and design through the appointment of majority black owned service providers	Percentage of the total black owned service providers appointed	60	55	55	0	0

** denotes nationally required performance measures

Table 15: Sub-Programme 3.3: Design: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Optimal allocation of resources						
<i>** To design roads that meet the appropriate standards</i>	<i>Number of designs completed</i>	<i>22</i>	<i>14</i>	<i>33</i>	<i>19</i>	<i>136</i>

** denotes nationally required performance measures

Table 16: Sub-Programme 3.4: Construction: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Optimal allocation of resources						
To upgrade gravel roads to surfaced roads	Number of km	19	47	5	(42)	89
<i>**To upgrade surfaced roads</i>	<i>Number of km</i>	<i>6</i>	<i>6</i>	<i>7</i>	<i>1</i>	<i>17</i>
<i>**To rehabilitate surfaced roads</i>	<i>Number of km</i>	<i>20</i>	<i>102</i>	<i>87</i>	<i>(15)</i>	<i>15</i>
<i>**To improve safety and community access</i>	<i>Number of projects completed</i>	<i>4</i>	<i>12</i>	<i>2</i>	<i>(10)</i>	<i>83</i>
4. Facilitate and develop the skills required for infrastructure-led economic growth						
4.1 To improve the capacity of government to deliver on roads infrastructure projects						
To register category 18.2 Learnerships with the CETA	Number of learnerships	61	330	97	(233)	71
5. Lead and facilitate the internalisation of the EPWP across all departments in the Province						
5.1 Road infrastructure delivery through the application of EPWP principles						
To promote employment opportunities through employment contracts	Number of person days per quarter	159 134	80 000	219 070	139 070	174
<i>**To promote EPWP employment</i>	<i>Number of jobs created</i>	<i>1 393</i>	<i>1 400</i>	<i>1 478</i>	<i>78</i>	<i>6</i>
7. Ensure that BBBEE is realised						
7.1 Black and women participation in road infrastructure projects						
To promote BEE through procurement	Percentage value of contracts to black owned contractors	48.92	50	25	(25)	50
To empower women in the construction industry	Percentage value of contracts to women-owned contractors	0	5	0.3	(4.7)	94

** denotes nationally required performance measures

Table 17: Sub-Programme 3.5: Maintenance: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Optimal allocation of resources						
<i>**To reseal tarred roads</i>	<i>Number of km</i>	<i>328</i>	<i>340</i>	<i>511</i>	<i>171</i>	<i>50</i>
<i>**To re-gravel roads</i>	<i>Number of km</i>	<i>349</i>	<i>410</i>	<i>276</i>	<i>(134)</i>	<i>33</i>
<i>**To undertake routine maintenance</i>	<i>Number of km</i>	<i>32 182</i>	<i>32 182</i>	<i>32 182</i>	<i>0</i>	<i>0</i>
4. Facilitate and develop the skills required for infrastructure-led economic growth						
4.1 To improve the capacity of government to deliver on roads infrastructure projects						
To register category 18.2 Learnerships with the CETA	Number of learnerships	93	45	111	66	147
To register category 18.1 Learnerships for the training of staff as artisans and operators	Number of learnerships	24	50	77	27	54

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
To recognise prior learning of staff	Percentage of staff assessed	0	10	65	55	550
5. Lead and facilitate the internalisation of the EPWP across all departments in the Province						
5.1 Road infrastructure delivery through the application of EPWP principles						
To promote employment opportunities through employment contracts	Number of person days per annum	190 661	200 000	211 888	11 888	6
<i>**To promote EPWP employment</i>	<i>Number of jobs created</i>	<i>5 660</i>	<i>5 000</i>	<i>4 456</i>	<i>(544)</i>	<i>11</i>
	Number of community based projects implemented	0	0	5	5	100
7. Ensure that BBBEE is realised						
7.1 Black and women participation in road infrastructure projects						
To promote BEE through procurement for routine maintenance contracts	Percentage value of contracts to black owned contractors	96	95	97	2	2
To empower women in the construction industry	Percentage value of routine maintenance contracts to women-owned contractors	0	35	60	25	71

** denotes nationally required performance measures

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

Integrated Transport Plans – Number of plans approved

ITPs were processed and approval from the appropriate authority is pending.

Provincial Land Transport Framework – Percentage completed

The intention was to undertake the review of the PLTF internally to build and develop internal capacity, which resulted in slower than anticipated progress. Newly appointed staff require substantial time to assimilate and understand the content and draft an update

Draft transport legislation and regulations – Number of pieces of legislation finalised

The Western Cape Transport Infrastructure Bill is planned to replace the outdated Cape Roads Ordinance, 1976 and the Roads and Ribbon Development Act, 1940. The development of the Bill was significantly affected by the possible devolution or assignment of functions from Province to municipalities. Finalisation of policy inputs, advertising of the draft Bill for comment and introduction thereof to the Legislature is intended to occur during 2009.

The drafting of the Western Cape Provincial Road Traffic Bill is planned to be completed during May 2008, while introduction to the legislature is planned for 2009.

The planned promulgation of the Regulations on Minimum Requirements of TIA's under the NLTTA is planned for 2008.

Study of maths and science at schools - Number of schools visited

There has been a growing interest of schools in the promotion of studying maths and science.

Annual TRAC report

The Annual TRAC Report was only made available at the Annual General Meeting in mid April 2008.

Accredited professional training to graduates – Number of graduates trained

No responses were received to advertised vacant posts and concomitant training initiatives. Technicians cannot be trained for professional registration until they have attained at least a BTech degree.

To design roads that meet the appropriate standards – Number of designs completed

The more than doubling in number of designs completed is the result of unforeseen events occurring after the target for 2007/08 was set, namely more flood damage repair contracts and the unbundling of projects to provide opportunities for smaller contractors.

Upgrade gravel roads to surfaced roads – Number of km

The below target performance is due to: the Gansbaai - Bredasdorp project (C776.1) only being completed at the beginning of 2008/09; and the Marcuskraal project not being completed due to underperformance by the contractor.

Rehabilitate surfaced roads – Number of km

The below target performance for surfaced road rehabilitation (15%) is due to the Piketberg project (C754.1) being delayed because of very wet winter conditions.

Safety and community access – Number of projects completed

These projects will be completed in the beginning of the following financial year (08/09).

Employment opportunities – Number of person days and jobs created

The reason for this is that the original estimation of the person days figure only took account of new jobs and not the existing jobs carried through from the previous year.

BEE through procurement – Percentage value of contracts to black and women-owned contractors

The percentage value of contracts to black- and women owned contractors has been skewed completely by the award of Koeberg Interchange at the end of the year to a contractor with minimum black owned equity and zero women owned equity.

Reseal tarred roads – Number of km

The delay of re-gravel projects, due to new environmental legislative requirements, resulted in the shift of funds to the re-seal programme.

Re-gravel roads – Number of km

The only current contract re-gravel project - the Ceres project (C844) - was awarded much later than anticipated. New environmental regulations slowed down the approval of borrow pits and caused delays. Furthermore, since the floods of November 2007, six of the seven re-gravel teams of the District Municipalities were doing flood damage repairs instead of regravelling.

Learnerships – Number of learnerships

The performance includes learnerships running over more than one financial year.

Recognition of Prior learning

Better than expected progress was made by the regions as far as recognition of prior learning of staff is concerned.

Employment opportunities – Number of person days and jobs created

The reason for this is that the original estimation of the person days figure only took account of new jobs and not the existing jobs carried through from the previous year.

EPWP employment – Number of community based projects implemented

The five community based projects that were implemented are additionally awarded contracts.

BEE through procurement – Percentage value of contracts to women-owned contractors

The higher percentage value of contracts to women-owned contractors is due to the steady increase of women contractors in the road maintenance sector

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Address the backlog in roads infrastructure

To maintain the condition of roads at an appropriate standard, to address capacity constraints of the road network and simultaneously address backlogs.

Response to Challenge 1

To motivate for a larger share of available financial resources based on sound asset management information and analysis.

A phased approach towards addressing the backlog.

The application of sound project management principles and systems. (Rational Portfolio Manager system)

Challenge 2: Flood/ storm/ disaster damage

Accommodation of projects related to flood/ storm damage repairs.

Response to Challenge 2

Request additional funds for unforeseen and unavoidable events.

To reprioritise projects and to adjust planning to design to prevent flood and storm damage.

Challenge 3: Shortage of engineering and technical staff

To improve the limited numbers of engineering graduates in the labour market.

Response to Challenge 3

Promotion of bursaries in scarce skills.

Continued promotion of studying maths and science.

Encourage registration with professional associations.

Challenge 4: Work opportunities and skills training

Road construction is inherently capital intensive.

Response to Challenge 4

Certain road infrastructure projects provide opportunities for the maximization of labour and skills development of such labour. Revise contract documentation to ensure that EPWP principles are addressed adequately.

ISSUES REQUIRING ONGOING ATTENTION

The shortage of professional and technical staff necessitates the development of staff through special training and mentorship programmes.

**PROGRAMME FOUR:
PUBLIC TRANSPORT**

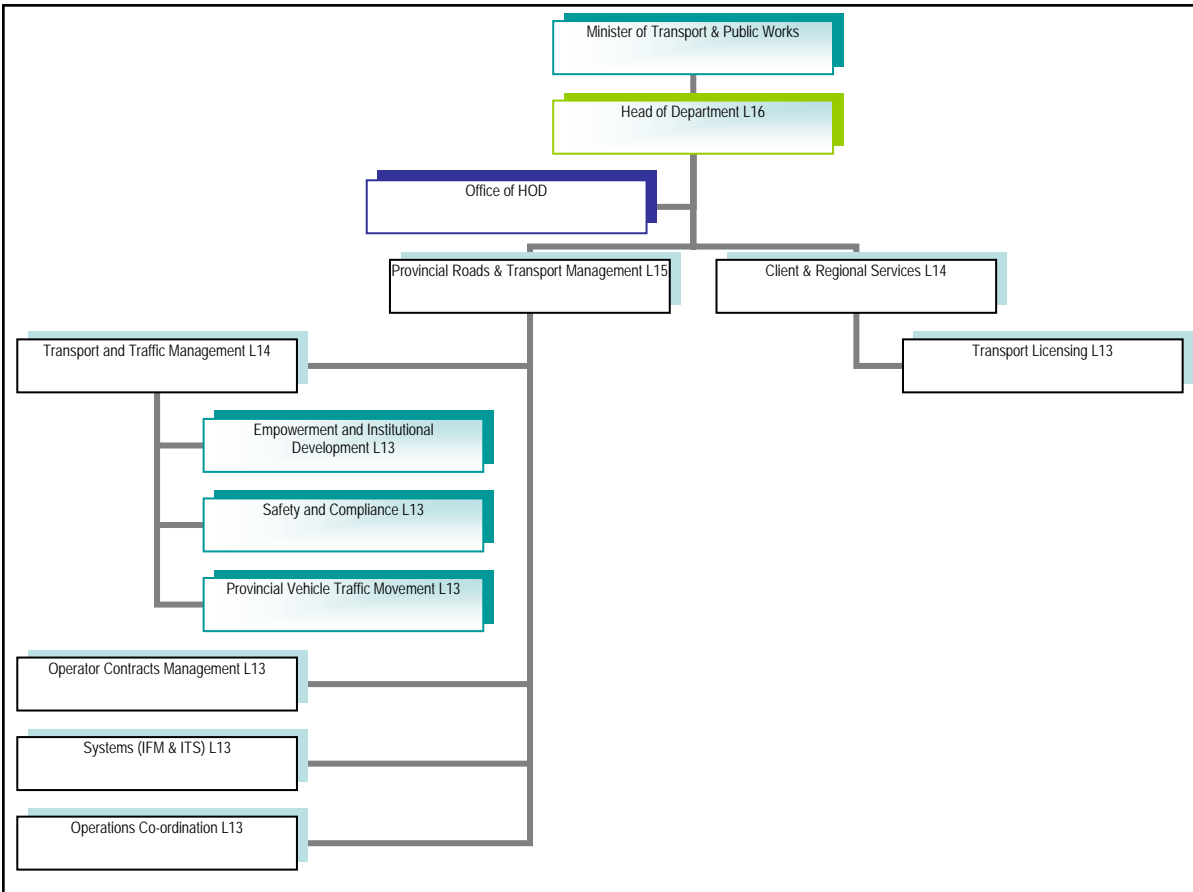


Figure 4: Organisational Structure Linked to Programme 4

PROGRAMME 4: PUBLIC TRANSPORT

STRATEGIC GOAL 1:	Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.
STRATEGIC OBJECTIVE	
1.1	Integration of public transport into broader provincial and local development plans to ensure improved safety, reduced environmental costs, enhanced mobility and accessibility.
STRATEGIC GOAL 2:	Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape
STRATEGIC OBJECTIVE	
2.1	To stimulate economic growth and social development through the provision and maintenance of public transport infrastructure.
STRATEGIC GOAL 3:	Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.
STRATEGIC OBJECTIVES	
3.1	Ensure safer public transport vehicles, infrastructure and operations.
3.2	Implementation of an integrated public transport system in the City of Cape Town.
3.3	Attract private vehicle users to the public transport system.
STRATEGIC GOAL 4:	Facilitate and develop the skills required for infrastructure-led economic growth.
STRATEGIC OBJECTIVE	
4.1	To improve the capacity of government and operators to deliver the public transport function.
STRATEGIC GOAL 5:	Lead and facilitate the internalisation of the EPWP across all departments in the Province.
STRATEGIC OBJECTIVE	
3.1	To increase the number of opportunities linked to the EPWP in public transport.
STRATEGIC GOAL 6:	Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.
STRATEGIC OBJECTIVES	
6.1	Improved efficiency, effectiveness and representivity of the Public Transport Branch.
STRATEGIC GOAL 7:	Ensure the BBBEE is realised.
STRATEGIC OBJECTIVES:	
7.1	To increase participation of BBBEE providers in opportunities to be operators and service providers for public transport.

REVIEW AND ASSESSMENT OF THE PAST FINANCIAL YEAR

The implementation of the Public Transport Improvement Programme continued. The programmes and projects which are in the process of being implemented are as follows:

- The restructuring of the road based subsidised public transport scheduled services in the City of Cape Town and George. There are two different modes of road based public transport, bus and minibus taxi, and the busses are subsidised and the taxi industry not. The inequality in the system led to a decision by the Provincial Executive Authority for the restructuring of road based public transport services. This meant the inclusion of the minibus taxi industry and SMME bus operators to participate in the provision of public transport services through negotiated public transport subsidised contracts. A process is underway to develop an Empowerment Model which will guide the inclusion and transformation processes to bring the taxi industry and SMME Bus Sector into the restructured public transport contracts.

- The installation, commissioning and functional testing of the Intelligent Transport and Integrated Fare Management systems commenced. With the Intelligent Transport system, vehicle tracking is done that ensure route compliance and scheduling. The Integrated Fare Management system creates an integrated cashless public transport system that improves safety and convenience for the passenger.
- Inputs and comments were solicited in respect of the draft Fare policy and Fare levels for the restructured, road based, subsidised, scheduled public transport services in the City of Cape Town. The policy will ensure the promotion of equality in the public transport user's ability to pay through the targeting of specific communities and user groups.
- Vehicle specifications for the new modern fleet required for the new public transport restructuring subsidised contract service in George have gone out to tender for pre-qualification of vehicle manufacturers.
- A business case for an entity to be responsible for the management of operational aspects of public transport, which included details of the structure of the entity, was developed. After consultation with both National and Provincial Treasuries a trading entity was identified as the preferred route to follow.
- The focus in the administration of the Operating Licence Board was to improve and develop technical infrastructure to ensure smooth processing of applications for operating licences. Telecommunications and IT lines have been upgraded and new computer hardware installed. An Inventory Management System was implemented to track applications through the 90-day process. Non-minibus taxi (Non-MBT) data was migrated from the Land Transport Permit System (LTPS) to the new nationally recognised system, the National Land Transport Information System (NLTIS). All applications for Non-MBT were then processed on NLTIS.
- In an effort to empower the various public transport industries and to ensure a fair implementation of departmental projects with regards to skills development, a strategy for skills development was drafted. Engagements in a process of ensuring Black Economic Empowerment in the metered-taxi industry and the conversion of the industry into a co-operative were initiated. The aim of this is to ensure that single vehicle operators are able to pool resources in order to contract with big organisations such as the Cape Town International Convention Centre and big hotel groups. The establishment of the co-operative took longer than envisaged because the metered taxi operators first had to be equipped with the relevant skills.
- The Dispute Resolution Unit (DRU) as per recommendation of the Ntsebenza Commission of Enquiry was set up to deal with the various road based public transport challenges in relation to conflict. A total of 36 cases have been attended to by the DRU since September 2006, 16 were resolved, 14 are ongoing and 2 were withdrawn.
- The construction of the impoundment facility in Beaufort West has been completed and published in accordance with the NLTTA.
- The national Minibus Taxi Recapitalisation programme is running behind schedule because of insufficient funding to pay the scrapping allowance.
- In support of the regional rail plan the department in partnership with Metro-Rail and the South African Rail Commuter Corporation (SARCC) identified critical service delivery gaps of the Cape Town-Malmesbury rail line. To remedy this situation a midday commuter rail service was introduced. A total of eleven stations from Malmesbury to Fisantekraal Rail Corridor were refurbished and commissioned in support of this additional rail service.

SERVICE DELIVERY ACHIEVEMENTS

Table 18: Sub-Programme 4.2: Planning: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1.	Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies					
1.1	Integration of public transport into broader provincial and local development plans to ensure improved safety reduced environmental costs, enhanced mobility and accessibility					

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
Modal Contracts						
To develop and implement a Branding and Livery strategy for Public Transport	Percentage work complete	N/A	50	35	(15)	30
<i>**To develop and negotiate public transport operator contracts</i>	<i>Number of contract packages awarded</i>	<i>N/A</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>0</i>
To commission and install the ITS and IFM system and back office	Percentage work complete	N/A	100*	60	(40)	40
To establish a monitoring mechanism for operations	Approved methodologies	N/A	1	0	(1)	100

* Annual Performance Plan targets rectified

** denotes nationally required performance measures

Table 19: Sub-Programme 4.3: Infrastructure: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 To stimulate economic growth and social development through the provision and maintenance of public transport infrastructure.						
<i>**To complete Rural Mobility Strategy Projects</i>	<i>Number of projects completed</i>	<i>5</i>	<i>2</i>	<i>0</i>	<i>(2)</i>	<i>100</i>
Sandkraal Road (project begun at start of 2007/08)	Percentage completed	N/A	60	85	25	42
<i>**To develop non-motorised transport infrastructure</i>	<i>Number of projects completed</i>	<i>N/A</i>	<i>1</i>	<i>1</i>	<i>0</i>	<i>0</i>
To provide Klipfontein Corridor infrastructure:						
Detailed design	Percentage completed	20	100	0	(100)	100
Implementation	Percentage completed	20	100	0	(100)	100

** denotes nationally required performance measures

Table 20: Sub-Programme 4.4: Empowerment and Institutional Management: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.						
3.3 To attract private vehicle users to the public transport system.						
To develop and implement a communication strategy and	Stages of strategy development process	N/A	Final draft submitted for adoption	Final draft perception audit		

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
	Number of events/ activities/ projects	N/A	8	12	4	50
4. Facilitate and develop the skills required for infrastructure-led economic growth.						
4.1 To improve the capacity of government and operators to deliver the public transport function.						
To develop an empowerment entity for minibus taxi inclusion	Stages of document drafting	N/A	Final draft developed for	Engagement strategy adopted by		
To form an appropriate business entity for the metered	Development of base document for	N/A	Establishment of business entity	Founding day realised;		
To train transport operators, drivers and guardjies to	Number of person days training	N/A	2000	11841	9841	492
**	<i>Number of training courses offered</i>	5	7*	7	0	0

* Annual Performance Plan targets rectified

** denotes nationally required performance measures

Table 21: Sub-Programme 4.5: Operator Safety and Compliance: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.						
3.3 Ensure safer public transport vehicles, infrastructure and operations.						
To conclude service level agreements with authorities to	Number of agreements	0	10	0	(10)	100
To develop and implement a public transport safety and compliance strategy	Percentage developed	90	0	100	100	100
	Percentage implemented	N/A	100	20	(80)	80
	Number of projects completed	N/A	0	20	20	100
To develop and implement safety guidelines for public transport infrastructure	Percentage developed	0	0	0	0	0
	Percentage implemented	N/A	40	20	(20)	50
<i>**To execute public transport safety marketing and</i>	<i>Number of campaigns</i>	3	4	5	1	25
To develop and implement training courses for law enforcement authorities	Number of officials trained	0	1000	228	772	77
6. Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.						
6.1 Improved efficiency, effectiveness and representivity of the Public Transport Branch.						
To reduce the number of managerial vacancies in the Safety and Compliance Sub- programme	Number of vacant posts	0	0	0	0	0

** denotes nationally required performance measures

Table 22: Sub-Programme 4.6: Regulation and Control: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
3. Make public transport a safe, reliable, efficient alternative to private transport and the basis for all development.						
3.3 Ensure safer public transport vehicles, infrastructure and operations.						
To establish and roll-out a Shared Services Centre – Public transport operating Licences	Date implemented	March 07	0	0	0	0
	Percentage roll-out	N/A	100	80	(20)	20
To establish a West Coast regional office	Office established	1	0	0	0	0
To convert permits to operating licences	Percentage converted	90	0	0	0	0
To improve response time on applications	Number of days	90	85	90	5	6
To participate in legislative reform to align activities with new operator contracts	Regulations drafted and issued	N/A	80	90	10	13
6. Transform the Department to improve the representivity, efficiency and effectiveness of delivering its provincial mandate.						
6.1 Improved efficiency, effectiveness and representivity of the Public Transport Branch.						
To reduce the number of managerial vacancies in the Regulation and Control Sub-programme	Number of vacant posts	0	0	3	(3)	100

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

Branding and Livery strategy

Slower than expected development of the overall brand to be applicable to public transport throughout the Province.

Modal contracts

Negotiation processes started and are incomplete.

ITS and IFM system

Challenges were identified during the contractual testing of the system. This necessitated further corrective action.

Monitoring mechanisms

Delay in sourcing expertise to design a monitoring mechanism for the current Golden Arrow Bus Services contract.

Rural Mobility Strategy Projects

Cango Cave project implementation was rescheduled to 2008/09 subject to the allocation of sufficient resources. Sandkraal Road project was not intended to be completed in 2007/08, although substantial progress was made beyond the target.

Klipfontein Corridor infrastructure

Delays have been experienced with the implementation elements of the Klipfontein Corridor as approval of the conceptual design by the City of Cape Town has been pending. The first concept design was submitted for approval in May 2006, while a second concept was submitted in October 2007. Construction of road improvements cannot take place until the conceptual design is approved, detailed design undertaken and a tender process followed.

Communication Strategy and Marketing Plan

A perception audit was required to inform the development of a communication strategy.

Empowerment Entity for Minibus Taxi Inclusion

The development of an appropriate empowerment entity for the inclusion of minibus taxis in public transport contracts required a number of processes to be undertaken. The engagement with all the stakeholders to the Memorandum of Understanding proved to be more time consuming than anticipated.

Training transport operators

Significant co-operation by industry stakeholders for the targeted training.

Service level agreements

Service level agreements with authorities to undertake enforcement were not concluded as they were dependent on the development of the public transport safety and compliance strategy.

Public transport safety and compliance strategy

The public transport safety and compliance strategy was completed subject to Cabinet endorsement. The strategy is required to guide interventions.

Law enforcement training

Due to the natures of law enforcement initiatives by the different stakeholders such as metro police, SAPS and Traffic, an accredited training programme could not be developed timely to achieve the remaining 77%.

Response time on applications

The departmental target of 85 days could not be achieved due to the long response time from some of the planning authorities.

Legislation reform

Regulations in terms of the NLTTA, pertaining to the Registrar were developed and approved by the Provincial Minister. These regulations aim to improve the regulation of the taxi industry and its associations. They will be gazetted during 2008/09.

Reduction of vacancies in Regulation and Control

The increase in vacancies is due to natural attrition of staff.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Instability within the Minibus Taxi Industry

The destructive competition over lucrative routes and the instability within the mini-bus taxi leadership.

Response to Challenge 1

The restructuring of the public transport service into an integrated public transport subsidised operational system will eliminate the conflict over routes.

The Dispute Resolution Unit was formed to acts as a independent mediator/facilitator that resolves conflict within the minibus taxi industry.

ISSUES REQUIRING ONGOING ATTENTION

Partnership Building

Public transport is a function which cross-cuts spheres of government and sectors. Partnerships are vital if public transport is to be successfully improved. Partnerships with the industries are necessary for them to understand the approach to public transport, its importance and the role which it plays within the economic and social requirements of communities.

Public Transport Operating Trading Entity

The preferred corporate form for the ring-fencing of fares required under the proposed gross contract regime and for the management of various risks associated with the management of said contracts is a trading entity. The establishment thereof is an ongoing process.

Safety and Security

Although new public transport contracts are intended to improve the levels of service in terms of frequency of services, new vehicles, passenger information, integrated ticketing, etc, a safer and more secure service is imperative. Work is ongoing, in consultation and partnership with the enforcement and security agencies to ensure that the system's safety is improved.

Subsidies for Public Transport

The number of passengers carried on the subsidised system is expected to increase with the improvements in the services. As a consequence, a substantial increase in the level of funding is initially required for public transport subsidies. There will be ongoing engagements with the national Department of Transport, and National and Provincial Treasuries in this regard.

Metered Taxi Industry Regulations

Provincial Regulations in terms of the NLTTA are being amended to accommodate registration of metered-taxi sedans by the Provincial Transport Registrar.

**PROGRAMME FIVE:
TRAFFIC MANAGEMENT**

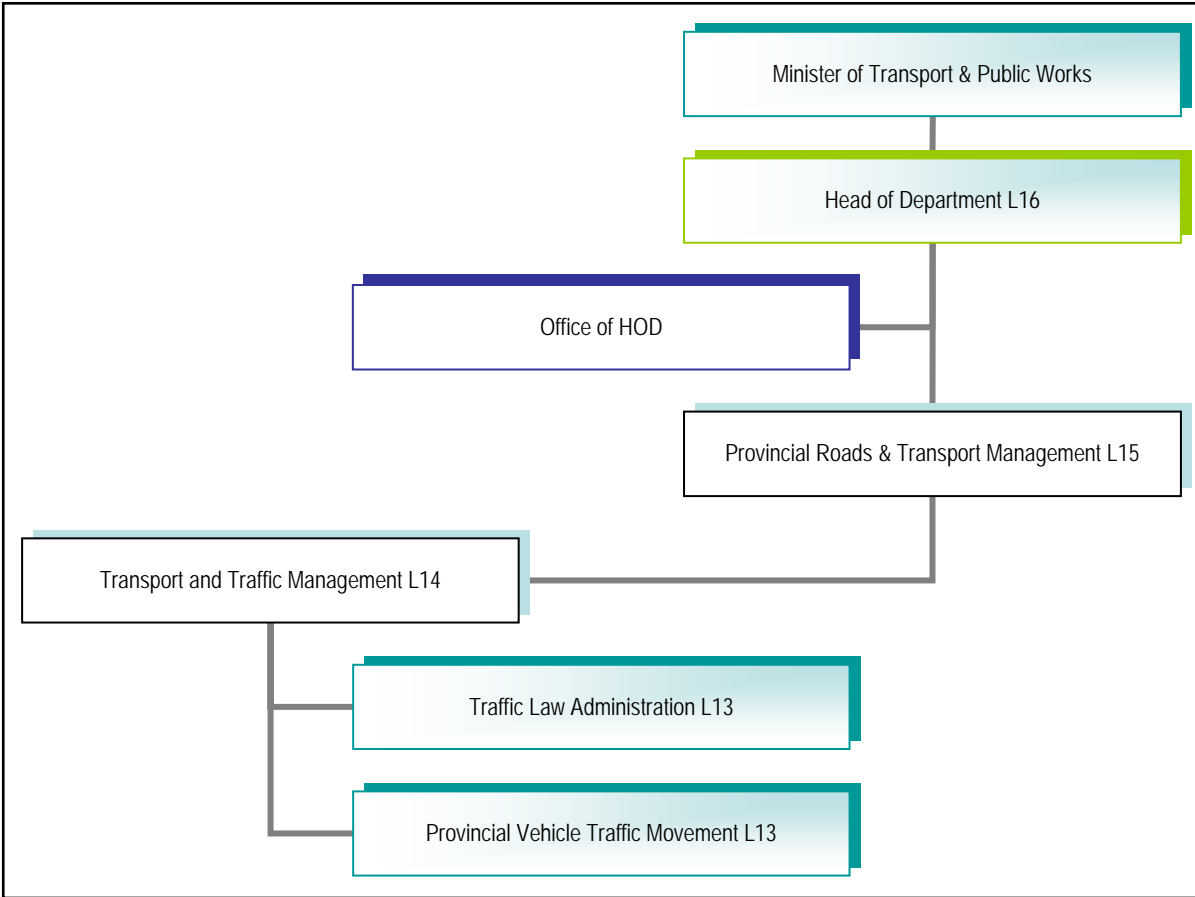


Figure 5: Organisational Structure Linked to Programme 5

STRATEGIC GOAL 1: Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.

STRATEGIC OBJECTIVES:

- 1.1 To ensure data integrity in respect of accident data reports.
- 1.2 To ensure vehicle safety and driver competence.

STRATEGIC GOAL 2: Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape

STRATEGIC OBJECTIVES:

- 2.1 To protect revenue and minimise arrear licence fees.
- 2.2 To optimise the utilisation of weighbridges and develop effective systems to protect public infrastructure.

REVIEW AND ASSESSMENT OF THE PAST FINANCIAL YEAR

The collection of motor vehicle licence fees is rendered by municipalities on an agency basis. The service standards and agency fee structure for remuneration are being reviewed. Interim Memoranda of Understanding with municipalities for the collection of motor vehicle licence fees have been concluded.

The new web-based electronic National Traffic Information System (eNaTIS) was commissioned during April 2007.

The Department is in the process of devising a holistic strategy to address the matter of outstanding motor vehicle licence fees, with the aim to limit arrears to less than 2 per cent of the licence fees of the total motor vehicle population. In accordance with the Provincial Medium Term Budget Policy Statement, the Department did not increase its licence fees for the financial year under review.

Through integrated strategies the Department of Transport, the Special Investigating Unit (SIU), SAPS and the Department have made concerted efforts to eradicate fraud and corruption in the shortest time possible. During 2007/08 it was found that approximately 196 fraudulent and stolen roadworthy certificates were issued at various stations across the province. These cases are being investigated by a national task team which includes the Compliance Monitoring Unit (CMU).

As part of the Department's effort to improve service delivery, the pilot project for the national Best Practice Model (BPM), which is a combined effort between the presidentially appointed Special Investigating Unit and this Department, commenced at Lingeletu West (Khayelitsha) and Knysna. This project entails the re-engineering of processes and systems at our Driving Licence Testing Centres (DLTC's) to not only improve efficiencies and turn-around times, but also to combat fraud and corruption at DLTC's. One of the system improvements has been the introduction of the electronic licence booking system (ELBS), which is a module of the eNaTIS. This system is not only aimed at curbing fraud and corruption in the process of booking appointments for learners' and driving licences, but it also minimises the possibility of human error or favouritism, as well as the added benefit of streamlining processes and ensuring optimal use of resources. The results of the pilot project implementation will inform the compilation of revised service level agreements with DLTC's.

eNaTIS has been deployed to accredited private motor vehicle testing stations and no manually issued roadworthy certificates are accepted in the Western Cape.

The Provincial CMU audited the activities at driving licence testing centres and motor vehicle testing stations. This contributed towards the successful prosecution of fraud and corruption cases in the motor vehicle and driver testing environments.

The recent installation of electronic weigh-in-motion equipment at the Beaufort West weighbridge enables the Department of Community Safety to detect overloaded vehicles at an early stage. Portable equipment is now being used at the popular escape routes to prevent transgressors from bypassing weighbridge stations. The Overload Control Management System to analyse patterns and trends in overloading control processes was implemented thus making automatic reporting possible and eliminating the possibility of fraudulent transactions. The availability of quality management data is reflected in the comments under service delivery achievements hereunder.

The management contracts for all nine weighbridge sites were re-advertised and awarded. The new contracts make provision for increased hours of operation, eventually leading to 24 hour operations at seven of the nine sites.

Upgrading of the Beaufort West weighbridge was completed. Planning has commenced for the construction of a tenth weighbridge station.

Steps to improve the accident data gathering process to ensure quality data by providing feedback and training at police service stations throughout the Province continues. The personnel component of the Accident Data Centre was further strengthened and significant progress was made to eradicate the data capturing backlog. This backlog now stands at about 3 months. The pilot project to test the use of cell phone technology to accurately record accident locations has shown that this technology is not yet accurate enough for the purpose intended.

SERVICE DELIVERY ACHIEVEMENTS

Table 23: Sub-Programme 5.2: Safety Engineering: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies						
1.1 To ensure data integrity in respect of accident data reports.						
To improve productivity in relation to the verifying of accident reports	Verifiers per 10 000 reports	2.0	4.3	2.1	(2.2)	51
To improve productivity in relation to the capturing of accident reports	Data capturers per 10 000 reports	0.9	3.2	1.5	(1.7)	53
To verify and capture accident forms	Number of accident forms	17 251	18 000	32 939	14 939	83
To provide copies of accident form requests	Number of requests	1 936	1 300	1 108	(192)	15
<i>**To produce regular and ad hoc accident reports</i>	<i>Number of regular accident reports</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>0</i>	<i>0</i>
	<i>Number of ad hoc accident reports</i>	<i>50</i>	<i>90</i>	<i>37</i>	<i>(53)</i>	<i>59</i>
To establish a monitoring mechanism for operations	Approved methodologies	N/A	1	0	(1)	100

** denotes nationally required performance measures

Table 24: Sub-Programme 5.3: Transport Administration and Licensing: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies						
1.2 To ensure vehicle safety and driver competence						
To ensure compliance at MVTs	No of stations monitored	60	85	35	(50)	59

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
	No of audits performed	60	285	40	(245)	86
To ensure compliance at DLTC's	No of centres monitored	48	48	102	54	113
	No of audits performed	81	192	105	(87)	45
**To license motor vehicles	<i>No of new vehicle licenses issued</i>	<i>67 632</i>	<i>8 074</i>	<i>62 679</i>	<i>54 605</i>	<i>676</i>
**To enforce compliance	<i>No of license compliance</i>	<i>913</i>	<i>376</i>	<i>37</i>	<i>(339)</i>	<i>90</i>
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape						
2.1 Protect revenue and minimise debt						
To conclude service level agreements with						
Registering Authorities	Number of agreements	0	76	0	(76)	100
DLTC,	Number of agreements	0	48	0	(48)	100
MVTS	Number of agreements	0	85	0	(85)	100
**To reduce arrear licence fees	<i>Rands million collected</i>	<i>11.450</i>	<i>3.000</i>	<i>1.593</i>	<i>(1.407)</i>	<i>47</i>
	<i>No of arrear licence fee cases followed up</i>	<i>10 612</i>	<i>3 000</i>	<i>7 192</i>	<i>4 192</i>	<i>140</i>
To update motor vehicle licence records	Number of records updated	0	40 000	7 192	(32 808)	82
To maximize revenue from public road events	Rands collected	0.277	0.400	0.209	(0.191)	0.48

** denotes nationally required performance measures

Table 25: Sub-Programme 5.4: Overload Control: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
2. Deliver and maintain integrated public infrastructure, in line with the Strategic Infrastructure Plan for the Western Cape.						
2.2 To optimise the utilisation of weigh bridges and develop effective systems to protect public infrastructure.						
**To reduce overloading and damage to road infrastructure	<i>Number of vehicles weighed</i>	<i>372 271</i>	<i>400 000</i>	<i>363 604</i>	<i>(36 396)</i>	<i>9</i>
	<i>Number of vehicles overweight</i>	<i>16 603</i>	<i>16 000*</i>	<i>16 512</i>	<i>512</i>	<i>3</i>
	<i>Number of weighbridges</i>	<i>9</i>	<i>9*</i>	<i>9</i>	<i>0</i>	<i>0</i>
	<i>Number of hours weighbridges to be operated</i>	<i>33 653</i>	<i>34 000*</i>	<i>42 846</i>	<i>8 846</i>	<i>26</i>

* Annual Performance Plan targets rectified

** denotes nationally required performance measures

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

To ensure data integrity in respect of accident data reports

Deviations in the outputs for number of capturers and verifiers per 10 000 reports are as a result of ambitious targets being set. Nevertheless, the increase in data capturers has made it possible for the backlog to be substantially reduced as is reflected in the number of accident reports captured.

Compliance at Motor Vehicle Testing Stations (MVTs) and Driving Licence Testing Centres

Ad hoc investigations (these investigations mostly emerged from either complaints or tip-offs from the public) into suspected fraud and corruption exhausted the limited personnel resources. The responsible component had a 50% vacancy rate due to unforeseen staff movements, resulting in rescheduling of inspections.

To licence motor vehicles – number of new licenses issued:

The deviation from the targeted number of new motor vehicles licensed can be attributed to the larger than expected increase in the motor vehicle population.

To conclude Service Level Agreements – Registering Authorities:

The Department, in consultation with the Provincial Treasury is in the process of reviewing the draft SLA to make provision for and strengthen, inter alia, provision for the payment of Value Added Tax (VAT), performance management criteria to be met by registering authorities and reasonable agency fees. Interim Memoranda of Understanding have been signed with 9 (nine) of the 25 (twenty five) municipalities (being Beaufort West, Berg River, Bitou, Breede River/Winelands, Breede Valley, Drakenstein, Laingsburg, Oudtshoorn and Swellendam). One on one engagements with the remaining municipalities are being held to address specific concerns that they have before signing of the interim memoranda of understanding.

To conclude service level agreements (SLA's) – DLTC's:

The development and conclusion of SLA's with DLTC's will form part of the pilot project of the national BPM, implemented at Lingeletu West (Khayelitsha) and Knysna.

To conclude SLA's – MVTs:

The Department of Transport is currently revisiting legislation pertaining to vehicle testing stations, which will vastly impact on the activities at the MVTs's. It was decided to finalise this process of legislative changes and implementation before entering into SLA's with MVTs's.

To reduce arrear licence fees – Rands million collected:

The removal of eNaTIS validations, prohibiting a motor vehicle owner from affecting any other transaction on the eNaTIS without settling his/her debt, largely contributed to the failure of the Department (and all other provinces) to maintain its standard of performance with regards to the reduction of the amount of arrear licence fees. This step was necessary to secure an acceptable level of performance by the eNaTIS as the validations burden the processing capability of eNaTIS. Constraints with regard to the resources (human and facilities) at the Provincial Licence Inspectorate also contributed to the deviation from the set target for performance.

To reduce arrear licence fees – Number of cases followed up:

The Department started to make use of administrative marks on cases followed up, forcing the licence holder to report to the Licence Inspectorate for the correction of the vehicle records.

To update motor vehicle records – Number of records:

Constraints with regard to the resources (human and facilities) at the Provincial Licence Inspectorate contributed to the deviation from the set target for performance.

To maximise revenue from public roads events – Rands collected:

The targeted revenue from public road events was not achieved, due to fewer events being held on public roads.

Overload Control

The percentage vehicles overloaded decreased over the 3rd and 4th quarters of 2007/08 whereas it increased over the first 2 quarters. The biggest increase happened in quarter 2 when Beaufort West was closed for construction purposes, but

there was a notable decrease in quarter 4 when Beaufort West re-opened and with the 24/7 operation at Rawsonville and the 16 hour operation at the West Coast sites (Vredenburg, Moorreesburg and Klawer).

These trends in the percentage vehicles overloaded is a clear indicator that maintaining a presence and operating over longer hours are essential to combat overloading.

As of mid May 2007, a 24/7 operation was started at the metro weighbridges at Vissershok, Somerset West and Joostenbergvlakte. These operations were extended to Rawsonville and Swellendam as from 1 January 2008. These actions increased the potential hours of operation to 51 200, but the planned hours were reduced to 45 000 due to the following reasons:

- Beaufort West weighbridge was closed for 5 months from mid May 2007 until mid October 2007 - 3 200 hrs
- Swellendam Weighbridge was closed by SANRAL due to road rehabilitation on the N2 from mid January 2008 and only reopened at the start of the Easter weekend on 20 March 2008 - 1 070 hrs
- Other aspects such as abnormal weather, power failures, scale calibrations, Public Holidays etc. - 1 930 hrs.
- The actual hours worked was 2 154 less than the planned hours, and this can be contributed to the following:
 - The hours lost due to other reasons were approximately 2 600, that is 700 hours more than anticipated mainly due to excessive power failures (336 hrs) and abnormal weather conditions (884 hrs)
 - The suspension of 47 traffic officers from the Brackenfell and Somerset West Traffic Centres also contributed to less hours worked than originally planned.

The target for the number of vehicles to be inspected was initially set at 400,000, but later reduced to 300 000 for the reasons stated above. The actual figure exceeded the reduced target with 36 396 vehicles.

The actual number of vehicles weighed increased dramatically for the 3rd and 4th quarters compared to the first two quarters. This increase can be attributed to:

- Beaufort West re-opening mid October 2007
- 24/7 operations at the Metro sites coming into full swing
- Rawsonville operating on a 24/7 basis since January 2008
- West Coast sites (Vredenburg, Moorreesburg and Klawer) working 2 shifts during the week and at least 1 shift per weekend since January 2008.

The actual number of vehicles weighed in the 4th quarter is actually slightly less than the number weighed in the same period during 2006/2007, which can be attributed to:

- Beaufort West site now operates on automatic selection of suspect vehicles based on HSWIM (high speed weigh-in-motion) sensors, and approximately 3 439 less vehicles were weighed compared to the same period the previous year (Beaufort West 2007 Q4 = 37557, Beaufort West 2008 Q4 = 34118). This means that a large number of legally loaded operators were not inconvenienced by having to stop for an inspection any more.
- The suspension of traffic officers contributed not only to fewer shifts worked, but fewer officers were also available to work on the shifts which resulted in fewer vehicles being weighed at the affected sites.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Reduction of arrear licence fees

Reduce arrear licence fees receivable.

Response to Challenge 1

Strengthen the collection capacity for licence fees and improve the integrity of data.

Challenge 2: Fraud prevention

Prevention of fraud and corruption with the issuance of fraudulent driving licences and roadworthy certificates for motor vehicles.

Response to Challenge 2

Conclusion of Service Level Agreements with Driving Licence Testing Centres and Vehicle Testing Stations

Amendment of legislation to empower the Compliance Monitoring Unit for Driving Licence Testing Centres (DLTC's), Vehicle Testing Stations (VTS's) to enforce compliance.

Compilation of an integrated Driver and Vehicle Fraud and Corruption Prevention Plan between the three spheres of government.

Develop a Best Practise Model for DLTC's to be rolled out at all DLTC's in the Western Cape.

Capturing of certain eNaTIS transactions on provincial level to prevent unauthorised amendments to previously captured motor vehicle details

Challenge 3: Determine agency fees for collection of motor vehicle registration and licence fees

The current agency fees are considered to be excessive.

Response to Challenge 3

The Department, in consultation with the Provincial Treasury is in the process of reviewing agency fees and appropriate service standards to be met by registering authorities. This investigation will culminate in the signing of revised Service Level Agreements with municipalities.

Challenge 4: Long waiting period for testing and issuing of learner's and driving licences

The waiting period for the testing and issuing of learner's and driving licences at Driving Licence Testing Centre's, governed by local authorities is on average 4 months.

Response to Challenge 4

Enter into Service Level Agreements with Driving Licence Testing Centres in order to ensure improved service delivery to applicants. Conclusion of the implementation of the Best Practice Model (BPM) and subsequent business process improvements at all DLTC's in the Western Cape. The BPM pilot project includes, inter alia, the roll-out of an Electronic Licence Booking System (ELBS) – a module of eNaTIS and revised process flows at testing centres.

ISSUES REQUIRING ONGOING ATTENTION

The implementation of e-NaTIS to ensure effective and efficient management of vehicle and driver data.

Providing and improving infrastructure to ensure that traffic law enforcement officers are able to do effective overload control on the road network remains a priority.

Service delivery improvement at DLTC's and registering authorities.

**PROGRAMME SIX:
COMMUNITY BASED PROGRAMME**

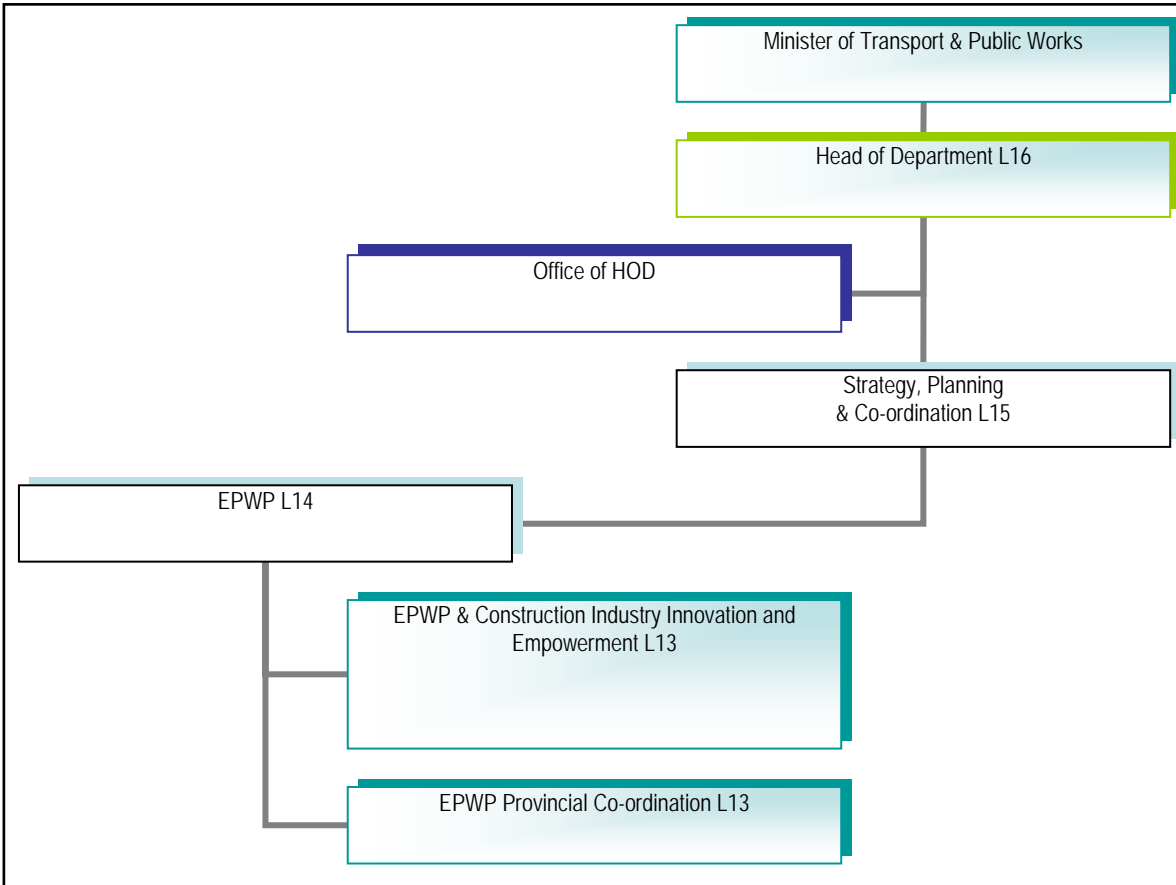


Figure 6: Organisational Structure Linked to Programme 6

<p>STRATEGIC GOAL 1: Plan and monitor infrastructure and transport, in interaction with the iKapa Elihlumayo strategies.</p> <p>STRATEGIC OBJECTIVES:</p> <p>1.1 To intensify Labour Intensive Activities within infrastructure and environmental projects.</p> <p>1.2 To perform Empowerment Impact Assessments on infrastructure projects greater than R2 million.</p>
<p>STRATEGIC GOAL 4: Facilitate and develop the skills required for infrastructure-led economic growth.</p> <p>STRATEGIC OBJECTIVES:</p> <p>4.1 To develop and implement a Construction Industry Development Programme on targeted groups.</p> <p>4.2 Facilitate the relationship between all EPWP role-players and the Department of Labour (DOL) and SETAs.</p> <p>4.3 Facilitate the integration and mainstreaming of L1000 in all government projects.</p> <p>4.4 Facilitate the implementation of a database of skill levels and the unemployed at district level.</p>
<p>STRATEGIC GOAL 5: Lead and facilitate the internalisation of the EPWP across all departments in the Province.</p> <p>STRATEGIC OBJECTIVES:</p> <p>5.1 To ensure the Institutional framework for EPWP coordination in the province is in place (eg District, Sector and Steering Committee Forums).</p> <p>5.2 To ensure the Monitoring and reporting mechanisms for EPWP in the province is in place.</p> <p>5.3 To ensure that the Provincial sector, and local government EPWP Implementation Plans are developed and monitored.</p> <p>5.4 To design EPWP best practice and user guides for purposes of growth and to replicate national best practices (ie. Zibambele and Vukuphile).</p>
<p>STRATEGIC GOAL 7: Ensure that BBBEE is realised</p> <p>STRATEGIC OBJECTIVES:</p> <p>7.1 Monitor and evaluate the implementation of BBBEE policy (eg, youth, disabled and women contractors).</p> <p>7.2 Identifying opportunities for BBBEE by Utilisation of Empowerment Impact Assessment tool.</p>

Table 26: Demand for and performance of Community Based Programmes by region

Magisterial Districts	Number of unemployed people (SA Stats Census 2001)				Community based programmes			
	Female	Male	Total	% of Provincial total	Number of Projects 2007/08	Number of work opportunities employment created		
						Female	Male	Total
City of Cape Town	196 361	190 510	386 871	73	392	11 536	10 921	22 457
DC1 West Coast District Municipality	8 303	8 914	17 217	3	95	1 875	2 618	4 493
DC2 Boland District Municipality	25 487	24 317	49 804	10	83	2 069	4 180	6 249
DC3 Overberg District Municipality	8 252	8 107	16 359	3	59	2 312	3 172	5 484
DC4 Eden District Municipality	26 229	22 984	49 213	9	128	3 504	5 729	9 233
DC5 Central Karoo District Municipality	4 156	3 497	7 653	2	28	433	1 235	1 668
Total Western Cape	268 788	258 329	527 117	100	785	21 538	27 757	49 584

REVIEW AND ASSESSMENT OF THE PAST FINANCIAL YEAR

The Community Based Programme has discontinued the implementation of infrastructure projects to allow for increased focus on provincial coordination of the Expanded Public Works Programme and the establishment of a Construction Industry Empowerment and Innovation Unit.

The Province created a total of 49 584 work opportunities for the 2007/08 financial year of which 26 080 were opportunities for the youth. The National targets for designated groups were exceeded in all three categories with the 44% of opportunities created for women against a target of 40%, 3.2% of opportunities created for the disabled against a target of 2% and 53% of opportunities created for youth against a target of 30%.

Empowerment impact assessment programme

The empowerment impact assessment programme continued to set participation targets for major projects, creating opportunities for ABE businesses and skills development with a focus on women and youth. Beyond the provision of regional contractor training sessions held in each district, a new contractor enhancement intervention has commenced. This Contractor Development programme, Siyenyuka, provided an opportunity for the support of 50 contractors based in the Western Cape to be mentored and supported to enable them to attain higher CIDB gradings, thereby enabling them to access higher levels of contracts than they would do otherwise.

The Annual Performance Award Seminar and Gala Event convened all EPWP role players to

- assess the programme's performance against the massification and poverty targets; and
- reward EPWP implementing public bodies and private sector role players for performance over the past 18 months.

Contractor development programme

A number of development programmes and initiatives were driven in respect of emerging contractors from a variety of government bodies. The Department and the CIDB, as an industry regulator, collaborated to streamline processes across the board by combining all development programmes into one.

The Western Cape Provincial Contractor Development Forum was formed. The forum includes the Departments of Public Works, Transport and Works, Local Government and Housing, and the Construction and Education Training Authority, Women in Construction Forum, the South African Revenue Service, Siyenyuka Contractor Development Programme and Red Door (Real Enterprise Development Initiative). The forum can now combine ideas and courses, while trainers and contractors can attend a single briefing session.

National Youth Service (NYS)

The National Youth Service (NYS) – Basil February "Youth in Building Maintenance" was launched. The NYS aims to create 20 000 work opportunities through 18 departments nationally. In the Western Cape, 500 young people were to be employed under the Special Public Works Programme employment conditions, over a period of 16 months. The launch promoted awareness of National Youth Service in the Western Cape, facilitated the signing of an EPWP agreement between national Department of Public Works and the Provincial Government and to commence with the Basil February 500 Youth in Building programme.

Umsebenzi Opportunities portal

The Umsebenzi Job Opportunities Portal, was launched in Khayelitsha. This web based system is designed to assist both the unemployed person, as well as the potential employer to recruit individuals locally, and to enhance the networks of linking job-seekers to recruiters. Social Development, Education and NGO's/CBO's/Social Partners support this initiative. Potential employers would benefit as they would have the opportunity to register themselves on the system and to source employees who meet their requirements for specific skills. Community Development Workers (CDW's) and volunteers were trained in the use of the system assist at access points. Unemployed persons have the opportunity to develop their CV's on

the database as they participate in EPWP projects or any other short term employment creation initiatives. The present registration of unemployed is 20 000.

Women in Construction

As part of a Construction Summit, the Construction Women of the Year was announced in three categories. This intervention gives recognition to transformation in the industry towards a more gender representative industry.

Learnership 1000

The first phase of the Learnership 1000 programme is near completion. 750 unemployed individuals were offered a learnership opportunity within a spectrum of skills development programmes. The focus on trade specific skills, initially, resulted in the Department arranging for 85% of the learners to access work placement as part of their skills development. Further it prepares entry into economic opportunities in the respective industries, including construction, road maintenance, arts and culture; local government services and transport.

The programme was challenged with ensuring that experiential training opportunities are linked to the specific outcomes of the practical component of the Learnership. To overcome this challenge potential host employers are now screened or alternatively learners are rotated amongst host employer to ensure practical outcomes are achieved.

The capacity of municipalities to absorb learners into the place of work remains a challenge and the programme is currently targeting both the public and private sectors for placement opportunities.

New Venture Creation Programme

A further extension of the Learnership programme is the New Venture Creation opportunities that were launched in February 2008. The first intake was targeted to be 200 emerging entrepreneurs. The aim of the programme is to develop the emerging entrepreneurs into fully fledged entrepreneurs through a process of rigorous assessment of applicants; SETA accredited training; business mentorship as well as linking them with provincial, municipal, private sector service/ contract opportunities.

SERVICE DELIVERY ACHIEVEMENTS

Table 27: Programme 6: Community Based Programme: Measurable Objectives, Performance Indicators and Targets

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
1. Plan and monitor infrastructure and transport, in support of the <i>iKapa</i> Elihlumayo strategies.						
1.1 To intensify Labour Intensive Activities within infrastructure and environmental projects.						
To promote LIC guidelines, co-ordinate technical support	Number of workshops held	0	24	30	6	25
1.2 To perform Empowerment impact Assessments on infrastructure projects greater than R2 million.						
To conduct poverty impact analyses in district / metro municipalities	Number of municipalities with baseline data in place	0	6	6	0	0
	Number of impact analyses undertaken	0	4	6	2	50
<i>**To perform empowerment impact analyses</i>	<i>Number of EmplA completed</i>	<i>38</i>	<i>50</i>	<i>52</i>	<i>2</i>	<i>4</i>
4. Facilitate and develop the skills required for infrastructure-led economic growth.						

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
4.1 To develop and implement a Construction Industry Development Programme on targeted groups.						
To provide contract development project helpdesk services	Number of contractor and empowerment enquiries handled.	891	1400	3614	2214	158
<i>**To provide contractor tendering training to existing and new ABE's</i>	<i>Number of contractor workshops provided (1-day workshops)</i>	<i>10</i>	<i>10</i>	<i>12</i>	<i>2</i>	<i>20</i>
To provide contractor mentorship's	Number of mentoring services provided	10	20	7	(13)	65
To implement the Industry Development Programme	No of HDI enterprises (50% women owned SMEs) developed	0	50	76	26	52
To formulate district level consolidated skills development	Number of operational strategies	0	4	4	0	0
4.2 Facilitate the relationship between all EPWP role-players and the Department of Labour (DOL) and SETAs.						
To co-ordinate all provincial document applications for EPWP training funding	Monthly applications submitted to Department of Labour against annual training plan	0	12	12	0	0
4.3 Facilitate the integration and mainstreaming of L1000 in all government projects.						
To place L1000 candidates for experiential training	Number of applications for experiential training on government projects	0	800	765	(35)	4
4.4 Facilitate the implementation of a database of skill levels and the unemployed at district level.						
To maintain the provincial unemployment database	Number of updates per quarter	0	12	4	(8)	67
5. Lead and facilitate the internalisation of the EPWP across all departments in the Province.						
5.1 To ensure the Institutional framework for EPWP coordination in the province is in place (eg District, Sector and Steering Committee Forums).						
To ensure effective EPWP provincial institutional arrangements.	Provincial Steering Committee Forum established and functioning	0	April	0	Yes	100
	No of sector forums established and functioning	0	16	15	(1)	6
	No of District and Metro forums established and functioning	0	24	0	(24)	100
	EPWP Annual Summit	0	1	1	0	0
5.2 To ensure the Monitoring and reporting mechanisms for EPWP in the province is in place.						
Accurate and timely EPWP reporting	No of reports	0	4	4	0	0
	No of training sessions	0	8	6	(2)	25
To establish reporting and monitoring mechanisms for sector plans	Completion date	0	May	May	0	0
5.3 To ensure that the Provincial sector, and local government EPWP Implementation Plans are developed and monitored.						

Strategic Goal Strategic Objective Measurable Objective	Performance Measure or Indicator	Actual Outputs 2006/07	Target Outputs 2007/08	Actual Outputs 2007/08	Deviation from Target	
					Unit	%
To develop comprehensive sector plans inclusive of targets	Completion date	0	May	May	0	0
**To create EPWP work opportunities	<i>Number of audited EPWP work opportunities reported / Number of temporary jobs created</i>	<i>41 089</i>	<i>50 000*</i>	<i>49 584</i>	<i>(416)</i>	<i>1</i>
	<i>Number of youths (18-35) employed</i>	<i>0</i>	<i>15 000 (30%)</i>	<i>26 080 (52%)</i>	<i>11 080</i>	<i>73%</i>
5.4 To design EPWP best practice and user guides for purposes of growth and to replicate national best practices (ie. Zibambele and Vukuphile).						
To increase EPWP work opportunities through technical support	No of operational manuals	0	1	4	3	300
	No of implementation guidelines	0	4	3	(1)	25
	No of technical workshops	0	24	21	(3)	13
	No of best practice sites engaged	0	4	10	6	150
7. Ensure that BBBEE is realised.						
7.1 Monitor and evaluate the implementation of BBBEE policy (eg youth, disabled and women contractors, etc)						
To determine impact of BBBEE levels at provincial and district levels	Number of reports	0	4	1	(3)	75
7.2 Identifying opportunities for BBBEE by Utilisation of Empowerment Impact Assessment tool.						
To set targets through the Empowerment Impact Assessment tool to increase BBBEE suppliers to major contracts	Percentage of supplies in contract provided by BBBEE service providers	0	25	25	0	0

* Annual Performance Plan targets rectified

** denotes nationally required performance measures

REASONS FOR DEVIATIONS FROM TARGETS (POSITIVE OR NEGATIVE)

Measurable Objective	Reason
1.1 Number of LIC workshops held throughout the province	Low capacity existed within municipalities to implement LIC projects and an increase number of officials were trained in NQF 5 and 7 LIC methods.
1.2 Number of impact analysis undertaken	As part of the exit strategy research project impact analysis were undertaken in the 5 district municipalities and the metropolitan of the Western Cape
1.2 Number of EmplA's completed	Additional EmplA's were requested over and above original project
4.1 Number of Helpdesk queries handled	Increase in the number of queries received due to L1000, the inaugural Provincial EPWP Kamoso Awards and the initiation of the Siyenyuka Contractor Incubator Programme

4.1 Number of Contractor 1 day training workshops provided	2 Sessions were conducted per district municipal area and in the metro
4.1 Number of mentoring services provided	Mentoring services are subject to request from the departmental bid committees and line function branches. Only 7 requests were received hence the deviation from the target.
4.1 No of HDI enterprises developed	Increased number of enterprises trained during NOF training under the Contractor Development Programme
4.3 Number of L1000 learners in experiential training	Initial intake of L1000 was not equal to 800.
4.4 Number of quarterly updates for the Umsebenzi Opportunities Portal	The portal was launched on 20 November and the first update was only possible by the end of December followed by 3 more updates from January to March 2008
5.1 No of Sector Forums established and functioning	<p>The 4 EPWP sectors are lead by the relevant line function or implementing public bodies, namely:</p> <p>Infrastructure – Transport and Public Works Social – Social Development Environmental and Culture – Environmental and Development Planning Economic – Economic Development</p> <p>The lead departments for the Infrastructure and Social sectors have taken up their function and the sectors are established and functioning. The Environmental sector lead department has not accepted the lead sector department role and did not attend any meetings within the financial year and the sector was lead by the provincial EPWP unit in the interim. The Environmental sector is functioning and met regularly. The Economic sector is non-functioning leading to a negative deviation from the target.</p> <p>Corrective measures are in place to appoint lead sector departments through the office of the Premier to ensure that targets are met in the new financial year.</p>
5.1 Number of district and metro forums established and functioning	Municipalities are currently represented in the social and infrastructure sector forums
5.2 Number of EPWP reporting training sessions	Training needs did not require more than 6 training sessions
5.3 Number of audited EPWP work opportunities reported	The auditing of work opportunities is done by National Public Works and the minimum waiting time from submission to feedback is 3 months
5.4 Number of EPWP operational manuals	A difference in sectorial operations required a different standard in operating procedures 1 per sector
5.4 Number of EPWP implementation guidelines	Environmental sector guidelines are being completed by National Office.
5.4 Number of EPWP technical workshops	No need for technical workshops as LIC training was provided.
5.4 Number of best practice sites engaged	10 Sites were engaged under the exit strategies research project
7.1 Number of BBBEE impact reports under the EmplA	Only an annual report was compiled and not separate quarterly reports

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Mainstreaming

Mainstreaming in provincial and municipal line functions.

Response to Challenge 1

The EPWP unit will be restructured to provide sufficient support to the institutional framework and the introduction of a provincial monitoring and evaluation strategy will further support the mainstreaming of EPWP.

Challenge 2: Small scale projects

Projects are small in scale and adhere only to the minimum requirement for EPWP compliance.

Response to Challenge 2

The Infrastructure Grant to Provinces for 2007, leverages an increase of EPWP projects within the Roads sector and the targeting of larger EPWP projects.

The prioritisation of technical support to municipalities will see an increase in compliance and EPWP opportunities with a focus on Labour Intensive Construction (LIC) methods.

Challenge 3: Skills development

Lack of Integrated skills development for the Infrastructure Sector and a provincially focused scarce skills approach

Response to Challenge 3

Development of a provincial scarce skills strategy under the auspices of the Department of the Premier. Expanding the capacity of FET Colleges to deliver on industry skills development needs

Streamlining of skills development funding mechanisms

ISSUES REQUIRING ONGOING ATTENTION

Developing capacity within the department requires concerted attention over the next year to enable proper resourcing of local level support and sector development. Data management of EPWP information still requires improvement. The provincial EPWP and sector forums need to be established. Utilisation of the Empowerment Impact Assessment tool for all infrastructure projects over R 2 million needs to be mainstreamed into the department.

The tracking system within the EPWP Beneficiary progress is not adequate. Exit strategy survey being undertaken in sample of beneficiary and results to be disseminated to all role players in 2008/2009.

TRANSFER PAYMENTS

The transfers indicated in this section show those transfer payments that mainly relate to the service provided by this Department and in most cases contribute to infrastructure delivery. These payments are supported by formal agreements between the beneficiary institutions and the Department.

Table 28: Programme 1: Administration

NAME OF INSTITUTION	ESTIMATES		AMOUNT TRANSFERRED (R'000s)	VARIANCE (R'000s)
	VOTED (R'000s)	ADJUSTMENTS (R'000s)		
Transfers to departmental agencies and accounts				
Government Motor Transport	0	350	0	350

This transfer relates to the acquisition of motor vehicles for the Directorate Human Capital Development, who later resolved that they would make use of the subsidised transport scheme.

Transfers to public corporations and private enterprises				
South African Rail Commuter Corporation	500	0	500	0
TOTAL	500	0	500	0

This transfer was a contribution the SARCC for completion of a rail census.

Table 29: Programme 2: Public Works

NAME OF INSTITUTION	ESTIMATES		AMOUNT TRANSFERRED (R'000s)	VARIANCE (R'000s)
	VOTED (R'000s)	ADJUSTMENTS (R'000s)		
Transfer to local government				
City of Cape Town	30 000	0	30 000	0
TOTAL	30 000	0	30 000	0

This transfer relates to the upgrading of Athlone soccer stadium for FIFA 2010 World Cup programmes. An agreement was concluded with the City of Cape Town containing conditions and remedial measures requiring the municipality to establish and implement effective, efficient and transparent financial management and internal control systems before such payments were made.

Table 30: Programme 3: Roads Infrastructure

NAME OF INSTITUTION	ESTIMATES		AMOUNT TRANSFERRED (R'000s)	VARIANCE (R'000s)
	VOTED (R'000s)	ADJUSTMENTS (R'000s)		
Transfer to local government				
Beaufort West Local Municipality	24	24	48	0
Berg River Local Municipality	92	84	0	176
Bitou Local Municipality	56	56	0	112
Breede River/Winlands Local Municipality	393	0	336	57
Breede Valley Local Municipality	1 074	0	1 074	0
Cape Agulhas Local Municipality	835	0	811	24
Cederberg Local Municipality	12	12	0	24
Central Karoo District Municipality	8	0	8	0
City of Cape Town	27 700	0	27 700	0
Drakenstein Local Municipality	864	2 880	3 743	1
George Local Municipality	6 366	0	6 350	16
Hessequa Local Municipality	2 592	12	2 333	271
Kannaland Local Municipality	48	501	549	0
Knysna Local Municipality	1 673	64	1 737	0
Laingsburg Local Municipality	24	16	30	10
Matzikama Local Municipality	56	0	34	22
Mossel Bay Local Municipality	854	0	105	749
Oudtshoorn Local Municipality	1 439	0	1 439	0
Overstrand Local Municipality	707	0	707	0
Prince Albert Local Municipality	32	28	60	0
Saldanha Bay Local Municipality	44	0	44	0
Stellenbosch Local Municipality	1 210	2 561	2 561	1 210
Swartland Local Municipality	132	0	132	0
Swellendam Local Municipality	16	0	0	16
Theewaterskloof Local Municipality	950	148	1 001	97
Witzenberg Local Municipality	1 499	15	829	685
TOTAL	48 700	6 401	51 631	3 470

The transfer payments above represent subsidies paid in accordance with section 56(1) of the Cape Roads Ordinance, 1976 (Ordinance 19 of 1976) for the maintenance of municipal proclaimed roads.

Agreements were concluded with the municipalities containing conditions and remedial measures requiring the municipality to establish and implement effective, efficient and transparent financial management and internal control systems before such payments were made.

A municipality was unable to finalise a roads construction project (R1.210m) within the financial year due to a shortage of bitumen. In addition, municipalities did not submit claims in respect of maintenance on municipal proclaimed roads.

Table 31: Programme 4: Public Transport

NAME OF INSTITUTION	ESTIMATES		AMOUNT TRANSFERRED (R'000s)	VARIANCE (R'000s)
	VOTED (R'000s)	ADJUSTMENTS (R'000s)		
Transfer to local government				
Berg River Local Municipality	450	0	450	0
Breede River/Winelands Local Municipality	470	0	470	0
Breede Valley Local Municipality	520	0	520	0
Cape Winelands District Municipality	1 175	0	1 175	0
Cederberg Local Municipality	485	0	485	0
City of Cape Town	30 000	3 133	13 133	20 000
Drakenstein Local Municipality	490	0	490	0
Eden District Municipality	1 330	0	1 330	0
George Local Municipality	15 000	3 000	18 000	0
Knysna Local Municipality	1 540	0	1 540	0
Matzikama Local Municipality	400	0	400	0
Stellenbosch Local Municipality	5 000	0	5 000	0
Swartland Local Municipality	540	0	540	0
Witzenberg Local Municipality	600	0	600	0
TOTAL	58 000	6 133	44 133	20 000

Agreements entered into with the respective municipalities for the construction of public transport facilities, contain a clause indicating that the municipality implement effective, efficient and transparent financial management and internal control systems. Detailed monthly reports as to the progress of the projects after transfers have been made are also required.

The under spending is due to a capital transfer payment of R20 million to the City of Cape Town not being effected due to the lack of progress with a project.

Transfer to public corporations and private enterprises				
South African Rail Commuter Corporation	0	1 106	0	1 106
TOTAL	0	1 106	0	1 106

The under spending is due to a transfer payment to the South African Rail Commuter Corporation that was not transferred as the agreement between the Department and the SARCC was not concluded by 31 March 2008.

CONDITIONAL GRANTS

Table 32: Summary of Conditional Grants for 2007/08

Conditional Grant	Main appropriation R'000s	Roll-overs R'000s	Unforeseeable / unavoidable R'000s	Other adjustments R'000s	Total transfers R'000s
Infrastructure Grant to Provinces					
Public Works	5 240	11 733			16 973
Roads Infrastructure	246 079	33 578			279 657
TOTAL	251 319	45 311			296 630

Province	Total Allocation	Total Transfers
Western Cape	296 630	296 630

The grant was utilised for the purposes of construction and maintenance of roads infrastructure and repairing flood damage on roads infrastructure, as well as maintenance of provincial buildings.

PERFORMANCE

The performance on the conditional grant is as follows:

PUBLIC WORKS

The full allocation was spent on the maintenance of provincial buildings and flood damage repairs at nature reserves.

ROADS INFRASTRUCTURE

Roads infrastructure received an allocation of R 246.079 million in respect of the Provincial Infrastructure Grant for the construction and maintenance of roads infrastructure. Rollover funding of R 33.578 was allocated in the Adjustments Estimate for the purposes of repairing flood damage. The table below shows the financial performance per project. The full allocation was spent.

Provincial Infrastructure Grant: Roads Infrastructure Project	Allocation R'000s	Expenditure R'000s
C776.1 Bredasdorp – Gansbaai Phase 1	44 600	44 600
C708.6 Rehab N2 Westbound	22 367	22 367
C636 Wellington - Hermon	64 776	64 776
C788 Marcuskraal	27 085	27 085

Reseal	10 000	10 000
Regravel	28 251	28 251
Maintenance – current	49 000	49 000
Maintenance – current flood damage	8 798	8 798
Repair of bridges in Eden	24 780	24 780
TOTAL	279 657	279 657

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

ROADS INFRASTRUCTURE

The table below indicates capital projects completed, in progress as well as the planned construction of new facilities, and the expected completion thereof during the MTEF period.

Table 33: Roads Infrastructure

PROJECT	2007/08 R'000	2008/09 R'000	200/10 R'000	2010/11 R'000
CONSTRUCTION				
C682 Potsdam I/C Phase 1	21 657			
C783 Algeria Road	0	15 000	13 000	
C740 Lynedoch I/S	1 674	9 000		
C377.11 George – Outeniqua Pass	63			
C637 Paarl – N1 DR 1118	0			
C707.5 Rehab N1 Phase 2	778			
C708.8 Rehab N2 from km 2.9 – 8.4	8 162	114		
C754.1 Piketberg - Redelinghuys	48 618			
C708.8 Rehab N2 Eastbound	19 386	58 000	19 000	
C552 Malmesbury – Hermon	51 323	114		
C785.1 Repair of slip failure Karatara	1 444			
C810 Rehab Bottelary Road	33 550			
C413.4 Wingfield – Malmesbury	7 803	114		
C802.1 Rehab ST Helena Bay	26 878	500		
C812 Rehab Firgrove	23 508	114		
C785 Repair of slopes in Huis River Pass	14 754	2 500		
C799 Slope remediation Chapman's Peak Drive	0	4 500		
C864.2 Slope slips Tradouw & Burgers Pass	0			
C789 Greyton / Genadendal	3 856			
CBP Projects	10 343		9 900	
C500.2 Mossel Bay Safety Phase 1	0	5 000		
C708.1 Repair balustrade on N2	1 146			

PROJECT	2007/08 R'000	2008/09 R'000	200/10 R'000	2010/11 R'000
C707.6 N1 Streetlighting	0	20 000	9 000	
C776.1 Bredasdorp – Gansbaai Phase 1	47 799	2 700		
C788 Marcuskraal Road	29 630	6 000		
C708.6 Rehab N2 Westbound	36 825			
C636 Wellington – Hermon Rehabilitation	66 828 1 812	3 000		
C794 White Bridge - Knysna	2 978			
Accident spots	2 362		4 000	5 000
C574.17 Beaufort West weighbridge upgrade	22 287	8 000	8 000	8 000
C733 Somerset West – Sir Lowrys Pass Phase 1	0	50 000	80 000	23 000
C888 Prince Valley Langrug	1 583 0			
C892 Goniwe Park	109			
C804 Ebenhaezer	3 339			
C890 Graafwater	296			
C894 Avian Park	158			
C895 Bonnievale	0			
C893 Du Noon	157			
C887 Atlantis	2 460			
C886 Wallacedene	0	1 700		
Transfer Payments	38 017	24 000	9 500	10 500
TOTAL	531 583	210 356	152 400	46 500
MAINTENANCE				
Reseal	149 501	45 064	89 000	167 000
Regravel	79 501	84 600	115 700	130 800
C642 Gouritz River Bridge	0		2 000	
C784 Repair bridge in Bain's Kloof Pass	2 447	7 500		
C781 Rehab of bridges in Oudtshoorn	28 277	1 800		
C791 Repair bridges in Overberg District	9 383			
C585.2 Bridge Handrails Phase 2	2 673			
Rehab of bridges in Eden District	0			
C866.1 Repair bridges in Prince Albert area	0	10 900		
Repair of bridges in Eden (flood damage)	19 411			
C739 Repair of ARMCO's in Eden district	4 394			
C735.1 Zuurbraak	58			
Transfer Payments	6 216	10 000	10 500	11 000
Capital	301 333	277 323	237 250	244 150
Current	341 687	304 607	319 722	334 875
TOTAL	654 524	535 168	607 630	717 934
PLANNING AND DESIGN				
Expropriation	643	3 800	4 200	4 400

PROJECT	2007/08 R'000	2008/09 R'000	200/10 R'000	2010/11 R'000
Fees	110 484	105 000	113 000	119 000
Transfer Payments	2 700	2 800	2 800	2 900
TOTAL	113 827	111 600	120 000	126 300

The following monitoring and reporting information technology systems are in use:

Gravel Road Management System (GRMS): The purpose of this system with regards to gravel roads is to keep track of how the gravel road network is performing through regular surveillance.

Maintenance Management System (MMS): The MMS keeps track of the expenditure at the District Roads Engineers' (DRE) offices, the Central Workshop in Bellville and the District Municipalities (DM's) which act as agents for the Department. This information is reconciled with the Basic Accounting System, BAS. (The District Municipalities have their own financial management systems as prescribed).

Pavement Management System (PMS): The purpose of this system with regards to surfaced roads is to:

- Keep an inventory of pavement structures.
- Keep track of how the network is performing through regular surveillance.
- Identify projects (reseal, rehabilitation, maintenance).
- Prepare programs by using dTims to optimise benefits within the available budget.
- Provide information regarding the state of roads for the compilation of the annual report.

Plant and Equipment Management System: This system is used to keep and process information relevant to the road construction plant and equipment. Maintenance and repair costs, utilisation and other logged data are currently transferred from the Maintenance Management System by means of magnetic disks.

Road Network Information System: This system is used to manage the rural road network information of the Western Cape and to make this information available to the various subsystems. The information in the database is updated by periodical surveys of roadside element data as well as various other sources. This system is designed to eliminate the need for the duplication of data, and forms the core of the ongoing effort to achieve integration between the various systems.

SUMMARY OF THE CONDITION OF PROVINCIAL ROAD INFRASTRUCTURE

Table 34: Summary of the condition of provincial road infrastructure

	CONDITION OF INFRASTRUCTURE (Km's or No.)					Total Km's or Total No.
	Very Good	Good	Fair	Poor	Very Poor	
Surfaced Roads (excluding highways)	1 696.39 (28 %)	2 295.82 (38 %)	1 388.82 (23 %)	560.36 (9 %)	76.99 (1 %)	6 018.38
Gravel Roads	153.17 (1 %)	1 629.02 (15 %)	3 293.17 (31 %)	3 902.06 (37 %)	1 569.48 (15 %)	10 546.90
Bridges with span > 2 metre						873
Culverts with span > 2 metres						1 421
For the purpose of this table, the degrees of overall condition of pavement mean the following: Very Good Very few of no defects. Degree of defects c 3 (less than warning) Good Few defects. Degree of structural defects mostly less than warning Fair A few defects with degree of defects seldom severe. Extent is only local if degree is severe (excluding surfacing defects) Poor General occurrence of particularly structural defects with degrees warning to severe Very Poor Many defects. The degree of the majority of structural defects is severe and the extent is predominantly general to extensive						

The total capital maintenance and rehabilitation backlog was estimated at R3,535 billion as at August 2007. The average 5-year capital funding required to maximise road user benefits and maintain the asset value is estimated at R2 245 million per annum. The present capital budget for maintenance and rehabilitation is an average of R918 million per annum over the MTEF period.

The level of funding for roads maintenance and rehabilitation does not permit to the implementation of a scenario where road user benefits are maximised and the asset value is preserved. It is not even possible to meet a minimum standards scenario. The condition of roads will therefore continue to deteriorate and the backlog will increase from year to year. This trend has been worsened by the sharp rise in the cost of infrastructure provision. The present strategy is to protect the asset in line with priorities as identified by asset management systems to provide the best possible economic benefit for funds available. Careful analysis shows, that too large a share of the available budget is directed towards the maintenance of gravel roads, which carry only about 5% of the vehicle-kilometres travelled on provincial roads in the province.

The increasing backlog in construction and maintenance capital activities on surfaced and gravel roads results in an accelerated increase in funding required for routine maintenance activities. The result is that the funding of routine maintenance activities has to be increased during the MTEF period to be able to maintain the surfaced and gravel roads in a safe and trafficable condition.

It is therefore predicted that, if the current level of funding is maintained, the percentage of surfaced roads in a poor to very poor condition will increase from the present 10% to about 50% in the next ten years. The network will lose about R4 billion of its current asset value of R31 billion by 2016.

MANAGEMENT OF KEY MOVEABLE ASSETS

The Department has a road building and road maintenance plant fleet consisting of approximately 2 450 items with a book value of R 180 million (in 2007 Rands). This fleet is used by the Regional Offices, and District Municipalities who act as the agents of the Province. The fleet is hired out at predetermined rates which ensure that operational costs are met and that the fleet can be renewed where and when necessary. The condition of the fleet is as follows

- 65 % are in good condition
- 25 % are in fair condition
- 10 % are in poor condition.

Heavy vehicles and road maintenance machines are purchased according to the approved preference procurement policy, and according to the approved annual purchase budget. Standard items are purchased by using the National Treasury Contract RT57 and the rest by means of ad hoc tenders and quotations.

PROCESSES FOR TENDERING

The approved Accounting Officers Supply Chain Management System and the Preferential Procurement Implementation Plan are in place.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Purchase of new vehicles and equipment

To have new vehicles and equipment delivered within a financial year.

Response to Challenge 1

Accelerate the supply chain process and put more pressure on suppliers.

PUBLIC WORKS

The tables below shows capital projects completed, started and their expected completion dates.

Table 35: Public Works Projects started in 2007/08, but not completed

Projects started in 2007/08 (not completed)	Directorate	Site Handover	Expected Practical Completion Date
Helderberg Hospital: New OPD & 24 Bed Ward (IGP) (2007/2008)	Works Health	28/08/07	14/07/08
Kraaifontein CHC: ARV Treatment Facility (2007/2008)	Works Health	02/11/07	03/09/08
Malmesbury: Forensic Pathology Laboratory (2007/2008)	Works Health	11/07/07	11/07/08
Riversdale Hospital: Ph2 Upgrade (IGP) (2007/2008)	Works Health	07/02/08	07/08/09
Vredenburg Hospital: Construction of Temporary Refuse Area (HRP) (2008)	Works Health	19/02/08	30/05/08
Worcester: : Forensic Pathology Laboratory (2006/2007)	Works Health	01/03/2007	20/06/2008
Paarl Hospital: Forensic Pathology Laboratory (2007/2008)	Works Health	07/03/2007	20/06/2008
Hermanus: Forensic Pathology Laboratory (2006/2007)	Works Health	04/05/2007	15/08/2008
Oaklands secondary school	Works education	24/7/07	06/12/08
Rosmead primary school	Works education	27/01/07	29/08/08
Agric: Elsenburg: Upgrading of Sewerage Plant	Works General	15/01/08	27/06/08
Agric: Stellenbosch: Elsenburg: Oenological Building	Works General	07/11/07	05/05/08
Cape Nature: Walker Bay: Klipgat project	Works General	25/10/07	10/04/08
George: Outeniqua Place of Safety: New High Security Perimeter fence	Works General	18/05/07	18/06/08
T & PW: Shared Service Centre on Athlone ex-school site	Works General	14/11/07	28/02/09

Table 36: Public Works Projects completed in 2007/08

Projects completed in 2006/07	Directorate
Delft N2 Gateway Primary School (3 of 3): Construction of a new Primary School	Education
Masibambisani Secondary School: Additional Classrooms (5)	Education

Projects completed in 2006/07	Directorate
Mondale Senior Secondary School: Forum	Education
Oaklands Secondary School: Administration Facilities	Education
Ravensmead Secondary School: Forum	Education
Rosmead Primary School: Additional Classrooms (2)	Education
Smutsville: Sedgfield Primary School: Construction of a new Primary School	Education
Turfhall Primary School: Forum	Education
Vredendal Primary School: Construction of a new Primary School	Education
Pacaltsdorp Primary School Completion Contract: Construction of a new Primary School	Education
Paulus Joubert Secondary School: Forum	Education
Thembani Primary School: Administration Facilities	Education
Khayelitsha Secondary School (3 of 3): Construction of a new Secondary School	Education
Khayelitsha Secondary School (2): Construction of a new Secondary School	Education
Khayelitsha Secondary School (1): Construction of a new Secondary School	Education
Khayelitsha Primary School (2 of 3): Construction of a new Primary School	Education
Khayelitsha Primary School (1 of 3): Construction of a new Primary School	Education
Heinz Park Primary School: Construction of a new Primary School	Education
Esselenpark Secondary School: Administration Facilities	Education
Groote Schuur Hospital: Linear Accelerator (IGP) (2006/2007)	Health
Red Cross Hospital: Upgrade Ws & CSSD Relocation (Own)	Health
Worcester: Forensic Pathology Laboratory (2006/2008)	Health
Paarl Hospital: Forensic Pathology Laboratory (2007/2008)	Health
Riversdale Hospital: Ph2 Upgrade (IGP) (2007/2008)	Health
Hermanus: Forensic Pathology Laboratory (2006/2008)	Health
Groote Schuur Hospital: Lift Upgrading (2007/2008)	Health
Simondium CHC: New CHC (Own) (2007/2008)	Health
Atlantis Hospital: New Ambulance Station (Own) (2006/2007)	Health
Valkenberg Hospital: New Electrified Perimeter Fence (HRP) (2006/2007)	Health
Bredasdorp Hospital: Ambulance Station & Road Upgrading (IGP) (2007/2008)	Health
Riversdale Hospital: Ph1 Upgrade Admin & Ambulance Station (IGP) (2007/2008)	Health
Beaufort West: Disaster & Emergency Control Centre (Health) (IGP) (2006/2007)	Health
Beaufort West: Ambulance Station & DMC (Health) (IGP) (2006/2007)	Health
Montagu CHC: New CHC (Own) (2007/2008)	Health
Cape Medical Depot :Upgrade Airconditioning, Relocation (IGP) (2007/2008)	Health
Oudtshoorn Hospital: Pharmacy Bulk Store, ex-Laundry (IGP) (2006/2007)	Health
Lentegeur Hospital: Ambulance Station (IGP) (2007/2008)	Health
Hermanus Hospital: Ambulance Station - New (IGP) (2007/2008)	Health
Cross Roads CHC: ARV Treatment Facility (2007/2008)	Health
Tygerberg Hospital: Ph1 Fire Doors (IGP) (2006/2007)	Health
Oudtshoorn Hospital: Ambulance Station Upgrade (IGP) (2006/2007)	Health
George Hospital: Ph2b Revitalisation (HRP)	Health
Stanford CHC: New CHC (Own/IGP) (2007/2008)	Health
Stellenbosch Hospital: Ambulance Station (IGP) (2006/2007)	Health

Projects completed in 2006/07	Directorate
Cape Nature: Swartberg Nature Reserve: Belmoral Road: Flood Damage Repairs (273483/2007)	General
Cape Nature: Swartberg Nature Reserve: Besemfontein Road: Flood Damage Repairs (273772/2007)	General
Cape Nature: Swartberg Nature Reserve: Waterkloof Road: Flood Damage Repairs (273756/2007)	General
Cape Nature: Swartberg Nature Reserve: Goue Krans Road: Repairs to road (266177/2007)	General
Keurbooms Nature Reserve: Flood damage repairs to road	General

No facilities were closed down or downgraded in the period under review.

In terms of generally accepted international standards, a minimum budget of 2% of the replacement value of the property portfolio is required annually for maintenance to ensure that a property is adequately maintained over its planned 50-year life-cycle. Compared to this benchmark, budget allocations are totally inadequate. This is a cause for concern as the condition and value of our buildings are declining at an alarming rate. The provincial property portfolio maintenance backlog amounts to about R2.8 billion and increases annually by 2%. Although 56% of the properties are in a fair condition, continued limited resources for planned and preventative maintenance to preserve the existing property portfolio will cause the condition to deteriorate.

The increases to the provincial built infrastructure, reported above, will result in an increased demand for maintenance for which no additional funding has been allocated.

No major projects regarding maintenance of moveable assets were undertaken.

SPECIFIC CHALLENGES AND RESPONSES

Challenge 1: Maintenance backlog

The backlog in excess of R 2bn primarily for Health and Education facilities. Although the maintenance backlog for general buildings is still significant, little impact is made.

Response to Challenge 1

Development of a comprehensive asset management strategy which encompasses aspects of maintenance and which, over time, reduces the maintenance backlogs.

Challenge 2: Compliance with the minimum specifications set out in the Occupational Health and Safety Act, 1993 (Act 85 of 1993)

To comply with minimum specifications as set out in the Occupational Health and Safety Act.

Response to Challenge 2

Investment of additional resources in accordance with a Comprehensive Asset Management Plan.

PART THREE:

**REPORT OF THE
AUDIT
COMMITTEE**

**PROVINCIAL GOVERNMENT WESTERN CAPE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS (VOTE 10)**

PART THREE: AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDING 31 MARCH 2008

We are pleased to present our report for the above-mentioned financial year.

APPOINTMENT OF AUDIT COMMITTEES

The Department of Transport and Public Works (Vote 10) was served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 on 23 June 2003 which was subsequently extended by Cabinet Resolutions 95/2005 and 77/2007. The term of the Shared Audit Committee expires on 31 December 2007.

Cabinet Resolution 55/2007 required this Department to establish an Audit Committee. At the time of preparing this report this has not been finalised. To ensure adequate governance and oversight, the Department has therefore been served by the Economic Cluster Audit Committee, commencing 1 January 2008.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Shared Audit Committee is required to meet a minimum of 4 times per annum as per its approved Terms of Reference. During the term of the Shared Audit Committee the following meetings were held and attended from 1 April 2007 until 31 December 2007:

Member	Meetings Attended
Mr J.A. Jarvis (Chairperson)	9
Mr J. January	4
Mr P. Jones	8
Mr R. Warley	2

No formal meetings for the Economic Cluster Audit Committee were held for the period 1 January 2008 to 31 March 2008.

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committees have complied with their responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Audit Committees have also regulated their affairs and discharged their responsibilities in terms of the Audit Committee Charter.

EFFECTIVENESS OF INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

In 2004 the Sihluma Sonke Consortium was appointed to develop and transfer internal audit skills to the staff of the Provincial Government over a three-year period. At the end of December 2006 the Consortium contract was extended for a further 2 years to allow the development of the Internal Audit function to be completed. Some progress was made to internalise internal audit capacity and skills within Provincial Treasury. Significant progress is being made in the new financial year.

INTERNAL CONTROL

The evaluation of internal control comprises an evaluation of:

- The adequacy of the design of the control environment;
- The extent of compliance to established policies, procedures and applicable legislation; and
- The efficiency and effectiveness of controls implemented by management

to achieve the overall departmental objectives.

In line with the Operational Internal Audit plan for 2007/8 approved by the Shared Audit Committee the internal audit effort was focused on assessing design and compliance for the following processes:

1. Public Transport - Operating Licence / Registration Administration - Goodwood
2. Roads Infrastructure - Design (Chapmans Peak)
3. Roads Infrastructure - Planning & Policy
4. Roads Infrastructure – Operations
5. Corporate Affairs - Labour Relations - Bargaining Council
6. Corporate Affairs - Labour Relations - Disciplinary Hearings
7. Corporate Affairs - Labour Relations - Grievance Investigation & Reporting
8. CBPWP – Empowerment
9. Roads Infrastructure - Proclamation and Expropriation
10. Roads Infrastructure - Road Exemptions
11. SCM – Acquisition (follow-up of AG findings)
12. SCM – Contract (follow-up of AG findings)
13. SCM – Demand (follow-up of AG findings)
14. SCM – Disposal (follow-up of AG findings)
15. SCM – Logistics (follow-up of AG findings)
16. Transfer Payments - Roads & Infrastructure
17. Transfer Payments - Public Transport & Administration
18. Ad-hoc Engagement – Capitalisation of Expenditure in the Chapmans Peak Public Private Partnership to verify information on a schedule prepared by the concessionaire
19. Ad-hoc Engagement – Supply Chain Management – Tender Processes
20. Various Follow-up audits

Based on the results of the above audits, the system of internal control is adequate; however in some instances it was not operating as intended for the year under review, as compliance with certain prescribed policies and procedures was lacking.

Internal Audit received commitment from Management to implement corrective action on weaknesses identified.

AUDITOR GENERAL

The Auditor General has issued a qualified opinion on the Annual Financial Statements as a result of significant weaknesses with the management of debtor files which meant that the information on the MDA system could not be relied upon.

The matter of the Roads Capital Account was emphasised by the Auditor General.

Investigations previously contained in SCOPA's reports were not concluded at the time of the audit.

The Economic Cluster Audit Committee resolved to reconvene to discuss the Auditor General's management letter.

ENTERPRISE RISK MANAGEMENT

Enterprise Risk Management is at an early stage of implementation. The Economic Cluster Audit Committee is monitoring the progress of implementation on a quarterly basis.

INFORMATION TECHNOLOGY

In the previous financial year the Shared Audit Committee expressed its concerns regarding the growing crisis of IT within the Provincial Government. This included the need to replace outdated equipment, improve security, back-up information and develop plans to address the business needs of its customers including this department.

During the year under review internal audit results showed no significant progress largely due to the transversal nature of the underlying IT service.

The Economic Cluster Audit Committee strongly urges Provincial Government to escalate this crisis to the highest level of priority for action to prevent a collapse of the IT systems.

IN YEAR MANAGEMENT REPORTING

The In Year Management Reports (IYM) were submitted to the Audit Committees as required and the Committees were accordingly informed of the financial situation of the Department in relation to its budget. The Committees continue to monitor these reports.

EVALUATION OF FINANCIAL STATEMENTS

The Economic Cluster Audit Committee has:

- Reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management letter and management's response thereto; and
- Reviewed significant adjustments resulting from the audit.

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

APPRECIATION

The Audit Committees wish to express their appreciation to the Provincial Treasury, Officials of the Department, the Auditor General and the Internal Audit Unit for the information they have provided for us to compile this report.



Mr. J.A. Jarvis	Mr P.C. Jones
Chairperson of the Shared Audit Committee	Chairperson of the Economic Cluster Audit Committee
Date: 4 August 2008	Date: 4 August 2008

PART FOUR:

**ANNUAL
FINANCIAL
STATEMENTS FOR
THE YEAR ENDED
31 MARCH 2008**

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VOTE 10**

**REPORT OF THE ACCOUNTING OFFICER
for the year ended 31 March 2008**

Report by the Accounting Officer to the Executive Authority and the Provincial Parliament.

1. GENERAL REVIEW OF STATE OF AFFAIRS

Policy

With the finalisation of the *iKapa* Growth and Development Strategy (*iKapa* GDS), and the inclusion of integrated transport as important to achieving shared growth and integrated development, focus was placed on the role which public transport and road infrastructure play in supporting the economy and growth of the Western Cape. The Department is key to successfully delivering on this critical aspect of the *iKapa* GDS, which required substantial investment in both time and money in developing a strategy and plan for delivery that is sustainable and based upon sound principles and international experiences.

In support of this, an inter-governmental agreement between the Department, the City of Cape Town and the national Department of Transport was seen as an important mechanism to deliver on transport in an integrated and co-ordinated manner. However, the City of Cape Town withdrew their previously given support for the agreement during 2007. This has resulted, to a degree, in an impasse between the Department and the City of Cape Town. Discussions are ongoing between the Province and the City of Cape Town on a project-by-project basis, but it is acknowledged that this is not the ideal scenario.

As one of the responsibilities of the Department is to provide a sound policy base within which planning authorities develop and implement plans and projects, the Public Transport Policy with respect to Special Needs Passengers was finalised for public participation purposes in 2008/09.

A Transport Precinct Development Framework was drafted to guide the development of transport nodes in both urban and rural areas, and promote better integration between land use and transport development.

The aim of the Expanded Public Works Programme (EPWP) is to effectively promote EPWP to beneficiary communities, provide technical support to all relevant stakeholders, design innovative programmes that will enhance contractor development for both women and youth, develop an integrated strategy for monitoring and evaluation and to establish a Provincial implementation plan through coordination of individual sector plans. The function was successfully transformed from implementing community development programmes to the coordination and driving of the Provincial EPWP through a Provincial Steering Group encompassing four sectors namely, Infrastructure, Social, Environmental and Economic.

The Infrastructure Delivery Improvement Programme (IDIP) facilitated by the National Treasury was extended to include the Department of Health. IDIP aims to align infrastructure delivery cycles with the MTEF budget cycle in order to improve planning, implementation and better cash-flow management that would, among other things, deal with the fourth quarter expenditure spike.

To strengthen governance institutions, the following developments commenced: A strategy to align management of immovable assets with the *iKapa* GDS; an immovable asset management plan as envisaged in the Government Immoveable

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Asset Management Act, 2007(Act 19 of 2007); the Central Business District Office Accommodation Plan; and the business case for the establishment of the most appropriate organisational entity for the delivery of the Public Works and Property Management functions.

Given the current level of motor vehicle licence fees in the Western Cape, the Government took the policy decision not to increase motor vehicle licence fees in 2007/08.

Events

As input to the finalisation of the draft Public Transport Policy with respect to Special Needs Passengers, a symposium on "Accessible Transport for All" was held during October 2007 – the month dedicated to highlighting transport, and especially public transport, throughout South Africa. Resolutions taken at the symposium included support for the draft policy statements and an agreement to develop an implementation plan to take the policy forward.

In addition to the aforementioned symposium, a public meeting and open day was held in Pacaltsdorp, George, to provide information to the communities on the George Mobility Strategy project. Members from the surrounding community were encouraged to attend the open day to find out how public transport is going to change in George in the future, what the benefits would be and how the existing operators would be included into the system. It was decided that such open days should be held at different times in other communities throughout George leading up to the implementation of the system.

The overarching Public Transport Improvement Programme (PTIP) was launched at the end of November 2007. All stakeholders involved in or affected by public transport were invited to attend the symposium, where details of the programme were shared and critical issues discussed.

The EPWP Annual Performance Award Seminar and Gala Event convened all relevant role players to consider the programmes performance regarding the massification of EPWP. The Gala event included the acknowledgement and rewarding of EPWP implementing public bodies and private sector role players for their implementation performance over the past 18 months

Mindful that a number of development programmes and initiatives were being directed at emerging contractors from a variety of government bodies the Department and the Construction Industry Development Board, as an industry regulator, jointly decided to streamline processes across the board by combining all development programmes into one.

The Western Cape Provincial Contractor Development Forum was born and those involved include: The Department of Public Works; Provincial Departments of Transport and Public Works and Local Government and Housing; the Construction and Education Training Authority; Women in Construction; The South African Revenue Service; Siyanyuka Contractor Development Programme; and the Red Door (Real Enterprise Development Initiative). The synergy gives Government a single voice – a far cry from the multitude of channels that contractors had to deal with previously. Furthermore, the Forum can now combine ideas, courses and trainers and contractors can attend a single briefing session.

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The National Youth Service (NYS) – Basil February “Youth in Building Maintenance” event took place on, 14 June 2007 in Paarl. The launch was held because National Youth Service is one of Government’s programmes aimed at closing the gap between the mostly poor and unemployed citizens in the second economy and the skilled labour market in the first economy. The NYS aims to create 20 000 work opportunities, under the Special Public works Programme employment conditions, over a period of 16 months. The key launch objectives was: To drive awareness of Transport and Public Works NYS in the Western Cape; Signing of an EPWP agreement between the Department of Public Works and the Provincial Government of the Western Cape; and to launch the Basil February 500 youth in building programmes. The launch also ensured awareness of NYS in all communities in the Western Cape as well as contributing to the Provincial vision to halve poverty by 2014.

Furthermore, towards achieving the aforementioned vision the Expanded Public Works Programme initiated a comprehensive unemployment database in the Province to target the most needy for work opportunities and to track the impact on their progress out of poverty. To this effect the Umsebenzi Job Opportunities Portal was launched during November 2007 in Khayelitsha. The Portal is a web based system designed to assist both the unemployed person, as well as the potential employer to recruit individuals locally, and enhance the networks of linking job-seeker to recruiters. This intervention is backed by Social Development, Education and NGO’s/CBO’s/Social Partners. Benefits of the Umsebenzi Job Opportunities Portal are that potential employers have the opportunity to register themselves on the system and to source employees who meet their requirements for specific skills. Through training Community Development Workers (CDW’s) in the use of the system and calling on volunteers to assist at access points, unemployed persons have the opportunity to develop their CV’s on the database as they participate in EPWP projects or any other short term employment creation initiatives. About 15 000 unemployed/underemployed individuals have been registered on this Portal from the Learnership 1000 database. EPWP opportunities on all the Department’s projects, as well as EPWP projects identified by the Department of Local Government and Housing and others are being captured. Persons registered on this Portal from townships close to the location of these projects will be selected for interviews and placement on these projects.

An annual competition to find the Construction Women of the Year in the following categories: entry level, middle level and experienced level was launched and the winners were announced at a Gala Diner during August 2007. This intervention is aimed at encouraging and promoting transformation of the construction industry into a more gender representative industry, as women owned companies got only about 5% of the total value of projects (R24.6 million out of R578.8 million). This recognition formed part of a Construction Summit which debated the implications of the Construction Charter for the Western Cape.

The New Venture Creation Programme was launched in February 2008 with the first intake of 200 emerging entrepreneurs. The aim of the Programme is to develop them into fully fledged entrepreneurs following a rigorous assessment process. The programme covers SETA accredited training, business mentorship as well as linking entrepreneurs with provincial, municipal, private sector service/contract opportunities. This intervention focuses on skills development and contributes towards alleviating unemployment and poverty and impacts positively on the second economy.

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The new web-based National Traffic Information System (eNaTIS) was commissioned during April 2007. Despite a number of challenges immediately after the commission date, the system was stabilised through a combined effort by the Department of Transport and provincial departments and is now running smoothly.

Major Projects

From a roads infrastructure delivery perspective, the following major projects were completed: Potsdam Interchange on the N7; Bottelary Road rehabilitation; Construction of the N2 inbound lane between Borchers Quarry and Vanguard Drive; Bredasdorp to Elim upgrading to surfaced standard; Rehabilitation of Main Road 23 between Wellington and Hermon and the rehabilitation of Trunk Road 24 between Malmesbury and Hermon. In addition, the following new projects commenced: Rehabilitation of Trunk Road 2 (N2) outbound between Vanguard Drive and Borchers Quarry Interchanges, with the addition of a lane and including the upgrading of the Airport Access Interchange; Improvement of Lynedoch Intersection near Spier; Repair of slopes in Huis River Pass on TR31/5 between Ladismith and Calitzdorp; Upgrade to surfaced standard of the road from the N7 to Algeria (DR1487); Rehabilitation and protection of Trunk Road 2 between White Bridge and Knysna; Safety improvements on TR33/01: Mossel Bay and the upgrade of Koeberg Interchange.

The rehabilitation of the N2 between Borchers Quarry and Vanguard Drive Interchanges included the addition of a lane reserved for public transport between 05:30 and 09:00 during the week. A system of automatic number plate recognition was set up for enforcing the lane. The success thereof is being monitored.

In relation to public transport improvement, a number of projects and initiatives, for example service designs for the restructured services were completed and submitted to the Department of Transport for approval. These designs cover the Cape Town and George. A business case providing motivation for the subsidy funding required was also completed and submitted to Department of Transport.

A business case for an entity to be responsible for the management of operational aspects of public transport, which included details of the structure of the entity, was developed. Consultation on the entity with both National and Provincial Treasuries was initiated for it to be set up as a trading entity of the Department to begin with.

The back office to house the Integrated Fare Management (IFM) and Intelligent Transport Systems (ITS) was established and commissioned. This is one of the critical enablers for the successful roll out of the restructured public transport services.

Consultation was initiated with the existing operators (existing subsidised bus and SME bus operators, minibus and metered taxi operators) on the proposed restructured public transport system. In order to facilitate their participation in this new system, a skills development strategy was drafted, and work on developing an empowerment model initiated.

Support was given to the metered taxi industry to set up a business co-operative.

Public transport infrastructure was developed in several municipalities and in the City of Cape Town to support the roll out of restructured public transport service. Key among these was the continued upgrading of the Sandkraal Road in George,

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opening of public transport priority lane on the N2, and completion of the conceptual and preliminary design of a priority section of the Klipfontein corridor. Detail design on the Klipfontein corridor was postponed by the City of Cape Town due to a new planning process they are pursuing.

The administrative capacity in the Provincial Operating License Board (POLB) and the office of the Registrar was further strengthened through the improvements made to the information systems supporting their operations. In this regard, licensing data for some of the current public transport operators were migrated from the Land Transport Permit System (LTPS) to the National Land Transport Information Systems (NLTIS). NLTIS is the new system which is being implemented nationally for the issuing and administration of operating licenses.

To promote the use of non-motorised transport in the peri-urban and rural areas, 3000 bicycles were distributed to learners as part of the Shova Kalula programme. In addition, assistance was provided to municipalities to develop cycling master plans.

The implementation of the taxi recapitalisation program continued. Good progress was made in the following areas: The establishment of a permanent scrapping site in the Epping Industrial area, and the improvement of the co-ordination between the POLB and the Taxi Scrapping Administrator (TSA). The number of vehicles scrapped has, however, been disappointing. The industry remains skeptical about the programme. The annual cash flow from National Treasury is inadequate to sustain the programme, whilst the number vehicles manufactured are insufficient to meet the demands.

As means of enhancing accessibility for Special Needs Passengers, the Department continued to support the "dial-a-ride" service by signing a 3 year contract with the City of Cape Town for the delivery of the Dial-a-Ride service.

In support of the Regional Rail Plan the Department in partnership with Metro-Rail/South African Rail Commuter Corporation (SARCC) identified critical service gaps within the Cape Town-Malmesbury rail service line. A midday commuter rail service was introduced and the refurbishment of unused rail stations was commissioned in support of the additional service.

In so as the improvement of rail service is concerned, the Khayelitsha Express was delivered with resounding success. This has resulted in the reduction of travel time as well as recording an on time performance of 98% which is above the global average of 94%. It has never recorded any cancellation since its inception. The service offers a free park and ride facility with 24 hour security and shelters. The service also has an exclusive ticket buying point. Free tea, coffee and newspapers are provided on board and there are facilities for laptops. The service has recorded no crime incident since its inception in October 2007.

Furthermore, SAPS contact centres were on Cape Town and Retreat Stations were opened so as to improve safety as well as response time to any incidents.

A Provincial Transport Operations Manual for the 2010 FIFA World Cup was developed and submitted to the national Department of Transport. This manual provides for the manner in which transport for the event must be managed so as to support the movement of spectators and visitors in the metropolitan area and throughout the Western Cape Province as a whole.

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In support of the restructuring of public transport in George, engagements with both local minibus taxi and bus operators began. A socio-economic survey was undertaken which will be used as the baseline when evaluating the impact of the restructured and improved public transport service once implemented. Design of the service continued, while work began on the identification of the permanent depot location, as well as the temporary depot site.

With regard to the registering of property in the name of the Province, the Title Deeds of 1118 erven are with the State Attorney for endorsement.

To create liveable communities, the Department, in relation to Education infrastructure, completed the construction of 7 new schools, creating classroom space for approximately 8500 learners. Furthermore, about 770 maintenance projects on existing school infrastructure were undertaken at 62 schools. In relation to the delivery of Health infrastructure: Three community health centres and two ambulance stations were constructed; Upgrading of the Mowbray Maternity Hospital was completed; Construction of the Paarl Hospital, Worcester Hospital, and five forensic pathology laboratories continued; Designing of the Vredenburg Hospital Phase 2 and the Khayelitsha and Mitchells' Plain Hospital continued; Planning for the upgrading of Valkenberg Hospital commenced; and the acquisition of sites for the new Helderberg and Mossel Bay hospitals was investigated.

With regard to the provision of General Building infrastructure: Construction of the Beaufort West Traffic Centre, the Emergency Medical Services Centre and the upgrading of the Gene Louw Traffic Training Centre was completed; Construction on the Shared Service Centre in Athlone commenced; Bids for a Substance Abuse Centre in Kensington were received and planning for a further one in Beaufort West commenced; Planning started on for the upgrading of Places of Safety at Stellenbosch, George and Elsie's River and repairs to flood damages in Cape Nature reserves are nearing completion.

To promote spatial integration, planning commenced for integrated sustainable human settlement initiatives on the following properties: Oude Molen in Pinelands; De Novo near Bloekombos; Porter Estate in Constantia and the Somerset/City precinct in Cape Town.

Pursuant to the publication of the invitation for requests for qualification, the Provincial and National Treasuries raised concerns with regard to the possibility of the project being a Public Private Partnership (PPP). Legal opinions were obtained which confirmed that the project does not qualify as a PPP within the meaning of the term as defined in the National Treasury Regulations. A Task Team was appointed to resolve issues raised by the Treasuries

Planning for the Phillipi precinct development commenced. It is the intention to upgrade the stadium as a practice venue for FIFA 2010 World Cup.

For the upgrading of the Athlone Soccer Stadium in support of the FIFA 2010 World Cup, a R30 million contribution was made to the City of Cape Town.

Municipalities perform a number of licensing functions on behalf of the Department on an agency basis and in accordance with interim Service Level Agreements or Memoranda of Understanding. With regard to the services rendered by

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municipalities for the collection of motor vehicle licence fees, service standards and the agency fee structure are currently being reviewed. The Department together with the Provincial Treasury are in the process of developing new Service Level Agreements with each Registering Authority to improve service delivery with regard to the registration and licensing of motor vehicles in the Western Cape.

The recent installation of electronic weigh-in-motion equipment at the Beaufort West weighbridge enables the Department of Community Safety to detect overloaded vehicles at an early stage. Portable equipment is now being used at the popular escape routes to prevent transgressors from bypassing weighbridge stations. The Overload Control Management System to analyse patterns and trends in overloading control processes was implemented thus making automatic reporting possible and eliminating the possibility of fraudulent transactions. The availability of quality management data is reflected in the comments under service delivery achievements hereunder.

The management contracts for all nine weighbridge sites were re-advertised and awarded during 2007/08. The new contracts make provision for increased hours of operation, eventually leading to 24 hour operations at seven of the nine sites.

Upgrading of the Beaufort West weighbridge was completed in the 2007/08 financial year. Planning has commenced for the construction of a tenth weighbridge station.

Steps to improve the accident data gathering process to ensure quality data by providing feedback and training at police stations throughout the Province continues. The personnel component of the Accident Data Centre was further strengthened and significant progress was made to eradicate the data capturing backlog. This backlog now stands at about 3 months. The pilot project to test the use of cell phone technology to accurately record accident locations has shown that this technology is not yet accurate enough for the purpose intended.

The Learnership 1000 programme had an initial intake of 750. These learners were recruited from all regions in the Western Cape. Due to a combination of natural attrition, including deaths and withdrawals due to other opportunities, 640 learners remain on the programme. A second phase of learner intake will be undertaken in 2008/09 in pursuit of the target of 1500 learners. Funding of these learnerships is through a combination of National Skills Fund and voted funds. The difficulty experienced in the initial phase, due to the coordination of role-players, namely the Department as the lead employer, the services of a training provider, the SETA's as the training authority, and the beneficiary learner who emanates from areas which are not close to training or work placement opportunities, will inform the second phase implementation process.

The Department's contribution to the Social Transformation Programme has commenced with the allocation of resources to communities for projects related to the Department's core business, which is transport and public works. Projects in public transport, community access roads, and building maintenance will be utilised to provide employment opportunities to these communities.

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Expenditure

The annual appropriation for 2007/08 was adjusted upwards from R2,207 billion to R2,388 billion by R181million or in nominal terms by 8%. In comparison with 2006/07 it was adjusted upwards from R2,064 billion to R2,321 billion by R 257million or in nominal terms by 12%. The net expenditure for 2007/08 is 1.8% below the appropriation and thus within the 2% norm. The national Infrastructure Grant to Provinces of R296,630 million for the purposes of construction and maintenance of roads infrastructure and repairing flood damage on roads infrastructure, as well as maintenance of provincial buildings was spent in full. Under spending mainly relates to public transport spending. In this regard a transfer payment to a municipality was not effected due to lack of progress on a project. A transfer payment to the South African Rail Commuter Corporation could also not be effected as the agreement was not finalised at the end of the financial year. In the same vein community based programmes could not finalise an agreement with a service provider for the implementation of the Social Transformation Programme (STP 21).

Flood damage is a natural phenomenon that occurs every year, since 2001, every time with devastating results. Apart from causing budget pressures it also places an undue burden on limited resources.

With regard to roads infrastructure delivery it is estimated that contract prices increased at an average of 30%. This situation limited the ability to execute what was originally planned for the year on the road network.

Tables 1 and 2 below show the under spending per programme and per economic classification.

Table 1: Under spending per programme

Programme	2007/08 R'000	%	2006/07 R'000	%
1: Administration	1 083	0.9	1 246	1.7
2: Public Works	2 203	0.9	13 150	2.9
3: Roads infrastructure	3 790	0.3	39 710	3
4: Public Transport	24 085	12.1	5 463	3.3
5: Traffic management	89	0.04	50	0.01
6: Community Based Programme	12 276	29.6	7 787	11.4
TOTAL (* Including unspent flood damage grant)	43 706	1.8	67 406*	2.9*
TOTAL (**excluding unspent flood damage grant)	-	-	22 095**	1**

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Table 2: Under spending per Economic classification

Economic classification	2007/08 R'000	%	2006/07 R'000	%
Current payments	15 380	1.2	12 120	1.1
Transfers and subsidies	25 069	15.4	9 347	4.9
Payments for capital assets Land and buildings	3 257	0.3	45 939	4.3
TOTAL	43 706	1.8	67 406	2.9

Departmental receipts

The net aggregate departmental receipts collected for 2007/08 is R 105,955million above the estimates. These collections include sales of capital assets of R56million, as well as a refund from the City of Cape Town of R10 million in respect of the Greenpoint stadium as per the condition of transfer. Table 3 below shows the percentage over collections of departmental receipts per classification. Over collection is mainly attributed to: A growing motor vehicle population; increased collection of motor vehicle licenses due to improved collection activities; improved rental collections; an increased demand for personalised motor vehicle license numbers; and sale of land and buildings.

Table 3: Departmental receipts % over/under collection

Programme	2007/08 R'000	%	2006/07 R'000	%
Tax revenue	18 069	2.33	43 790	5.81
Sales of goods and services other than capital assets	18 890	56.14	9 442	23.73
Interest, dividends, rent on land	7	100	19	100
Sale of capital assets	56 356	100	3 462	21.29
Financial transactions in assets and liabilities	12 633	32.14	595	17.91
TOTAL	105 955	12.48	**57.308	9.83

*The surplus(R43 408m) of the Government Motor Transport replacement fund surrendered to the Provincial Revenue Fund has been excluded.

**R23 000m a once off claim from the City of Cape Town has been excluded to better compare the results.

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Virements

Table 4 shows the approved virements.

Table 4: Virement

Main division			Reason
From	To	R'000	
2: Public Works	3: Roads Infrastructure	2, 376	Acceleration of Roads Infrastructure delivery
	5 Traffic Management	5, 164	Payment of agency fees
4: Public Transport	3: Roads Infrastructure	1,400	Acceleration of Roads Infrastructure delivery
6: Community Based Programme	5 Traffic Management	3,610	Payment of agency fees

2. SERVICES RENDERED BY THE DEPARTMENT

Services

Services rendered are discussed in section 2 of the Annual Report.

Tariffs

Tariffs are reviewed annually during the budget process. Tariffs are recorded in a tariff register in electronic format. The tariffs for the Chapman's Peak Toll road were increased by CPI plus 0.4% with effect from 1 June 2007.

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Inventory

Table 5: Value of inventory on hand at the weighted average cost

Description	2007/08 R'000	2006/07 R'000
Forms: Motor vehicle administration	1 764	1 234
Stationary: General	204	206
Material: Roads maintenance	2 268	2 976
TOTAL	4 236	4 416

3. CAPACITY CONSTRAINTS

A macro organisational structure that gives greater effect to government strategies and objectives, ensuring alignment in meeting national and provincial priorities, enhancing capacity for high-level research and policy development, facilitating integrated planning and reduce inefficiencies and duplications was approved and implementation begun.

In order to strengthen the capacity in supply chain management processes, accredited training courses were arranged and implemented on the subjects of: Contract management; Project management; as well as strategic sourcing and commodity management. In addition, serving members on bid adjudication committees were subjected to training on their responsibilities. Training on Construction Industry Development Board prescripts, procedures and registers were also undertaken.

Taking a long term view towards addressing capacity constraints the number of bursary allocations in respect of scarce skilled professionals was increased to accommodate 290 students. Provision was also made for increased work integrated learning opportunities for technical bursary holders.

With the aim of broadening economic participation, the facilitation of learnerships for artisans, technicians and professionals within the built environment sector continued. Furthermore, the programme continued to implement the Expanded Public Works Programme through its Building Preventative Maintenance Programme.

4. TRADING ENTITIES

Information in relation to the *Government Motor Transport Trading Entity* is captured in a separate annual report, including the management report and annual financial statements. The latter is presented in accordance with the standards of GAAP (Generally Accepted Accounting Practices). A strategic risk assessment for the entity was conducted during July 2007 to

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identify all risks that could adversely affect the achievement of GMT's strategic objectives. Risk response strategies to mitigate these risks were then developed and a report issued for implementation.

5. ORGANISATIONS TO WHICH TRANSFER PAYMENTS HAVE BEEN MADE

Of the total transfers of R149,234 million (2006/07 R135,736 million), R125,764 million (2006/07 R127,529 million), was transferred to municipalities in the Province of the Western Cape for: Upgrading the Athlone Soccer Stadium; Maintaining proclaimed roads; and for the provision of public transport infrastructure. The details of these transfer payments are set out in Annexure 1B and part 2, Programme Performance, paragraph 2.11, of the Annual Report.

6. PUBLIC PRIVATE PARTNERSHIP

A concession agreement was concluded for the design, construction, financing, operating and maintaining of Chapman's Peak Drive as a toll road for 30 years. At the end of the concession period the road is returned to the Provincial Government of the Western Cape in a clearly defined condition. The agreement, which provides for both renewal and termination options, was signed on 21 May 2003. The partnership has been operational since 21 December 2003. However, in terms of Section 21.1.2 of the concession agreement a designated event¹ has been in place since the opening of the toll road. The designated event will remain in place until such time that the Record of Decision for the construction of the permanent toll plazas that was issued on the 3 July 2005 is either confirmed or amended by the Minister of Environmental Affairs and Tourism in response to appeals against the Record of Decision. This ruling is a prerequisite for the transfer of commercial risk to the Concessionaire. Until then, the Province remains responsible for shortfalls in toll income. Refer to Note 25 of the Annual Financial Statements.

7. CORPORATE GOVERNANCE ARRANGEMENTS

Risk Management

The Department is committed to manage all categories of risks associated with its operations and aims to mitigate these risks as far as reasonably practical within the resources available. This commitment extends to third party interaction, for example with service providers and independent contractors. To give effect to this commitment:-

An Enterprise Risk Management Unit (ERM) was established.

- A Fraud and Risk Committee is functional.
- ERM responsibilities are included in the performance agreements of all SMS members.

¹ In terms of the designated event all toll revenue accrues to the Province; the Concessionaire is paid a fix sum monthly based on the financial base case; the Province is responsible for the construction of the temporary toll structure, additional costs relating to the operation of the temporary toll structure, and escalation relation to the construction of the permanent toll plaza.

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- Reports are submitted to the Provincial Treasury on a quarterly basis on the status of ERM implementation.

An ERM Policy and Strategy document was drafted.

Following a strategic risk assessment, the purpose of which was to identify all risks that could diversely affect the achievement of the Department's strategic objectives, a Strategic Risk Report was issued during April 2007. Subsequently, a process was embarked upon to identify risk owners for all strategic risks. Hereafter, the ERM unit will facilitate the development and implementation of risk response strategies.

Fraud Prevention

Through integrated strategies, the national Department of Transport, the SIU, the SAPS and the Department have made concerted efforts to eradicate fraud and corruption in the shortest time possible. Through an audit during 2007/08 it was found that fraudulent and stolen roadworthy certificates were issued at various stations across the Western Cape. These cases are currently being investigated by a national task team which includes the Department's own Compliance Monitoring Unit (CMU).

As part of the Department's effort to improve service delivery, the pilot project for the national Best Practice Model (BPM), which is a combined effort between the Presidentially appointed Special Investigating Unit and this Department, commenced at Lingeletu West (Khayelitsha) and Knysna during the 2007/08 financial year. This project entails the re-engineering of processes and systems at our DLTC's to not only improve efficiencies and turn-around times, but also to combat fraud and corruption. One of these system improvements has been the introduction of the electronic licence booking system, which is a module of the eNaTIS. This system is not only aimed at curbing fraud and corruption in the process of booking appointments for learners' and driving licences, but it also minimises the possibility of human error or favouritism and has the added benefit of streamlining processes and ensuring optimal use of resources. The pilot project includes the compilation of service level agreements with DLTC's.

eNaTIS has been deployed to accredited private motor vehicle testing stations and manually issued roadworthy certificates are no longer accepted in the Western Cape.

The Provincial Compliance Monitoring Unit audited the activities at driving licence testing centres and motor vehicle testing stations. This contributed towards the successful prosecutions of fraud and corruption cases in the motor vehicle and driver testing environments.

The Minister of Transport and Public Works and the Head of Department signed a Fraud Prevention Plan inclusive of a fraud policy on 26 April 2004. These documents are currently under review.

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An appointed ethics officer promotes ethics and the Department participates in the National Anti-Corruption Hotline which is an aid to all staff in reporting any unethical or fraudulent behaviour anonymously.

As mentioned in the previous paragraph the Department has a functional Fraud and Risk Management Committee.

Internal Audit

Use is made of a Shared Internal Audit Service, institutionally vested in and resourced by the Provincial Treasury. The shared service is governed by a service level agreement between the parties. Internal audit progress reports detailing performance against the audit plan are submitted monthly to allow effective monitoring through a departmental project team.

A rolling 3-year strategic internal audit plan for 2007/08 to 2009/10 and an operational internal audit plan for 2007/08 was approved by the Chairperson of the Audit Committee.

Audit committee

The Department was served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 on 23 June 2003 which was subsequently extended by Cabinet Resolutions 95/2005 and 77/2007. The term of the Shared Audit Committee expired on 31 December 2007. Since then, the Department is served by the Audit Committee for the Economic Cluster.

Internal Control

To ensure reliable financial information, financial and operational systems of internal control are maintained. These controls are designed to provide reasonable assurance that transactions are appropriately authorised and recorded, and assets are adequately safeguarded against material loss through unauthorised acquisition, use, or disposal.

Compliance officers vested within an internal control inspectorate evaluate and monitor the functionality and effectiveness of internal controls and report findings and recommendations to management. Remedial actions are taken to address control deficiencies and improve the systems as identified. There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Consequently, even an effective internal control system can only provide reasonable assurance with respect to financial statement preparation and the safeguarding of assets.

Improving the quality of financial management is an ongoing process. As part a broader strategy a team of financial accounting and management accounting specialists was contracted-in to assist with improving financial management controls, thereby creating a control environment that will be conducive to the preparation of annual financial statements that fairly represent the affairs of the Department and simultaneously build reporting capacity through the transfer of skills. A financial management improvement plan was commissioned and implementation begun. The plan is aimed at addressing the findings given in the Report of the Auditor-General for the financial year ending 2006/07. Those matters on which a qualified audit opinion was expressed are being treated as priorities.

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Conflict of interest

Members of the Senior Management Service disclose their financial interest, the data of which is captured on the personnel and salary system, namely PERSAL.

Code of conduct

All employees are expected to comply with the Code of Conduct for the Public Service. The purpose of the Code is to guide employees as to what is expected of them from an ethical point of view, both in their individual conduct and their relationship with others.

All employees involved in construction procurement are expected to comply with the Code of Conduct issued by the Construction Industry development Board in terms of s5 (4) of the Construction Industry Development Board Act, 2000.

Safety, health and environmental issues

The Department has and maintains a Health and Safety Management Programme inclusive of Health and Safety Policy in accordance with the Occupational health and Safety Act, 1993 (Act 85 of 1993). The Department participates in the Western Cape Environmental Implementation Plan published by the Department of Environmental Affairs and Development Planning.

8. ASSET MANAGEMENT

For the purposes of this part asset management in relation to tangible assets is divided into immoveable asset management and moveable asset management, i.e. property, plant and equipment.

Moveable assets

LOGIS is fully implemented and maintained in the Department to deal with the basic minimum requirements of an asset register for moveable assets set by the Accountant-General. An asset management component is vested in the Supply Chain Management Directorate. There are seven so-called LOGIS sites operational across functions. As LOGIS does not cater for all moveable asset types, other asset registers are also maintained, namely on the Fleetman System to record government motor vehicles.

Immoveable

The immoveable asset register is maintained on the E-Works System (E-Land and E-Structures) and meets the minimum requirements set by the Accountant-General. The immoveable asset register is vested in the Provincial Property Management Chief Directorate. The Government Immoveable Asset Management Act (GIAMA), 2007 (Act 19 Of 2007) complements the Public Finance management Act, 1999 (Act 1of 1999 as amended by Act 29 of 1999) and, inter alia, aims to ensure uniformity in respect of immoveable assets registers. The development of plans for implementation of the GIAMA is underway.

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9. EVENTS AFTER THE REPORTING DATE

The National Treasury embarked on the Standard Chart of Accounts (SCOA) "toning project" scheduled for implementation 1 April 2008. The initiative is aimed at improving accountability and modernising the accounts of government by bringing budget and expenditure reporting in line with international best practice. The project intends to improve financial data such as infrastructure reporting and item classification.

The function for the payment property tax in respect of properties vested in the name of the Provincial Government Western Cape was shifted from the Department of Public Works and funded through the Devolution of Property Rate Funds Grant as contemplated in the Division of Revenue Act, 2008 (Act 2 of 2008).

Application, mainly for the delivery of infrastructure, was made for the roll over of funds to the value of R16,631million and the retention of own revenue amounting to R41,955million to be appropriated in the 2008/09 Adjustments Estimates.

10. PERFORMANCE INFORMATION

An Annual Performance Plan (2006/07 – 2008/09) was tabled in the Provincial Parliament. This performance plan attempts to align departmental activities, outputs and goals with provincial and national policy priorities and the budget. Performance reports are submitted to the provincial treasury and the Provincial Minister on a quarterly basis in the prescribed format. Performance reporting is in a learning curve and feedback in the form of assessments is received periodically from the National and Provincial Treasuries. The performance of the Department, per programme, is detailed in Part 2 of the annual report.

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11. STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA): RECOMMENDATIONS

Table 6 below shows the recommendations and progress on the Fourth Report of the Standing Committee on Public Accounts (SCOPA) on the discussion of the Annual Report of the Department for 2006/07. This Report was tabled and adopted by the House on 4 December 2007.

Table 6: Standing Committee on Public Accounts Recommendations

Subject	Recommendations	Progress
Intangible assets register	The Department should implement an asset register to detail all intangible assets held by the Department. This register must be reconciled to the financial records and financial statements.	<p>An intangible assets register was compiled.</p> <p>Expenditure that should not have been classified as intangible assets or should have been classified was adjusted.</p> <p>Finance standard operating procedure that sets out the accounting treatment and disclosure procedures that need to be followed in the implementation of the accounting of intangible assets was drafted.</p>

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<p>Adequate Asset Register (non residential buildings)</p>	<p>Management takes appropriate measures to institute a proper Asset Register as required by the Asset Management Framework and that it should ensure that a complete asset register is reconciled to the financial records and financial statements. The Department must provide the Committee with quarterly reports on the progress in this regard.</p>	<p>The format and linkages have been evaluated.</p> <p>The Adequacy of information in register has been assessed.</p> <p>Shortcomings have been identified.</p> <p>Action plans have been developed to redress shortcomings.</p> <p>A verification process is ongoing to ensure that the asset register is complete with all properties included and all relevant detail, and that all data is correct and reconciled with file records.</p> <p>The Department aims to achieve the following during 2008/09:</p> <ul style="list-style-type: none"> • Evaluate processes to redress missing information. • Identify system weaknesses. • Ensure that information is complete. <p>Mechanisms have been established to provide the Committee with quarterly progress reports. Finance Instruction 2/2008 (supplementary no.1 of 2008) has been issued in this regard.</p>
<p>Public Private Partnership: Payments</p>	<p>The payments should be reclassified to ensure fair presentation is achieved in terms of the National Treasury guidelines.</p>	<p>The payments have been reclassified.</p>
<p>Property debtors</p>	<p>The Department should institute practices/ controls to ensure that debtor's files are properly maintained and such information is appropriately captured in the MDA system. The department should also ensure that monthly reconciliations should be performed between information compiled for input into MDA and information actually maintained on the MDA system.</p>	<p>Weaknesses are redressed through ongoing:</p> <ul style="list-style-type: none"> Maintenance of a complete set of files/records for all property leases. Verification of file record information to ensure that leases are up to date and concluded timely. Obtaining of outstanding documentation. Correct capturing of the relevant information on the MDA System. Data clean up and auditing of portfolios. <p>The following progress has been made: :</p> <ul style="list-style-type: none"> Access to the MDA system is limited to the authorised users and further restricted to their area of functionality. Rental determination valuations for commercial, residential

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		<p>and parking are now performed every two years. Safe keeping of files. Drawing of tenant diary report and activity audit report from the system on a monthly basis. The purpose of the reports is to check when leases are up for renewal or expiring and tracking of changes effected on the system for correctness. The reports are signed off by the respective Managers and submitted to the office of the Senior Manager. The respective Portfolio Managers approve all amendments/adjustments on the system. Reconciliations (financial and non financial data) are performed monthly to identify/track if the amendments or adjustments have been effected as authorised. The "Indefinite" profile on the system is activated when capturing leases. This enables the system to produce a report on all leases concluded in a financial year. A link has been created between the Property Asset Register (e-land), lease agreements and the Deeds office. Changing of password on the system: Each month at the beginning or end of the month the passwords of all official users are changed to the Default mode. Each official will then be required to change his or her password for that month. The service provider has since confirmed that in terms of the upgraded version of the system, the password problem has been dealt with to meet our requirements. The capacity of the current server is being investigated to see if it will be able to take on the upgraded version, where after the migration will take place. A Debtor Control register has been developed and is available on the shared drive to ensure that the reminder and demand letters are sent out timely. A manual on the Business processes for the debtor and financial controllers have been developed.</p> <p>The Department aims to achieve the following during 2008/09: Ensure that all the information in the MDA system can be relied on and that leases are properly managed.</p>
<p>Material corrections made to the annual financial statements</p>	<p>An adequate management review processes should be implemented to ensure that misstatements and omissions are detected prior to the finalisation and submission of the financial statements for audit.</p>	<ul style="list-style-type: none"> • A finance standing operation procedure that complements the AFS requirements has been drafted The next step is to workshop the document.

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	<p>The Department must also ensure that all accounts relating to the Roads Capital Account (RCA) should be disclosed, separately, as part of the Department's Financial Statements.</p>	<p>The Department aims to achieve the following by during June 2008:</p> <ul style="list-style-type: none"> • Determine the most appropriate legal entity into which the RCA should be transferred. • Develop the most appropriate accounting framework that would fit the legal entity. • Obtain approval from the Provincial Treasury for the above.
Investment in Infrastructure	<p>The Department must provide the Committee with a list of all the contracts that has exceeded its completion date with specific reference to the name of the contractor, new completion date, penalty imposed by the department and at what additional cost to the department.</p>	<p>Lists of the contracts i.r.o. Works: Education; Works: Health; Works: General and Roads Infrastructure were provided.</p>
Public Private Partnership	<p>The Committee wish to recommend that the department and Provincial Treasury, which have a transversal responsibility for PPP's, provide the committee with a report on this matter and a strategy to resolve this matter.</p>	<p>The Department and the provincial treasury engaged with the Committee on 6 February 2008.</p>
Reporting on Performance Information	<p>The Provincial Treasury ensure that departments and public entities comply with the provisions of the PFMA, follow the guidelines provided by National Treasury and apply disciplinary mechanisms if necessary.</p>	<p>Noted</p>

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<p>Non-filling of posts</p>	<p>Human Resource Plan:</p> <p>That all departments and public entities ensure that the relevant processes and procedures be put in place to ensure that the Human Resource Plan is timeously finalised and approved for implementation.</p>	<p>The Department's existing HR Plan was approved and implemented in 2003. The Plan focused on the following aspects:</p> <ol style="list-style-type: none"> 1. Recruitment and appointment processes, including marketing interventions to attract new skills. 2. Retention plan, specifically with regard to critical and scarce skills. This included the following actions: <ol style="list-style-type: none"> a) Implementation of a Departmental Bursary Programme for full time students; b) Implementation of the Staff Performance Management System; c) Introduction of internship programmes. 3. Training programmes, which includes: <ol style="list-style-type: none"> a) Establishment of Skills Development Committees at Branch level to coordinate training requirements; b) Introduction of skills development and enhancement programmes, among other the ABET and Junior Management Programmes; c) Implementation of part time bursary programme for serving employees. 4. Compensation management, which provides for: <ol style="list-style-type: none"> a) Review of appropriate salary levels through the job evaluation processes; b) Introduction of counter offers aimed at employees in key positions who have received offers of employment.
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		<p>Since the implementation of the HR Plan several new national and provincial guidelines and collective agreements were introduced. Accordingly the Department commenced with a process to review and strengthen the HR Plan. To supplement internal capacity, bids for the development of a new HR plan were invited. Unfortunately the offer of the successful bidder was withdrawn early in 2007, before the process could start or any payments were made.</p> <p>Although provision has been made for outsourcing the HR Plan, own capacity is being strengthened allowing the Department to commence with the review process without the assistance of external assistance. The revised HR Plan is now ready for consultation.</p>
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		<p>Since the implementation of the HR Plan several new national and provincial guidelines and collective agreements were introduced. Accordingly the Department commenced with a process to review and strengthen the HR Plan. The revised HR Plan is now ready for consultation.</p>
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	<p>Staff establishment:</p> <p>Staff establishments should be re-assessed to determine if the vacant posts are still required, considering the fact that the department has been able to operate, notwithstanding the vacant posts</p>	<p>From the perspective of the iKapa Growth and Development Strategy, the Department acts as the lead department for three of the lead strategic interventions, while it plays a support role with regard to four other interventions. To ensure effective alignment with these strategies, it was deemed necessary to do a comprehensive review of the Department's organisational structure. The restructuring was planned over two phases, namely the review of the macro structure (SMS levels) and micro structure (operational levels).</p> <p>The 1st phase is now complete, as the Minister of Public Service and Administration has endorsed the macro structure on 21 January 2008, and is now being implemented.</p> <p>The micro structure review process (phase 2) will involve a complete re-assessment of the functional staff establishments, including capacity and skills requirements. Consequently all unutilised posts will be removed from the establishment.</p>
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	<p>Phasing in of the filling of vacant posts:</p> <p>The phasing in of the filling of vacant posts should be included in the department's strategic plans to ensure that these posts are budgeted for and the heads of respective departments should be required to submit, in a quarterly basis, a report on the status of posts in their directorates and give explanations for the vacant posts as well as timeframes as to when the posts can be filled.</p>	<p>As part of the Public Service salary negotiations for the 2007/08 cycle, an agreement was reached with representatives of organised labour at the Public Service Coordinating Bargaining Council (PSCBC) to advertise all funded vacancies within six months (that is by end of January 2008).</p> <p>Accordingly the 415 vacancies were advertised. This process was done over three phases. To date 183 vacancies have been filled and a further 232 are in process of being filled.</p> <p>Note that posts become vacant from time to time due to natural attrition. It is therefore unlikely that the Department will ever be in a zero-vacancy situation.</p> <p>Reporting on the status of vacancies is managed through the HR Forum which meets on a quarterly basis and consists of all SMS members.</p>
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Transfer payments	<p>The Public Finance Management Act and Treasury Regulations must at all times be adhered to and management should ensure that the necessary documentation should be completed and placed on file to ensure that the institution establishes and implements effective, efficient and transparent financial management and internal control systems.</p> <p>Monitoring procedures should be implemented to ensure that funding is used for the intended purpose as per the service level agreement and progress reports should be submitted to the department to assess the feasibility and benefits derived from funding.</p>	<p>The Shared Internal Audit Services, in terms of Treasury Regulation 3.2.8, assesses the operational procedures and monitoring mechanisms over all transfers on an annual basis. Weaknesses identified are rectified based on the findings.</p>
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12. OTHER

The Department is aware that other Provincial departments are acting as lessors and that the proceeds are not paid over to the Department. An investigation is underway to resolve the matter.

Bus subsidy claims

Funds for the payment of bus subsidies are appropriated on the Vote of the Department of Transport. Cash transfers are made to the Department. The interim contract with the current public transport operator has been ceded to the Department. Subsidy claims are submitted by the transport operator in accordance with the requirements of the contract. An independent audit certificate that accompanies the claims, verifies the number of passenger tickets sold. The claims are then processed by the Department which in turn verifies the claims manually. The information is captured in a database, which is forwarded to the Department of Transport. The bus subsidy deposits and payments are shown in table 7 below.

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Table 7: Bus subsidy payments

DESCRIPTION	(R'000)
TOTAL DEPOSITS	460 000
TOTAL BUS SUBSIDY CLAIMS PAYMENTS	460 000
BALANCE	-

Roads Capital Account (RCA)

The Roads Capital Account (RCA), established in terms of the Provincial Capital Fund Ordinance, 1962 (Ordinance 3 of 1962) is accounted for in a separate fund. The Ordinance does not prescribe the accounting framework for the RCA. The RCA accounts for certain items of equipment utilised in the rehabilitation and maintenance of roads. The RCA does not provide services to other departments. Its assets are used by the Department to also enable district municipalities to maintain roads. Notwithstanding the aforementioned the Department, by the 15 June 2008, aims to: Determine the most appropriate legal entity into which the RCA should be transferred; develop the most appropriate accounting framework that would fit the legal entity and obtain approval from the Provincial Treasury for the aforementioned. In the mean time the transactions of the Roads Capital Account are presented in table 8 below.

Table 8: Roads Capital Account

DESCRIPTION	(R'000)
RECEIPTS	59 681
PAYMENTS	
COMPENSATION OF EMPLOYEES	7 605
GOODS AND SERVICES	25 643
TRANSFER PAYMENTS/HOUSEHOLDS	25
MACHINERY AND EQUIPMENT	26 408
TOTAL	59 681
CURRENT ASSETS	
CAPITAL	17 658
CLAIMS RECOVERABLE	686
TOTAL	18 344
GENERAL ACCOUNT	18 344
BALANCE	-

The Plant and Equipment consists of 2492 individual items ranging from vehicles to other road building equipment.

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Skills Training Account (National Skills Fund)

The Provincial Government of the Western Cape with the co-operation of the Department of Labour accessed funding from the National Skills Fund. An agreement was entered into in terms of which funds are made available towards the resourcing of the Learnership 1000 project and the Masakh'iSizwe programme for scarce skills in the built environment. The outcome of the utilization of the resources is shown in table 9 below.

Table 9: Skills Training Account (National Skills Fund)

DESCRIPTION	(R'000)
DEPOSITS	23 701
PAYMENTS	14 342
BALANCE CARRIED TO 2008/09	9 359

Contractor development outreach centre

A contractor development outreach centre was establishment in partnership with the Construction Industry Development Board (CIDB).

Supply chain management (SCM)

Supply chain management (SCM) was introduced to the department through the regulated *Framework for SCM*, which took effect 5 December 2003. This governance action signifies moving away from a traditional rule-based concept of procurement to the modernised concept of SCM. In broad terms SCM is a set of inter- and intra organisational processes that produces and delivers goods and services to customers. Implementation of SCM as contemplated in the framework is an ongoing process.

Memoranda of Understanding (MVL fees)

Interim Memoranda of Understanding with municipalities for the collection of motor vehicle licence fees (MVL) have been concluded and the Department, in conjunction with the Provincial Treasury is in the process of developing new Service Level Agreements with each Registering Authority to improve service delivery with regard to the registration and licensing of motor vehicles in the Western Cape.

Receivables in respect of departmental revenue in relation to motor vehicle licensing - classified as tax revenue - consist of the following components: *Unpaid licence fees*, i.e. licence fees that are payable in advance of which the due dates were not met. *Arrear licence fees*, i.e. licences that have not been paid beyond the licensing period. *Licensing penalties*, i.e. penalties

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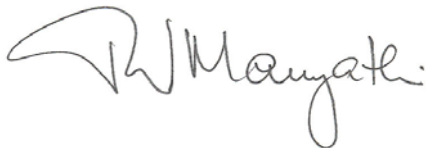
that relate to unpaid licence fees and arrear licence fees. *Registration penalties*, i.e. where notification was received of re-registration but where such re-registration has not materialised. The following are examples of the root causes of the above: Ownership of vehicles "transferred" without notifying the authorities of the transaction; vehicles traded to motor vehicle dealers without notification of "transfer" of ownership; irreparably damaged, broken motor vehicles not reported to the authorities for deregistration; and no notification to authorities of vehicles repossessed by financiers. It remains a challenge to collect information to update the database. However, these unrecorded transactions are linked to identity numbers of the vehicle owners on the National Traffic Information System, preventing the issuing of licence discs until the unrecorded transactions have been rectified. A help desk serves motor vehicle owners to resolve such matters.

Road Traffic Management Corporation (RTMC) transaction fee

The Road Traffic Management Corporation (RTMC) came into effect in December 2005. The RTMC is responsible for the co-ordination of traffic related matters across the three spheres of government and between departments. From 1 July 2007 the RTMC introduced a transaction fee of R30-00 on the baseline motor vehicle licence fees determined by each province. These fees are collected by all registering authorities with every transaction. On 29 February 2008 the Accountant-General directed that each registering authority will pay their RTMC fees over to the Province (the Department) and that the Department in turn pays the monies over to the RTMC.

13. APPROVAL

The annual financial statements set out on pages 119 to 165 are hereby approved.



**T W MANYATHI
ACCOUNTING OFFICER
30 May 2008**

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2008**

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON THE FINANCIAL STATEMENTS
AND PERFORMANCE INFORMATION OF VOTE NO. 10: DEPARTMENT OF TRANSPORT AND PUBLIC WORKS FOR THE YEAR
ENDED 31 MARCH 2008**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department of Transport and Public Works which comprise the appropriation statement, statement of financial position as at 31 March 2008, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 119 to 165.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA)], my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
6. An audit also includes evaluating the:
 - appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

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8. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

Basis for qualified opinion

Receivables for departmental revenue: outstanding property rentals

9. The Department utilises the MDA system to manage debtors in respect of properties controlled and leased by it. Significant weaknesses were identified with the management of debtor files, and as a consequence, the information on the MDA system could not be relied on. Alternative procedures were performed on the immovable asset register to determine the extent of properties being leased by the Department; however, sufficient appropriate audit evidence in respect of the completeness of the information in the MDA system could not be obtained. As a result, I am unable to satisfy myself as to the completeness of the property debtors disclosed in note 22: Receivables for departmental revenue.

Qualified opinion

10. In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had I been able to satisfy myself as to the matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Department of Transport and Public Works as at 31 March 2008 and its financial performance and cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).

Emphasis of matters

I draw attention to the following matters:

Amendments to the applicable basis of accounting

11. As disclosed in Schedule 1, page 76 of the annual financial statements, on 16 May 2008 the National Treasury approved a deviation from the basis of accounting applicable to departments which granted the department exemption from the disclosure of certain immovable assets and the use of fair value to value assets where the cost cannot be determined accurately.

Significant uncertainties

Accounting Framework

12. The Roads Capital Account was created in accordance with Provincial Capital Fund Ordinance No. 3 of 1962 and is managed by the department. However, the ordinance does not prescribe the accounting framework for a capital account. The PFMA is silent on the treatment of a capital account.

The department separately identifies transactions pertaining to the Roads Capital Account in its trial balance; however, these transactions and balances are effectively netted off in the preparation of the financial statements. The accounts, as shown in the trial balance, has income of R59 681 392, current expenditure of R40 877 875, capital expenditure of R26 408 517 and current assets of R18 343 901, and has been disclosed in the report of the accounting officer.

OTHER MATTERS

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Internal controls

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13. Section 38(1)(a)(i) of the PFMA states that the accounting officer must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the inefficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective system of internal control. In some instances deficiencies exist in more than one internal control component.

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Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
Receivables for departmental revenue – property debtors	✓		✓	✓	✓
<p><u>Control environment</u>: establishes the foundation for the internal control system by providing fundamental discipline and structure for financial reporting.</p> <p><u>Risk assessment</u>: involves the identification and analysis by management of relevant financial reporting risks to achieve predetermined financial reporting objectives.</p> <p><u>Control activities</u>: policies, procedures and practices that ensure that management's financial reporting objectives are achieved and financial reporting risk mitigation strategies are carried out.</p> <p><u>Information and communication</u>: supports all other control components by communicating control responsibilities for financial reporting to employees and by providing financial reporting information in a form and time frame that allows people to carry out their financial reporting duties.</p> <p><u>Monitoring</u>: covers external oversight of internal controls over financial reporting by management or other parties outside the process; or the application of independent methodologies, like customised procedures or standard checklists, by employees within a process.</p>					

Matters of governance

14. The PFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
The department had an audit committee in operation throughout the financial year.		
The audit committee operates in accordance with approved, written terms of reference.		
The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.		
Internal audit		
The department had an internal audit function in operation throughout the financial year.		
The internal audit function operates in terms of an approved internal audit plan.		
The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.		
Other matters of governance		
The annual financial statements were submitted for audit as per the legislated deadlines.		
The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		
No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.		
The prior year's external audit recommendations have been substantially implemented.		
SCOPA resolutions have been substantially implemented.		

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Unaudited supplementary schedules

15. Annexure 1A, Statement of Conditional Grants Paid to municipalities includes a column of amounts spent by the municipality. I have not audited this amount and accordingly I do not express an opinion thereon.
16. The supplementary information set out on page 76 do not form part of the financial statements and is presented as additional information. In this regard, refer to paragraph 11. I have not audited this schedule and accordingly I do not express an opinion thereon.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

17. I have reviewed the performance information as set out on pages xx to xx.

Responsibility of the accounting officer for the performance information

18. The accounting officer has additional responsibilities as required by section 40(3)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the [type of entity].

Responsibility of the Auditor-General

19. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.
20. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
21. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Measurable objectives not consistent

22. Measurable objectives are materially inconsistent between the annual report and the budget.
I draw attention to the fact that some of the objectives relating to programmes 3.2, 4.2 and 6, reported in the annual report of the Department of Transport and Public Works, are materially inconsistent when compared with the predetermined objectives as per the budget.

Lack of sufficient appropriate audit evidence

23. Actual achievements relating to 4 measures/indicators/targets for programme 5.3 and 5.4 could not be substantiated by adequate evidence/source documentation.

Evidence materially inconsistent with reported performance information

24. The evidence provided to support the performance information reported in the annual report was materially inconsistent with the reported performance information

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These differences are listed in the table below:

Programme	Measurable Objective	Performance Indicator	Annual Report Output	Documentation received
3.5 Maintenance	To promote EPWP employment	Number of jobs created	4 456	3330
5.3 Transport Administration and Lisinging	To ensure compliance at MVTs	No of stations monitored	35	13
		No of audits performed	40	24
5.4 Overload Control	To reduce overloading and damage to road infrastructure	Number of vehicles weighed	363 604	363 362

The targets from the annual performance plan were inconsistent with the targets reported in the annual report.

Examples are listed in the table below:

Programme	Measurable Objective	Performance measure/indicator	Target APP	Target Annual Report
Traffic Management	To reduce overloading and damage to road infrastructure	Number of vehicles overweight	0	16 000
		Number of hours weighbridges to be operated	0	34 000
Public Works		Number of health projects	Q1 – 42 Q2 – 30 Q3 – 30 Q4 – 33	56
		Number of education projects	Q1 – 42 Q2 – 30 Q3 – 30 Q4 – 33	19

OTHER REPORTS

Investigations

Investigation as a result of SCOPA resolution

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25. An investigation was conducted by an independent consultant, to investigate contracts pertaining to prior year issues raised by both SCOPA and The Auditor-General, inter alia the Western Cape Nursing College and the Valkenberg Hospital. At the date of this report, the outcome of the investigation was not signed off by the Department, and as a consequence, we are unable to evaluate the findings and their impact on the audit.

Investigation on unused telephone lines

26. The department has appointed Telkom to perform an investigation of departmental data and telephone lines. At the date of this report, the outcome of this investigation was not yet known, and as a consequence, we are unable to evaluate the findings and their impact on the audit.

Investigation on the purchase of the ISM Building

27. A forensic investigation by the Forensic Investigative Unit was in progress to probe the purchase of the ISM Building. The investigation was still ongoing at the reporting date.

Investigation on a supplier utilised by the Department

28. A forensic investigation by the Forensic Investigative Unit is currently in progress to probe significant payments made to one of the service providers who has been utilised, among other services, in constructing intangible assets for the Department. The investigation was still ongoing at the reporting date.

Investigations by FIU with respect to possible irregularities regarding petrol and diesel

29. I was informed of a Forensic Investigative Audit Report on Alleged Irregularities in Respect of Petrol and Diesel Purchases, and requested this report to assess its impact on the audit. The report revealed that irregular expenditure amounting to R479 977.07 was incurred by the Department. The matter was addressed to the Accounting Officer who indicated that an internal investigation needs to be conducted to evaluate the findings.

APPRECIATION

30. The assistance rendered by the staff of the Department of Transport and Public Works during the audit is sincerely appreciated.

Auditor - General

Cape Town

31 July 2008



A U D I T O R - G E N E R A L

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 MARCH 2008**

Appropriation per programme									
	Adjusted Appropriation	Shifting of Funds	Virement	2007/08			Expenditure as % of final appropriation	2006/2007	
				Final Appropriation	Actual Expenditure	Variance		Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	110,539	(93)	-	110,446	110,283	163	99.9%	63,905	62,875
Transfers and subsidies	9,518	-	-	9,518	9,112	406	95.7%	3,662	3,643
Payment for capital assets	2,791	93	-	2,884	2,370	514	82.2%	3,719	3,522
2. Public Works									
Current payment	337,389	1,141	(7,540)	330,990	329,900	1,090	99.7%	280,230	280,032
Transfers and subsidies	31,004	195	-	31,199	31,119	80	99.7%	40,390	40,388
Payment for capital assets	104,025	(1,336)	-	102,689	101,656	1,033	99.0%	126,258	113,308
3. Roads Infrastructure									
Current payment	350,587	65,748	3,776	420,111	419,872	239	99.9%	382,490	373,452
Transfers and subsidies	56,295	113	-	56,408	52,934	3,474	93.8%	33,733	28,447
Payment for capital assets	939,700	(65,861)	-	873,839	873,582	257	100.0%	890,544	865,158
4. Public Transport									
Current payment	112,012	12,692	(1,400)	123,304	120,654	2,650	97.9%	87,574	86,230
Transfers and subsidies	65,240	-	-	65,240	44,133	21,107	67.6%	56,257	52,250
Payment for capital assets	22,535	(12,692)	-	9,843	9,515	328	96.7%	21,215	21,103
5. Traffic Management									
Current payment	199,183	(59)	8,774	207,898	207,843	55	100.0%	214,689	214,673
Transfers and subsidies	535	4	-	539	538	1	99.8%	45,192	45,161
Payment for capital assets	1,696	55	-	1,751	1,718	33	98.1%	3,321	3,318
6. Community Based Programmes									
Current payment	43,565	(104)	(3,610)	39,851	28,668	11,183	71.9%	41,994	41,500
Transfers and subsidies	14	1	-	15	14	1	93.3%	8,960	8,958
Payment for capital assets	1,555	103	-	1,658	566	1,092	34.1%	17,304	10,013
Total	2,388,183	-	-	2,388,183	2,344,477	43,706	98.2%	2,321,437	2,254,031
Reconciliation with Statement of Financial Performance									
Add: Prior year unauthorised expenditure approved with funding				961	-				
Departmental receipts				105,955	-			80,308	-
Actual amounts per Statements of Financial Performance (Total revenue)				2,495,099	-			2,401,745	-
Add: Prior year unauthorised expenditure approved					961				
Actual amounts per Statements of Financial Performance (Total expenditure)					2,345,438				2,254,031

WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
APPROPRIATION STATEMENT
for the year ended 31 MARCH 2008

Appropriation per economic classification									
	2007/08						2006/2007		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	238,099	(17,896)	(6,564)	213,639	210,835	2,804	98.7%	182,611	181,113
Goods and services	915,031	97,030	6,564	1,018,625	1,006,051	12,574	98.8%	887,661	877,040
Financial transactions in assets and liabilities	145	191	-	336	334	2	99.4%	610	609
Transfers and subsidies to:									
Provinces and municipalities	149,234	-	-	149,234	125,764	23,470	84.3%	135,744	127,529
Departmental agencies and accounts	350	-	-	350	-	350	0.0%	45,154	45,154
Public corporations and private enterprises	1,606	-	-	1,606	500	1,106	31.1%	2,582	1,582
Non-profit institutions	-	-	-	-	-	-	0.0%	4	4
Households	11,416	313	-	11,729	11,586	143	98.8%	4,710	4,578
Payment for capital assets									
Buildings and other fixed structures	1,016,108	(63,577)	-	952,531	951,929	602	99.9%	978,896	934,861
Machinery and equipment	33,022	(18,965)	-	14,057	12,273	1,784	87.3%	35,996	34,550
Software and other intangible assets	10,641	6,927	-	17,568	17,154	414	97.6%	19,558	19,467
Land and subsoil assets	12,531	(4,023)	-	8,508	8,051	457	94.6%	27,911	27,544
Total	2,388,183	-	-	2,388,183	2,344,477	43,706	98.2%	2,321,437	2,254,031

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008**

Programme 1: Administration	2007/08							2006/2007	
	Adjusted	Shifting of		Final	Actual		Expenditure	Final	Actual
	Appropriation	Funds	Virement	Appropriation	Expenditure	Variance	as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the Prov. Minister									
Current payment	4,752	711		5,283	5,281	2	100.0%	5,958	5,642
Transfers and subsidies	-	-		-	-	-	0.0%	43	43
Payment for capital assets	189	-		189	24	165	12.7%	88	87
1.2 Head of Department									
Current payment	42,591	5,244		47,835	47,822	13	100.0%	22,874	22,856
Transfers and subsidies	1,144	-		1,144	1,110	34	97.0%	10	7
Payment for capital assets	1,230	-		1,230	889	341	72.3%	2,363	2,360
1.3 Corporate support									
Current payment	63,376	(6,048)		57,328	57,180	148	99.7%	35,073	34,377
Transfers and subsidies	8,374	-		8,374	8,002	372	95.6%	3,609	3,593
Payment for capital assets	1,372	93		1,465	1,457	8	99.5%	1,268	1,075
Total	122,848	-	-	122,848	121,765	1,083	99.1%	71,286	70,040
Economic Classification	2007/08							2006/2007	
	Adjusted	Shifting of		Final	Actual		Expenditure	Final	Actual
	Appropriation	Funds	Virement	Appropriation	Expenditure	Variance	as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	41,961	(8,032)	-	33,929	33,767	162	99.5%	25,419	25,086
Goods and services	68,578	7,927	-	76,505	76,504	1	100.0%	38,186	37,490
Financial transactions in assets and liabilities	-	12	-	12	12	-	100.0%	300	299
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	0.0%	22	15
Departmental agencies and accounts	350	-	-	350	-	350	0.0%	-	-
Public corporations and private enterprises	500	-	-	500	500	-	100.0%	-	-
Households	8,668	-	-	8,668	8,612	56	99.4%	3,640	3,628
Payment for capital assets									
Machinery and equipment	1,791	60	-	1,851	1,678	173	90.7%	2,357	2,162
Software and other intangible assets	1,000	33	-	1,033	692	341	67.0%	1,362	1,360
Total	122,848	-	-	122,848	121,765	1,083	99.1%	71,286	70,040

WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008

Programme 2: Public Works	2007/08							2006/2007	
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	Funds		Appropriation	Expenditure		as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Programme support									
Current payment	29,641	1,287	-	30,928	30,843	85	99.7%	28,538	28,345
Transfers and subsidies	82	49	-	131	130	1	99.2%	110	110
Payment for capital assets	7,895	(1,336)	-	6,559	6,451	108	98.4%	3,500	3,487
2.2 Health									
Current payment	18,252	(145)	(1,564)	16,543	16,146	397	97.6%	13,558	13,557
Transfers and subsidies	162	145	-	307	306	1	99.7%	8	7
2.3 Education									
Current payment	19,458	-	(429)	19,029	18,788	241	98.7%	19,009	19,008
Transfers and subsidies	107	-	-	107	30	77	28.0%	244	244
2.4 Agriculture									
Current payment	-	-	-	-	-	-	0.0%	2,771	2,771
Payment for capital assets	9,805	(5,000)	-	4,805	4,292	513	89.3%	11,690	11,689
2.5 Social development									
Current payment	-	-	-	-	-	-	0.0%	2,548	2,547
2.6 Other infrastructure									
Current payment	70,422	6,989	(2,900)	74,511	74,468	43	99.9%	55,957	55,956
Transfers and subsidies	30,087	1	-	30,088	30,087	1	100.0%	40,022	40,022
Payment for capital assets	77,294	6,211	-	83,505	83,505	-	100.0%	73,150	60,581
2.7 Property management									
Current payment	199,616	(6,990)	(2,647)	189,979	189,655	324	99.8%	157,849	157,848
Transfers and subsidies	566	-	-	566	566	-	100.0%	6	5
Payment for capital assets	9,031	(1,211)	-	7,820	7,408	412	94.7%	37,918	37,551
Total	472,418	-	(7,540)	464,878	462,675	2,203	99.5%	446,878	433,728

Economic Classification	2007/08							2006/2007	
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Expenditure	Final	Actual
	Appropriation	Funds		Appropriation	Expenditure		as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	76,576	218	(5,164)	71,630	71,195	435	99.4%	63,345	63,151
Goods and services	260,771	871	(2,376)	259,266	258,612	654	99.7%	216,794	216,790
Financial transactions in assets and liabilities	42	52	-	94	93	1	98.9%	91	91
Transfers and subsidies to:									
Provinces and municipalities	30,000	-	-	30,000	30,000	-	100.0%	40,041	40,040
Households	1,004	195	-	1,199	1,119	80	93.3%	349	348
Payment for capital assets									
Buildings and other fixed structures	87,099	1,211	-	88,310	87,797	513	99.4%	96,126	83,556
Machinery and equipment	7,895	(1,336)	-	6,559	6,451	108	98.4%	1,914	1,901
Software and other intangible assets	-	-	-	-	-	-	0.0%	1,586	1,586
Land and subsoil assets	9,031	(1,211)	-	7,820	7,408	412	94.7%	26,632	26,265
Total	472,418	-	(7,540)	464,878	462,675	2,203	99.5%	446,878	433,728

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008**

Programme 3: Roads Infrastructure	2007/08							2006/2007	
	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
3.1 Programme support									
Current payment	14,253	(329)	-	13,924	13,583	71	99.5%	14,283	14,108
Transfers and subsidies	288	169	-	457	457	-	100.0%	314	313
Payment for capital assets	1,728	(1,219)	-	509	450	59	88.4%	2,993	2,856
3.2 Planning									
Current payment	5,380	(651)	-	4,729	4,715	14	99.7%	2,874	2,865
Transfers and subsidies	3,250	51	-	3,301	3,301	-	100.0%	2,702	2,702
Payment for capital assets	34,790	5,576	-	40,366	40,307	59	99.9%	43,928	43,746
3.3 Design									
Current payment	16,875	842	-	17,717	17,676	41	99.8%	13,368	13,317
Transfers and subsidies	175	(165)	-	10	6	4	60.0%	86	20
Payment for capital assets	82,232	(3,854)	-	78,378	78,262	116	99.9%	80,234	79,948
3.4 Construction									
Transfers and subsidies	38,085	-	-	38,085	38,017	68	99.8%	20,746	16,866
Payment for capital assets	528,134	(34,564)	-	493,570	493,564	6	100.0%	432,135	432,134
3.5 Maintenance									
Current payment	314,079	65,886	3,776	383,741	383,628	113	100.0%	351,965	343,162
Transfers and subsidies	14,497	58	-	14,555	11,153	3,402	76.6%	9,885	8,546
Payment for capital assets	292,816	(31,800)	-	261,016	260,999	17	100.0%	331,254	306,474
Total	1,346,582	-	3,776	1,350,358	1,346,388	3,970	99.7%	1,306,767	1,267,057

Economic Classification	2007/08							2006/2007	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	74,132	(6,017)	-	68,115	67,937	178	99.7%	61,624	61,385
Goods and services	276,352	71,640	3,776	351,768	351,708	60	100.0%	320,647	311,848
Financial transactions in assets and liabilities	103	125	-	228	227	1	99.6%	219	219
Transfers and subsidies to:									
Provinces and municipalities	55,101	-	-	55,101	51,631	3,470	93.7%	33,044	27,847
Households	1,194	113	-	1,307	1,303	4	99.7%	689	600
Payment for capital assets									
Buildings and other fixed structures	926,024	(61,803)	-	864,221	864,132	89	100.0%	866,128	841,347
Machinery and equipment	2,116	192	-	2,308	2,228	80	96.5%	12,783	12,265
Software and other intangible assets	8,060	(1,438)	-	6,622	6,579	43	99.4%	10,354	10,267
Land and subsoil assets	3,500	(2,812)	-	688	643	45	93.5%	1,279	1,279
Total	1,346,582	-	3,776	1,350,358	1,346,388	3,970	99.7%	1,306,767	1,267,057

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008**

Programme 4: Public Transport	2007/08							2006/2007	
	Adjusted	Shifting of		Final	Actual		Expenditure	Final	Actual
	Appropriation	Funds	Virement	Appropriation	Expenditure	Variance	as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Programme support									
Current payment	8,304	(369)	-	7,935	7,049	886	88.8%	3,485	3,481
Transfers and subsidies	1	-	-	1	-	1	0.0%	4	2
Payment for capital assets	101	223	-	324	323	1	99.7%	635	596
4.2 Planning									
Current payment	18,680	9,978	-	28,658	28,437	221	99.2%	20,700	20,300
Transfers and subsidies	14,239	-	-	14,239	13,133	1,106	92.2%	3	2
Payment for capital assets	19,324	(10,345)	-	8,979	8,653	326	96.4%	17,076	17,070
4.3 Infrastructure									
Current payment	1,365	-	-	1,365	1,306	59	95.7%	3,029	2,992
Transfers and subsidies	51,000	-	-	51,000	31,000	20,000	60.8%	49,738	46,737
Payment for capital assets	2,985	(2,985)	-	-	-	-	0.0%	-	-
4.4 Empowerment and institutional man									
Current payment	34,591	7,346	-	41,937	41,933	4	100.0%	20,501	20,391
Transfers and subsidies	-	-	-	-	-	-	0.0%	1,507	505
Payment for capital assets	25	367	-	392	392	-	100.0%	65	-
4.5 Operator safety and compliance									
Current payment	12,830	(43)	-	12,787	12,019	768	94.0%	4,118	3,685
Transfers and subsidies	-	-	-	-	-	-	0.0%	5,001	5,001
Payment for capital assets	-	43	-	43	43	-	100.0%	1,453	1,452
4.6 Regulation and control									
Current payment	36,242	(4,220)	(1,400)	30,622	29,910	712	97.7%	35,741	35,381
Transfers and subsidies	-	-	-	-	-	-	0.0%	4	3
Payment for capital assets	100	5	-	105	104	1	99.0%	1,986	1,985
Total	199,787	-	(1,400)	198,387	174,302	24,085	87.9%	165,046	159,583

Economic Classification	2007/08							2006/2007	
	Adjusted	Shifting of		Final	Actual		Expenditure	Final	Actual
	Appropriation	Funds	Virement	Appropriation	Expenditure	Variance	as % of final appropriation	Appropriation	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	24,325	(1,761)	(1,400)	21,164	20,076	1,088	94.9%	15,522	15,291
Goods and services	87,687	14,451	-	102,138	100,576	1,562	98.5%	72,052	70,939
Financial transactions in assets and liabilities	-	2	-	2	2	-	100.0%	-	-
Transfers and subsidies to:									
Provinces and municipalities	64,133	-	-	64,133	44,133	20,000	68.8%	54,751	51,745
Public corporations and private enterprises	1,106	-	-	1,106	-	1,106	0.0%	1,500	500
Non-profit institutions	-	-	-	-	-	-	0.0%	4	4
Households	1	-	-	1	-	1	0.0%	2	1
Payment for capital assets									
Buildings and other fixed structures	2,985	(2,985)	-	-	-	-	0.0%	-	-
Machinery and equipment	19,550	(18,217)	-	1,333	1,006	327	75.5%	18,023	17,912
Software and other intangible assets	-	8,510	-	8,510	8,509	1	100.0%	3,192	3,191
Total	199,787	-	(1,400)	198,387	174,302	24,085	87.9%	165,046	159,583

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008**

Programme 5: Traffic Management	2007/08							2006/2007	
	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
5.1 Programme support									
Current payment	2,045	265	-	2,310	2,303	7	99.7%	2,244	2,243
Transfers and subsidies	-	-	-	-	-	-	0.0%	3	1
Payment for capital assets	1,039	(450)	-	589	566	23	96.1%	226	225
5.2 Safety engineering									
Current payment	1,187	(12)	-	1,175	1,162	13	98.9%	954	944
Transfers and subsidies	-	2	-	2	2	-	100.0%	1	-
Payment for capital assets	16	-	-	16	8	8	50.0%	112	111
5.3 Transport admin and licensing									
Current payment	180,712	624	8,774	190,110	190,105	5	100.0%	197,219	197,219
Transfers and subsidies	535	2	-	537	536	1	99.8%	45,188	45,160
Payment for capital assets	641	505	-	1,146	1,144	2	99.8%	2,983	2,982
5.4 Overload control									
Current payment	15,239	(936)	-	14,303	14,273	30	99.8%	14,272	14,267
Total	201,414	-	8,774	210,188	210,099	89	100.0%	263,202	263,152

Economic Classification	2007/08							2006/2007	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	17,010	(5,101)	-	11,909	11,896	13	99.9%	11,069	11,059
Goods and services	182,173	5,042	8,774	195,989	195,947	42	100.0%	203,620	203,614
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	0.0%	8	6
Departmental agencies and accounts	-	-	-	-	-	-	0.0%	45,154	45,154
Households	535	4	-	539	538	1	99.8%	30	1
Payment for capital assets									
Machinery and equipment	418	(50)	-	368	344	24	93.5%	257	255
Software and other intangible assets	1,278	105	-	1,383	1,374	9	99.3%	3,064	3,063
Total	201,414	-	8,774	210,188	210,099	89	100.0%	263,202	263,152

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
DETAIL PER PROGRAMME
for the year ended 31 March 2008**

Programme 6: Community Based Programmes	2007/08							2006/2007	
	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
6.1 Programme support									
Current payment	5,544	269	-	5,813	5,808	5	99.9%	6,225	5,904
Transfers and subsidies	14	1	-	15	14	1	93.3%	4	3
Payment for capital assets	451	103	-	554	533	21	96.2%	262	-
6.2 Empowerment impact assessment									
Current payment	9,210	-	-	9,210	8,525	685	92.6%	24,890	24,850
Transfers and subsidies	-	-	-	-	-	-	0.0%	1,084	1,083
Payment for capital assets	488	-	-	488	20	468	4.1%	344	-
6.3 Community development									
Current payment	13,060	-	-	13,060	8,054	5,006	61.7%	9,798	9,797
Transfers and subsidies	-	-	-	-	-	-	0.0%	7,871	7,871
Payment for capital assets	216	-	-	216	-	216	0.0%	16,642	9,958
6.4 Emerging contractor development									
Current payment	15,751	(373)	(3,610)	11,768	6,281	5,487	53.4%	1,081	949
Transfers and subsidies	-	-	-	-	-	-	0.0%	1	1
Payment for capital assets	400	-	-	400	13	387	3.3%	56	55
Total	45,134	-	(3,610)	41,524	29,248	12,276	70.4%	68,258	60,471

Economic Classification	2007/08							2006/2007	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	4,095	2,797	-	6,892	5,964	928	86.5%	5,632	5,141
Goods and services	39,470	(2,901)	(3,610)	32,959	22,704	10,255	68.9%	36,362	36,359
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	0.0%	7,878	7,876
Public corporations and private enterprises	-	-	-	-	-	-	0.0%	1,082	1,082
Households	14	1	-	15	14	1	93.3%	-	-
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	0.0%	16,642	9,958
Machinery and equipment	1,252	386	-	1,638	566	1,072	34.6%	662	55
Software and other intangible assets	303	(283)	-	20	-	20	0.0%	-	-
Total	45,134	-	(3,610)	41,524	29,248	12,276	70.4%	68,258	60,471

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2008

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
 Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexures 1B to 1F 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 financial transactions in assets and liabilities**
 Detail of these transactions can be viewed in note 5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.
4. **Explanations of material variances from amounts voted (after Virement):**

4.1 Per Programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Programme 4: Public Transport	198,387	174,302	24,085	12.1%

The capital transfer payment of R20m to the City of Cape Town was not effected due to the lack of progress with a project. The transfer payment to the South African Rail Commuter Corporation (SARCC) of R1,1m could not be effected between the Department and the SARCC by 31 March 2008.
 Underspending on compensation of employees and related items due to posts not being filled as planned.

Programme 6: Community Based Programmes	41,524	29,248	12,276	29.6%
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An agreement with a service provider for the implementation of the Social Transformation Programme (STP 21) could not be effected before the end of the financial year.

4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation
Current expenditure				
Compensation of employees	213,639	210,835	2,804	1.3%
Goods and services	1,018,625	1,006,051	12,574	1.2%
Financial transactions in assets and liabilities	336	334	2	0.6%
Transfers and subsidies				
Provinces and municipalities	149,234	125,764	23,470	15.7%
Departments and agency accounts	350	-	350	100.0%
Public corporations and private enterprises	1,606	500	1,106	68.9%
Households	11,729	11,586	143	1.2%
Payments for capital assets				
Buildings and other fixed assets	952,531	951,929	602	0.1%
Machinery and equipment	14,057	12,273	1,784	12.7%
Software and other intangible assets	17,568	17,154	414	2.4%
Land and subsoil assets	8,508	8,051	457	5.4%

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2008

	<i>Note</i>	2007/08 R'000	2006/07 R'000
REVENUE			
Annual appropriation	1	2,388,183	2,321,437
Appropriation for unauthorised expenditure approved	8	961	-
Departmental revenue	2	105,955	80,308
TOTAL REVENUE		<u>2,495,099</u>	<u>2,401,745</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	3	210,835	181,113
Goods and services	4	1,006,051	877,040
Financial transactions in assets and liabilities	5	334	609
Unauthorised expenditure approved	8	961	-
Total current expenditure		<u>1,218,181</u>	<u>1,058,762</u>
Transfers and subsidies	6	137,850	178,847
Expenditure for capital assets			
Buildings and other fixed structures	7	951,929	934,861
Machinery and Equipment	7	12,273	34,550
Software and other intangible assets	7	17,154	19,467
Land and subsoil assets	7	8,051	27,544
Total expenditure for capital assets		<u>989,407</u>	<u>1,016,422</u>
TOTAL EXPENDITURE		<u>2,345,438</u>	<u>2,254,031</u>
SURPLUS		149,661	147,714
SURPLUS FOR THE YEAR		<u>149,661</u>	<u>147,714</u>
Reconciliation of Net Surplus for the year			
Voted funds	12	43,706	67,406
Departmental Revenue	13	105,955	80,308
SURPLUS FOR THE YEAR		<u>149,661</u>	<u>147,714</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**STATEMENT OF FINANCIAL POSITION
at 31 March 2008**

	<i>Note</i>	2007/08 R'000	2006/07 R'000
ASSETS			
Current assets		249,969	194,371
Unauthorised expenditure	<i>8</i>	-	961
Cash and cash equivalents	<i>9</i>	241,867	189,067
Prepayments and advances	<i>10</i>	290	181
Receivables	<i>11</i>	7,812	4,162
TOTAL ASSETS		<u>249,969</u>	<u>194,371</u>
LIABILITIES			
Current liabilities		249,969	194,371
Voted funds to be surrendered to the Revenue Fund	<i>12</i>	43,706	67,406
Departmental revenue to be surrendered to the Revenue Fund	<i>13</i>	29,501	23,806
Payables	<i>14</i>	176,762	103,159
TOTAL LIABILITIES		<u>249,969</u>	<u>194,371</u>
NET ASSETS		<u>-</u>	<u>-</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**CASH FLOW STATEMENT
for the year ended 31 March 2008**

	<i>Note</i>	2007/08 R'000	2006/07 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3,287,802	3,199,069
Annual appropriated funds received	1	2,388,183	2,321,437
Appropriation for unauthorised expenditure received		961	-
Departmental revenue received		898,658	877,632
Net (increase)/decrease in working capital		69,844	40,204
Surrendered to Revenue Fund		(1,016,725)	(978,275)
Current payments		(1,217,220)	(1,058,762)
Transfers and subsidies paid		(137,850)	(178,847)
Net cash flow available from operating activities	15	<u>985,851</u>	<u>1,023,389</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for capital assets		(989,407)	(1,016,422)
Proceeds from sale of capital assets	2	56,356	19,723
Net cash flows from investing activities		<u>(933,051)</u>	<u>(996,699)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase/(decrease) in cash and cash equivalents		52,800	26,690
Cash and cash equivalents at the beginning of the period		189,067	162,377
Cash and cash equivalents at end of period	16	<u>241,867</u>	<u>189,067</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, 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, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2007.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the appropriation statement.

2. Revenue

2.1 Appropriated funds

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

Total appropriated funds are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

2.2 Departmental revenue

All departmental revenue is paid into the Provincial Revenue Fund when received, unless otherwise stated. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

2.2.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties & forfeits).

Tax receipts are recognised in the statement of financial performance when received.

2.2.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

2.2.3 Fines, penalties & forfeits

Fines, penalties & forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

2.2.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the statement of financial performance when the cash is received.

2.2.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

2.2.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the Statement of Financial Performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Forex gains are recognised on payment of funds.

2.2.7 Transfers received (including gifts, donations and sponsorships)

All cash gifts, donations and sponsorships are paid into the Provincial Revenue Fund and recorded as revenue in the Statement of Financial Performance when received. Amounts receivable at the reporting date are disclosed in the disclosure notes to the financial statements.

All in-kind gifts, donations and sponsorships are disclosed at fair value in an annexure to the financial statements.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

All other payments are classified as current expense.

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.1.2 Post retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

Forex losses are recognised on payment of funds.

All **other losses** are recognised when authorisation has been granted for the recognition thereof.

3.5 Unauthorised expenditure

When discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

3.6 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.7 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

3.8 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

4. Assets

4.1 Cash and cash equivalents

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

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.

4.2 Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party.

Receivables outstanding at year-end are carried in the statement of financial position at cost.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the statement of financial performance when the cash is received.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the statement of financial position at cost.

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

4.8 Capital assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the capital asset should be stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

Projects (of construction/development) running over more than one financial year relating to assets, are only capitalised as assets on completion of the project and at the total cost incurred over the duration of the project.

Disclosure Notes 27 and 28 reflect the total movement in the asset register for the current financial year.

5. Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the statement of financial position at cost.

5.3 Bank overdraft

The bank overdraft is carried in the statement of position at cost.

5.4 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the statement of financial position.

5.5 Contingent liabilities

Contingent liabilities are included in the disclosure notes.

5.6 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.7 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.8 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**ACCOUNTING POLICIES
for the year ended 31 March 2008**

5.9 Lease commitments

Lease commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

Operating and finance lease commitments are expensed when the payments are made. Assets acquired in terms of finance lease agreements are disclosed in the annexures and disclosure notes to the financial statements.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are transferred to the Provincial Revenue Fund on disposal, repayment or recovery of such amounts.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

1. Annual Appropriation

1.1 Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Equitable Share):**

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2006/07 R'000
Administration	122,848	122,848	-	71,286
Public Works	464,878	464,878	-	446,878
Roads Infrastructure	1,350,358	1,350,358	-	1,306,767
Public Transport	198,387	198,387	-	165,046
Traffic Management	210,188	210,188	-	263,202
Community Based Programmes	41,524	41,524	-	68,258
Total	<u>2,388,183</u>	<u>2,388,183</u>	<u>-</u>	<u>2,321,437</u>

1.2 Conditional grants	<i>Note</i>	2007/08	2006/07
Total grants received	ANNEXURE 1A	<u>296,630</u>	<u>234,286</u>

** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1.

**2. Departmental revenue to be surrendered to revenue fund
Description**

	<i>Note</i>	2007/08 R'000	2006/07 R'000
Tax revenue		794,175	797,291
Sales of goods and services other than capital assets	2.1	52,539	49,226
Interest, dividends and rent on land	2.2	7	19
Sales of capital assets	2.3	56,356	19,723
Financial transactions in assets and liabilities	2.4	51,937	26,917
Transfer received	2.5	-	4,179
Total revenue collected		<u>955,014</u>	<u>897,355</u>
Less: Departmental Revenue Budgeted	13	<u>849,059</u>	<u>817,047</u>
Departmental revenue collected		<u>105,955</u>	<u>80,308</u>

2.1 Sales of goods and services other than capital assets

	2007/08 R'000	2006/07 R'000
Sales of goods and services produced by the department	52,438	49,195
Sales by market establishment	30,080	30,845
Administrative fees	17,759	16,706
Other sales	4,599	1,644
Sales of scrap, waste and other used current goods	101	31
Total	<u>52,539</u>	<u>49,226</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

2.2	Interest, dividends and rent on land	<i>Note</i>	2007/08 R'000	2006/07 R'000
	Interest		7	19
	Total		<u>7</u>	<u>19</u>
2.3	Sale of capital assets		2007/08 R'000	2006/07 R'000
	Land and subsoil assets		56,356	19,723
	Total		<u>56,356</u>	<u>19,723</u>
2.4	Financial transactions in assets and liabilities		2007/08 R'000	2006/07 R'000
	Other receipts		51,937	26,917
	Total		<u>51,937</u>	<u>26,917</u>
2.5	Transfers received		2007/08 R'000	2006/07 R'000
	Other governmental units		-	3,359
	Public corporations and private enterprises		-	820
	Total		<u>-</u>	<u>4,179</u>
3	Compensation of employees		2007/08 R'000	2006/07 R'000
3.1	Salaries and Wages		R'000	R'000
	Basic salary		149,143	128,994
	Performance award		56	5
	Service Based		664	479
	Compensative/circumstantial		3,598	3,466
	Periodic payments		1,236	2,331
	Other non-pensionable allowances		29,859	23,889
			<u>184,556</u>	<u>159,164</u>
3.2	Social contributions		2007/08 R'000	2006/07 R'000
3.2.1	Employee contributions		R'000	R'000
	Pension		16,822	14,858
	Medical		9,409	7,048
	Bargaining council		44	43
	Insurance		4	-
			<u>26,279</u>	<u>21,949</u>
	Total compensation of employees		<u>210,835</u>	<u>181,113</u>
	Average number of employees		<u>1,531</u>	<u>1,458</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

4. Goods and services

	<i>Note</i>	2007/08 R'000	2006/07 R'000
Advertising		6,857	7,414
Bank charges and card fees		79	139
Bursaries (employees)		637	220
Catering		2,160	4,601
Communication		13,447	14,406
Computer services		26,105	16,657
Consultants, contractors and special services		189,972	107,566
Courier and delivery services		361	117
Tracing agents & Debt collections		18	11
Drivers' licences and permits		13	16
Entertainment		71	84
External audit fees	4.1	5,416	4,945
Equipment less than R5000		6,077	10,994
Freight service		-	4
Inventory	4.2	22,993	28,772
Legal fees		997	1,119
License agency fees		151,865	161,307
Maintenance, repairs and running cost		360,483	318,501
Medical services		230	340
Operating leases		130,431	124,793
Personnel agency fees		-	116
Photographic services		11	2
Plant flowers and other decorations		146	83
Printing and publications		378	164
Professional bodies and membership fees		-	28
Resettlement cost		314	710
Road laboratories		37	19
Subscriptions		338	269
Owned leasehold property expenditure		50,390	40,154
Translations and transcriptions		61	68
Transport provided as part of the departmental activities		93	1,977
Travel and subsistence	4.3	18,547	16,572
Venues and facilities		2,716	5,925
Protective, special clothing & uniforms		146	788
Training & staff development		14,662	8,159
		1,006,051	877,040

	2007/08 R'000	2006/07 R'000
4.1 External audit fees		
Regularity audits	4,929	4,130
Performance audits	487	815
Total external audit fees	5,416	4,945

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

	<i>Note</i>	2007/08 R'000	2006/07 R'000
4.2 Inventory (purchased during the year)			
Domestic consumables		450	433
Agricultural		387	2,842
Fuel, oil and gas		167	99
Laboratory consumables		66	82
Other consumables		581	791
Parts and other maintenance material		10,278	13,855
Stationery and printing		9,971	9,770
Road construction and supplies		1,083	899
Medical supplies		10	1
		22, 993	28,772
		2007/08 R'000	2006/07 R'000
4.3 Travel and subsistence			
Local		16,337	15,628
Foreign		2,210	944
Total travel and subsistence		18,547	16,572
		2007/08 R'000	2006/07 R'000
5. Financial transactions in assets and liabilities			
Material losses through criminal conduct		3	25
- Theft	5.3	3	25
Other material losses written off	5.1	149	189
Debts written off	5.2	182	395
		334	609
		2007/08 R'000	2006/07 R'000
5.1 Other material losses written-off			
Nature of losses			
Other losses (8 cases)		2	-
Accidents: Government Motor Transport vehicles (7 cases)		31	43
Damage to departmental PA vehicles (20 cases)		116	95
Interest Property Management (1 case)		-	51
		149	189
		2007/08 R'000	2006/07 R'000
5.2 Debts written off			
Nature of debts written off			
Other debts (6 cases)		74	100
Staff debts (54 cases)		-	295
Dishonoured cheques (37 cases)		108	-
		182	395

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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5.3	Details of theft		2007/08	2006/07
			R'000	R'000
	Theft (6 cases)		3	1
	Water pump		-	24
			3	25
6.	Transfers and subsidies		2007/08	2006/07
			R'000	R'000
	Provinces and municipalities	<i>ANNEXURE 1B</i>	125,764	127,529
	Departmental agencies and accounts	<i>ANNEXURE 1C</i>	-	45,154
	Public corporations and private enterprises	<i>ANNEXURE 1D</i>	500	1,582
	Non-profit institutions	<i>ANNEXURE 1E</i>	-	4
	Households	<i>ANNEXURE 1F</i>	11,586	4,578
			137,850	178,847
			2007/08	2006/07
			R'000	R'000
7.	Expenditure for capital assets			
	Buildings and other fixed structures	27	951,929	934,861
	Machinery and equipment	27	12,273	34,550
	Land and subsoil assets	27	8,051	27,544
	Software and other intangible assets		17,154	19,467
	Capitalised Development Costs	28	16,531	17,524
	Computer Software	28	623	1,943
	Total		989,407	1,016,422
			2007/08	2006/07
			R'000	R'000
8	Unauthorised expenditure			
	8.1. Reconciliation of unauthorised expenditure			
	Opening balance *		961	961
	Amounts approved by Parliament/Legislature (with funding)		(961)	-
	Unauthorised expenditure awaiting authorisation		-	961
			-	961
*Year disallowed: 1994/95 - Temporary personnel appointed to capture backlogs of motor vehicle registration and licensing transactions due to the implementation of the National Traffic Information System. Workman's Compensation Act payments. Flood disaster damage to Roads. Payments in respect of 56 claims against the Administration, thefts and losses, which resulted in over expenditure.				
9.	Cash and cash equivalents	<i>Note</i>	2007/08	2006/07
			R'000	R'000
	Consolidated Paymaster General Account		5,885	1,099
	Cash on hand		7	7
	**Cash with commercial banks		235,975	187,961
			241,867	189,067

** Refer to note 16

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

		2007/08	2006/07
		R'000	R'000
10.	Prepayments and advances		
	Description		
	Travel and subsistence	290	181
		<u>290</u>	<u>181</u>
11.	Receivables	2007/08	2006/07
		R'000	R'000
		Less than	One to
		one year	three
			years
			Older than
			three years
		Total	Total
	Staff debtors	381	31
		1,310	1,001
	Other debtors	4,192	-
		5,883	1,032
	Claims Recoverable	-	897
		<u>7,812</u>	<u>4,162</u>
		859	578
		2,761	1,836
		4,192	1,748
		<u>7,812</u>	<u>4,162</u>
		2007/08	2006/07
		R'000	R'000
11.1	Staff debtors		
	Salary tax debt	-	4
	Salary reversal control	-	9
	Debt Accounts	859	565
		<u>859</u>	<u>578</u>
11.2	Other debtors	2007/08	2006/07
		R'000	R'000
	Disallowances: Miscellaneous	1,551	657
	Disallowances: Damages & Losses	268	200
	Dishonoured Cheques	126	212
	Agency Service Control Account	317	342
	Claims Recoverable: Households & Non-Profit Institutions	425	340
	Claims Recoverable: Local Governments	74	85
		<u>2,761</u>	<u>1,836</u>
12.	Voted funds to be surrendered to the Revenue Fund	2007/08	2006/07
		R'000	R'000
	Opening balance	67,406	24,114
	Transfer from Statement of Financial Performance	43,706	67,406
	Paid during the year	(67,406)	(24,114)
	Closing balance	<u>43,706</u>	<u>67,406</u>

Note

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

		2007/08	2006/07
13. Departmental revenue to be surrendered to the Revenue Fund		R'000	R'000
Opening balance		23,806	80,612
Transfer from Statement of Financial Performance	2	105,955	80,308
Departmental revenue budgeted		849,059	817,047
Paid during the year		<u>(949,319)</u>	<u>(954,161)</u>
Closing balance		<u><u>29,501</u></u>	<u><u>23,806</u></u>
14. Payables – current		2007/08	2006/07
Description		R'000	R'000
		Total	Total
	<i>Notes</i>	30 Days	30+ Days
Clearing accounts	14.1	509	-
Other payables	14.2	165	176,088
		<u>674</u>	<u>176,088</u>
		<u><u>176,762</u></u>	<u><u>176,762</u></u>
			<u><u>103,159</u></u>
14.1 Clearing accounts		2007/08	2006/07
		R'000	R'000
Salary Income Tax (Persal)		501	268
Salary Financial Institutions (Persal)		-	1
Salary Pension Fund		7	-
Salary Bargaining Council		1	-
		<u>509</u>	<u>269</u>
14.2 Other payables		2007/08	2006/07
		R'000	R'000
Debt: Receivable Interest		165	121
Guarantees for rehabilitation		2,201	4,101
Trading Account: GMT		164,028	98,218
Tender Deposits		500	450
Skills and Training		9,359	-
		<u>176,253</u>	<u>102,890</u>
15. Net cash flow available from operating activities		2007/08	2006/07
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		149,661	147,714
Add back non-cash/cash movements not deemed operating activities		836,190	875,675
(Increase)/decrease in receivables – current		(3,650)	1,028
(Increase)/decrease in prepayments and advances		(109)	142
(Increase)/decrease in other current assets		961	-
Increase/(decrease) in payables – current		73,603	39,034
Proceeds from sale of capital assets		(56,356)	(19,723)
Surrenders to Revenue Fund		(1,016,725)	(978,275)
Expenditure on capital assets		989,407	1,016,422
Other non cash items		849,059	817,047
Net cash flow generated by operating activities		<u><u>985,851</u></u>	<u><u>1,023,389</u></u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

	2007/08	2006/07
	R'000	R'000
16. Reconciliation of cash and cash equivalents for cash flow purposes		
Consolidated Paymaster General Account	5,885	1,099
Cash on hand	7	7
*Cash with commercial banks	235,975	187,961
	<u>241,867</u>	<u>189,067</u>

*Cash with commercial banks represents cash not required by the departments for immediate use and is invested by the Provincial Treasury at various commercial banks. Interest earned on these investments is reflected in the financial statements of the Provincial Revenue Fund.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the financial statements.

	<i>Note</i>	2007/08 R'000	2006/07 R'000
17. Contingent liabilities			
Liable to	Nature		
Housing loan guarantees	Employees	348	707
Claims against the department		25,590	19,967
Inter-Governmental Payables (unconfirmed balances)		55	6
		<u>25,993</u>	<u>20,680</u>
18. Commitments		2007/08 R'000	2006/07 R'000
Current expenditure			
Approved and contracted		73,893	74,061
Approved but not yet contracted		47,176	22,964
		<u>121,069</u>	<u>97,025</u>
Capital expenditure			
Approved and contracted		485,470	816,831
Approved but not yet contracted		13,614	48,737
		<u>499,084</u>	<u>865,568</u>
Total Commitments		<u>620,153</u>	<u>962,593</u>
19. Accruals		2007/08 R'000	2006/07 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Compensation of employees	262	-	262
Goods and services**	31,816	9,389	41,205
Transfers and subsidies	490	318	808
Buildings and other fixed structures	36,685	2,574	39,259
Machinery and equipment	1,623	-	1,623
Land and subsoil assets	-	-	-
Software and other intangible assets	586	69	655
	<u>71,462</u>	<u>12,350</u>	<u>83,812</u>
Listed by programme level			
Programme 1 – Administration		13,243	1,257
Programme 2 – Public Works		9,826	20,366
Programme 3 – Roads Infrastructure		48,201	61,106
Programme 4 – Public Transport		6,738	821
Programme 5 – Traffic Management		3,885	7,011
Programme 6 – Community Based Programmes**		1,919	6,218
		<u>83,812</u>	<u>96,779</u>
Inter-Governmental Payables (confirmed balances)	<i>ANNEXURE 4</i>	883	2,919
Total		<u>883</u>	<u>2,919</u>

**Programme 6 – Community Based Programmes: 2006/2007 amount re-stated, as only discovered after completion of previous year's audit.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	<i>Note</i>	2007/08 R'000	2006/07 R'000
20. Employee benefits			
Leave entitlement		5,457	2,948
Thirteenth cheque		6,205	5,644
Capped leave commitments		21,189	21,272
Total		<u><u>32,851</u></u>	<u><u>29,864</u></u>

21. Lease Commitments

	Buildings and other fixed structures	Machinery and equipment	Total R'000
2007/2008			
Not later than 1 year	78,042	1,050	79,092
Later than 1 year and not later than 5 years	134,610	715	135,325
Later than five years	232,189	-	232,189
Total value of lease liabilities	<u><u>444,841</u></u>	<u><u>1,765</u></u>	<u><u>446,606</u></u>
2006/2007			
Not later than 1 year	78,012	1,269	79,281
Later than 1 year and not later than 5 years	175,404	1,412	176,816
Later than five years	-	-	-
Total value of lease liabilities	<u><u>253,416</u></u>	<u><u>2,681</u></u>	<u><u>256,097</u></u>

Included in the above-mentioned commitments are lease agreements in respect of schools for which periods are not specified. These lease agreements are effective as long as the schools are in existence. The Department has capped the lease period of these lease agreements at 2030, being the minimum period for which these leases will be in effect.

	2007/08 R'000	2006/07 R'000
22. Receivables for departmental revenue		
Tax revenue	209,167	214,463
Licence fees	63,253	51,649
Licence arrears	60,764	70,307
Licence penalties	77,711	87,136
Registration fees	1,910	2,864
Registration penalties	1,650	2,507
Other	3,879	
Sales of goods and services other than capital assets		
Outstanding property rentals	53,450	40,997
Total	<u><u>262,617</u></u>	<u><u>255,460</u></u>

*R 192,197m included in the above may not be recoverable and has not been written-off.

Outstanding licence fees on eNATIS amounts to R 182,400m that might be irrecoverable

Outstanding property rentals amounts to R 9,797m that might be irrecoverable

Outstanding licence fee collected by Kannaland Municipality R 2,043m

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

23. Related party transactions

During the year the department rendered services to related parties that are related to the department.

The department provided accommodation free of charge to the following departments:

- 1) Department of the Premier
- 2) Provincial Parliament
- 3) Provincial Treasury
- 4) Community Safety
- 5) Education
- 6) Health
- 7) Social Development
- 8) Local Government and Housing
- 9) Environmental Affairs and Development Planning
- 10) Agriculture
- 11) Economic Development and Tourism
- 12) Culture Affairs and Sport

During the year the department received services from related parties that are related to the department.

The department used IT related infrastructure provided by the Department of the Premier.

	<i>No of individuals</i>	2007/08	2006/07
		R'000	R'000
24. Key management personnel			
Political Office Bearers	1	937	857
Officials			
Level 15 to 16	3	2,376	2,387
Level 14	5	3,148	3,576
Total		<u><u>6,461</u></u>	<u><u>6,820</u></u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

25. Public Private Partnership

A concession agreement was concluded for the design, construction, financing, operating and maintaining of Chapman's Peak Drive as a toll road for 30 years. At the end of the concession period the road is returned to the Provincial Government of the Western Cape in a clearly defined condition. The agreement, which provides for both renewal and termination options, was signed on 21 May 2003. The partnership has been operational since 21 December 2003. However, in terms of Section 21.1.2 of the concession agreement a designated event has been in place since the opening of the toll road. The designated event will remain in place until such time that the Record of Decision for the construction of the permanent toll plazas that was issued on the 3 July 2005 is either confirmed or amended by the Minister of Environmental Affairs and Tourism in response to appeals against the Record of Decision. This ruling is a prerequisite for the transfer of commercial risk to the Concessionaire. Until then, the Province remains responsible for shortfalls in toll income.

	<i>Note</i>	2007/08 R'000	2006/07 R'000
Other			
Payments relating to designated events that were processed during the financial year		-	
- Capital		383	8,747
- Current		12,362	-
TOTAL		12,745	8,747

	2007/08 R'000	2006/07 R'000
26. Provisions		
Potential irrecoverable debts		
Staff debtors	198	106
Total	198	106

27. Tangible Capital Assets

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT	55,219	(3,990)	12,273	163	63,339
Transport assets	-	(8)	-	-	(8)
Computer equipment	24,637	378	5,658	112	30,561
Furniture and office equipment	23,604	(4,430)	1,232	-	20,406
Other machinery and equipment	6,978	70	5,383	51	12,380
TOTAL TANGIBLE ASSETS	55,219	(3,990)	12,273	163	63,339

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

27.1

ADDITIONS TO TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Cash	Non-cash	(Capital Work in Progress current costs)	Received current, not paid (Paid current year, received prior year)	Total
	Cost R'000	Fair Value R'000	Cost R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT	12,273	-	-	-	12,273
Transport assets	-	-	-	-	-
Computer equipment	5,658	-	-	-	5,658
Furniture and office equipment	1,232	-	-	-	1,232
Other machinery and equipment	5,383	-	-	-	5,383
TOTAL	12,273	-	-	-	12,273

27.2

DISPOSALS OF TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Sold (Cash)	Non-Cash	Total Cost	Cash Received Actual Cost
	Cost R'000	Fair Value R'000	Cost R'000	Cost R'000
MACHINERY AND EQUIPMENT	-	163	163	-
Computer equipment	-	112	112	-
Other machinery and equipment	-	51	51	-
TOTAL		-		

The National Treasury, in May 2008, granted exemption to all Provincial Departments of Public Works condoning the non-completion of immovable property disclosure note, due to the uncertainties with regard to the ownership of immovable assets between National and Provincial spheres of Government. Certain assets were not recognised due to the Government Immovable Asset Management Act, 2007. processes. The attached unaudited, schedule 1, detailing the nature of these assets, is attached for ease of reference.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

27.3

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	33,126	32,602	10,509	55,219
Transport assets	1,907	8,572	10,479	-
Computer equipment	19,484	5,183	30	24,637
Furniture and office equipment	5,936	17,668	-	23,604
Other machinery and equipment	5,799	1,179	-	6,978
TOTAL TANGIBLE ASSETS	33,126	32,602	10,509	55,219

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
CAPITALISED DEVELOPMENT COSTS	26,116	13,796	16,531	-	56,443
COMPUTER SOFTWARE	2,438	(2438)	623	-	623
TOTAL INTANGIBLE ASSETS	28,554	11,358	17,154	-	57,066

28.1

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Cash	Non-Cash	(Develop- ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	Cost R'000	Fair Value R'000	Cost R'000	Cost R'000	Cost R'000
CAPITALISED DEVELOPMENT COSTS	16,531	-	-	-	16,531
COMPUTER SOFTWARE	623	-	-	-	623
TOTAL	17,154	-	-	-	17,154

28.2

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	8,592	17,524	-	26,116
COMPUTER SOFTWARE	495	1,943	-	2,438
TOTAL	9,087	19,467	-	28,554

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF GRANT	GRANT ALLOCATION					SPENT			2006/07	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	% of available 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
Provincial Infrastructure Grant	251,319	45,311	-	-	296,630	296,630	296,630	100.0 %	234,286	189,446
Total	251,319	45,311	-	-	296,630	296,630	296,630		234,286	189,446

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 1B
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2006/07
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Municipalities – Western Cape	136,700	5,196	7,338	149,234	125,764	84.3%	125,764	66,493	52.9%	135,744
Total	136,700	5,196	7,338	149,234	125,764		125,764	66,493		135,744

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

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

AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Government Motor Transport	350	-	-	350	-	0.0 %	45,154
Total	350	-	-	350	-		45,154

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				TRANSFER				2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
SA Rail Commuter Corporation	500	-	1,106	1,606	500	31.1%	-	500	-
Independent Development Trust	-	-	-	-	-	0.0%	-	-	1,082
Casidra (Pty) Ltd	-	-	-	-	-	0.0%	-	-	1,500
Total	500	-	1,106	1,606	500			500	2,582

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

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

	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
NON-PROFIT INSTITUTIONS							
Transfers							
Gamka East Primary	-	-	-	-	-	0.0%	4
Total	-	-	-	-	-		<u>4</u>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 1F
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2006/07
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
Social Benefits	3,060	-	310	3,370	3,282	97.4 %	754
Bursaries (non-employees)	8,000	-	-	8,000	8,000	100.0 %	3,573
Claims against the State	289	-	-	289	288	99.7 %	307
Ex-gratia Payments	20	-	-	20	-	0.0 %	3
Donations & Gifts	47	-	2	49	16	32.7 %	73
Total	11,416	-	312	11,728	11,586		4,710

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08 R'000	2006/07 R'000
Received in cash			
ABSA Bank	Learnership 1000 Programme	-	300
Standard Bank	Woman in construction summit	-	500
NMC Pty Limited	Woman in construction summit	-	20
TOTAL		-	820

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1H

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE
FOR THE YEAR ENDED 31 MARCH 2008**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2007/08	2006/07
	R'000	R'000
Gifts – Personnel awards	16	15
Gifts – Budget speech	-	41
Gifts - Miscellaneous	-	7
Gifts – Counseling and Voluntary Testing (VCT)	-	10
Total	16	73

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2008 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2007	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced /released during the year	Closing balance 31 March 2008	Realised losses not Recoverable i.e claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	125	125	4	110	19	-
First Rand: FNB	Housing	148	148	19	70	97	-
ABSA	Housing	194	194	43	169	68	-
Nedbank	Housing	140	140	56	62	134	-
Old Mutual Bank	Housing	100	100	-	70	30	-
Total		707	707	122	481	348	-

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2008

Nature of Liability	Opening Balance 01/04/2007 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 31/03/2008 R'000
Claims against the department Road accident related claims	19,967	5,939	316		25,590
Total	19,967	5,939	316	-	25,590

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 3
INTER-GOVERNMENTAL RECEIVABLES**

GOVERNMENT ENTITY	Confirmed balance		Unconfirmed balance		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
Provincial Government Western Cape						
Department of Health	-	169	-	-	-	169
Department of Local Government & Housing	-	133	-	-	-	133
Department of Community Safety	-	246	-	-	-	246
Department of the Premier	-	743	-	20	-	763
Department of Culture Affairs & Sport	-	166	-	13	-	179
Department of Economic Development & Tourism	1	230	-	22	1	252
Department of Education	-	-	4,179	-	4,179	-
Other Departments						
SA Police Services	1	1	-	-	1	1
Defence	-	-	11	-	11	-
National Treasury: Pensions	-	5	-	-	-	5
TOTAL	2	1,693	4,190	55	4,192	1,748

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**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

**ANNEXURE 4
INTER-GOVERNMENTAL PAYABLES**

GOVERNMENT ENTITY	Confirmed balance		Unconfirmed balance		Total	
	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000	31/03/2008 R'000	31/03/2007 R'000
DEPARTMENTS						
Current						
Provincial Government Western Cape						
Department of Health	157	483	15	-	172	483
Department of the Premier	-	1	-	-	-	1
Department of Culture Affairs & Sport	1	6	-	1	1	7
Department of Local Government & Housing	61	2,154	-	2	61	2,156
Department of Community Safety	-	218	-	-	-	218
Department of Environmental Affairs & Development Planning	-	11	-	-	-	11
Department of Education	599	-	1	-	600	-
Department of Treasury	19	-	-	-	19	-
Other Departments						
National Department of Justice & Constitutional Development	46	46	39	-	85	46
SA Police Services	-	-	-	3	-	3
Total	883	2,919	55	6	938	2,925

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2008**

SCHEDULE 1

**SCHEDULE OF UNAUDITED IMMOVABLE ASSETS AS AT 31 MARCH 2008 IN TERMS OF NATIONAL TREASURY
LETTER DATED 18 July 2008**

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance	Current Year Adjustments to prior year balances	Additions	Disposals	Closing Balance
	Cost R'000	Cost R'000	Cost R'000	Cost R'000	Cost R'000
BUILDING AND OTHER FIXED STRUCTURES	58,068,568	-11,138,547	332,781	-	47,262,802
Dwellings	312	-	-	-	312
Non-residential buildings	26,557,534	-9,262,394	332,781	-	17,627,921
Other fixed structures	31,510,722	-1,876,153	-	-	29,634,569
	3,020,048	17,289,910	8,051	56,356	20,261,653
Land	3,020,048	17,289,910	8,051	56,356	20,261,653
TOTAL TANGIBLE ASSETS	61,088,616	6,151,363	340,832	56,356	67,524,455

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2007

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	57,874,009	194,559	-	58,068,568
Dwellings	312	-	-	312
Non-residential buildings	26,362,975	194,559	-	26,557,534
Other fixed structures	31,510,722	-	-	31,510,722
	3,012,227	27,544	19,723	3,020,048
Land	3,012,227	27,544	19,723	3,020,048
TOTAL TANGIBLE ASSETS	60,886,236	222,103	19,723	61,088,616

PART FIVE:

**HUMAN
RESOURCE
MANAGEMENT**

The statistics and information published in this part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2002 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The statistical tables provide high-level information on key human resource issues. The information aims to empower legislatures, the media, the public and other key stakeholders to monitor whether departments:-

- Are exercising the powers granted under Public Service and Public Finance legislation in a responsible manner,
- Are achieving national transformation priorities established by the Cabinet, for example, affirmative action.

Annual reports are produced after the end of the financial year. This is aimed at strengthening the accountability of departments to key stakeholders.

The tables in this report are revised on a regular basis by the Department of Public Service and Administration (DPSA). If you wish to see additional information included in this report, please send suggestions (with a clear motivation) to:-

The Director-General
Department of Public Service and Administration
ATTENTION: Public Service Information Unit
P.O. Box 916, Pretoria, 0001
psiu@dpsa.gov.za
fax: (012) 314-7020

To ensure that enough time is available to evaluate and incorporate your suggestions, please ensure that all submissions are submitted on or before 31 August.

For a detailed description and explanation of the terminology used in this section of the report, please consult the publication from the DPSA entitled '*A guide to understanding the oversight report of departmental annual reports*'. A copy of the guide is available from all departments or can be accessed from the DPSA website (www.dpsa.gov.za).

SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Table 37: Main Services Provided and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
<p>Public Works The acquisition of land and accommodation through purchases or leases, and disposal of superfluous properties</p> <p>To provide new and maintain existing accommodation and services which is of a high standard.</p>	<p>National Department of Land Affairs; National Department of Public Works; Local Authorities; Building industry; Contractors; Consultants; Tenants; Service providers; Legislature; Public and Public Entities</p>	<p>Potential tenants Potential service providers Emerging contractors</p>	<p>Provide a high standard of service in respect of provincial properties</p> <p>Execution of functions in terms of broad policy framework and in line with departmental strategic goals</p>	<p>Obtaining of Section 28(1) certificates in respect of 62 properties to endorse in the name of the Western Cape Provincial Government</p> <p><u>Acquisitions</u> Purchased 15 properties totalling R 7 418 003.56</p> <p><u>Leasing-In Portfolio</u> 705 642m² in 474 buildings at an annual cost of R 130.224m</p> <p><u>Disposal</u> 13 properties were advertised for disposal aimed at the empowerment of PDIs in the property industry.</p> <p>Major capital and maintenance projects were completed at the following institutions:</p> <p>Capital projects:</p> <ul style="list-style-type: none"> - <u>Health care institutions:</u> 30 projects completed, 56 new projects started; - <u>Educational institutions:</u> 18 projects completed, 7 started; - <u>Other provincial buildings:</u> 20 projects completed, 27 started. <p>Maintenance projects:</p> <ul style="list-style-type: none"> - <u>Health care institutions:</u> 126 projects completed, 253 new projects started - <u>Educational institutions:</u> 496 projects completed, 552 new projects started - <u>Other provincial buildings:</u> 304 projects.
<p>Roads Infrastructure Provide, maintain and manage a provincial road network</p>	<p>Road users; Agents (district municipalities); Contractors; Local authorities; Private sector; Communities</p>	<p>Potential HDI ⁶ contractors, Previously disadvantaged communities</p>	<p>Routine maintenance, periodic maintenance, rehabilitation and construction of gravel and surfaced roads according to engineering and developmental prescripts and through socially just, developmental and empowering processes</p>	<p>The major projects completed:</p> <ul style="list-style-type: none"> - Potsdam Interchange on the N7 - Bottelary Road rehabilitation - The construction of the N2 inbound lane between Borchers Quarry and Vanguard Drive - Bredasdorp to Elim upgrading to surfaced standard - The rehabilitation of Main Road 23 between Wellington and Hermon - The rehabilitation of Trunk Road 24 between Malmesbury and Hermon <p>30% (by value) of all maintenance and construction projects were awarded to emerging and established HDI contractors.</p> <p>The majority of the maintenance and construction projects have been registered to comply with the EPWP principles relating to</p>

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
<p>Improve road safety and road infrastructure protection measures</p>	<p>Road users; Local authorities; South African Police Service⁷ Department of Community Safety Provincial Traffic Centres; Vehicle Testing Stations; Private sector</p>		<p>Eliminate high accident locations; Record and evaluate accident statistics; Managing overload control stations</p>	<p>skills transfer and maximisation of work opportunities.</p> <p>In conjunction with the City of Cape town and National Department of Transport ongoing processes to ensure that the accident data gathering yields quality data by providing feed back and training at police service stations throughout the Province.</p> <p>The recent installation of electronic weigh-in-motion equipment at the Beaufort West weighbridge enables the Department of Community Safety to detect overloaded vehicles at an early stage. Portable equipment is now being used at the popular escape routes to prevent transgressors from bypassing weighbridge stations. The Overload Control Management System to analyse patterns and trends in overloading control processes was implemented thus making automatic reporting possible and eliminating the possibility of fraudulent transactions.</p>
<p><u>Motor vehicle administration</u></p>	<p>Motoring public; Local Authorities; Motor dealers; Importers and builders of motor vehicles; Vehicle fleet owners; Private companies</p>	<p>Personnel of national departments; Insurance companies; Financial institutions</p>	<p>Licence fee collection; Special vehicle registration numbers.</p>	<p>Altogether 7 192 cases of arrear licence fees were followed up. R 2,5m was collected in the process.</p> <p>The new electronic National Traffic Information System (eNaTIS) was successfully deployed. The Department participated in the ongoing testing of the development of new computerized transactions for the enhancement of the eNaTIS software.</p> <p>Altogether 62 679 additional vehicles were registered and licensed in the Province during the report year.</p> <p>Altogether 6 700 new personalised licence number were sold, resulting in revenue amounting to R10,4 million.</p>
<p><u>Road Traffic Law Administration</u></p>	<p>Driving licence holders; Public transport service providers; Goods conveyors; Sports and events organizers; Filming entrepreneurs</p>	<p>Personnel of national departments; Transport companies; Traffic law enforcement officers.</p>	<p>Issuance of permits and licences.</p>	<p>The department has implemented the electronic license booking system at 2 pilot sites as part of the reengineering process to enhance service delivery and to shorten the waiting period for the application of learner license tests. Four new Driving License Testing Centers were opened through partnership between the department and municipalities.</p> <p>The department is working closely with the National Department of Transport to roll out a Computerised Learner's License Test, which is currently under development as a model of the eNaTIS.</p> <p>Combating fraud and corruption in this sector remains a top priority. In the past year, about 500 learner's and driving licenses were cancelled, with a further 40 cases under investigation at present. The registration of 3 Examiners for Driving Licenses and of</p>

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
				vehicles for their involvement in corrupt or fraudulent transactions was cancelled.
<p>Public Transport Delivery of an integrated, accessible, safe, reliable, affordable and sustainable public transport system and quality public transport infrastructure provision</p>	<p>Provincial Operating License Board; Provincial Public Transport Registrar; General public; Road based public transport operators; Metro Rail and South African Rail Commuter Corporation; Passengers; Local Authorities; Planning Authorities; National Department of Transport; Other Provincial Departments; Airports Company of South-Africa (ACSA) Contractors and consultants Western Cape Provincial Taxi Council; Western Cape Provincial Metered Taxi Council; Rail commuters, Public Transport vehicle Manufacturers</p>	<p>Transport Authorities; Private business/ commerce; Labour parties</p>	<p>Delivery of legislated required plans</p> <p>Public transport infrastructure development</p> <p>Creating a public transport model for each area</p> <p>Development, implementation and monitoring of public transport contracts</p> <p>Establishment of and support to institutional structures</p> <p>Registration of public transport operators</p>	<p>Commenced with the review of the Integrated Transport Plans</p> <p>Funding in excess of R30m was provided for infrastructure projects such as cycle and pedestrian pathways and public transport shelters.</p> <p>Construction of Sandkraal Road project is 85% complete</p> <p>Started with the development of a tailored area public transport business models to ensure integration of all road based transport practitioners within the new public transport restructuring contract</p> <p>ITS systems and equipment for the Back Office facility of the Transformed Scheduled Road Based Public Transport System have been procured, installed, configured and tested.</p> <p>Commenced with the operational testing of the Back Office systems and equipment in Simonstown.</p> <p>Recruited 92 staff members at the Public Transport Centre to implement and maintain improved operator licensing systems and client interaction.</p> <p>Administration of bus subsidy payments in excess of R 460 million</p> <p>Designed an overall skills development strategy in conjunction with all stakeholders, for road based public transport practitioners. This is done together with an implementation plan which encompasses a recruitment and selection strategy</p> <p>Developed a governance framework for the metered and minibus taxi councils. Introduced a monitoring mechanism to ensure effective delivery in terms of a Treasury approved manual.</p> <p>1400 bicycles were distributed to learners and community organisations to enhance mobility within the rural communities.</p> <p>152 Taxi Associations were registered and 25 Associations had successful AGM's to ensure compliance and adhere to Constitution.</p>
<p>Expanded Public Works Programme (EPWP) The coordination of EPWP in the</p>	<p>Communities; Targeted suppliers;</p>	<p>Unemployed / unskilled persons</p>	<p>Assisting and initiating skills</p>	<p>49 584 EPWP work opportunities reported (26 080 youths), 52 Empowerment Impact</p>

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
<p>Western Cape Province. Capacity was strengthened to accelerate EPWP operations with focus on the following strategic areas:</p> <ul style="list-style-type: none"> - EPWP Provincial Coordination - Monitoring and Evaluation - Skills Development and Innovation - Construction Industry Development and Empowerment Impact Assessment (EmplA). 	<p>Local Authorities; Department of Labour, SETA's, Unemployed/unskilled persons</p>	<p>throughout the Western Cape</p>	<p>development programmes and projects to promote skills development according to EPWP principles in the Western Cape.</p> <p>Initiate and establish economic empowerment and community development programmes to empower the previously disadvantaged sector of the Province.</p> <p>Monitor and evaluate the implementation of uniform reporting mechanisms and researching and development of best practices.</p>	<p>Assessments completed, 12 Contractor Training Workshops provided, 15 Sector Forums established and functioning, 765 learners on the Learnership 1000 Programme placed on government projects (includes outsourced projects) for experiential training, 76 HDI enterprises (50% women owned SME's) developed, 30 LIC workshops held throughout the Province</p>
<p><u>Corporate Affairs</u> Human resource management</p>	<p>Employees; Minister; Western Cape Parliament; Committees of Legislature; Government Departments; Line functionaries; General public; Staff; Social partners and service providers</p>	<p>Casual workers in Expanded Public Works Programmes; SETA's</p>	<p>Pro-active personal intervention and leadership in human resource matters</p>	<p>In order to align business processes with the strategic intent of the Government of the Western Cape, the reorganisation of the Department's macro organisational structure has been concluded. Subsequently it was endorsed by both the Provincial Cabinet and the Minister of Public Service and Administration before it was finally approved by Minister Fransman on 31 January 2008. To further enhance integrated planning and strategic coordination, systems were put in place to also review operational structures and procedures in the new financial year.</p> <p>During the 2007/08 report year the Employment Unit has advertised 404 positions in the Department, of which 186 of the nominated candidates assumed duty by March 2008.</p> <p>Substantial progress was made towards moving from paper based to a paperless environment. Implementation of the E - Registry and electronic workflow processes facilitate the transformation to electronic documents that are archived in an electronic repository on the Livelink system.</p> <p>Institutional forums are functioning. Timeframes and procedures are adhered to.</p>
<p>Facilitation of labour relations issues, and representing the Department at formal consultation forums</p>			<p>Time frames and procedures with regard to labour relations issues are prescribed in collective agreements.</p>	

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
Addressing and mainstreaming Human Rights issues			As taken up in the Constitution and related equality legislation,	Voluntary Counselling and Testing sessions were arranged to enhance awareness amongst staff of their status around HIV and Aids. A total of 695 staff members were tested. An Employee Assistance Programme was introduced to assist employees, their immediate family and household members experiencing difficulties at work or in their private life. It is envisaged that this service will have positive spin-offs in terms of service output.
Training and development of all staff to perform competently as well as development of people (potential staff) interested in following technical and professional careers in the built sector	Minister; Western Cape Parliament; Committees of Legislature; Government Departments; Line functionaries; General public; Staff and Social partners.	Casual workers in Expanded Public Works Programmes; SETA's; training service providers; students and learners	Facilitate training for all staff according to agreed Workplace Skills Plan (WSP) and ensure timeous nomination for appropriate training Development of scarce skills particularly in the built environment, where difficulties are experienced in recruitment and retention of people is these occupations	To enhance competencies of staff, 805 training interventions were arranged in terms of the WSP. This included 24 employees who successfully completed the accredited Junior Management Programme and 24 employees completed matric through the ABET Programme. Some 23 ABET learners diverted to FET and learnership interventions, while another 154 employees are currently receiving ABET training. As part of its Masakh'iSizwe program, the Department has awarded 294 bursaries to full time students in fields of engineering, architecture, etc. In addition to the above, 124 staff members were awarded new bursaries to undergo part time formal studies, while bursary commitments of 56 staff members, awarded in a previous financial year, were maintained. Successful partnerships with external stakeholders assisted the Department in the accommodation of bursars in career opportunities where the Department did not have appropriate vacancies and/or mentors to accommodate them. Through the Workplace Learning Programme the Department employed 75 students as part of their formal internship programmes
Provide information requested in terms of the Promotion of Access to Information Act			Information provided in terms of prescribed processes and time frames	Access to information provided in terms of stipulated time frames. To expedite the provision of access to information the Department provides a platform for all staff to add their own content directly into the Livelink system, as well as search for information without going through the registry.
<u>Financial Management</u> Preparation of annual budget	Parliament National	Other government departments	Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of Adjustments estimates	Council of Provinces Provincial Minister	General public Non-governmental organizations	Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of in-year revenue and expenditure reports	National Treasury	Forums	Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of 5yr strategic plan	Provincial Treasury		Submits as per Treasury guidelines	Adjusted by means of annual performance plan

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual achievement against standards
Preparation of annual performance plan	Accounting Officer		Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of performance reports	Programme Managers		Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of infrastructure monitoring reports	Line functionaries		Submits as per Treasury guidelines	Submitted timely and required quality
Preparation of annual report inclusive of annual financial statements	Auditor General		Submits as per Treasury guidelines	Submitted timely. AFS 2006/07 qualified
Maintaining a system of enterprise risk management	Audit Committee		As per PGWC Enterprise risk management framework	Fraud and Risk Committee established Strategic risk assessment conducted
Maintaining a system of internal and loss control	Trading Entities		Treasury norms and standards	Quarterly reports submitted timely and of required quality
Maintaining a system of Supply chain management	Forensic Investigation Unit		As per Accounting Officer's System	Training interventions re contract, project, and strategic sourcing and commodity management. Training assessment tool developed
	Risk owners			
	Construction Industry Development Board			

Table 38: Consultation Arrangements with Customers

Type of Arrangement	Actual Customers	Potential Customers	Actual Achievements
Newspaper advertisements to attract public participation and comments on proposed policies and trends	Suppliers; Job seekers; Developers; Students	Targeted and prospective suppliers	Various job and other opportunities were advertised, such as tenders, disposal of land, disposal of redundant goods, vacant posts, allocation of full time bursaries, etc.
Organised Labour forums	Employees within the Department	Affected staff from other departments	Regular meetings between Management and employee representatives at the Departmental IMLC
Newsletters, circulars, imbizo's and road shows	Employees within the Department	General public	The Department participated in various imbizo's where public input on departmental activities was obtained. New policies, procedures and processes with an internal focus were communicated with staff members through road shows, newsletters and circulars (electronic as well as paper based).
Committees, forums and meetings	Employees within the Department; Contractors; Developers; Communities	General public	Various forums were established to facilitate buy-in and decision making on appropriate levels.

Table 39: Service Delivery Access Strategy

Access Strategy	Actual Achievements
To provide a strategic framework for infrastructure development	The Department is the lead department in the Strategic Infrastructure Plan, which provides for the identification and development of infrastructure projects in conjunction with essential role players.
To increase direct interaction with more communities	Through expanded public works projects, some 49 584 persons were engaged in temporary work opportunities, as well as skills development projects.
Responsibility and authority throughout the Department is devolved to the lowest possible levels without compromising delivery standards	The Department is promoting a culture of empowerment, which encourages increased interaction with communities, and expeditious service delivery.

Table 40: Service Information Tool

Types of Information Tool	Actual Achievements
Several reports, newsletters and brochures were published as a tool to communicate with employees and customers of the Department	This is an ongoing process that improves continuously. It includes the distribution of an internal news letter in electronic format
Participating in exhibitions at various institutions	Career expo's, exhibitions at schools and other educational institutions, as well as community festivals were held to promote functional activities and career opportunities
Publications in general media (print, TV, etc)	Radio talks and media interviews are scheduled from time to time. As a highlight one could refer to several appearances on radio, TV and printed media by the Minister and Senior Management, dealing with issues pertaining to career opportunities and skills development initiatives, public transport and road safety.
Establishment of various help desk facilities	The following are operational: - Helpdesk for reporting of faults in provincial buildings - Telecommunication helpdesk - Helpdesk to assist prospective tenderers with completion of tender documents - Helpdesk to assist with motor vehicle licensing - Helpdesk for the Saamstaan-project Helpdesks handle telephonic, electronic and personal enquiries.
Electronic publications	Publications on Intranet and Internet; User applications on certain services via Web and the new Provincial Web Portal. Publications are also accessible via the Livelink electronic repository.

Table 41: Complaints Mechanism

Complaints Mechanism	Actual Achievements
Consultation forms the basis of all projects within the Department. Consultation ranges from sending out questionnaires to holding public meetings with communities. Specific mechanisms were put in place, not only to enhance service delivery, but to ensure that complaints are registered and attended to effectively	Maintenance of the following mechanisms: - Electronic Helpdesk - Telephone Helpdesk - Nodal point to facilitate requests to access information - Imbizo's and matsema to outlying district offices
A system of performance management was utilised to measure the actual performance and service delivery of staff on all levels.	- The evaluation of performance outputs through Moderating Committees - Performance agreements were reviewed and changes effected for the new reporting year - Excellent performance was rewarded, and poor performers identified for redress
A dedicated 7/24/365 telephone report line is available to the public to report any alleged misuse of Government vehicles	The complaints are recorded in the fleet management system and followed up with user departments. Feedback is given when requested. Misuse of state property is a serious matter and leads to misappropriation of funds

EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 42) and by salary bands (Table 43). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

Table 42: Personnel Costs by Programme, 2007/08

Programme	Total Expenditure (R'000)	Compensation of Employees (R'000)	Training Expenditure (R'000)	Employee Compensation as a Percent of Total Expenditure (R'000)	Average Compensation Cost per Employee (R'000)
1: Administration	121 765	33 767	5 190	27,7%	171
2: Public Works	462 675	71 195	43	15,4%	179
3: Roads Infrastructure	1 346 388	67 937	764	5,0%	104
4: Public Transport	174 302	20 076	2 589	11,5%	156
5: Traffic Management	210 099	11 896	0	5,6%	156
6: CBPWP	29 248	5 964	6	20,4%	117
7: Roads Capital Account	53 997	7 605	0	22,8%	121
Total	2 398 474	218 440	8 592	9,2%	139

Note: The Roads Capital Account forms part of the Department's breakdown. It is included in these tables for calculation of cost per employee. The budget for the Department's Workplace Skills Plan is allocated within Programme 1, from where the majority of Departmental training interventions are funded. The Training and Communication Unit of the Public Transport Branch was responsible for external training aimed at the public transport industry.

Table 43: Personnel Costs by Salary Bands, 2007/08

Salary Band	Compensation of Employees (R'000)	% of Total Employee Compensation Cost	Average Compensation Cost per Employee (R'000)
Lower skilled (Levels 1-2)	27 442	12.6%	75
Skilled (Levels 3-5)	34 272	15.7%	72
Highly skilled production (Levels 6-8)	64 668	29.6%	150
Highly skilled supervision (Levels 9-12)	73 696	33.7%	278
Senior Management (Levels 13-16)	18 362	8.4%	655
Total	218 440	100%	139

The following tables provide a summary per programme (Table 44) and salary bands (Table 45), of expenditure incurred as a result of salaries, overtime and home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 44: Salaries, Overtime, Home Owners Allowance and Medical Assistance by Programme, 2007/08

Programme	Salaries		Overtime		Home Owners Allowance (HOA)		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
1: Administration	23 314	69.0%	160	0.5%	521	1.5%	1 445	4.3%
2: Public Works	49 735	69.8%	461	0.6%	1 178	1.6%	3 095	4.3%
3: Roads Infrastructure	46 980	69.1%	666	0.9%	2 798	4.1%	3 119	4.6%
4: Public Transport	13 620	67.8%	37	0.2%	255	1.2%	917	4.5%
5: Traffic Management	8 367	70.3%	130	1.1%	221	1.8%	680	5.7%
6: CBPWP	4 183	70.1%	45	0.7%	52	0.8%	152	2.5%
7: Roads Capital Account	5 397	70.9%	3	0.04%	339	4.4%	464	6.1%
Total	151 596	69.4%	1 502	0.7%	5 364	2.4%	9 872	4.5%

Table 45: Salaries, Overtime, Home Owners Allowance and Medical Assistance by Salary bands, 2007/08

Salary Band	Salaries		Overtime		Home Owners Allowance (HOA)		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	20 231	73.7%	301	1.1%	849	3.1%	1 320	4.8%
Skilled (Levels 3-5)	24 781	72.3%	305	0.9%	1 190	3.4%	2 340	6.8%
Highly skilled production (Levels 6-8)	46 644	72.1%	560	0.9%	2 353	3.6%	3 589	5.5%
Highly skilled supervision (Levels 9-12)	49 860	67.6%	336	0.4%	972	1.3%	2 315	3.1%
Senior Management (Levels 13-16)	10 080	54.9%	0	-	0	-	308	1.7%
Total	151 596	69.4%	1 502	0.7%	5 364	2.4%	9 872	4.5%

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 (Table 46), salary band (Table 47) and critical occupations (Table 48). Departments have identified critical occupations that need to be monitored. Table 48 provides establishment and vacancy information for the critical occupations of the department. The vacancy rate reflects the percentage of posts that are not filled.

Table 46: Employment and Vacancies by Programme, 31 March 2008

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
1: Administration	215	171	20.4%	26
2: Public Works	393	341	13.2%	56
3: Roads Infrastructure	887	642	27.6%	12
4: Public Transport	151	118	21.8%	10
5: Traffic Management	90	75	16.6%	1
6: CBPWP	23	16	30.4%	35
7: Roads Capital Account	83	61	26.5%	2
Total	1 842	1424	22.7%	142

Note: Posts additional to the establishment represent temporary staff appointed on fixed term contracts to assist with specific projects, e.g. Construction projects, Learnership Programmes and provincial EPWP coordination

Table 47: Employment and Vacancies by Salary Bands, 31 March 2008

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2)	457	366	19.9%	0
Skilled (Levels 3-5)	567	440	22.3%	36
Highly skilled production (Levels 6-8)	471	365	22.5%	66
Highly skilled supervision (Levels 9-12)	314	226	28.0%	39
Senior Management (Levels 13-16)	33	27	18.1%	1
Total	1 842	1424	22.7%	142

Note: Posts additional to the establishment represent temporary staff appointed on fixed term contracts to assist with specific projects.

Table 48: Employment and Vacancies by Critical Occupation, 31 March 2008

Occupation	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
QS Technicians	3	2	33.3%	4
Quantity Surveyors	11	8	27.2%	1
Engineers	55	28	49.1%	16
Architects	13	11	15.3%	9
Senior Management Service	33	27	18.1%	1
Total	115	76	33.9%	31

Note: Critical occupations refer to occupations where identified scarce skills are required.

JOB EVALUATION

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. 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 (Table 49) 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 49: Job Evaluation, 1 April 2007 to 31 March 2008

Salary Band	Number of Posts	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)	457	0	-	-	-	-	-
Skilled (Levels 3-5)	567	6	1.1%	-	-	-	-
Highly skilled production (Levels 6-8)	471	6	1.3%	4	66.6%	-	-
Highly skilled supervision (Levels 9-12)	314	5	1.6%	-	-	-	-
Senior Management Service (Band A)	24	43	179.2% *	-	-	-	-
Senior Management Service (Band B)	6	9	150% *	-	-	-	-
Senior Management Service (Band C)	2	4	200% *	-	-	-	-
Senior Management Service (Band D)	1	0	-	-	-	-	-
Total	1 842	73	4.0%	4	5.5%	-	-

Note: The majority of posts have been job evaluated in previous years. During this report year only new posts or post where job content was substantially changed, were evaluated.

* New SMS posts as proposed in the Department's revised macro structure were evaluated in anticipation of the approval of the macro organisational structure. The proposed new posts were created in the following report year.

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded.

Table 50: Profile of Employees whose Salary Positions were Upgraded due to their Posts being Upgraded, 1 April 2007 to 31 March 2008

Beneficiaries	African	Indian	Coloured	White	Total
Female	-	-	-	1	1
Male	-	-	1	2	3
Total	-	-	1	3	4

Note: Some of the upgraded posts were vacant, therefore the number of posts upgraded are not equal to the number of employees.

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

Table 51: Employees whose salary Level Exceed the Grade Determined by Job Evaluation, 1 April 2007 to 31 March 2008 (in terms of PSR 1.V.C.3)

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2007/08				0
Percentage of total employment				0

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 (Table 52) and by critical occupations (Table 53).

Table 52: Annual Turnover Rates by Salary Band for the Period 1 April 2007 to 31 March 2008

Salary Band	Number of Employees per Band as on 1 April 2007	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2)	488	26	28	5.7%
Skilled (Levels 3-5)	355	94	87	24.5%
Highly skilled production (Levels 6-8)	378	103	73	19.3%
Highly skilled supervision (Levels 9-12)	228	64	39	17.1%
Senior Management Service (Band A)	20	4	3	15.0%
Senior Management Service (Band B)	5	1		-
Senior Management Service (Band C)	2			-
Senior Management Service (Band D)	1			-
Total	1 477	292	230	15.6%

Note: Number of employees on 1 April 2007 includes employees appointed on fixed term contracts, additional to the establishment.

Table 53: Annual Turnover Rates by Critical Occupation for the Period 1 April 2007 to 31 March 2008

Occupation	Number of Employees per Band as on 1 April 2007	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
QS Technicians	4	2	4	100%
Quantity Surveyors	8	3	3	37.5%
Engineers	38	10	5	13.2%
Architects	13	11	3	23.1%
Senior Management Service	28	5	3	13.0%
Total	91	31	18	19.8%

Table 54: Reasons Why Staff are Leaving the Department

Termination Type	Number	% of Total
Death	11	4.8%
Resignation	67	29.1%
Expiry of contract	90	39.1%
Dismissal – operational changes	0	-
Dismissal – misconduct	6	2.6%
Employee initiated severance package	2	0.9%
Discharged due to ill-health	2	0.9%
Retirement	26	11.3%
Transfers to other Public Service Departments	23	10.0%
Other	3	1.3%
Total	230	100%
Total number of employees who left as a % of the total employment		15.6

Table 55: Promotions by Critical Occupation

Occupation	Employees as at 1 April 2007	Promotions to Another Salary Level*	Salary Level Promotions as a % of Employees by Occupation	Progressions to another Notch Within a Salary Level	Notch Progressions as a % of Employees by Occupation
QS Technicians	4	0	-	2	50.0%
Quantity Surveyors	8	1	12.5%	3	37.5%
Engineers	38	1	2.6%	18	47.4%
Architects	13	3	23.1%	7	53.8%
Senior Management Service	28	0	-	0	-
Total	91	5	5.5%	30	32.9%

* Note: Excludes salary upgrade as a result of Job Evaluation

Table 56: Promotions by Salary Band

Salary Band	Employees as at 1 April 2007	Promotions to Another Salary Level*	Salary Level Promotions as a % of Employees by Occupation	Progressions to another Notch Within a Salary Level	Notch Progressions as a % of Employees by Occupation
Lower skilled (Levels 1-2)	488	0	-	377	77.3%
Skilled (Levels 3-5)	355	19	5.4%	180	50.7%
Highly skilled production (Levels 6-8)	378	33	8.7%	178	47.1%
Highly skilled supervision (Levels 9-12)	228	19	8.3%	159	69.3%
Senior Management (Levels 13-16)	28	0	-	0	-
Total	1 477	71	4.8%	894	60.5%

* Note: Excludes salary upgrade as a result of Job Evaluation

EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

Table 57: Total Number of Employees (including employees with disabilities) in each of the Following Occupational Categories as on 31 March 2008

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators and senior officials	6	10	0	6	2	2	0	2	28
Professionals and managers	1	8	1	54	0	0	0	9	73
Technicians and associate professionals	50	95	0	60	42	78	1	43	369
Clerks and Administrative officer workers	34	61	0	19	52	137	3	55	361
Craft and related trade workers	22	102	1	50	4	3	0	1	183
Service, shop, market & sales	0	7	0	4	0	0	0	1	12
Plant and machine operators and assemblers	15	25	0	0	0	1	0	0	41
Elementary occupations	200	195	0	2	20	82	0	0	499
Total	328	503	2	195	120	303	4	111	1 566

Employees with disabilities	3	8	0	7	1	1	0	0	20
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Table 58: Total Number of Employees (including employees with disabilities) in each of the Following Occupational Bands as on 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Levels 15 & 16)	1	1	0	1	0	0	0	0	3
Senior Management (Levels 13 & 14)	5	9	0	5	2	2	0	2	25
Professionally qualified and experienced specialists and mid-management	24	94	2	105	4	18	0	18	265
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	42	92	0	67	50	100	2	78	431
Semi-skilled and discretionary decision making	105	176	0	15	46	119	2	13	476
Unskilled and defined decision making	151	131	0	2	18	64	0	0	366
Total	328	503	2	195	120	303	4	111	1 566

Table 59: Recruitment for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Levels 15 & 16)	0	0	0	0	0	0	0	0	0
Senior Management (Levels 13 & 14)	2	2	0	0	0	1	0	0	5
Professionally qualified and experienced specialists and mid-management	13	23	0	15	4	3	0	6	64
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	22	22	0	2	30	22	0	5	103
Semi-skilled and discretionary decision making	14	12	0	5	30	29	0	4	94
Unskilled and defined decision making	6	10	0	0	4	6	0	0	26
Total	57	69	0	22	68	61	0	15	292

Employees with disabilities	0	0	0	0	0	0	0	2	2
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Table 60: Promotions for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Levels 15 & 16)	0	0	0	0	0	0	0	0	0
Senior Management (Levels 13 & 14)	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	2	8	0	5	2	2	0	0	19
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	12	0	1	5	10	0	1	33
Semi-skilled and discretionary decision making	6	8	0	0	0	5	0	0	19
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	12	28	0	6	7	17	0	1	71

Employees with disabilities	0	0	0	0	0	0	0	0	0
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Table 61: Terminations for the Period 1 April 2007 to 31 March 2008

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (Levels 15 & 16)	0	0	0	1	0	0	0	0	1
Senior Management (Levels 13 & 14)	0	0	0	1	1	0	0	1	3
Professionally qualified and experienced specialists and mid-management	5	15	0	11	3	3	0	2	39
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	11	25	1	4	14	12	0	6	73
Semi-skilled and discretionary decision making	11	19	0	3	21	31	0	2	87
Unskilled and defined decision making	12	10	0	1	0	5	0	0	28
Total	39	69	1	21	39	51	0	11	231

Employees with disabilities	0	0	0	1	0	0	0	0	1
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Table 62: Disciplinary Action for the Period 1 April 2007 to 31 March 2008

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	8	37	0	5	1	18	0	2	71

Table 63: Skills Development for the Period 1 April 2007 to 31 March 2008

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators and senior officials and managers	2	5	0	10	0	2	0	2	21
Professionals	3	17	0	16	9	87	0	82	214
Technicians and associate professionals	9	65	3	22	18	51	0	34	202
Clerks	33	66	0	4	14	63	2	11	193
Elementary occupations	57	76	0	0	10	32	0	0	175
Total	104	229	3	52	51	235	2	129	805

Employees with disabilities	2	4	0	5	0	1	0	2	14
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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, and disability (Table 64), salary bands (Table 65) and critical occupations (Table 66).

Table 64: Performance Rewards by Race, Gender and Disability, 1 April 2007 to 31 March 2008 (Senior Management included)

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total Number of Employees in Group as at 31 March 2008	% of Total Within Group	Cost (R'000)	Average Cost per Employee (R's)
African	95	448	21.2%	355	3 738
Male	77	328	23.5%	269	3 488
Female	18	120	15.0%	86	4 806
Indian	4	6	66.6%	21	5 217
Male	2	2	100%	12	5 975
Female	2	4	50%	9	4 459
Coloured	319	806	39.6%	1 428	4 475
Male	185	503	36.8%	917	4 955
Female	134	303	44.2%	511	3 813
White	187	306	61.1%	1 532	8 195
Male	123	195	63.1%	1 113	9 048
Female	64	111	57.6%	419	6 556
Total	605	1 566	38.6%	3 336	5 514
Employees with a disability	6	20	30%	72	12 000

Table 65: Performance Rewards by Salary Bands for Personnel Below Senior Management Service, 1 April 2007 to 31 March 2008

Salary Band	Beneficiary Profile			Cost		
	Number of Beneficiaries	Number of Employees	% of Total Within Salary Bands	Total Cost (R'000)	Average Cost per Employee R's	Total Cost as a % of the Total Personnel Expenditure
Lower skilled (Levels 1-2)	141	366	38.5%	261	1 851	1.0%
Skilled (Levels 3-5)	128	476	26.9%	396	3 094	1.2%
Highly skilled production (Levels 6-8)	190	431	44.1%	1 017	5 352	1.5%
Highly skilled supervision (Levels 9-12)	134	265	50.6%	1 479	11 037	2.0%
Total	593	1 538	38.5%	3 153	5 849	1.5%

Note: The Department of Public Service and Administration has set a maximum of 1.5% of total personnel budget to be allocated as performance rewards.

Table 66: Performance rewards by Critical Occupations, 1 April 2007 to 31 March 2008

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of Employees	% of Total Within Occupation	Total Cost (R'000)	Average Cost per Employee (R's)
QS Technicians	1	6	16.6%	4	4 000
Quantity Surveyors	2	9	22.2%	25	12 500
Engineers	16	44	36.4%	283	17 687
Architects	6	20	30.0%	81	13 500
Senior Management Service	12	28	42.8%	183	15 243
Total	37	107	34.6%	576	15 567

Table 67: Performance Related Rewards (cash bonus), by Salary band for Senior Management Service

Salary Band	Beneficiary Profile			Cost		
	Number of Beneficiaries	Number of Employees	% of Total Within Band	Total Cost (R'000)	Average Cost per Employee (R's)	Total Cost as a % of the Total SMS Budget
Band A	9	20	45%	132	14 628	1.0%
Band B	3	5	30%	51	17 085	1.5%
Band C	0	2	-	-	-	-
Band D	0	1	-	-	-	-
Total	12	28	42.8%	183	15 243	1.0%

FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 68: Foreign Workers, 1 April 2007 to 31 March 2008, by Salary Band

Salary Band	1 April 2007		31 March 2008		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Lower skilled (Levels 1-2)	0	0	0	0	0	-
Skilled (Levels 3-5)	0	0	0	0	0	-
Highly skilled production (Levels 6-8)	0	0	0	0	0	-
Highly skilled supervision (Levels 9-12)	1	100%	15	100%	14	1 400%
Senior Management (Levels 13-16)	0	0	0	0	0	-
Total	1	100%	15	100%	14	1 400%

Note: Some 14 Cuban professionals have been recruited through the Department of Housing. These professionals cover the disciplines of engineering and architectural services.

Table 69: Foreign Workers, 1 April 2007 to 31 March 2008, by Major Occupation

Major Occupation	1 April 2006		31 March 2007		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Engineer	1	100%	7	46.6%	6	600%
Architect	0	-	8	53.4%	8	800%
Total	1	100%	15	100%	14	1 400%

LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2007 TO 31 DECEMBER 2007

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 (Table 70) and disability leave (Table 71). In both cases, the estimated cost of the leave is also provided.

Table 70: Sick Leave, 1 January 2007 to 31 December 2007

Salary Band	Total Days	% Days With Medical Certification	Number of Employees Using Sick Leave	% of Total Employees Using Sick Leave	Average Days per Employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	3 214	86.3%	288	78.7%	11	555
Skilled (Levels 3-5)	4 239	81.9%	425	89.3%	10	951
Highly skilled production (Levels 6-8)	3 554	78.5%	360	83.5%	10	1 572
Highly skilled supervision (Levels 9-12)	1 306	79.0%	189	71.3%	7	1 005
Senior Management (Levels 13-16)	210	90.9%	20	71.4%	10	270
Total	12 523	71.9%	1 282	81.9%	10	4 645

Note: Estimated cost calculated against number of staff who took sick leave, not against total number of staff.

Table 71: Disability Leave (temporary and permanent), 1 January 2007 to 31 December 2007

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)	57	57	2	0.5%	29	9
Skilled (Levels 3-5)	69	69	1	0.2%	69	16
Highly skilled production (Levels 6-8)	307	307	4	0.9%	77	123
Highly skilled supervision (Levels 9-12)	18	18	2	0.7%	9	20
Senior Management (Levels 13-16)	84	84	1	3.5%	84	241
Total	535	535	10	0.6%	54	388

Note: The average days disability leave per employee excludes the 36 days normal sick leave allocated per leave cycle.

Table 72 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 72: Annual Leave, 1 January 2007 to 31 December 2007

Salary Band	Total Days Taken	Average per Employee
Lower skilled (Levels 1-2)	6 870	24
Skilled (Levels 3-5)	8 423	21
Highly skilled production (Levels 6-8)	6 191	21
Highly skilled supervision (Levels 9-12)	4 017	21
Senior Management (Levels 13-16)	436	17
Total	25 939	21

Table 73: Capped Leave, 1 January 2007 to 31 December 2007

Salary Band	Total Days of Capped Leave Taken	Average Number of Days Taken per Employee, Using Capped Leave	Average Capped Leave per Employee as at 31 December 2006
Lower skilled (Levels 1-2)	872	18	22
Skilled (Levels 3-5)	631	10	44
Highly skilled production (Levels 6-8)	680	17	50
Highly skilled supervision (Levels 9-12)	662	28	84
Senior Management (Levels 13-16)	96	96	141
Total	2 941	17	50

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

Table 74: Leave Payouts for the Period of 1 April 2007 to 31 December 2008

Reason	Total Amount (R'000)	Number of Employees	Average payment per Employee (R'000)
Leave payout for 2007/08 due to non-utilisation of leave for the previous cycle	32	2	15 912
Leave discounting as 20 and 30 years long service awards for 2007/08	1 799	35	51 395
Capped leave payouts on termination of service for 2007/08	337	109	3 091
Current leave payout on termination of service for 2007/08	217	44	4 933
Total	2 385	190	12 553

Note: Capped leave is only paid out in the case of medical or normal retirement.

Table 75: 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
<p>Specific categories of staff were not identified. All staff are regarded to be at risk of contracting HIV and related diseases.</p> <p>Some of the work force in the outlying district offices may relatively be at a higher risk, owing to the spread and nature of departmental operations</p>	<p>The HIV and AIDS Coordinator conducts six-monthly VCT campaigns to encourage staff to know their status. In addition there are monthly communiqués related to HIV and AIDS sent out to all staff.</p> <p>The issue of voluntary disclosure is a priority. Of the current employees known (not the names) to be infected, none has disclosed a positive status. An ongoing campaign encourages all staff to disclose and enable the kick-in of the treatment, care and support programme.</p> <p>Specific measures taken to prevent exposure include:</p> <ul style="list-style-type: none"> • First Aiders using gloves when treating injuries • Awareness-raising at VCT campaigns • Serialised communication to all staff through the e-mail system <p>Regional managers are encouraged to regularly raise the matter of HIV and Aids in general meetings.</p>

Table 76: Details of Health Promotion and HIV & AIDS Programmes

Question	Yes	No	Details, if Yes																				
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr J du Plessis: Senior Manager Human Resource Management																				
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		<p>Yes, the Department employs a full-time HIV & AIDS Coordinator who co-chairs a combined monthly Focal Unit Meeting with other human rights components.</p> <p>The HIV and AIDS Committee comprises 15 members who represent all sectors of the Department, as well as trade unions.</p> <p>HIV & AIDS are incorporated within the component Special Programmes which has a total budget for 4 sub-components. The budget portion for HIV & AIDS for the year under review was set at approximately R 550 750.</p>																				
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		<p>An Employee Assistance Programme (EAP) was launched in July 2006. A competent and professional external service provider has been contracted to render related EAP services to staff and immediate family members, and any others living in the same house/household.</p> <p>The Department has employed a full-time EAP Coordinator who is attached to the Special Programmes unit, together with the HIV and AIDS Coordinator.</p>																				
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		<table border="0"> <tr><td>JS Van Stade</td><td>Chairperson</td></tr> <tr><td>E Nel</td><td>Financial Management</td></tr> <tr><td>L Nicholas</td><td>Roads Infrastructure</td></tr> <tr><td>B Bester</td><td>Public Transport</td></tr> <tr><td>J Hector</td><td>Ceres District Office</td></tr> <tr><td>L Vermeulen</td><td>Ceres District Office</td></tr> <tr><td>S Claassen</td><td>Oudtshoorn Office</td></tr> <tr><td>G Hendricks</td><td>George Office</td></tr> <tr><td>P Dominguez</td><td>Government Motor Transport</td></tr> <tr><td>M Modise</td><td>Corporate Affairs</td></tr> </table>	JS Van Stade	Chairperson	E Nel	Financial Management	L Nicholas	Roads Infrastructure	B Bester	Public Transport	J Hector	Ceres District Office	L Vermeulen	Ceres District Office	S Claassen	Oudtshoorn Office	G Hendricks	George Office	P Dominguez	Government Motor Transport	M Modise	Corporate Affairs
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S Claassen	Oudtshoorn Office																						
G Hendricks	George Office																						
P Dominguez	Government Motor Transport																						
M Modise	Corporate Affairs																						

Question	Yes	No	Details, if Yes
			<p>A Le Roux Bellville Workshop C Sako Public Works</p> <p>Union Representatives are: R Fortuin Nehawu C Petersen PSA W Taylor PSA</p>
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The Department has a dedicated HIV and AIDS Coordinator who regularly promotes the need for work practices that denounce/discourage unfair discrimination.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		<p>Fourteen (14) staff members have tested positive, but none has disclosed the positive status as yet. We are actively encouraging voluntary disclosure to allow us to introduce our treatment, care and support intentions in practice.</p> <p>The Departmental HIV & AIDS Policy and the Workplace Programmes specifically address the matter of discrimination/stigma.</p> <p>Issues pertaining to discrimination and stigmatisation are discussed at monthly meetings, VCT sessions and at celebratory events.</p> <p>EAP is a further instrument which is immediately available to assist HIV positive staff.</p>
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		Yes, on a regular basis and also at every possible opportunity. In total, 695 staff members (46% of complement) have been tested by departmental initiatives. Fourteen staff members have tested positive. However, none of these 14 infected employees have disclosed their positive status. Hence our focus has shifted to generally mitigating the negative effects of stigmatisation.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		<p>VCT remains a priority area for our department but priority will shift to treatment care and support once disclosure of positive status occurs.</p> <p>VCT sessions are always preceded by intensive awareness sessions where the issue of healthy lifestyles is addressed.</p> <p>VCT also forms an integral part of presentations at the induction sessions of new employees.</p> <p>Progress on the departmental workplace programmes is monitored through performance assessment reviews held between the HIV and AIDS Coordinator and the manager concerned (Special Programmes).</p> <p>Monitoring is also achieved through the submission of progress reports to the Provincial Employee Aids Programme Committee (PEAP).</p>

LABOUR RELATIONS

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

Table 77: Misconduct and Disciplinary Headings Finalised, 1 April 2007 to 31 March 2008

Outcomes of Disciplinary Hearings	Number	% of Total
Written warning	24	33.8%
Final written warning	28	39.5%
Suspended without pay	2	2.8%
Fine	0	-
Demotion	0	-
Dismissal	13	18.3%
Not guilty	2	2.8%
Case withdrawn	2	2.8%
Pending cases	0	-
Total	71	100%

Table 78: Types of Misconduct Addressed at Disciplinary Hearings

Type of Misconduct	Number	% of Total
Excessive absenteeism	35	49.3%
Fraud	8	11.3%
Substance abuse	15	21.1%
Negligence	13	18.3%
Total	71	100%

Table 79: Grievances Lodged for the Period 1 April 2007 to 31 March 2008

	Number	% of Total
Number of grievances resolved	8	66.6%
Number of grievances not resolved	4	33.4%
Total number of grievances lodged	12	100%

Note: Grievances related to temporary incapacity leave in terms of the Policy on Incapacity Leave and Ill Health Retirement (PILIR) had to be referred back to the external Health Risk Manager to resolve.

Table 80: Disputes Lodged with Councils for the Period 1 April 2007 to 31 March 2008

	Number	% of Total
Number of disputes upheld	6	85,7%
Number of disputes dismissed	1	14,3%
Number of disputes not resolved	0	-
Total number of disputes lodged	7	100%

Table 81: Strike Actions for the Period 1 April 2007 to 31 March 2008

Total number of person working days lost	22
Total cost (R'000) of working days lost	R 139 296
Amount (R'000) recovered as a result of no work no pay	R 139 296

Table 82: Precautionary Suspensions for the Period 1 April 2007 to 31 March 2008

Number of people suspended	1
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	30
Cost (R'000) of suspensions	R 53 172

SKILLS DEVELOPMENT

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

Table 83: Training Needs Identified, 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Number of Employees as at 31 March 2008	Training Needs Identified at Start of Reporting Period			
			Learnerships	Skills Programmes & Other Short Courses	Other Forms of Training	Total
Senior Management (Levels 13-16)	Female	6		2		2
	Male	22		0		0
Highly skilled supervision (Levels 9-12)	Female	40		16		16
	Male	225		178		178
Highly skilled production (Levels 6-8)	Female	230		127		127
	Male	201		208		208
Skilled (Levels 3-5)	Female	180		180	30	210
	Male	296		103	45	148
Lower skilled (Levels 1-2)	Female	82	20	33	20	73
	Male	284	55	18	125	198
Sub-Total	Female	538	20	358	50	428
	Male	1028	55	507	170	732
Total		1 566	75	865	220	1 160

Note: It is possible to identify more than one programme/course per employee.

Table 84: Training Provided, 1 April 2007 to 31 March 2008

Occupational Categories	Gender	Number of Employees as at 31 March 2008	Training Provided Within the Reporting Period			
			Learnerships	Skills Programmes & Other Short Courses	Other Forms of Training	Total
Senior Management (Levels 13-16)	Female	6		6		6
	Male	22		17		17
Highly skilled supervision (Levels 9-12)	Female	40		36		36
	Male	225		176		176
Highly skilled production (Levels 6-8)	Female	230		99		99
	Male	201		103		103
Skilled (Levels 3-5)	Female	180		68	22	90
	Male	296		63	43	106
Lower skilled (Levels 1-2)	Female	82	15	3	16	34
	Male	284	10	10	118	138
Sub-Total	Female	538	15	212	38	265
	Male	1028	10	369	161	540
Total		1 566	25	581	199	805

INJURY ON DUTY

The following table provides basic information on injury on duty.

Table 85: Injury on Duty, 1 April 2007 to 31 March 2008

Nature of Injury on Duty	Number	% of Total
Required basic medical attention only		
Temporary / Total disablement	50	100%
Permanent Disablement		
Fatal		
Total	50	100%

UTILISATION OF CONSULTANTS

Table 86: Report on Consultant Appointments Using Appropriated Funds

Project Title / Consultant	Total Number of Consultants that Worked on the Project	Duration: Work Period	Contract Value in Rands
Employee Assistance Programme/ICAS	Case specific	April 2007 to March 2008	516,000
Diversity management project/R Metler	1	Two months, hourly basis	21,000
Masakh'iSizwe Skills Development Programme	2	April 2007 to March 2008	662,598
Financial management improvement/Ducharme Consulting	5	Four months	1,385,376
Road Construction & Maintenance Projects:			
Rich Rewards Trading 174	1	21/09/2007 – March 2008	120,019
Martin van Zyl & Associates	2	Not available	139,599
Ninham Shand	1	April 2007 to March 2008	2,486,955
Adenco Construction	1	April 2007 to March 2008	5,257,130
Sagewise 1147 T/A Transjuris	1	April 2007 to March 2008	1,280,207
Neil Sobotker & Assoc Consulting	5	April 2007 to March 2008	2,378,478
TTT Africa	1	April 2007 to March 2008	66,024
Jeffares & Green	16	April 2007 to March 2008	7,564,176
Daveng Consult	1	April 2007 to March 2008	1,966,243
MVA Process Analyses, J Henn	1	April 2007 to March 2008	419,680
Accident Data Collection, Sakhula People	2	One month	10,115
Integrated Fare Management and Intelligent Transport System (IFM/ITS)	9	April 2007 to March 2008	7,999,569
Restructuring of Public Transport in the Western Cape	9	April 2007 to March 2008	9,465,696
Airport Link/Niham Shand	3	June 2007 to March 2008	266,408
EPWP projects/M.A.N. Consulting	1	April 2007 to March 2008	102,835
Empowerment Impact Assessment/Lyners	1	April 2007 to March 2008	33,676
Solomon Mahlangu Project/Nobotana	1	June 2007 to March 2008	389,396
Rational Portfolio Management/Paracon	3	April 2007 to March 2008	1,898,432
Building Construction & Maintenance Projects:			
Quantity Surveying Services	Project specific	April 2007 to March 2008	17,809,175
Architectural Services	Project specific	April 2007 to March 2008	18,993,795
Engineering Services	Project specific	April 2007 to March 2008	5,933,493
Project management	Project specific	April 2007 to March 2008	3,200,000
Total Number of Projects	Total Individual Consultants	Total Duration / Period	Total Contract Value in Rands
		April 2007 to March 2008	90,366,075

Table 87: Analysis of Consultant Appointments Using Appropriated Funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title / Consultant	Percentage Ownership by HDI Groups	Percentage Management by HDI Groups	Number of Consultants from HDI Groups that Worked on the Project
Enterprise Content Management / Datacentrix	50%	70%	6
Employee Assistance Programme / ICAS	49%	49%	Case specific
Masakh'iSizwe	0	0	1
Financial management improvement /Ducharme	50%	25%	2
Road Construction & Maintenance Projects:			
Rich Rewards Trading 174	100	100	1
Martin van Zyl & Associates	100	100	2
Sagewise 1147 T/A Transjuris	50	50	1
Neil Sobotker & Assoc Consulting	100	100	5
TTT Africa	51	51	0
Jeffares & Green	35	19	16
Daveng Consult	90	90	1
MVA Process Analyses, J Henn	100	100	1
Accident Data Collection, Sakhula People	100	100	2
Solomon Mahlangu Project/Nobotana	100	100	1
Building Contracts Investigation/ R Metler	0	0	1
Building Construction & Maintenance Projects:			
Quantity Surveying Services	73	73	Project specific
Architectural Services	50	50	Project specific
Engineering Services	95	95	Project specific
Project management	100	100	Project specific

Table 88: Report on Consultant Appointment Using Donor Funds

Project Title	Total Number of Consultants that Worked on the Project	Duration: Work Days	Donor and Contract Value in Rands
NONE			

Table 89: Analysis of Consultant Appointments Using Donor Funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage Ownership by HDI Groups	Percentage Management by HDI Groups	Number of Consultants from HDI Groups that Worked on the Project
NONE			