



Western Cape  
Government

Transport & Public Works



**Annual Report 2010/2011**  
Department of Transport and Public Works



DEPARTMENT of  
TRANSPORT & PUBLIC  
WORKS

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Provincial Government of the Western Cape

# ANNUAL REPORT

## 2010/11



# DEPARTMENT of TRANSPORT & PUBLIC WORKS

Provincial Government of the Western Cape

## FOREWORD

In a world of ever-accelerated change, urgent deadlines, shortened attention spans and short-term decision making, time itself seems to have hastened. We never have enough. Before we know it another year has passed by.

This is the first annual report linked to the initial year of the five-year period of this new government, and the second report tabled by this Ministry. It is also the second consecutive year in which the Auditor-General has expressed an unqualified audit opinion.

This is the direct result of the contributions of each and every staff member of the Department of Transport and Public Works, ably led by the Head of Department, Johan Fourie and the Chief Financial Officer, Cedric Ismay.

Each day, I see men and women working hard and long hours, striving to deliver improved infrastructure, striving to improve the lives of the people we are here to serve. The commitment each person shows and the long hard hours that are given have turned the Department around and steered it away from the rocks of maladministration and lawlessness.

Some have yet to catch the dream. Some still do not believe that the promise of 1994 can be achieved in economic as well as political terms. We are free, but we are not yet equal nor do we all have the same opportunities.

The mission of this administration, and specifically of this department, is to create and sustain that open opportunity society.

To this end, we are driven by our carefully sculpted and structured hierarchy of strategic objectives.

These objectives, particularly those that deal with mobility and economic growth, will determine our tasks; fill up our working days; determine our job descriptions and values.

They will lead to better and safer roads; efficient and secure integrated public transport and the resuscitation of rail in our province.

They will ensure more and better schools and health facilities, as well as the regeneration of our communities, urban and rural.

Above all, they will create sustainable new jobs.

Transport and Public Works will be a better, happier and more efficient Department that really makes a difference in people's lives. It has been said that "what we are today comes from our thoughts of yesterday; and our present thoughts build our life of tomorrow". We are aiming to become the A-Team of the administration and slowly, but steadily, we are building a culture of excellence – based upon the values of caring, competence, accountability, integrity and responsiveness.

The 2010/11 Annual Report is an opportunity for reflection, a time for understanding the areas requiring improvement and a time for learning from our mistakes. Our mission is to develop and maintain appropriate infrastructure and related services for sustainable economic development, which generates growth in jobs and facilitates empowerment and opportunity. Now is the time to transcend the future with dynamic energy and make great strides towards the goal of creating an open opportunity society for all.



**Minister Robin V Carlisle**

**MINISTER OF TRANSPORT AND PUBLIC WORKS**

I have the honour of submitting the Annual Report of the Department of Transport and Public Works for the period 1 April 2010 to 31 March 2011.



**ACCOUNTING OFFICER**

**Date: 2011-08-31**

# DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

## VOTE 10

### 2010/11 ANNUAL REPORT

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# General INFORMATION

## Vision

An open opportunity  
society for all

## Mission

- The Department of Transport and Public Works develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity.

## 1. GENERAL INFORMATION

### 1.1 Vision, Mission and Values

#### *Vision*

The Vision of the Department is that applicable to the Provincial Government of the Western Cape, as decided upon by the Western Cape Provincial Cabinet and captured in the Department's Strategic Plan 2010 - 2014 and quoted below.

*"An open opportunity society for all"*

#### *Mission*

*"The Western Cape Government will promote freedom and opportunity for all the people of the province through:*

- *Policies and practices that strengthen the Constitution;*
- *Create the conditions for sustainable economic and employment growth;*
- *Alleviate poverty by providing a welfare safety net for those unable to provide for themselves;*
- *Ensure the safety of every person;*
- *Attract, develop and retain skills and capital;*
- *Develop and maintain infrastructure;*
- *Deliver clean, efficient, cost-effective, transparent and responsive public administration."*

In support of the Provincial Government's mission, the Department's mission statement is as follows:

*"The Department of Transport and Public Works develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity."*

#### *Values*

The values practised by the Department are those applicable to the Provincial Government of the Western Cape, as decided upon by the Western Cape Provincial Cabinet, and captured in the Department's Strategic Plan 2010 - 2014.

**Table 1.1.1: Values of the Department of Transport and Public Works**

<b>Truth</b>	We are committed to being honest, accurate and without error in our dealings.
<b>Accountability</b>	We believe that the open, opportunity society for all, can only come into being on the basis of democratic, transparent and accountable governance. We practice accountability that enhances efficiency, effectiveness and the credibility of government. Every opportunity facilitated will depend on a department governed by the basic values of professionalism, efficiency and accountability.

<b>Excellence</b>	We advocate a deep sense of responsibility to our work and endeavour to constantly improve it so that we may give our customers the highest quality of service. We believe that work done excellently gives us dignity, fulfilment and self-worth.
<b>Choice</b>	We believe in a properly functioning department that will expand citizens' choices and opportunities to access basic services needed to better their lives.
<b>Personal responsibility</b>	We advocate that opportunity is linked to responsibility, because individuals have the responsibility to use their opportunities to improve their lives and become the best they can be. As public servants we are answerable for our actions and expected to meet measurable targets. We believe in a strong work ethic, based upon the values of effective hard work, diligence, responsibility, political neutrality and selfless service.
<b>Fitness for purpose</b>	Appointments and promotions will be done on the basis of merit, with due regard to the needs of government including the need to ensure that the public service is diverse and broadly reflects the face of the province.

## 1.2 Organisational Structure

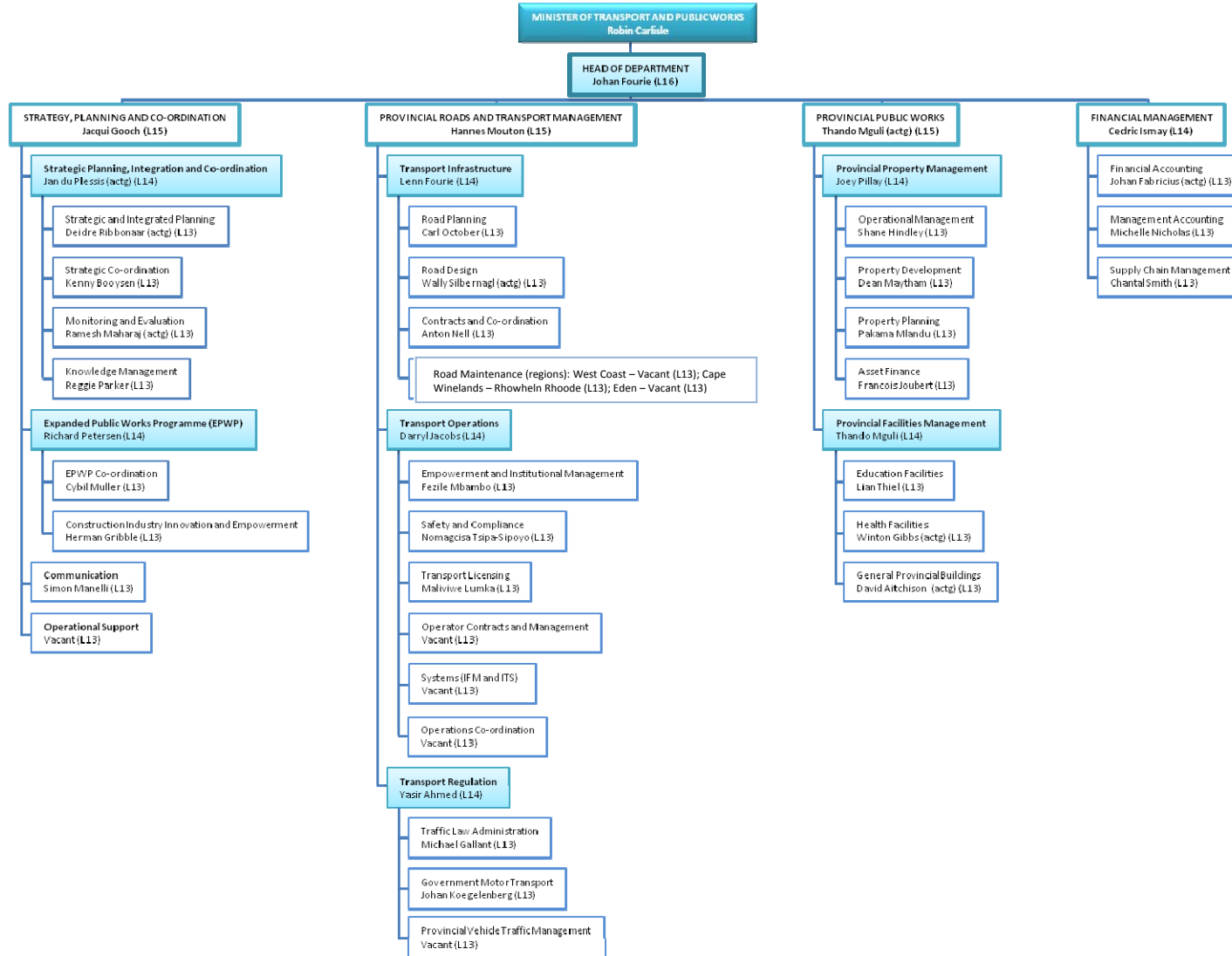
The Department's organisational structure was adapted to provide for a management structure to accommodate the following interventions:

- Provincial Government's corporatisation programme;
- Micro-organisational structure development programme; and
- The Executive Authority's prerogative to review the structure.

The Department's management structure to deliver on its constitutional and legislative mandate is shown in Figure 1.

Whilst Human Resource Management, Development and Relations, as well as Enterprise Risk Management were corporatised in the Corporate Service Centre (CSC), an Operational Support component was created to act mainly as a conduit between the CSC and the Department. The remaining departmental corporate services functions were absorbed in Branch: Strategy, Planning and Co-ordination.

Figure 1.1.1: Departmental Management Structure as at 31 March 2011



Note: Corporate Services was abolished with the establishment of the Corporate Service Centre in the Department of the Premier.

### 1.3 Legislative Mandate

The Department's mandate is derived from the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), (hereafter referred to as the Constitution) and the Constitution of the Western Cape, 1997. Certain mandates are concurrent responsibilities, while others are exclusively the responsibility of the provincial sphere of government. These mandates, as well as those derived from functional legislation and policies are outlined in Annexure A.

#### Tabling of legislation

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

### 1.4 Entities Reporting to the Minister

#### **Provincial Operating Licence Board (POLB) / Provincial Regulating Entity (PRE)**

The Provincial Operating Licence Board was originally established in terms of Section 30 of the National Land Transport Transition Act, 2000 (Act 22 of 2000) (NLTTA).

During 2009/10 the transport legislative framework changed, with the enactment and coming into effect of the National Land Transport Act, 2009 (Act 5 of 2009) (NLTA). In terms of the NLTA, the POLB established under the NLTTA acts as the Provincial Regulating Entity (PRE), until such time as the PRE is established in terms of the NLTA by the Provincial Minister responsible for Transport. The establishment of the PRE is in progress in collaboration with key stakeholders, particularly with the City of Cape Town, to ensure aligned implementation.

The functions of the POLB / PRE include the following:

- To receive, consider and decide on or otherwise dispose of applications for the:
  - Granting of operating licences for intra-provincial transport;
  - Granting of operating licences for interprovincial transport;
  - Renewal, amendment or transfer of operating licences for intra-provincial transport; and
  - Renewal, amendment or transfer of operating licences for interprovincial transport.

#### **Provincial Transport Registrar**

The Provincial Transport Registrar was established in terms of Section 53 of the National Land Transport Transition Act, 2000 (Act 22 of 2000) (NLTTA). The NLTA, however, does not make provision for a Provincial Transport Registrar. However, the Western Cape Road Transportation Amendment Law, 1996 (Law 8 of 1996), which provides for the establishment and functioning of the Provincial Transport Registrar, has ensured that this position will remain. The functions of the Provincial Transport Registrar 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 members, and of any non-members;
- Decide on and effect the suspension or cancellation of such registration; and
- Keep records of all information required to maintain the National Transport Register.

### **Government Motor Transport**

The Government Motor Transport Trading Entity (previously Trading Account) 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 then Provincial Administration and thereafter inherited by 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.

### **1.5 MEC's Statement**

"Looking back on the activities of the past year, I am satisfied that the Department progressed on its journey to excellence in administration and delivery. I acknowledge that the Department still has some way to go in this journey, but am confident that it will achieve the goals that I set during my term. Achievements that I am particularly enthusiastic about include, but are not limited to, the following:

- Inner City Regeneration Programme, with the establishment of a Strategic Framework to guide planning, design and implementation across six precincts in the City Bowl and surrounds with the aim to leverage the provincial property portfolio to generate revenue streams for reinvestment into economic growth;
- Delivery of social infrastructure for client departments, especially education and health;
- Roll out of the Safely Home Programme, aimed at reducing road crash fatalities by 50% by 2014. Interventions have been made which are realising gains and already showing a reduction in the number of road crash fatalities;
- Investigations into ways to improve safety at rail level crossings in the Western Cape;
- A six month pilot project on the Simonstown rail line where increased operational hours have been implemented;
- Masakh'iSizwe Bursary Programme – a key initiative aimed at promoting skills development in the built sector environment to ultimately provide graduates into the employ of the Department;

- Successful hosting of the 2010 FIFA World Cup through transport operations planning and infrastructure delivery;
- Drafting of the Provincial Land Transport Framework (PLTF) aimed at providing the overarching provincial policy and stance regarding integrated transport in the Western Cape;
- Documenting of processes and procedures to support good governance and administration."

## 1.6 Accounting Officer's Overview

In the Annual Performance Plan for the 2010/11 financial year, and in support of section 27(4) of the Public Finance Management Act, 1999 (Act 1 of 1999 as amended), targets were set for different areas in the Department, in order to ensure that performance can be measured. The key areas of delivery and focus pertinent to the 2010/11 financial year, linked to each strategic goal of the Department are outlined below.

<b>Strategic Goal 1</b>	Promote good governance and an effective and efficient department
<b>Goal Statement</b>	To continually provide policy and strategic leadership as well as support services to enable the Department to deliver on government priorities and objectives
<b>Key focus areas and deliverables</b>	<ul style="list-style-type: none"> <li>• Completed a Manual for the Management of Performance Information, as required by NTR 5.3.1</li> <li>• Automating the quarterly performance reporting process, annual performance and strategic plans, through a workflow on the Enterprise Content Management System</li> <li>• Implementation of areas for improvement in the Financial Management Improvement Response Plan</li> <li>• Issuing of Standard Operating Procedures in the Financial Management arena</li> <li>• Commencement of the re-engineering of the supply chain</li> <li>• Improvement of document management, through a back-scanning initiative</li> <li>• Assessment of municipal Integrated Transport Plans, with recommendations to the Minister of Transport and Public Works regarding approval of such plans</li> <li>• Updating of the Provincial Land Transport Framework, including a public participation process</li> <li>• Continued support for students in the engineering and built environment sector through the Masakh'iSizwe Bursary Programme</li> </ul>

<b>Strategic Goal 2</b>	Lead the implementation and facilitation of EPWP in the Western Cape
<b>Goal Statement</b>	To lead and facilitate the internalisation of EPWP across all departments and stakeholders in the Western Cape and within this Department by creating 111,859 FTE work opportunities (204,770 100-day work opportunities) within the Provincial sphere by 31 March 2014 thereby increasing employment and community empowerment.
<b>Key focus areas and deliverables</b>	<ul style="list-style-type: none"> <li>• Through continued advocacy with municipalities, 29 reported on work opportunities created in the infrastructure sector, as opposed to only 5 municipalities in 2009/10.</li> <li>• Based upon audited fourth quarter information, the provincial target of 40 599 100-day work opportunities was surpassed by 17 185.</li> </ul>

<b>Strategic Goal 3</b>	Lead the development and implementation of Integrated Transport systems in the Western Cape.
<b>Goal Statement</b>	To lead and promote the development and implementation of an integrated transport system inter-governmentally and transversally within the Western Cape by 31 March 2014.

<b>Key focus areas and deliverables</b>	<ul style="list-style-type: none"> <li>• Completion of a number of projects related to expanding road capacity, improving safety and easing traffic congestion in anticipation of the 2010 FIFA World Cup.</li> <li>• Beyond the 2010 FIFA World Cup, the Department shifted focus to maintaining provincial roads in order to address the maintenance backlog and further reduce the possibility of major rehabilitation of road infrastructure in future.</li> <li>• Interaction with the City of Cape Town regarding the assignment of functions within the public transport realm in terms of the National Land Transport Act, 209 (Act 5 of 2009).</li> <li>• Commencement with the installation of electronic monitoring equipment on the scheduled subsidised public transport vehicles.</li> <li>• Work continued on the George Mobility Project, with further interaction with the minibus taxi and bus operators who will be involved in the operations of the system.</li> </ul>
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<b>Strategic Goal 3</b>	Lead the development and implementation of Provincial Infrastructure and Property Management in the Western Cape.
<b>Goal Statement</b>	To lead the development and implementation of provincial infrastructure and the management of property, inter-governmentally and transversally within the Western Cape by meeting appropriate standards by 31 March 2014.
<b>Key focus areas and deliverables</b>	<ul style="list-style-type: none"> <li>• Numerous projects were undertaken by General Buildings, including the Faure Drug Rehabilitation Centre in Eerste River, refurbishing Goulburn Centre to accommodate the Social Development District Office and adaptations to the Shared Service Centre in Vangate.</li> <li>• Schools were completed in, amongst others, Hermanus, Westlake, Phillippi and Bothasig.</li> <li>• Public Works: Health completed, amongst others, Ceres Hospital new emergency centre, Plettenberg Bay Kwanokuthula new ambulance station, forensic pathology laboratories in Paarl, Worcester and Malmesbury, Paarl Hospital phase 2 upgrades.</li> <li>• Six precincts in Cape Town were identified as part of the Inner City Regeneration Programme for the purpose of accelerated development.</li> </ul>

# INFORMATION

## on predetermined objectives

### Departmental Values

- Truth
- Accountability
- Excellence
- Choice
- Personal responsibility
- Fitness for purpose

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**PART 2**

## 2. INFORMATION ON PREDETERMINED OBJECTIVES

The information provided in this section is based on the Framework for Strategic Plans and Annual Performance Plans and the Framework for Managing Programme Information which are available on the National Treasury website.

### 2.1 Overall Performance

#### 2.1.1 Voted Funds

<b>Main Appropriation R'000</b>	<b>Adjusted Appropriation R'000</b>	<b>Actual Amount Spent R'000</b>	<b>(Over)/Under Expenditure R'000</b>
3 686 548	4 000 096	3 807 886	192 210
<b>Responsible Minister/ MEC</b>	Provincial Minister of Transport and Public Works		
<b>Administering Department</b>	Department of Transport and Public Works		
<b>Accounting Officer</b>	Head of Department: Transport and Public Works		

#### 2.1.2 Aim of vote

To provide overall management and administrative support to the department; accommodation to client departments; property management services; built environment professional and technical services; roads and building infrastructure; traffic management services; public transport services; and the co-ordination of the Expanded Public Works Programme as outlined in the descriptions of the main division of the Vote.

#### 2.1.3 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 the table below. Included is a brief description of each programme.

**Table 2.1.3.1: Programme and Sub-Programme Structure**

PROGRAMME	SUB-PROGRAMME
<p>1. Administration <i>This programme provides for strategic, administrative financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.</i></p>	<p>1.1 Office of the Minister of the Executive Council 1.2 Management of the Department 1.3 Corporate Support</p>
<p>2. Public Works <i>This programme plans, regulates and facilitates the provision of accommodation for client departments and related entities, manages the provincial property portfolio for the optimum benefit of all concerned, renders professional, technical and implementing agent services in respect of buildings and other related infrastructure, and facilitates infrastructure planning in the Province of the Western Cape.</i></p>	<p>2.1 Programme Support 2.2 Design 2.3 Construction 2.4 Maintenance 2.5 Property Management</p>
<p>3. Roads Infrastructure <i>This programme promotes accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of roads 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></p>	<p>3.1 Programme Support 3.2 Road Planning 3.3 Design 3.4 Construction 3.5 Maintenance</p>
<p>4. Public and Freight Transport <i>This programme plans, regulates and facilitates the provision of public and freight transport services and related infrastructure, through own resources and partnerships in order to enhance the mobility of people and commodities and provide access to safe and efficient transport through an integrated public transport network.</i></p>	<p>4.1 Programme Support 4.2 Public and Freight Planning 4.3 Public and Freight Infrastructure 4.4 Institutional Management 4.5 Operator Safety and Compliance 4.6 Regulation and Control</p>
<p>5. Traffic Management <i>This program provides for an appropriately authorised transport environment through the registration and licensing of vehicles; the issuing of driving licenses; the certification of motor vehicles as roadworthy for use on public roads, and to record accident data, exercise overload control and promote safety on public roads.</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 Programmes <i>The purpose of this programme is to co-ordinate, monitor and evaluate the implementation of the Expanded Public Works Programme (EPWP) and to develop and empower communities and contractors.</i></p>	<p>6.1 Programme Support 6.2 Innovation and Empowerment 6.3 EPWP Co-ordination and Monitoring</p>

### 2.1.4 Key strategic objectives achievements

During the World Cup 2010 the Department was required to make senior staff available to do duty in the World Cup 2010 Disaster Management Centre. This was a 24/7 operation resulting in some senior staff members being on duty for 24 hours. The Transport planning in support of the 2010 FIFA World Cup was completed successfully, with operational support provided to the City of Cape Town, Airports

Company of South Africa as well as district municipalities. The close-out and lessons learnt report has been completed.

Public Works embraced the principles and the objectives pertaining to the Face of the Province Blue Print in the design of provincial buildings, maintenance of provincial government infrastructure, construction of new provincial government infrastructure, as well as refurbishment and upgrading of provincial government buildings and facilities. Energy efficiency measures were intensified, green technology utilised and water saving promoted, thereby upholding environmental integrity, sustainability and maximising sustainable resource management and use. In support of this effort the Department registered with the Green Council of South Africa.

The Department, however, experienced challenges with community issues in two instances where there were infrastructure projects in progress. This caused a delay in the planned project's execution and involved a number of high level engagements to diffuse the tension. To show Provincial commitment to the issues raised by the community leaders a policy on the selection of community liaison officers and local labour was drafted and approved by Cabinet.

The first precinct: Artscape, of the City Regeneration Project has been concluded some two years ahead of schedule. It will now be transferred from the Regeneration team to the implementing agencies. The platform has been laid for high levels of investment that can be generated through the construction work. As part of this process, plans are being formulated to double the Cape Town International Convention Centre. It is anticipated that with this project, together with the Artscape precinct project, thousands of work opportunities will be generated with minimal cost to government.

The Strategic Directive for the Institutionalisation of the Provincial Strategic Objective of Increasing Access to Safe and Efficient Transport was approved by the Provincial Government and operationalised in the Department.

The rehabilitation of the Chapman's Peak Toll Road pass is now complete, and the catch fence grid is technologically the best in the world. Working with National and Provincial Treasuries, we have now concluded an amended contract.

Issues were experienced by the mini-bus taxi industry with the understanding and interpretation of regulations promulgated in terms of the National Land Transport Act. The Department embarked on a series of workshops where the regulations were explained.

Regarding the George Mobility Project, the Business trust for George is operational. This entity will be utilized as a multi-purpose vehicle to transform the current informal based operating system to a formal legally compliant business entity. The promulgation of the NLTA has resulted in the conclusion of new operator contracts



being devolved to the local authority in terms of which the Municipal Systems Act (Section 78) must be applied. This process is still underway and impacts on other interventions.

With regards to Safety and Compliance, the Department, in partnership with the Department of Community Safety, municipalities and other stakeholders throughout the province, initiated the Safely Home Programme, with the primary aim to reduce road fatalities in the province by 50 per cent by 2014.

The second alcohol evidence centre or Safely Home Anti-Drunk Driving Operations War-room (SHADOW) was opened in George and the promulgation of the George Impoundment facility was facilitated on the same site. In collaboration and partnership with the Department of Community Safety four (4) safety awareness campaigns were conducted this year with the focus on the following themes: Fatigue, Road side education and overloading.

There were two impound facilities in the province, one at Ndabeni and one at Beaufort West. A third impound facility was promulgated in George in June 2010. A fourth and fifth are planned for Maitland and Hermanus during 2011/2012 financial year to the tune of R 2.9 m combined. These facilities will assist law enforcement agencies towards achieving safety and compliance with laws and regulations by public transport operators and also address the issue of lawlessness on the provincial roads. The gazetting of the new Impoundment fees in line with the provisions of the National Land Transport Act will be done in 2011/2012.

The Department continued to work closely with the South African Police Service (SAPS) in identifying and combating fraud and corruption at VTS's and DLTC's.

The Expanded Public Works Programme (EPWP) is currently implementing Phase 2 of the National Programme. Areas that received particular focus included communication of the EPWP national strategy and targets in the province; training to ensure public bodies understand the new strategy and the relevant reporting, as well as implementation of secretariat functions as per EPWP strategic directive. In the previous financial year support of EPWP projects was lacking in Municipalities. In cases where there might have been support, only a limited number of Municipalities reported on their EPWP projects. The Department embarked on an active engagement process with Municipalities to assist them in the capturing of projects. This has had a positive outcome with 29 of the 30 Municipalities reporting during the financial year, compared to only 5 Municipalities reporting during the previous financial year.

Strategic objectives and the measured progress made towards their achievement are captured per Programme in the section related to Programme Performance at paragraph 2.2 below.

### 2.1.5 Overview of the service delivery environment for 2010/11

The key services rendered by the Department include, but are not limited to:

- Maintenance of road infrastructure that promotes accessibility and the safe, affordable movement of people, goods and services
- Issuing of public transport operator licenses
- Construction and maintenance of health and education facilities, and general buildings
- Registration and licensing of vehicles
- Issuing of driver licenses
- Certification of motor vehicles and roadworthy for use on public roads
- Issuing of permits for abnormal load vehicles and events on public roads
- Recording of accident data
- Exercising overload control
- Assistance to public sector institutions regarding the Expanded Public Works Programme

The following is an overview of performance and the context within which these services were provided:

The Department, on behalf of the state, owns 1 583 health buildings, of which 73 % is in a fair to very good condition. 64 % of the 1 652 state owned Education buildings is in a fair to very good condition. There are 1 873 state owned general buildings of which 70 % is in fair to very good condition.

During the review period, Public Works investment, through its capital and maintenance programmes, bolstered the construction industry in the Province, and contributed to service delivery in client departments by providing a range of upgraded, refurbished and new facilities.

Construction works: Three new schools were completed and 97 Grade R class rooms; a further 15 schools were in various stages of construction and planning. 18 Projects of varying complexity and magnitude were completed at health facilities; while a further 67 projects are under construction or in the planning and design phase.

Maintenance works: General Buildings completed 232 maintenance projects for 10 for client departments. The Health Directorate was engaged in 230 maintenance projects, of which 104 were completed. 78 Maintenance projects were successfully completed at schools.

Altogether the Department contributed towards the social economic objective with the creation of 12 000 direct jobs through construction, maintenance and facilities management of provincial government buildings and facilities. 500 Capital

construction projects and 507 maintenance projects were commenced and 1 007 infrastructure related tenders advertised.

The Department provided opportunities for youth, women and black owned enterprises which resulted in contracts being awarded to youth (30 per cent), women (30 per cent) and Black owned enterprises (50 per cent).

Community unrest threatened timeous delivery of certain health and education facilities due to issues related to the use of local labour. High level engagement with the community, including legal action calmed the situation. The risk response included the formulation of a Cabinet approved policy on the selection of community liaison officers and local labour.

Of the 6 481 km of the total Provincial surfaced road network maintained 27 % km of road is in very good condition, 39 % km of road is in good condition, 23 % km of road is in fair condition, 9 % km of road is in poor condition and 2 % km of road is in very poor condition. There were 20km of surfaced roads upgraded and 25km rehabilitated, and 14km of gravel road were upgraded to surfaced roads.

During the height of the road sealing season a shortage in the availability of the grade of bitumen which is used regularly was experienced. The fact that roads authorities across the country were engaged in a high number of sealing projects exacerbated the situation; as well as the fact that the local refinery ceased to manufacture certain grades of bitumen required. The Department therefore investigated and considered alternative sources, technologies and specifications, changed its specification for the grade of bitumen required and most scheduled projects were completed timely. High level discussions in the industry might lead to bitumen being imported to satisfy local needs.

Legislation on Environmental Impact Assessments has been changing on an annual basis for some years, bringing in more and more stringent requirements to fulfil and bodies to be consulted. The Department will have to strengthen its resources to deal with EIA processes. The implementation programme of the Branch is continuously being reviewed to reschedule projects where delays occur.

Although floods are not a new phenomenon, the frequency of occurrence lately impacts severely on scarce resources. Nearly 1/10th of the Branch: Road Infrastructure's output in 2010 was directed towards flood damage repair. Scaling down on in-house resources, environmental legislation and restrictive procurement processes make it nearly impossible to repair flood damage quickly, other than the initial emergency reactions.

There were 16 134 applications for operating licences received. The target of 14 000 operating licences issued was exceeded when 14 286 operating licences were issued during the financial year.

The Province experienced a rail strike during the course of the reporting year. The risks associated with the rail service strike were mitigated by the contracting-in of bus services to ensure continued mobility of commuters. Golden Arrow Bus Services (GABS) provided additional services to transport the additional commuters. The additional service by GABS had a direct influence on the Department in terms of subsidy pay-outs.

The mini-bus taxi strike action caused much mayhem to commuters. The Department was at the forefront of engagements within the established Joint Working Group to resolve the strike.

An MOU was reached with Golden Arrow Bus Services to install 138 onboard tracking units on buses in order to improve the monitoring of services in line with the subsidised contract.

The Department has also been at the forefront of addressing the challenge of incidents at level-crossings following several tragic accidents, resulting in a summit to thrash out solutions and the institution of a task team to address all possible solutions-work continues in an integrated manner.

With the promulgation of the National Land Transport Act, 2009 (Act 5 of 2009) a series of workshops was held with the minibus taxi industry, to outline and explain the implications of the said legislation in order to mitigate the risk of misinterpretation.

Due to the significance of the 2010 FIFA World Cup, the Provincial Disaster Management Centre was put on high alert. On high risk days, senior specialist staff were assigned to the Centre on a 24 hour basis to augment existing resources.

During the financial year 68 428 new vehicle licences were issued, 530 625 vehicles were registered, 1 817 709 vehicles were licenced and 1 703 403 licences were paid on time.

Of the 243 550 applications for learner's licences received 139 456 were issued. 59 80 Driving licences were issued out of 112 617 applications received.

A number of 5 006 abnormal loads permits, 244 sport on public roads permits, and 68 film shoots on public roads permits issued.

22 432 accident forms were captured into the provincial accident data base.

Weighbridges operated 63 391 hours and inspected on average 9 vehicles per hour during the financial year. The increase in law enforcement operations allowed for 579 689 transport vehicles to be weighed instead of the 480 000 planned, resulting in 15 543 prosecutions for overloading.

The Department's active engagements with Municipalities resulted in 29 of the 30 Municipalities reporting on EPWP projects during the financial year, compared to only 5 Municipalities reporting during the previous financial year.

### Virements and rollovers

The virements applied to programmes within Vote 10 are captured in Table 5 of the Annual Financial Statements and the Accounting Officer's Report.

**Table 2.1.5.1: Explanations/reasons for any additions to or virement between the main appropriation allocations**

Main division			Reason
From	To	R'000	
1. Administration	3. Roads Infrastructure	7 590	Acceleration of Roads Infrastructure delivery
5. Traffic Management	6. Community Based	2 458	Insufficient provision for the National Youth Service Program (NYS)

The table below provides an indication of the purpose of rollovers from the previous financial year.

**Table 2.1.5.2: Rollovers from the 2009/10 financial year**

Programme	R'000	Purpose
2. Public Works	18 579	Payment of municipal property rates
	5 405	Repairs to roads infrastructure caused by flood damage in the Overberg, Central Karoo, Cape Winelands and Eden District Municipalities during November 2007 and in the Cape Winelands and West Coast District Municipalities during July 2008
3. Roads Infrastructure	181 085	
<b>Total</b>	<b>205 069</b>	

The Department contributes to the 12 National Outcomes through its active involvement in the 12 Provincial Strategic Objectives.

### 2.1.6 Overview of the organisational environment for 2010/11

A new Head of Department was appointed with effect from 1 November 2010 for a three year period. For the period 1 April 2010 to 31 October 2010, this leadership position was occupied in an acting capacity.

Fraud and irregularities represents a significant potential risk to the Department. Allegations in this regard are captured in paragraph 9 of the Accounting Officer's Report in Part 3 of this Report.

One member of the Senior Management Service was dismissed. The vacancy was filled through a transfer.

## 2.1.7 Key policy developments and legislative changes

The following major policy developments and legislative changes took place:

- A decision to begin the development of an over-arching policy framework for the acquisition, disposal and development of immovable assets.
- The Department registered with the Green Council of South Africa in order to support efforts in upholding environmental integrity, sustainability and maximising sustainable resource management and use.
- In order to achieve parity of motor vehicle licence fee tariffs between provinces, the Western Cape tariffs were held at their current levels.
- A gross contracting regime for the George Mobility Project was decided upon for the initial contracting period of 12 years.
- The promulgation of the Western Cape Procurement (Business of Employees) Act, 2010 (Act 8 of 2010).

## 2.1.8 Departmental revenue, expenditure, and other specific topics

### *Collection of departmental revenue*

The net aggregate departmental receipts collected for 2010/11 is R 1 103 716 million or 20.60 per cent above the estimates. The outcome of the collection for 2010/11 is shown in the table below.

#### **Table 2.1.8.1: Departmental revenue**



	2007/08 Actual R'000	2008/09 Actual R'000	2009/10 Actual R'000	2010/11 Target R'000	2010/11 Actual R'000	% Deviation from target
<b>Tax revenue</b>						
Motor vehicle licenses	794 175	865 162	894 986	848 072	901 651	6.32
<b>Non-tax revenue</b>						
Sales by market establishment	30 080	66 534	40 491	52 116	75 709	45.27
Administrative fees	17 759	17 819	15 651	13 754	19 527	41.97
Other sales	4 599	651	1 100	988	1 391	40.79
Sales: scrap, waste, other used goods	101	5	17	0	119	100
<b>Interest, dividends and rent on land</b>	7	822	118	0	6 464	100
<b>Sales of capital assets</b>	56 356	17 018	800	245	94 979	38 666.94
- Buildings and other fixed structures			800			
<b>Financial transactions (Recovery of loans and advances)</b>	51 937	275	27 896	0	3 876	100
<b>TOTAL DEPARTMENTAL RECEIPTS</b>	<b>955 014</b>	<b>968 286</b>	<b>981 059</b>	<b>915 175</b>	<b>1 103 716</b>	<b>20.60</b>

Delivery on the plans for collecting departmental revenue shows an over collection which is mainly attributed to:

- improved collection (current and arrear) of motor vehicle license fees, voluntary payment of the prescribed fees by legitimate owners and an increase in the motor vehicle population;
- improved collection of arrear leases;
- an increased demand for personalised motor vehicle registration numbers, abnormal load licenses, operating licenses and sales of tender documentation;
- the sale of capital assets because the assets in question were superfluous to service delivery requirements.

## 2.1.9 Departmental expenditure

The Department spent 95 per cent of its budget allocation as set out in the table below. During the year the Department monitored expenditure through monthly reporting and analysis of expenditure.

**Table 2.1.9.1: Variance between actual expenditure and budget**

PROGRAMME	MAIN APPROPRIATION 2010/11 R'000	ADJUSTMENTS APPROPRIATED R'000	VIREMENT R'000	TOTAL VOTED R'000	ACTUAL EXPENDITURE R'000	VARIANCE R'000
Administration	200 175	(27 764)	(7 590)	164 821	152 290	12 531
Public Works	772 177	161 598	0	933 775	884 096	49 679

Roads Infrastructure	1 627 975	187 583	7 590	1 823 148	1 760 217	62 931
Public and Freight Transport	787 227	(8 376)	0	778 851	744 513	34 338
Traffic Management	227 316	8 381	(2 458)	233 239	225 128	8 111
Community Based Programmes	71 678	(7 874)	2 458	66 262	41 642	24 620
<b>TOTAL</b>	<b>3 686 548</b>	<b>313 548</b>	<b>0</b>	<b>4 000 096</b>	<b>3 807 886</b>	<b>192 210</b>

The main reasons, per Programme, for the under spending are as follows:

### Programme 1: Administration

Vacancies not being filled as planned, over estimation of capital requirements for the Enterprise Content Management system, and delays with the review process of Integrated Transport Plans.

### Programme 2: Public Works

Uncertainty of liability for the payment of property rates where a hospital building occupies separate portions of land of which the Provincial Government and a tertiary institution are respectively the owners. In addition a contract was awarded later than planned.

### Programme 3: Roads Infrastructure

Longer than expected procurement lead times to complete projects for the repair of flood damage.

### Programme 4: Public and Freight Transport

George Mobility Project: The municipality required approval of the assessment undertaken in terms of s78 of the Municipal Systems Act, 2000 (Act 32 of 2000) before the Department could proceed with playing a role in the execution of the project.

Concluding of agreements with the Western Cape Minibus Taxi Council and the Western Cape Metered Taxi Council because the negotiation process took longer than expected.

Protracted conclusion of a memorandum of understanding between the Department and the bus operator in respect of electronic monitoring equipment.

A delay in the rollout of training interventions because of the conclusion of an overriding Training Strategy for Land Transport.

## Programme 5: Traffic Management

The design of the *Average Speed Over Distance* infrastructure for which professional consultants need to be procured took longer than expected.

## Programme 6: Community Based Programmes

The Expanded Public Works Programme Infrastructure sector targets were not surpassed. As a consequence no cash inflow emanated to finance the appropriated EPWP Incentive Grant.

In relation to improving economy and efficiency of each programme, organisational structures attached to the programmes are being reviewed. Certain functions within Programme 1 have been corporatised in the Corporate Service Centre vested in the Department of the Premier. These functions include enterprise risk management, human resource management and human resources development. In addition, substantial management interventions were implemented to promote usage of the Enterprise Content Management System and drive user adoption.

### 2.1.10 Transfer payments

The tables below entail a summary of transfers per programme and for each programme.

#### Programme 1: Administration

The transfers reflected in the table below are for the preparation of integrated transport plans by local authorities and in the case of the City of Cape Town, for 2010 FIFA World Cup transport operations planning.

Municipalities are required to develop Integrated Transport Plans as a sector plan input to their Integrated Development Plan (IDP). The IDP is the ultimate guide to the delivery of services by the relevant municipality. Within the transport realm, such services include infrastructure to support public transport, road maintenance, comments on operating licence applications and traffic law enforcement.

In the case of the City of Cape Town, as a host city for the 2010 FIFA World Cup, it was required to ensure that transport services were in place to support the movement of spectators to and from matches on event days.

The amount spent by each municipality by the end of the provincial financial year is indicated in the table below.

A full spending report for all municipalities, barring the City of Cape Town, will be available at the end of the 2011/12 financial year. The City of Cape Town has fully spent the funds transferred.

Monitoring of funds transferred is undertaken through ITP project meetings with the municipalities, while a report from the municipality is required to be submitted monthly. 2010 FIFA World Cup transport planning meetings which included the Department were held at least fortnightly.

**Table 2.1.10.1: Programme 1: Administration – Transfers to local government**

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL EXPENDITURE BY MUNICIPALITY (R'000s)	SPEND REPORT DUE
Transfer to local government				
Stellenbosch Municipality (Note 1)	396	0	0	Not applicable
Cape Winelands Municipality (Note 2)	715	715	0	Monthly
George Municipality (Note 1)	396	0	0	Not applicable
City of Cape Town	2 000	2 000	2 000	Submitted
<b>TOTAL</b>	<b>3 507</b>	<b>2 715</b>	<b>2 000</b>	

Note 1: Transfer payments to Stellenbosch and George municipality withheld due to delays with the Integrated Transport Plan review process - the municipalities were not in a position to review the plans prescribed by legislation (National Land Transport Act, 2009) in the 2010/11 financial year.

Note 2: The Cape Winelands District Municipality is in-process with procuring professional services to develop a Freight Strategy that will form part of the overall Integrated Transport Plan of the District Municipality.

### Programme 2: Public Works

The transfers reflected in the table below are in respect of property rates paid to local municipalities, namely R264.700 million of the R283.041 million appropriated. The under spending of R18 341 million is attributed uncertainty of liability for the payment of property rates where a hospital building occupies separate portions of land of which the Provincial Government and a tertiary institution are respectively the owners. Reports are submitted to the national transferring department on a monthly and quarterly basis.

**Table 2.1.10.2: Programme 2: Public Works – Property rates**

NAME OF INSTITUTION	ACTUAL TRANSFER (R'000s)
Beaufort West Municipality	814
Berg River Municipality	679
Bitou Municipality	347
Blaauwberg Local Municipality	6 770
Breede River/ Winelands Municipality (Langeberg)	756
Breede Valley Municipality	656
Cape Agulhas Municipality	189
Cederberg Municipality	941
Central Karoo District Municipality	165
City of Cape Town	224 945
Drakenstein Municipality	7 083

NAME OF INSTITUTION	ACTUAL TRANSFER (R'000s)
Eden District Municipality	122
George Municipality	3 141
Hessequa Municipality	792
Kannaland Municipality	1 082
Knysna Municipality	959
Laingsburg Municipality	151
Matzikama Municipality	770
Mossel Bay Municipality	192
Oudtshoorn Municipality	2 969
Overstrand Municipality	571
Prince Albert Municipality	84
Saldanha Bay Municipality	1 386
Stellenbosch Municipality	5 319
Swartland Municipality	863
Swellendam Municipality	419
Theewaterskloof Municipality	1 521
West Coast District Municipality	16
Witzenberg Local Municipality	998
<b>TOTAL</b>	<b>264 700</b>

### Programme 3: Roads Infrastructure

The transfer payments in the table below represent claims and 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 as well as licenses paid for plant.

Transfers were done on work completed and claimed during 2010/11. The under spending is thus due to subsidy claims not being submitted as a result of actual work not being executed timely or below budget.

In the case of Drakenstein Municipality (R 500 000) the municipality preferred not to utilise the provision.

**Table 2.1.10.3: Programme 3: Roads Infrastructure – Transfers to local government**

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL SPEND BY MUNICIPALITY (R'000s)	SPEND REPORT DUE
Transfer to local government				
City of Cape Town	9 400	9 400	0	July 2011
Matzikama Municipality	100	52	52	
Cederberg Municipality	124	117	117	
Bergrivier Municipality	50	50	50	
Saldanha Bay	100	87	87	
Swartland Municipality	200	200	200	

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL SPEND BY MUNICIPALITY (R'000s)	SPEND REPORT DUE
Witzenberg Municipality	616	616	616	
Drakenstein Municipality	500	0	0	
Stellenbosch Municipality	1 572	1 522	1 522	
Breede Valley	10 555	10 555	10 555	
Langeberg Municipality	82	82	82	
Theewaterskloof Municipality	60	60	60	
Overstrand Municipality	50	40	40	
Cape Agulhas Municipality	5 171	5 163	5 163	
Swellendam Municipality	20	0	0	
Kannaland Municipality	20	0	0	
Hessaqua Municipality	300	300	300	
Mossel Bay Municipality	1 853	1 831	1 831	
George Municipality	325	325	325	
Oudtshoorn Municipality	5 122	5 122	5 122	
Bitou Municipality	10	0	0	
Knysna Municipality	30	0	0	
Laingsburg Municipality	10	9	9	
Prince Albert Municipality	23	6	6	
Beaufort West Municipality	70	42	42	
Central Karoo Municipality	10	0	0	
Unallocated	2 597	2 597	2 597	
<b>TOTAL</b>	<b>38 970</b>	<b>38 176</b>	<b>28 776</b>	

#### Programme 4: Public and Freight Transport

The tables below respectively show transfers made to non-profit entities and municipalities. Non-profit entities: For compensation of operators for time spent on engagement with government and to facilitate procurement of services such as legal with the aim to establish a viable operator entity for public transport services in George Municipalities: For the installation of CCTV cameras to monitor public transport safety; the installation of public transport infrastructure facilities as part of the rollout of the George Mobility Strategy and in support of rural development in various municipalities in the province; and to contribute to the Dial-a-Ride project to support special needs passengers.

**Table 2.1.10.4: Programme 4: Public and Freight Transport – Transfers to non-profit institutions**

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL SPEND BY ENTITY (R'000s)	SPEND REPORT DUE
Transfer to non-profit institutions				
George Mobility Strategy Trust	350	350	200	June 2011
<b>TOTAL</b>	<b>350</b>	<b>350</b>	<b>200</b>	

**Table 2.1.10.5: Programme 4: Public and Freight Transport – Transfers to local government**

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL SPEND (R'000s)	SPEND REPORT DUE
Transfer to municipalities				
City of Cape Town	17 533	17 533	0	August 2011
Matzikama Municipality	500	500	0	July 2011
Cederberg Municipality	500	500	0	July 2011
Bergriver Municipality	500	500	0	July 2011
Saldanha Municipality	300	300	0	July 2011
Swartland Municipality	600	600	0	July 2011
Overstrand Municipality	1 000	1 000	220	September 2011
Cape Agulhas	1 100	1 100	0	July 2011
George Municipality	9 900	9 900	1 440	April 2011
Laingsburg Municipality	2 000	2 000	0	July 2011
Beaufort Municipality	3 500	3 500	0	July 2011
<b>TOTAL</b>	<b>37 433</b>	<b>37 433</b>	<b>1 660</b>	

MUNICIPALITY	PROJECT DESCRIPTION	AMOUNT TRANSFERRED (R'000)	TRANSFER ACTION DATE	EXPENDITURE
City of Cape Town	City of Cape Town Dial-A-Ride	17 533	21/12/2010; 28/03/2011	The Department of Transport and Public Works and the City of Cape Town agreed in terms of a Memorandum of Agreement to co-fund a project for the special provision of Public Transport Services for Persons with Disabilities (Dial-A-Ride). In terms of this agreement, the Department was obliged to transfer R17,533 000.00 to the Cape Metropolitan Fund. The full spending report will be available at the end of August 2011. During the 2010/2011 financial year the department and the City of Cape Town engaged through monthly meetings which enabled the department to monitor and provide input in terms of the operated services as well as the project finances.
George	George Inter-Urban Bus Terminus	4 000 (3 Tranches)	17/12/2010; 03/02/2011; 10/02/2011;	There has been no expenditure to date. Planning of the project and stakeholder engagement is currently underway. A progress report has been received in June 2011 and a full spending report will be provided during 2011/2012 financial year.
	Roads construction and upgrade	5 900	25/11/2010	Project is underway. Expenditure reports have been received and a full spending report will be provided in the 2011/2012 financial year.



MUNICIPALITY	PROJECT DESCRIPTION	AMOUNT TRANSFERRED (R'000)	TRANSFER ACTION DATE	EXPENDITURE
Matzikama	Pedestrian Pathways	500	10/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Cederberg	Pedestrian Pathways	500	10/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Saldanha Bay	Pedestrian Pathways	300	10/03/2011	Funds were only transferred to the Municipality in March 2011. The Municipality is currently procuring services of a contractor/s to undertake the project. The project is monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Bergrivier	Pedestrian Pathways	500	17/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Swartland	Pedestrian Pathways	600	10/03/2011	Funds were only transferred to the Municipality in March 2011. The Municipality is in the planning phase. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Laingsburg	Construction of sidewalks, cycling routes and paving access roads	2 000	10/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Beaufort West	Pedestrian Pathways and pathway bridge over railway line	3 500	24/01/2011	Funds were only transferred to the Municipality in January 2011. The Municipality is in the planning phase. The project is monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Cape Agulhas (Bredasdorp)	Taxi embayments and Upgrading of sidewalks	800	17/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.

MUNICIPALITY	PROJECT DESCRIPTION	AMOUNT TRANSFERRED (R'000)	TRANSFER ACTION DATE	EXPENDITURE
Cape Agulhas (Napier)	Taxi embayments	300	17/03/2011	Funds were only transferred to the Municipality in March 2011. The project is underway and monitored through regular site visits. Reports from the Municipality on the actual amount spent on the project are expected in the 2011/2012 financial year.
Overstrand	Impound Facilities	1 000	17 March 2011	The site has been identified; a project plan has been developed and agreed on between the Municipality and the Province. The project is in an initial phase of execution. The tender will close on 30 September 2011 with project completion by March 2012. Reports from the Municipality on the actual amount spent are expected in the 2011/12 financial year.

The table below shows the transfers to the bus and rail operators for public transport services provided in terms of the interim kilometre based contract as well as for on board security as part of the Southern Line rail extended service pilot project.

**Table 2.1.10.6: Programme 4: Public and Freight Transport – Transfers to public corporations and private enterprises**

NAME OF INSTITUTION	VOTED (R'000s)	ACTUAL TRANSFER (R'000s)	ACTUAL SPEND (R'000s)	SPEND REPORT DUE
Transfer to public corporations and private enterprises				
Golden Arrow Bus Services Pty Ltd	633 108	633 108	0	Monthly
Passenger Rail Agency of South Africa (PRASA)	300	300	0	July 2011
<b>TOTAL</b>	<b>633 408</b>	<b>633 408</b>	<b>0</b>	

**Golden Arrow Bus Services Pty Ltd:** Funds were transferred for the provision of public transport subsidized services in terms of the Amended Interim Contract entered into between the Provincial Department of Transport and Public Works and the bus operator, Golden Arrow Bus Services.

The purpose of the funding was to subsidise public transport services, thereby making it affordable to public transport commuters.

The full spending reports are available and were forwarded monthly to DOT as required in terms of the Division of Revenue Act 2010 (DORA) Framework.

The Department utilized the services of a Supervision and Monitoring Firm as required by DORA in order to ensure that the services were rendered by GABS. A manual monitoring solution is labour intensive and requires a large compliment of people to monitor the entire system. It consequently became evident during the roll-out of manual monitoring that certain weaknesses existed and a decision was taken to investigate and implement an electronic monitoring system.

**Passenger Rail Agency of South Africa (PRASA):** R300 000 was transferred for the provision of on-board security to the additional trains along the Southern Suburban Rail Line Pilot Project.

To date 50 percent of the funds, which amounts to R150 000, has already been spent. A full spending report will be made available at the end of October 2011.

Initially the project steering committee meetings, comprising of the Department of Transport and Public works, Metrorail and City of Cape Town, were held on a weekly basis but are now being held on a monthly basis to monitor progress.

### 2.1.11 Conditional grants and earmarked funds

The table below shows the national conditional grants appropriated, received and actual expenditure. All cash received for conditional grants were deposited into the accredited bank account of the Provincial Treasury, except for the EPWP incentive grant. Although the conditions and objectives were complied with and achieved the following grants under spent and therefore underperformed, the reasons for which is as follows:

Expanded Public Works Programme Incentive Grant: The Expanded Public Works Programme Infrastructure sector targets were not surpassed. As a consequence no cash inflow emanated to finance the appropriated EPWP Incentive Grant.

Devolution of Property Rates Fund Grant, because of uncertainty of liability for the payment of property rates where the Groote Schuur hospital building occupy separate portions of land of which the Provincial Government and the University of Cape Town are respectively the owners.

Transport Disaster Management Grant, because of longer than anticipated lead times for the repair of flood damage.

**Table 2.1.11.1: Summary of Conditional Grants for 2010/11**

UNFORESEEABLE / UNAVOIDABLE R'000S	GRANT TYPE	ADJUSTMENTS APPROPRIATION R'000	TOTAL RECEIPTS R'000	TOTAL SPEND R'000
Infrastructure Grant to Provinces	4	408 254	408 254	408 254
Expanded Public Works Programme Incentive Grant	8	23 218	23 218	
Public Transport Operations Grant	4	632 402	632 402	632 402
Devolution of Property Rates Fund Grant	5	283 041	283 041	264 700
Transport Disaster Management Grant		186 490	186 490	124 605

UNFORESEEABLE / UNAVOIDABLE R'000S	GRANT TYPE	ADJUSTMENTS APPROPRIATION R'000	TOTAL RECEIPTS R'000	TOTAL SPEND R'000
TOTAL		1 533 405	1 533 405	1 429 961

Note on Grant Type

4: Allocations to provinces to supplement funding of programmes or functions funded from provincial budgets.

5: Specific purpose allocations to provinces

8: incentives to Provinces to meet targets with regards to priority government programmes

## DEVOLUTION OF PROPERTY RATE FUNDS GRANT

The purpose of the grant is to facilitate the transfer of property rates expenditure responsibility to provinces; and to enable provincial accounting officers to be fully accountable for their expenditure and payment of provincial property rates.

The following conditions are applicable to this Grant:

- Provinces must limit payments to invoices submitted by municipalities for property rates.
- Provinces must ensure that sufficient provision is made within their baselines to accommodate future commitments pertaining to provincially-owned properties.

The Department appointed a manager to manage the grant framework, but it must be noted that additional resources were not made available to cover the administrative burden of the function.

The total expenditure amounts to R264.700 million resulting in a under spending of R18.341 million on the total budget allocation of R283.041 million for 2010/11. The current under spending is mainly the result of uncertainty regarding liability for the payment of rates related to an isolated case namely "Groote Schuur Hospital/UCT". The land belongs to UCT, but the improvement (Hospital building) on the land belongs to the Provincial Government Western Cape. A process is underway to appraise the land and the building in order to assign the rates proportionately.

## INFRASTRUCTURE GRANT TO PROVINCES

The purpose of the grant is to help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education, roads, health and agriculture; to enhance the application of labour intensive methods in order to maximize job creation and skills development as encapsulated in the Expanded Public Works Programme (EPWP) guidelines; and to enhance capacity to deliver.

The following conditions are applicable to this Grant:

Submission of tabled Infrastructure Plans (draft User Asset Management Plans, or U-AMPs) with prioritized project lists that are signed off for the 2010 MTEF by 09 April 2010 for departments that are targeted by the grant. These plans must comply with the prescribed 2T01 template. These deliverables are required for the transfer of the 1st instalment.

The flow of the 2nd instalment depends on the submission of fourth quarter infrastructure report for the 2009/10 financial year and final list of projects captured on the IRM by the 23 April 2010.

The flow of the 3rd instalment is dependent upon receipt of the draft 2011/12 U-AMPs including the initial list of prioritized projects as captured in the Infrastructure Programme Management Plan (IPMP). The lists of prioritized projects should reflect those projects being planned and implemented in 2011/12 and must be endorsed by the respective national departments.

The flow of the 3rd, 4th and 5th instalments are conditional upon submission and approval of signed-off quarterly infrastructure reports, effectiveness reports and education project assessments.

Quarterly reports on the implementation of infrastructure projects (via the Infrastructure Reporting Model – IRM) are required in addition to monthly In-Year Monitoring expenditure reports. Reported information should cover the full infrastructure budget in the province, not only the grant allocation. Reports should also indicate progress in terms of expenditure and jobs created on infrastructure related EPWP projects.

- Non Compliance to the above conditions can result in funds being withheld or stopped.

#### **Immovable Asset Management and Maintenance:**

All immovable asset management and maintenance responsibilities as prescribed by the Government Immovable Asset Management Act of 2001 (GIAMA) and the Immovable Asset Management Toolkit must be adhered to.

The conditions were complied with as the grant was fully spent for its intended purpose that is the construction, maintenance, upgrading and rehabilitation of roads infrastructure.

The table below shows the projects involved.

#### **Table 2.1.11.2: Projects for which the infrastructure grant to Provinces was utilised**

<b>Infrastructure Grant to Provinces Roads Infrastructure Projects</b>	<b>Allocation R'000</b>	<b>Expenditure R'000</b>
C829 Dal Josafat	6 906	4 604
C733.4 Broadlands to Sir Lowry Pass	60 000	57 378
C837.2 N1 Merweville Upgrade	3 000	3 000
C838 Caledon Hemel en Aarde Upgrade	3 000	0
C776.2 Gansbaai Elim PH2 Upgrade	10 000	9 799
C839.1 Eden Still Bay Upgrade	1 000	508
C880 Koeberg Direction Ramps Upgrade	150 000	162 207
C708.9 Rehab N2 From KM 0 29	18 348	14 758
C586 PNiel Simonium Rehab	40 000	40 000
Resealing/ Resurfacing	37 000	37 000
Maintenance - current	79 000	79 000
<b>TOTAL</b>	<b>408 254</b>	<b>408 254</b>

### **TRANSPORT DISASTER MANAGEMENT GRANT**

The purpose of the grant is to repair road infrastructure including bridges and sections of on-line road infrastructure that were built to the required engineering standards and maintained in terms of good industry practice.

The conditions of the grant are as follows:

- The event must be declared a National Disaster in order to qualify for application.
- Non- insured infrastructure damaged by natural disasters (for example through flooding and related disasters).
- Transfers to provinces must be done in line with payment schedule/cost management schedule.

Approximately 10 per cent of estimated construction cost to do business plans, feasibility and designs. Once the documentation (i.e. business plans) is in order, then 40 percent will be advanced where after cash flows are set, then funds disbursed as works progressed.

In the 2010/11 Adjustments Estimated an additional R186.490 million in the form of a national Transport Disaster Management Grant was appropriated, consisting of rollovers from the previous financial year for flood damage in the Overberg, Central Karoo, Cape Winelands and Eden District Municipalities during November 2007 and for flood damage in the Cape Winelands and West Coast District Municipalities during July 2008.

A combination of the late approval of the rollovers and receipt of the allocation, the magnitude thereof and design and procurement lead times lead to an under spending of R61.885 million on the grant. The grant was spent on 69 projects for the intended purposes of repairing flood damage on roads of which 34 projects (49%) with a value of R11.058 million were executed by in-house resources, and 35 projects (51%) with a spend of R108.142 million was contracted out, thus giving a total spending of R119.2 million.

The total R61.885 million unspent in 2010/11 is already committed.

## **PUBLIC TRANSPORT OPERATIONS GRANT**

The purpose of the grant is to provide supplementary funding towards public transport services provided by provincial departments of transport. The conditional grant is the national contribution to subsidized service contracts existing between the provincial department of transport and public transport operators for the provision of affordable subsidized services.

The conditions of the grant are as follows:

All contracts concluded must be done as per relevant legislation and in compliance with the Public Transport Strategy.

Designs and business plans detailing subsidized services will have to be approved by the Public Transport Integration Committee comprising of the three spheres of Government to ensure alignment with Integrated Public Transport Networks (IPTNs). Where an Intermodal Planning Committee is established at municipal level, in terms of the National Land Transport Act no. 5 of 2009, the functions of the two committees must be consolidated to ensure integration of planning, services and modes.

The Department must utilise the Subsidy Management System (SUMS) for the verification of monthly claims and inform the National Department of Transport (DoT) in circumstances when the SUMS system is not operational, in such circumstances monthly claims will be verified and processed manually.

Supervision and monitoring and/or external auditing must be utilized to certify the correctness of the operator's claim in terms of Km of services provided and report to DoT monthly.

The Department complied with the relevant performance requirements of DORA as more fully detailed hereunder:

The value of the grant was R632 402 000 and was fully spent on the provision of subsidised commuter bus services which is currently provided by Golden Arrow Bus Services (Pty) Ltd. The grant achieved its objectives to provide public transport services that are supportive of intermodal efficiencies in public transport and affordable to the users of the services. The services of a Supervision and Monitoring Firm /Auditors were retained for the 2010/2011 financial year to monitor services (in kilometres) rendered by the operator. Reports were forwarded monthly to DOT as required. It became evident during the role-out of manual monitoring that certain weakness existed with manual monitoring and a decision was taken to investigate and implement an electronic monitoring system.

The Public Transport Integration Committee established in the previous financial year, comprising of the three spheres of Government, developed Integrated Rapid Public Transport Networks (IRTPN). The following IRTPN objectives were achieved:

A Rail plan has been aligned with PSO3. The plan is focussed on two levels, namely:

1. Passenger; and
2. Freight

In respect of Passengers: There is a 3 year plan which focuses on the improvement of infrastructure with an investment of 120 new trains for the Western Cape. Expected delivery being 2015/16.



In respect of Freight: A plan has been developed focusing on the promotion of a sequential shift from road to rail freight. Investment is also being considered for the attainment of additional wagons.

In addition to the aforementioned, engagements were had in intergovernmental forums to integrate the functions of the Public Transport Integration Committee with the Intermodal Planning Committee once it is established by the City of Cape Town.

The SUMS is presently not functional and cannot be utilised.

## EPWP INCENTIVE GRANT TO PROVINCES

The purpose of the grant is to incentivize provinces to increase labour intensive employment through programmes that maximise job creation and skills development in line with the Expanded Public Works Programme (EPWP) guidelines. The following conditions apply to the grant:

- Eligible provincial departments must sign a standard incentive agreement with national Department of Public Works (NDPW) to agree to comply with the conditions and obligations of the grant.
- Provincial departments must report progress on all projects for which they are claiming the incentive via national Department of Public Works' EPWP Management Information System (MIS). This includes reporting beneficiary information.
- Reports must be loaded on the MIS within 20 days after the end of every quarter in order for performance to be assessed for an incentive payment 45 days after the end of each quarter.
- Provincial departments must maintain beneficiary and payroll records as specified in the Audit Requirements in the EPWP Incentive Manual.
- The EPWP incentive grant once received by the eligible provincial department must be used for continuing or expanding job creation programmes.

No incentive grant was received by the department for the year under review because the performance targets were not achieved.

The table below illustrates the audited performance as at 31 March 2011, against the National targets for 2010/11.

**Table 2.1.11.3: Audited performance of EPWP in the Infrastructure Sector**

Sector	Target (2010/11)		Performance (Audited as at 31 March 2011)		%Over/under Performance	
	Provincial	Municipal	Provincial	Municipal	Provincial	Municipal
Infrastructure						

	9,383	13,177	5,513	12,451	59%	95%
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Source: NDPW Audited Q4 MIS Report, 26 April 2011

Provincially the infrastructure sector has not achieved its target and therefore did not qualify for the indicative incentive grant.

Although the municipalities did not achieve 100% of their set target, 29 out of the 30 municipalities (96%) reported on work opportunities created in the infrastructure sector. This is an improvement on their 2009/10 contributions where only 5 municipalities reported (16%).

## 2.1.12 Capital investment, maintenance and asset management plan

### Capital Investment

The tables below reflect the current condition of buildings by department and provincial road infrastructure.

**Table 2.1.12.1: Summary of the condition of Government buildings by department**

DEPARTMENT	CONDITION OF STATE OWNED BUILDINGS										Total
	(Number and Percentage)										
	Very Good		Good		Fair		Poor		Very Poor		
Health Department	55	3%	503	32%	565	36%	210	13%	250	16%	1 583
Education Department	92	5%	456	28%	513	31%	349	21%	242	15%	1 652
Other Infrastructure	25	1%	462	25%	814	44%	267	14%	305	16%	1 873
<b>Grand Total</b>	<b>172</b>	<b>3%</b>	<b>1 421</b>	<b>28%</b>	<b>1 892</b>	<b>37%</b>	<b>826</b>	<b>16%</b>	<b>797</b>	<b>16%</b>	<b>5 108</b>

**Table 2.1.12.2: Summary of the condition of provincial road infrastructure**

	CONDITION OF INFRASTRUCTURE					Total Km's or Total No.
	(Km's or No.)					
	Very Good	Good	Fair	Poor	Very Poor	
Surfaced Roads (excluding highways)	1 597.72	2 333.78	1 477.39	587.00	128.68	6 124.57
Gravel Roads	42.38	1 044.56	3 493.71	4 893.88	1 109.62	10 584.15
Bridges with span > 2 metre						884

	CONDITION OF INFRASTRUCTURE (Km's or No.)					Total Km's or Total No.
	Very Good	Good	Fair	Poor	Very Poor	
Culverts with span > 2 metres						1 424
<p>For the purpose of this table, the degrees of overall condition of pavement mean the following:</p> <p>Very Good      Very few of no defects. Degree of defects c 3 (less than warning)</p> <p>Good            Few defects. Degree of structural defects mostly less than warning</p> <p>Fair             A few defects with degree of defects seldom severe. Extent is only local if degree is severe (excluding surfacing defects)</p> <p>Poor             General occurrence of particularly structural defects with degrees warning to severe</p> <p>Very Poor      Many defects. The degree of the majority of structural defects is severe and the extent is predominantly general to extensive</p>						

The figures in the table above are derived from the Road Network and Asset Management Systems of the Province, and indicate a severe backlog of maintenance on the rural (largely gravel) road network of 56% in terms of roads that fall in a poor to very poor condition. The paved road network indicates only a 12% backlog, however, this exceeds the national norm of 10%. The Department also notes the adverse impact of Freight transport on its strategic network, which is proliferated by driver-diversionary behaviour from roads that have weighbridge infrastructure.

The tables below reflects the departments capital investment programme in respect of public works building projects that started in 2010/11 with the expected practical completion date, as well as projects completed in 2010/11.

**Table 2.1.12.3: Public Works Projects started in 2010/11 with completion date**

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
<b>General Buildings Infrastructure</b>				
Year Contract 7_17: Premier: 142 Long Str: Cape Gateway: Office Refurbishment	Office Refurbishment	19/04/10	16/02/11	30/11/11
Year Contract 7_55: T & PW: Vangate Shared Services Centre Phase 3: Internal Changes & Parking Lot	Phase III - Internal Changes & Parking Lot	19/04/10	26/01/11	19/05/11
Year Contract 7_19: Social Development: Kraaifontein - Phase 2	Phase 2 - Re-furbishing of existing facility to accommodate Bonnytoun	19/04/10	01/09/10	15/06/11

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
T & PW: 24 Months Security System: Installation of New Security Systems and Maintenance for 2010 to 2012 (445872/2010)	Installation of New Security Systems - Own funds	03/08/10	01/10/10	01/10/12
T & PW: Cape Town: 4 Dorp Street: Facade Repairs and Additional Accommodation (191966/2006)	Facade Repairs and Additional Accommodation	29/06/10	23/07/10	29/06/11
Year Contract 7_20: Social Development: Wynberg: Bonnytoun: Re-configuration of Existing Facility to house Office Accommodation from Maynard Plaza	Re-configuration of Existing Facility to house Office Accommodation from Maynard Plaza	19/04/10	01/09/10	16/05/11
Year Contract 7: Refurbishment of Provincial Office Accommodation Due Restructuring (424769/2010)	Refurbishment of Provincial Office Accommodation	19/04/10	24/05/10	20/04/12
Year Contract 7_52: Community Safety: Gene Louw Traffic College - Upgrade of existing facility	Phase 1 - Repairs to existing facility.	19/04/10	14/02/11	30/11/11
T & PW: Cape Town CBD: Artscape: Replacement of lifts (463406/2010)	Replacement of 2 passenger "Front of House" lifts	21/04/11	27/05/11	31/08/11
Health: Denys Reitz: Chief Directorate - Infrastructure Management (391675/2009)	Infrastructure Management	Project did not go out to tender, being attended to via the landlord	18/04/11	12/05/11
EA & DP: Ministry Upgrade: Upgrade Minister's Boardroom & Reception Area (477604/2011)	Upgrade Minister's boardroom & Reception area	19/04/10	15/04/11	03/06/11
Cape Nature: Driftsands Nature Reserve: Walkway through Wetlands (451184/2010)	Walkway through wetlands	25/01/11	18/03/11	15/06/11

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
T & PW: 9 Dorp Street: Replacement of Lifts (463387/2010)	Replacement of 5 high rise lifts and 1 high rise goods lift	04/05/11	27/05/11	29/02/12
CA & Sport: Protea Assurance: Wada's Office - 8th & 6th Floors: 2 New Boardrooms & Director's office (461931/2010)	Vinyl Decals to front glass entrance	19/04/10	09/02/11	24/02/11
Year Contract 7_61: T & PW: 9 Dorp Street: 8th Floor - Office Accommodation	Accommodation move from Protea Assurance to the 8th Floor - 9 Dorp	19/04/10	04/04/11	18/04/11
WG Modernisation_05: 7 Wale Str: Premier 2nd Floor - Legal Services: Alteration work	Legal Services - Alteration work	19/04/10	18/11/10	29/04/11
Year Contract 7_02: Agric: Elsenburg: Main Entrance Upgrade: Creation of an Additional Access	Creation of an additional access point for staff	19/04/10	22/02/11	30/11/11
GNL: Openplan Furniture: Supply and Installation of Openplan Furniture to PGWC (439884/2010)	Supply and Installation of Openplan Furniture to PGWC	02/08/10	02/08/10	31/08/11
Year Contract 7_12: Local Government & Human Settlements: 27 Wale Street: 7th Floor: Renovations to suite of the Deputy Director	Renovations to suite of the Deputy Director	19/04/10	16/03/11	15/04/11
Year Contract 7_18: Social Development: Union House: Waterproofing & Refurbishments	Phase I Waterproofing Existing Building Phase II Office Refurbishment	19/04/10	19/01/11	15/11/11
Year Contract 7_07: Health: 4 Dorp Street: 21st floor Upgrade of Ministry	Upgrade of Ministry	19/04/10	12/01/11	15/06/11
WG Modernisation_06: Treasury: 4 Dorp St: 3rd Floor - Major Renovation to floor	3rd Floor - Major Renovation to floor	19/04/10	19/04/11	27/10/11
T & PW: Modernisation WG - Master Project (453591/2010)	Upgrade of office accommodation in accordance with national norms & standards	Master Project		

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
T & PW: Alfred Street - CMD: Replacement of Lifts (463425/2010)	Replacement of 1 goods & 2 passenger lifts	12/05/11	27/05/11	31/08/11
Year Contract 7_25: T & PW: 9 Dorp Street: Rainwater Pipes	Investigation to block full bore pipes	19/04/10	14/03/11	17/06/11
Year Contract 7_63: Health: Lifecare Facility, Admin Block & Fence	Lifecare Facility - ward extensions & Admin Block - refurbishment of existing building	19/04/10	19/01/11	27/05/11
Year Contract 7_45: T & PW: Alfred Street: Fence to divide Storage area	Fence to divide Storage area	19/04/10	21/02/11	07/04/11
Premier: 148 Long Str: Street: Centre for e-Innovation: Office Refurbishment(446383/2010)	Office Refurbishment	19/04/10	19/01/11	30/11/11
<b>Education facilities</b>				
Delft N2 Gateway Secondary School (2) (81654/2005)	Secondary School (Delft)	19/03/10	21/04/10	21/06/11
Grade R: Classrooms B & M: Overberg (447174/2010)	Grade R Brick and Mortar: 1 Single (1) and 6 Double (2) Classrooms at 7 schools in the Overberg (OB) and Cape Winelands (CW) Districts, namely, Dalubuhle PS (2; CW), Langabuya PS (2; CW), Lukhanyo PS (2; OB), Mbekweni PS (2; CW), Pineview PS (2; OB), Simondium Intermediate S (2; CW), and Sonop PS (1; CW).	13/10/10	04/11/10	31/03/11
Group 05: Oaklands Secondary School (459845/2010)	New standard school as replacement for the existing prefabricated school which is to be demolished. Existing brick Administration building to remain for alternate future use by the school.	05/11/10	09/12/10	05/03/12
Group 05: Vista Secondary School (459717/2010)	Replacement of existing Administration Block and storm damaged classrooms.	05/11/10	06/12/10	18/07/11
Delft N2 Gateway Primary School (2) Aberdare Street (327167/2008)	Primary School (Delft)	19/03/10	21/04/10	18/05/11

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
Group 01: Naphakade Secondary School (446729/2010)	New school	22/09/10	25/11/10	30/06/11
Group 01: Citrusdal Secondary School (446730/2010)	New school	22/09/10	25/11/10	30/06/11
Fisantekraal Secondary School (2325/2003)	Secondary School Site coordinates: X: 18°43' 17" Y:-33°46' 46" v0.95: Thiel, Liam 2008-04-21 16:26	13/08/10	09/09/10	13/10/11
Westerford High School (447459/2010) SGB	New Astro Turf Hockey Pitch	These projects are managed by External Consultants. The projects are captured on RPM only to obtain a project reference number. Drawings are inspected by the Inspectors to ensure that they comply with the Department's specifications.		
Oakhurst Girls Primary School (454774/2010) SGB	Proposed Hall			
Dr. G.J. Joubert Primary School (449089/2010) SGB	New School Hall			
Cloetesville Primary School (282141/2007)	Replacement of 6 prefab. classes with permanent classes (Stellenbosch)	13/11/09	12/01/10	15/03/11
Grade R: Classrooms B & M: Met East (447175/2010)	Grade R Brick and Mortar: Single and Double Classrooms Ummangaliso PS - 2 classrooms Chuma PS - 2 classrooms Injongo PS - 1 classroom Vuzumanzi PS - 2 classrooms	27/10/10	19/11/10	27/05/11
Northpine Secondary School (326603/2008)	Secondary School (Northpine) (Brackenfell)	06/09/10	15/10/10	04/11/11
Westlake Primary School (404232/2009)	Construction of a new Primary School.	19/03/10	19/04/10	22/03/11
Delft N2 Gateway Secondary School (1) (136434/2006)	Secondary School (Delft)	19/03/10	21/04/10	18/05/11
Group 05: Melkbosstrand Secondary School (459883/2010)	New School on erven 1479, 1670, 1671 at the corner of Otto du Plessis & 11th Avenue, Melkbosstrand.	05/11/10	09/12/10	05/03/12
Group 05: Dawn Elsen School: Atlantis (460005/2010)	Alterations and 4 additional Classrooms with new boys and girls ablutions.	05/11/10	10/12/10	31/03/12
Blue Downs Primary School (0110/2002)	Primary School (Blue Downs)	10/03/10	13/04/10	10/05/11
Grade R: Classrooms B & M: West Coast (447235/2010)	Grade R Brick and Mortar: Single and Double Classrooms	28/09/10	28/10/10	14/02/11
Delft N2 Gateway Primary School (1) Corktree Road (81048/2005)	Primary School (Delft)	19/03/10	21/04/10	18/05/11

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
<b>Health facilities</b>				
Grassy Park CHC: New Clinic (IGP) (2008/2009)	Construction of Consulting Rooms, Counselling Rooms, Pharmacy, Admin Section	08/03/10	31/03/10	15/09/11
Green Point: Somerset Hospital: Main Hospital: Main Foyer: Lift Replacements (IGP) (2010/2011)	Replacement of lift installations in the main foyer (3 placement + 1 new)	02/08/10	01/11/10	26/09/11
Mitchells Plain: New Hospital (HRP) (2005/2006)	New District Hospital (230 beds)	22/09/09	20/10/09	29/11/12
Worcester Regional Hospital: Phase 4 - Block F Revitalisation & NHLS Lab Aircon (HRP) (2009/2010)	Renovation of Block F, Air conditioning installation to the NHLS Lab, Additional standby generator & building, Additional parking area, Changes to entrance to hospital. 315 Bed hospital, Total area of hospital = 24 216 m <sup>2</sup> including plant rooms, training centre & mortuary.	16/11/09	09/12/09	30/06/11
George Hospital: Ph3 Revitalization (HRP) (2007/2008)	Exit requirements from the hospital revitalisation programme comprising of work to switchboard and control room, pneumatic tube, main store, Radiology, Psychiatry, Family medicine, Occupational therapy, Patient bus shelter, OPD, Chemo & laminar flow, gate house, Office space, staff tea room, Staff accommodation, Electrical, Water, heating and cooling requirements, Access control and CCTV monitoring, decanting and civil works	03/04/09	29/04/09	22/04/11
Paarl: Paarl Hospital: Ph2 Rationalization (HRP) (2000/2001)	325 Bed hospital Area: Hospital = 9716m <sup>2</sup> (existing including 406m <sup>2</sup> crèche) + 12491m <sup>2</sup> (new) + 1285m <sup>2</sup> (existing casualty) = 23492m <sup>2</sup> Housing = 3482m <sup>2</sup> (existing) Training = 840m <sup>2</sup> (existing) + 207m <sup>2</sup> (new) = 1047m <sup>2</sup> Total area of hospital excluding housing = 24 539 m <sup>2</sup>	10/04/06	09/05/06	31/05/11
Mitchells Plain: Lifecare : Lenteguur Hospital (2010/2011) (IGP)	Alterations And Additions To Existing Wards 90, 91, 93, 94 95 And New Admin / Ward Block	19/01/11	19/01/11	27/05/11
Paarl: Sonstraal TB Hospital: UVGI Lighting: Electrical and Mechanical (Own) 2010/2011	Installation of UVGI lights and extraction system or mechanical ventilation	06/04/11	17/05/11	06/09/11



Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
Rondebosch: Red Cross Children's Hospital: ICH Building: Surgical Skills Training Centre (Auxilliary) 2010/2011	Alterations and additions to ICH Building to accommodate High Tech Surgical Skills Training Centre	20/09/10	20/09/10	20/05/11
Parow: Tygerberg Hospital: Upgrade Kitchen (IGP) (2007/2008)	Relocation of the Main Kitchen, Relocation of Psychiatric Outpatient Dept to Mortuary	Taken over by DOH	Taken over by DOH	15/03/11
Paarl: TC Newman Clinic: ARV Treatment Facility (HRP) (2006/2007)	Upgrading of existing facility for Consulting and Support Rooms, Pharmacy, Admin & Records	03/07/09	21/07/09	31/03/11
Observatory: Groote Schuur Hospital: Pharmacy Store Upgrade (IGP) (2009/2010)	Upgrade Pharmacy Store Security: access control, flow, air conditioning for the bulk store, emergency repairs to HVAC system. Revised scheme makes provision for increased bulk store area by relocating cleaners' stores and incorporating freed up area for improved working space.	29/07/10	24/08/10	28/07/11
Lamberts Bay: Lamberts Bay Hospital: Ambulance Station Upgrade (IGP) (2009/2010)	Ambulance Station Improvements	21/04/10	31/08/10	22/03/11
Khayelitsha: New Khayelitsha Hospital (HRP) (2005/2006)	New district hospital to accommodate 240 beds extendable to 300 in future Sewer pump to be upgraded	05/01/09	02/02/09	30/06/11
Rondebosch: Red Cross Children's Hospital: Ward C2 Upgrade: Alterations & Additions (Auxilliary) 2010/2011	Total upgrade of existing Burns Ward	26/10/10	26/10/10	25/08/11
Malmesbury: Wesbank CHC: New CHC (IGP) (2008/2009)	Construction of Consulting Rooms, Counselling Rooms, Pharmacy, Admin Section & Dental Area	19/03/10	07/04/10	19/09/11
George: Harry Comay TB Hospital: ARV Clinic, Ward 1 & 2: R & R including Electrical (Own) (2010/2011)	Repairs and renovations including electrical repairs	02/11/10	23/11/10	02/06/11
Ceres: Ceres Hospital: Emergency Department: Upgrade (IGP) (2010/2011)	Emergency Department Upgrade	22/11/10	12/01/11	22/11/11
Riversdale: Riversdale Hospital: Phase 3 Upgrade (IGP) (2010/2011)	Renovation of Clinic Building and Upgrading Remaining Roads	31/08/10	28/10/10	22/09/11

Projects started in 2010/11 (not completed)	Nature of Works	Tender Acceptance Date	Site Handover Date	Expected Practical Completion Date
Riversdale: Melkhoutfontein Clinic: Additions, Repairs and Renovations (IGP) (2010/2011)	Add to building at the back and repair and renovate building	10/12/10	04/02/11	27/05/11
Observatory: Groote Schuur Hospital: Ph 2 : Fire Detect: Upgrade Devices (IGP) (2008/2009)	Phase 2: Replace Fire Detection system & Upgrade Escape Route Devices related to Block J, Doctors' Bungalow, Block L , Maternity Block ,NMB Reception Area , Interlinking Tunnels, Certain Parking Areas	25/11/10	18/01/11	25/04/12
Hermanus: Hermanus Hospital: New ward, OPD & Admin (IGP) (2009/2010)	Conversion of Male Ward to 23 Bed Space, Improvement of Casualty Unit, Upgrade of X-Ray Dept, Construction of 23 Bed Space Female Ward, New 16 Bed Space Maternity Ward, New 18 Bed Space Paediatric Ward, New Theatre, Upgrade Existing CSSD, New Admin Block, New Mortuary, Stores, Cleaners Facility, Workshop, New OPD and Sub District Offices	07/12/10	11/02/11	07/06/12
Grabouw: Grabouw CDC: Extensions & Alterations (IGP) 2010/2011	New ARV Facility and Pharmacy	23/02/11	23/03/11	24/04/12
Vredenburg Hospital: Ph 2a: Staff Res, Ring Road, Gas Bank & Temp Accommodation (HRP) (2008/2009)	Staff residence, ring road, gas bank and temporary decanting accommodation	28/01/09	23/02/09	19/05/11
Bellville: Stikland Hospital: Upgrading Ward 1 & Renovation to ward 6,7 & 11 (Own) 2010/2011	Upgrade ward 1, renovations to wards 6,7,11	18/08/10	27/08/10	30/09/11
Vredendal: Vredendal Hospital: New Ambulance Station (IGP) (2007/2008)	New Ambulance Station	31/03/10	31/08/10	31/08/11
Leeu Gamka: Leeu Gamka New Ambulance Station (IGP) (2008/2009)	New Ambulance Station	14/09/10	19/11/10	24/10/11
Beaufort West: Beaufort West New Forensic Pathology Lab (IGP) 2008/2009	New Pathology Laboratory	22/11/10	08/02/11	22/02/12

**Table 2.1.12.4: Public Works Projects completed in 2010/11**

Projects completed in 2010/11	Nature of Works
<b>Directorate: General Building Infrastructure</b>	
T & PW: 9 Dorp Street: Minus 1: Rest Room for Cleaners (366229/2008)	Rest Room for Cleaners, storeroom & waste
T & PW: Cape Town: New Installation and Maintenance of Access Control 2008/2010: Own Funds (348953/2008)	Maintenance and new installation for Access Control, CCTC Cameras and Visitors Management System
Social Development: Faure: Rosendal: Re-configuration & Upgrading of Existing facility to Drug Rehabilitation Centre(443951/2009)	Re-configuration & Upgrading of Existing Facility to Drug Rehabilitation Centre
Agric: Elsenberg: Manor House Kitchen (445349/2010)	Manor House Kitchen
Year Contract 7_04: EA & DP: 1 Dorp Street: HOD's Office - Redesign	New Office to be constructed
Year Contract 7_43: Parliament: 7 & 15 Wale Street: Painting of Speakers Suite	Painting of Speakers Suite
T & PW: 9 Dorp: Roads Infrastructure: Conversion of Cellular Offices to Open Plan (424961/2010)	Conversion of Cellular Offices to Open Plan
T & PW: 15c Dorp Street: Upgrading of Toilet Facilities & Offices (425012/2010)	Upgrading of Toilet Facilities & Offices
T & PW: Cape Town: All Departments: New Installation and Maintenance Access Control 2008/2010: Funds by Others (349152/2008)	New Installation and Maintenance for Access Control, CCTV Cameras and visitors system
T & PT & PW: Roeland Street - GMT: Office Reconfiguration (424809/2010)	Reconfigure Smoke Room into Offices
Premier: Philippi Stadium: New Grass Pitch (383807/2009)	New Grass Pitch
EA & DP: 1 Dorp Str: G Floor: Cashier's Office (403793/2009)	Cashier's Office
Premier: Soccer Stadium: Grass Pitch: Maintenance of Grass pitch until operator takes over (449803/2010)	Maintenance of grass pitch until operator takes over
Premier: 4 Dorp Street, 4th floor: Office Layouts-e-Innovation (360057/2008)	Phase 3 -Alteration and Additions to Office Existing layouts at 4th floor 4 Dorp street Create new office Space
Year Contract 7_29: T & PW: 140 Loop St.: Monitoring & Evaluation: Additional Work to ground & 2nd floors	Additional Work to ground & 2 floor
Premier: Philippi Stadium: Upgrade and Alterations: Additional Work (444509/2010)	Additional work to comply with Disaster Management Plan
Education: Golden Acre: 19 Floor: Office Refurbishment (469153/2010)	Office Refurbishments
CA & Sport: Alfred Street: Upgrading of various offices on all floors (445645/2010)	Upgrading of various offices on all floors
T & PW: 34 Roeland Street: GMT Upgrade (445555/2010)	Upgrading of 34 Roeland Street
Agric: Elsenburg: Vaaldraai: Upgrading of Sewer Reticulation (405949/2009)	Upgrading of Existing Sewer Reticulation

<b>Projects completed in 2010/11</b>	<b>Nature of Works</b>
Agric: Oudtshoorn: Rooiheuvel Proefplaas: Sewer Works: Upgrading & Alterations (376783/2009)	Upgrading & Alterations to Sewer Works
Year Contract 7_31: T & PW: Kromme Rhee: Manor House: Crack Repairs	Repairs to cracked Manor House
Year Contract 7_27: T & PW: 9 Dorp Street: 7 floor: Phase I: Re-planning to Open Plan offices	Re-planning to open plan offices - Phase I
Year Contract 7_42: Parliament: 7 & 15 Wale Street: Tiling of Committee Room Lobby	Tiling of Committee Room Lobby
Year Contract 7_44: Parliament: 7 & 15 Wale Street: Painting of Member's Lounge Ceiling	Painting of Member's Lounge Ceiling
Cape Nature: Driftsands Nature Reserve: New walkway and Bus Parking (348899/2008)	New walkway and Bus Parking
Year Contract 7_15: Local Government & Human Settlements: 10th Floor - Virtual Resource Centre: Double Glass Door	Double Glass Doors
Year Contract 7_39: Parliament: 7 & 15 Wale Street: 6th floor - Painting of kitchens	6th Floor - Painting of kitchens
Year Contract 7_13: Local Government & Human Settlements: 27 Wale Street: 4th Floor: Request for Glass Doors	Request for Glass Doors
Health: 4 Dorp Street: 18th Floor: Installation of 3 Workstation and Electrical Power (462104/2010)	Installation of 3 Workstation and Electrical Power
Education: Golden Acre: 15 Floor: Office Refurbishments (459199/2010)	Office Refurbishments
<b>Directorate: Education Infrastructure</b>	
Grade R: Classrooms B&M: West Coast (406238/2009)	Grade R Classrooms: B&M
Grade R: Classrooms B&M: North (406237/2009)	Grade R Classrooms: B&M
Grade R: Classrooms B&M: Central (406243/2009)	Grade R Classrooms: B&M
Grade R: Mobiles: Western Cape (406246/2009)	Grade R Classrooms: Western Cape: Manufacture, Deliver and Placing of 29x Mobile units (one double) on 28 sites at various schools in the Western Cape
Grade R: Classrooms B&M: South (406239/2009)	Grade R Classrooms: B&M
Nomzamo: Silukhanyo Primary School (1309/2002)	Primary School (Strand)
Mitchell Heights PS: General Building Repairs (398139/2009)	General Building Repairs Including Electrical Work
Tafelberg LSEN	Special School
Wallacedene SS	Wallacedene Secondary School - Bloekombos, Kraaifontein: Construction of a new secondary school.

Projects completed in 2010/11	Nature of Works
Zwelihle PS	Primary School
Bongolethu Primary School (323074/2008)	Bongolethu Primary School - Philippi: Construction of a new primary school.
<b>Directorate: Health Infrastructure</b>	
Khayelitsha: Michael Mapongwana CHC: ARV (2007/2008)	ARV clinic and extension to pharmacy
Paarl: Sonstraal TB Clinic: Electrical Upgrade & Renovations (NYS) (Own) (2009/2010)	R & R whole hospital, enlarge existing parking area, painting the hospital complex including outside walls, fascias and roofs
Worcester: Worcester CHC: Various Consulting Rooms (Auxiliary Services) (2009/2010)	Additions and alterations of consulting rooms.
Observatory: Groote Schuur Hospital: NHLS: Conversion of D7 Ward (Auxiliary) 2010/2011	This is an Auxiliary project. Converting existing D7 Ward in New Main GSH Hospital Building into NHLS Pathology Laboratory and some lecture rooms in ward block L. v0.8: Neethling, Joe 2010-03-09 10:50
Vredendal Hospital: Upgrade CSSD & X-ray (IGP) (2005/2006)	Hospital Upgrade of CSSD and X-Ray Department
Bonnievale: Happy Valley Clinic: Upgrading (IGP) (2009/2010)	Extension of clinic: consultation rooms, multi-purpose room, sputum room, and under cover parking.
Parow: Tygerberg Hospital: Ph2 Fire Doors (IGP) (2008/2009)	Phase 2 - Fire Doors upgrade
Mitchells Plain CHC: Extensions to existing CHC (2006/2007)	New Emergency Centre, Dental Clinic, Pharmacy, Admin and Staff Facilities Alterations to existing building to increase Consulting/Counselling rooms for ARV

Projects completed in 2010/11	Nature of Works
Vredenburg Hospital: Ph1b Various Internal Work (HRP) (2007/2008)	Conversion of existing maternity ward into Paediatric ward and internal work as follows: calming room, XR door, urinal in prep room, mobile shelves, disable toilet changes, storm water control, vent pipes, repairs to storm damage, corner protection to joinery, demolition of partly built structure, roller shutter in trauma, joinery fittings in RX, partition in multipurpose door, cashier office changes, joinery works in admission, changes to lock specification, conversion of maternity ward in paediatric (old building), mechanical and electrical installation, external and internal signage Emergency medical services will be vacating their rental accommodation (in the centre of Vredenburg) and will be moving into the existing nurses home on the Vredenburg hospital site. The general painting of the building will form part of this phase. (Category Item 1, various Internal work).
Observatory: Valkenberg Hospital: Urgent Repairs to Administration Building (HRP) (2008/2009)	Urgent repairs to Administration buildings
Eerste River Hospital: Administration/Casualty (IGP) (NYS) (2007/2008)	Upgrade Trauma/Casualty
Ceres: Ceres Hospital: Construction of New Ambulance Station (IGP) (2008/2009)	Construction of a new ambulance station
Riversdale Hospital: Ph2 Upgrade (IGP) (2006/2007)	Renovation to remainder of relevant accommodation (Including: Pharmacy, Admissions, Casualty, Rape/Crisis Centre, Wards, Clinic, Civil Work and General M & E Work)
Plettenberg Bay: Kwanokuthula: New Ambulance Station & New CHC (IGP) (2007/08)	CDC: Construction of New Consulting Rooms, Counselling Rooms, Waiting Areas, Pharmacy, X-Ray, Ablutions & Admin Ambulance Station: Construction of Operations Room, Admin, Ablutions, Waiting & Parking
Rondebosch: Red Cross Hospital: Ward D1 Upgrade (Auxilliary Services) 2010/2011	General Ward upgrade to match Ward D2 standard in all respects
Observatory: Groote Schuur Hospital: Building Survey (IGP) 2008/2009	Building Survey
Worcester: Forensic Pathology Lab: Final Completion (IGP) (2009/2010)	Completion of Partly Constructed Building
Paarl: Paarl Forensic Pathology Services: Final Completion (IGP) (2009/2010)	Completion of Partly Constructed Facility
Observatory: Groote Schuur Hospital: Workshop Relocation (IGP) (2007/2008)	Alterations and additions to existing Health Park building to accommodate new Engineering Workshops

Projects completed in 2010/11	Nature of Works
Observatory: Groote Schuur Hospital: Ward E16: Respiratory Clinic: Modifications to HVAC system (IGP) (2009/2010)	Investigate ventilation problems in NMB E16-Respiratory Clinic, report and proposal to remedy. The project scope entails to check on how the air-condition flows could prevent the transmission of TB.

**Table 2.1.12.5: Roads Infrastructure Capital Projects**

PROJECT	2010/11 R'000	2011/12 R'000	2012/13 R'000	2013/14 R'000
CONSTRUCTION				
C880.7 Koeberg i/c Table Bay Streetlighting	893			
C829 Dal Josafat	4 604	20 000		
C883.5 Vredendal Gegund St	160			
C880.8 Koeberg i/c Table Bay landscaping	383			
C773.4 Broadlands – Sir Lowry Pass	57 378	114		
C837.2 N1 Merweville	13 324	14 000		
C789 Greyton / Genadendal	70			
C776.1 Bredasdorp – Gansbaai Phase 1	337			
C776.2 Gansbaai – Elim Phase 2	9 799	114		
C788 Marcuskraal	2 080			
C842 Pakhuispas	8 924	114		
C783 Algeria Road Phase 1	196			
C839.1 Eden Still Bay	508			
C847 Calitzdorp	234			
C740 Lynedoch i/c	127			
C733.3 Hazelden Drive - Broadlands	14 927	114		
C880 Koeberg Direction Ramps	169 664	54 000	114	
C880.4 Koeberg rehab Table Bay	20 157	114		
C886 Wallacedene sidewalks	29			
C896.2 De Nova sidewalks	88			
C882.2 Bela Vista sidewalks	107			
C882.3 Greyton Heuwelskroon	142			
C883.1 Redelinghuys Main Street	231			
C883.4 Saldanha Ongegund sidewalks	152			
C884.5 Kwanokuthula Plettenberg Bay	63			
C884.6 Kwanokuthula Riversdale	564	4 000		
C707.6 N1 Streetlighting	88 094	15 000		
C708.9 N2 from km 0-29	14 758	80 000	12 000	
C634 Nuwekloof - Wolseley	10 144	114 000	100 000	
C708.10 N2 km 0 – 2.9 move	11 802	114		

PROJECT	2010/11 R'000	2011/12 R'000	2012/13 R'000	2013/14 R'000
C803 Karwyderskraal	7 830	114		
C708.6 N2 Westbound	659			
C708.7 N2 Eastbound	12 281	114		
C552 Malmesbury - Hermon	63			
C586 Pniel - Simonium	44 190	300		
C794.1 White Bridge Knysna	32 595	114		
C638 TR24/1 – TR11/2 Mooresburg	3 020			
Free Management System	58 164			
C656 Chapmans Peak Toll Plaza	513	25 000		
Transfer Payments	22 354	11 861	13 000	14 500
<b>TOTAL</b>	<b>611 608</b>	<b>339 187</b>	<b>125 114</b>	<b>14 500</b>
<b>MAINTENANCE</b>				
Reseal	219 970	315 928	210 000	212 000
Regravel	102 540	136 900	184 698	146 230
C864.2 Tradouws Pass & Burgers Pass	1 026	240		
C811.1 Uniondalepoort	19 098	300		
C865.4 Groot River & Bloukrans River Pass	28 027			
C865.8 Geelhoutboom area	7 622	160		
C865.7 Waboomkraal & Geelhoutboom	1 058			
C863.1 Citrusdal	119			
C749.3 Armco's on MR191	670			
C781.2 Oudtshoorn & De Rust	124			
C781.1 Calitzdorp & Oudtshoorn	114			
C865.1 George LM Area	554			
C822.1 TR2/9 Groot Brak slope	151			
C784 Bains Kloof Pass	286			
C861.1 Rehab of Bridges, Metro	4 693	9 000		
C735 Duivenshok River	157			
C864.4 Valley Road	4 764			
C865.3 Buffels Bay	4 992			
C865.10 Slope Fail Boukrans River	7 619	3 000		
C789.1 Genadendal	7 733			
C864.3 Hex River Valley	17 082			
C865.2 Hessequa area	114			
C866.1 Prince Albert area	135			
Transfer Payments	8 505	10 439	12 500	13 000
Capital	437 153	475 967	407 198	371 230
Current	468 655	428 637	444 601	465 096
<b>TOTAL</b>	<b>905 808</b>	<b>904 604</b>	<b>851 799</b>	<b>836 326</b>



PROJECT	2010/11 R'000	2011/12 R'000	2012/13 R'000	2013/14 R'000
PLANNING AND DESIGN				
Expropriation	1 391	4 600	4 900	5 100
Fees	133 082	121 457	134 600	148 600
Transfer Payments	2 900	4 900	5 000	5 100
<b>TOTAL</b>	<b>137 373</b>	<b>130 957</b>	<b>144 500</b>	<b>158 800</b>

## Asset Management

The following measures were taken to ensure that the department's asset registers remained up to date:

### *Immoveable:*

Multi-disciplinary resources were contracted to commence with the validation of the completeness of the immoveable asset register.

### *Moveable:*

The Department commenced with its Moveable Asset Management Project that includes barcoding of all moveable assets, physical verification and reconciliation and the development of a Departmental Moveable Asset Management Policy and its accompanying implementation plans. The Sanitization of the Logis System continued, as it is the Electronic System currently utilised for housing the Moveable Asset Register of the Department. This amongst others includes physical stock-takes, spot checks, monitoring of the system, capacity building workshops with individual Logis sites, reviewing the workflows on Logis versus the human resources available to do the work and deployment of skilled resources to do knowledge and skills transfer.

### *Intangible:*

Monthly reconciliations were instituted.

### *Infrastructure:*

Quarterly reconciliations were instituted.

All processes for the tendering of projects are conducted in line with the relevant prescripts contained within the Departmental Accounting Officer's Supply Chain Management System.

## Maintenance

Progress made in addressing the maintenance backlog during the period under review.

The maintenance backlog regarding health facilities such as Groote Schuur, Tygerberg and Red Cross hospitals is decreasing. However, the clinic infrastructure buildings that are being or are already transferred from the local municipalities to Province require a great deal of maintenance upgrading and many needs to be replaced on new sites. Here the backlog has grown instead of decreasing as these facilities are not in terms of the norms and standards required by the Department of Health. In addition allocated funds for pure maintenance work allocated annually is inadequate to address the full maintenance needs of the infrastructure.

With regards to education facilities, the maintenance budget is inadequate. Only 54% on average is achieved in comparison to what is required at the respective schools. However, the maintenance budget has increased by 29% over the last year and a number of inappropriate structures have been replaced with new structures to the amount of R 243 m. This has only addressed part of the backlog on maintenance as any expenditure on these buildings is not foreseen in the next 3 years. If the replacement rate continues, it is envisaged that the short fall will only be made up in the next 5 years for maintenance.

With regards to other General Provincial facilities excluding schools and hospitals, the allocated budget each year is inadequate to make a positive impact on the maintenance backlog (deferred maintenance). The infrastructure on Porter Estate, Oude Molen Estate, De Novo Estate and Faure "The Ark" is in desperate need of an intensive maintenance program in order to extend the lifespan of the infrastructure.

However, if there are no cuts in the budget for General Provincial facilities as projected for the MTEF period the maintenance backlog will be addressed in the 2014/2015 financial year not forgetting that at least 2% of the replacement value of the infrastructure each year is required to cater for the maintenance needs of that infrastructure.

The rate of progress is not according to plan, however, the attempt to increase the total of projects to spread the annual budget addresses only a portion of maintenance progress of all facilities. However on Education facilities, there is a steady increase of 28% per annum for maintenance in 2011.

The measures taken to keep on track were to implement the building audit procedure and to cost each component and element and forward this information to the client department/Provincial Treasury to provide proper annual allocated budgets for each facility in terms of pure maintenance.

### **Has the backlog grown or become smaller?**

The total backlog of maintenance repairs and rehabilitation works amounts to R 835 m for the year in question. The maintenance backlog is becoming smaller, see table below. Assuming a norm of 4% of replacement cost as an appropriate annual maintenance budget, the estimate total expenditure on maintenance of building should be about R 540 m per annum, for health facilities. For R 102 m education and

general buildings R193m amounting to a total of R 835 m and reflects a percentage backlog attended to of 27 % implying that the maintenance backlog is R 608 m for the financial year in question.

### Is the rate of progress according to plan?

For health facilities it is aimed at eliminating the backlog by constructing new hospital and clinics to replace the dilapidated ones and also disposing of surplus property to fund the reconstruction programme.

For education facilities, inappropriate structures are being replaced with new conventional brick buildings which reduce maintenance for education infrastructure.

With regard to general building all buildings for offices accommodation in particular in the CBD are scheduled to be modernised which will contribute to maintenance reduction in the latter years

### What Measures Were Taken To Keep On Track

Technical personnel conduct facility condition assessment of facilities to determine maintenance requirements on an annual basis.

Maintenance requirements identified at facilities are prioritised for execution over a five year period and executed annually based on availability of funding

**Table 2.1.12.6: Cost of Backlog 2009/10**

Works Directorate	Financial year	Preferred norm: estimated total expenditure on maintenance of buildings per annum (R'000)	Facilities maintained	Maintenance budget for building given by user Department (R'000)	Backlog (R '000)	% Backlog attended to	% Backlog
Health	2009/10	540 000	137	113 405	427 000	21%	79%
Education	2009/10	102 000	114	70 000	32 000	32%	68%
General	2009/10	193 000	205	43 925	149 000	22%	88%
<b>TOTAL</b>		<b>835 000</b>	<b>456</b>	<b>227 330</b>	<b>608 000</b>	<b>27%</b>	<b>73%</b>

## 2.2 Programme Performance

The activities of the Department of Transport and Public Works are organized in the following programmes:

Programme 1: Administration

Programme 2: Public Works

Programme 3: Roads Infrastructure

Programme 4: Public and Freight Transport

Programme 5: Traffic Management

Programme 6: Community Based Programmes

## **2.2.1 PROGRAMME 1: ADMINISTRATION**

### **PURPOSE**

This programme provides for strategic, administrative, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

### **STRATEGIC OBJECTIVES**

The strategic objectives for the Programme entail establishing processes for integrated planning and coordination, knowledge management, financial management and support services, supply chain management advice, communication, and a monitoring and evaluation system aimed at integrated and efficient corporate governance.

### **SERVICE DELIVERY OBJECTIVES AND INDICATORS**

The review of the Provincial Land Transport Framework was completed, which included public participation and a final draft submitted for approval.

The mobility concepts for the West Coast District Municipality, the Overberg District Municipality as well as the expansion of the Eden District Municipality began, while the mobility concept for Central Karoo was completed.

The Current Public Transport Record (CPTP) and Operating Licence Strategy (OLS) for the Central Karoo District Municipality, Overberg District Municipality, West Coast District Municipality, Cape Winelands District Municipality, Eden District Municipality and their respective local municipalities were not reviewed due to unforeseen delays with the 2009 Integrated Transport Planning process. In support of the Integrated Transport Plans process, further detailed planning was initiated in the George Municipality to support the implementation of the George Mobility Project.

The Strategic Directive for the Institutionalisation of the Provincial Strategic Objective of Increasing Access to Safe and Efficient Transport was approved by Cabinet and operationalised in the Department.

A municipal Integrated Transport Plan (ITP) was submitted by the City of Cape Town to the Provincial Minister for approval, all other municipal ITPs were also submitted and approved with the exception of Stellenbosch which was submitted on 31 March 2011.

The Monitoring and Evaluation Strategy was updated and an M&E Manual was issued with the aim to assist line managers in the management of their performance information (predetermined objectives).

Transport planning to support the 2010 FIFA World Cup was completed, with operational support provided to the City of Cape Town, Airports Company of South Africa as well as district municipalities.

The rollout of the ECM Programme continued which incorporated a major back scanning initiative and improvements to the Alfred Street registry.

Improving financial management continued, of which more detail is captured in the Accounting Officer’s Report. Key achievements include, but are not limited to, the following:

- With regard to the transformation of the Roads Capital Account, the asset register was completed and expenditure incorporated into voted funds.
- The reviewed Fraud Prevention Plan consisting of strategy, policy and implementation plan was adopted and the implementation plan populated.
- The micro organisational structure was completed and submitted for evaluation by Organisational Development.
- The re-engineering of the supply chain began.

The achievement of targets within this Programme support progress towards the departmental goal of Promoting Good Governance and an Effective and Efficient Department. Monitoring and evaluation, financial management, integrated planning, management of knowledge and communication all aim to contribute to improved governance and improving efficiency and effectiveness.

The table below provides for an overview of the Programme’s performance against pre-determined targets.

**Table 2.2.1.1: Programme 1: Administration: Strategic objectives, performance indicators and targets**

Programme 1: Administration							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
1.1	An implemented comprehensive Monitoring and Evaluation (M&E)	1.1.1	Number of M&E Champions trained	10	11	10	Increased demand

Programme 1: Administration							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
	system						
1.2	Integrated planning	1.2.1	Number of Consolidated Performance Reports	6	6	0	-
		1.2.2	Number of integrated plans assessed	30	29	(3)	Stellenbosch Municipal Integrated Transport Plan only submitted on 31 March 2011, therefore could not assess before the end of the financial year
		1.2.3	Number of mobility concepts developed	1	1	0	-
1.3	Effective co-ordinating system implemented	1.3.1	Number of coordination reports submitted	3	3	0	-
1.4	Departmental communication	1.4.1	Number of media engagements	15	15	0	-
		1.4.2	Number of internal newsletters published (Transworks)	6	2	(67)	Corporatisation of the communication function and the consequential reduction in resources
		1.4.3	Number of events managed	10	33	230	Opening of infrastructure for 2010 FIFA World Cup and support to Regional Leaders Summit as a theme was Integrated Transport

Programme 1: Administration								
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance	
				Target	Actual			
		1.4.4	Number of content documents provided for website publishing	24	38	58	Emanating from a review of the content, numerous new documents were added	
1.5	Facilitated effective utilisation of systems, processes and knowledge within the Department	1.5.1	Number of active ECM users expressed as a percentage of the total number of potential users (1100 in 2009)	68%	83%	22	Increased content added, resulted in more users accessing the system	
1.6	Improved financial management	1.6.1	A reviewed Financial Management Improvement Implementation Plan	1	1	0	-	
		1.6.2	Number of financial standard operating procedures compiled:					
			Management accounting	3	3	0	-	
			Financial accounting	3	3	0	-	
			Financial control	3	3	0	-	
			Assets and logistics	3	3	0	-	
			Demand and acquisition	3	3	0	-	
Compliance and performance	3	3	0	-				
1.7	Financial support and advice	1.7.1	Phase implemented of revised financial microstructure	1	1	0	-	
1.8	Supply chain management support and advice	1.8.1	Phase implemented of supply chain management reengineering	n/a	n/a	n/a	-	
		1.8.2	Number of quick win projects	2	2	0	-	



Programme 1: Administration							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
1.9	Unqualified external auditor reports	1.9.1	Number of findings leading to qualified audit report	0	0	0	-

## 2.2.2 PROGRAMME 2: PUBLIC WORKS

### PURPOSE

To plan, regulate and facilitate the provision of accommodation for client departments and related entities, manage the provincial property portfolio for the optimum benefit of all concerned, render professional, technical and implementing agent services in respect of buildings and other related infrastructure, and facilitate infrastructure planning in the Province of the Western Cape.

### STRATEGIC OBJECTIVES

The strategic objectives for the Programme entail developing and implementing a strategic directive for provincial infrastructure and property management, reviewing the Strategic Infrastructure Plan and management framework, implementing GIAMA, and facilitating and delivering sustainable provincial infrastructure and property management through appropriate plans and funding mechanisms.

### SERVICE DELIVERY OBJECTIVES AND INDICATORS

The delivery of infrastructure was accelerated. Key achievements include, but are not limited, to the commencement of the construction and upgrading of the 4 Dorp Street facade, the ground floor, *greenification* of the provincial government precinct and street activation scheduled to be completed in October 2012.

As implementing agent for the departments of Health and Education, the department undertook infrastructure delivery projects encompassing the following areas:

HEALTH	EDUCATION
Hospitals	Schools
Forensic pathology laboratories	Grade R classrooms
Community Health Care ARV Clinics	Maintenance
X-ray Departments	
Pharmacies	
Consulting rooms	
Dental clinics	
Staff facilities	
Administration facilities	
Trauma and casualty centres	
Ambulance Stations	

Engineering workshops	
HVAC systems	
Mortuaries	
Maintenance	

In support of the ministerial priority programme of leveraging the provincial property portfolio, the Department, supported by its strategic partners of the Cape Higher Education Consortium, City of Cape Town and the Cape Town Partnership identified six precincts in Cape Town for the purpose of accelerated development. The project, known as the Inner City Regeneration Programme, aims to utilise provincial property to act as a catalyst to achieve provincial objectives of economic growth, social development and creating a sustainable environment.

The achievement of the targets ensures that the Programme contributes to the achievement of the Provincial Strategic Objective 1: Increasing opportunities for growth and jobs, as well as the departmental goal of leading the development and implementation of provincial infrastructure and property management in the Western Cape, through the planning, design, delivery and maintenance of infrastructure and the leveraging of the property portfolio.

The table below provides for an overview of the Programme's performance against pre-determined targets. Sector specific indicators, set nationally, are marked with an '\*'.

**Table 2.2.2.1: Programme 2: Public Works: Strategic objectives, performance indicators and targets**

Programme 2: Public Works							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
2.1	Strategic directive developed and implemented for Provincial Infrastructure and Property Management	2.1.1	Number of working group plans developed	1	1	0	-
2.2	Reviewed Strategic Infrastructure Plan and Management Framework developed.	2.2.1	Phase of Management Framework developed	1	1	0	-
2.3	GIAMA implemented	2.3.1	Number of applications	116	27	(77)	116 Properties

Programme 2: Public Works							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
and complied with.			submitted for vesting of properties				were investigated for possible vesting. Out of this it was established that only 27 had to be submitted for vesting.
	2.3.3		Number of buildings condition and compliance assessed of the total of 12 000 as at 31 March 2010	1 000	1 613	61	Branch exceeded the target set due to commitment made to ensure that conditions of building currently utilised are known in order to implement remedial actions to attend to shortcoming if any.
	2.3.4		Number of properties audited of the total number of properties on the Asset Register as at 31 March	1 000	4 689	369	Properties were 'audited' through a verification process with the Municipal Valuation rolls as well as the Deeds web data base.
	2.3.5		Number of Custodian Asset Management Plans prepared	1	1	0	-
	2.3.6		Number of User Asset Management Plans assessed	14	14	0	-

Programme 2: Public Works						
Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance	
		Target	Actual			
2.4	Facilitated and delivered sustainable Provincial infrastructure and accommodation	2.4.1*	<i>To maintain the State-Owned property portfolio for Education:</i>			
		<i>Number of properties owned</i>	3 823	3 849	1	The figure of 3 849 properties is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
		<i>Number of vacant urban properties (land) owned</i>	0	0	0	-
		<i>Number of unutilised rural properties (land) owned</i>	0	0	0	-
		<i>Number of hectares of land owned</i>	10 104	11 582	15	The figure of 11 582 hectares is the opening balance and net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of properties with buildings owned</i>	3 776	3 849	2	The figure of 3 849 properties with buildings is opening balance and	

**Programme 2: Public Works**

Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of square meters of buildings owned</i>	33 947 897	34 136 875	1	The figure of 34 136 875 square meters is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	2.4.2*	<i>To maintain the State-Owned property portfolio for Health:</i>			
	<i>Number of properties owned</i>	340	265	(22)	The figure of 265 properties is the opening balance and the net effect of

acquisitions, disposals and the reallocation of existing portions of buildings, or

Programme 2: Public Works

Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					entire buildings, and land for the 2010/11 financial year.
	<i>Number of vacant urban properties (land) owned</i>	10	0	0	-
	<i>Number of unutilised rural properties (land) owned</i>	0	0	0	Not applicable as all will read under provincial public works.
	<i>Number of hectares of land owned</i>	1 656	997	(40)	The figure of 997 hectares is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of properties with buildings owned</i>	244	264	8	The figure of 264 buildings is the opening balance and the net effect of acquisitions, disposals and the

relocation of existing portions of buildings, or entire

Programme 2: Public Works					
Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					the 2010/11 financial year.
	<i>Number of square meters of buildings owned</i>	1 164 238	1 846 642	59	The figure of 1 846 642 square meters is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	2.4.3*	<i>To maintain the State-Owned property portfolio for Provincial Accommodation</i>			
	<i>Number of properties owned</i>	1 655	1 648	(1)	The figure of 1 648 properties is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of vacant urban properties (land) owned</i>	288	15	(95)	The figure of 15 properties is the opening balance and



Programme 2: Public Works

Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of unutilised rural properties (land) owned</i>	0	0	0	-
	<i>Number of hectares of land owned</i>	122 810	130 768	6	The figure of 130 768 hectares is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>Number of properties with buildings owned</i>	1 367	1 648	20	The figure of 1 648 properties with buildings is the opening balance and the net

effect of acquisitions, disposals and the reallocation of existing portions of

**Programme 2: Public Works**

Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					entire buildings, and land for the 2010/11 financial year.
	<i>Number of square meters of buildings owned</i>	8 395 614	7 149 211	(15)	The figure of 7 149 211 square metres is the opening balance and the net effect of acquisitions, disposals and the reallocation of existing portions of buildings, or entire buildings, and land for the 2010/11 financial year.
	<i>2.4.4*</i>	<i>To maintain the leased-in property portfolio for Education</i>			
	<i>Number of properties (land) leased</i>	0	0	0	-
	<i>Number of hectares of land leased</i>	0	0	0	-
	<i>Number of buildings leased</i>	353	282	(20)	The 282 represent public schools on private property plus office accommodation. The authority for the signing of leases for schools vests in the WCED. The status of some schools has changed

Programme 2: Public Works					
Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance
		Target	Actual		
					leased property to public schools on government owned property. In other cases the leases have expired.
	<i>Number of square meters of buildings leased</i>	555 898	222 098	(60)	The variance is attributable to the shift in recording of leasing space from total space to tuition space as per the norm applied by the WCED. Payment of rental is based on tuition space only which is the reason for the shift.
	2.4.5*	<i>To maintain the leased-in property portfolio for Health</i>			
	<i>Number of properties (land) leased</i>	0	0	0	-
	<i>Number of hectares of land leased</i>	0	0	0	-
	<i>Number of buildings leased</i>	65	63	(3)	The leasing of Personal Primary Health Care Facilities from non-metro municipalities must still be finalised.
	<i>Number of square meters of buildings leased</i>	25 937	174 535	573	The leasing of Personal Primary Health Care Facilities from

Programme 2: Public Works							
Strategic Objective	Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance	
			Target	Actual			
						non-metro municipalities must still be finalised.	
	2.4.6*	<i>To maintain the leased property portfolio for Provincial Accommodation</i>					
		<i>Number of properties (land) leased</i>	0	0	0	-	
		<i>Number of hectares of land leased</i>	0	0	0	-	
		<i>Number of buildings leased</i>	104	53	(49)	Actual performance is in terms of signed leases. Approval in respect of tacit leases has been obtained for finalisation of leases (Approval for 87% of leases obtained).	
		<i>Number of square meters of buildings leased</i>	90 018	22 423	(75)		
	2.4.7	Number of properties leased out	252 <sup>1</sup>	112	(56)	Reluctance/non-cooperation of tenants to sign leases at market related rentals, leases were terminated and properties returned for provincial use.	
2.5	Developed plans and secured funds for Provincial Infrastructure delivery.	2.5.1	Number of smart partnership agreements concluded	0	4	100	Cape Higher Education Consortium, National & Provincial Treasury ,City Of Cape Town

<sup>1</sup> The 2010/2011 target in table 10 of the APP is inaccurate. The accepted target is reflected in table 11 of the APP. The accepted target thus reflects above as it is aligned with table 11.

Programme 2: Public Works							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
							partnerships have been set up in order to accelerate the Cape Town regeneration programme
2.6	Promoted Socio-economic development through the implementation of Provincial Infrastructure, Provincial Accommodation and Property Management programmes.	2.6.1	Number of contracts awarded to HDI's compliant service providers	253	554	119	Increased quantity of contracts managed due to increased budget allocation during adjustment budget period.
		2.6.2	Number of contracts awarded to WOE's	212	458	116	
		2.6.3	Number of contracts awarded to Youth Owned Enterprises	7	155	2 114	
		2.6.4	Number of work opportunities created (excluding EPWP)	10 000	14 599	46	
		2.6.5	Number of EPWP work opportunities created	3 000	0	(100)	Project terminated

## 2.2.3 PROGRAMME 3: ROADS INFRASTRUCTURE

### PURPOSE

To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of road infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social and economic growth through socially just, developmental and empowering processes.

### SIGNIFICANT ACHIEVEMENTS

Apart from the overall roads infrastructure maintenance and construction projects, a significant achievement included the timely completion of numerous projects in support of the 2010 FIFA World Cup.

### SERVICE DELIVERY ACHIEVEMENTS

The achievement of the targets ensures that the Programme contributes to the achievement of the Provincial Strategic Objective 1: Increasing opportunities for growth and jobs, Provincial Strategic Objective 3: Increasing access to safe and efficient transport; as well as to the departmental goal of leading the development and implementation of integrated transport in the Western Cape.

The table below provides for an overview of the Programme's performance against pre-determined targets. Sector specific indicators, set nationally, are marked with an *\*\*\**.

**Table 2.2.3.1: Programme 3: Roads Infrastructure: Strategic objectives, performance indicators and targets**

Programme 3 Roads Infrastructure							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
3.1	An effective road infrastructure network for accessible, safe and affordable transport.	3.1.1	Number of municipal ITPs reviewed from a roads infrastructure perspective	30	29	(3)	Stellenbosch Municipal Integrated Transport Plan only submitted on 31 March 2011, therefore could not review before the end of the financial year

Programme 3 Roads Infrastructure							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
		3.1.2	Number of pieces of legislation enacted	1	0	(100)	Delays on comments due to technical nature of Bill.
		3.1.3	Number of designs completed	15	32	113	More smaller projects brought forward to accommodate under-expenditure on bigger projects due to delays in Environmental approvals and economic down turn resulted in project under-expenditure.
		3.1.4*	<i>Total kilometres of surfaced road at year end</i>	6 071	6 481	7	Update of minor roads information on road network information systems.
		3.1.5*	<i>Total kilometres of gravel road at year end</i>	26 092	25 566	(2)	Update of minor roads information.
		3.1.6*	<i>Number of km of surfaced roads constructed</i>	0	0	0	-
		3.1.7*	<i>Number of km of surfaced roads upgraded</i>	17	20	18	The 3km of Table Bay Boulevard was only completed during April 2010 instead of March 2010 as planned.

Programme 3 Roads Infrastructure						
Strategic Objective	Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
			Target	Actual		
	3.1.8*	Number of km of surfaced roads rehabilitated	13	25	92	Karwyderskraal project was completed in 2010/11 instead of 2009/10 as planned.
	3.1.9	Number of km of gravel roads upgraded to surfaced roads	14	14	0	-
	3.1.10*	Number of km of gravel roads constructed	0	0	0	-
	3.1.11	Number of bridges constructed, replaced or upgraded	18	14	(22)	The De Doorns flood damage project was not completed in 2010/11 as planned.
	3.1.12*	Number of m <sup>2</sup> (x10 <sup>3</sup> ) surfaced roads resealed	387	1 128	191	Re-directed resources towards resealing projects.
	3.1.13*	Number of km of roads regavelled	341	233	(32)	Eden and Cape Winelands areas regavelling teams were utilised to undertaken flood damage repairs.
	3.1.14*	To maintain the condition of the total Provincial surfaced road network of 6127km (rated according to the Visual Condition Index , VCI):				
		% km of road in very good condition	27	27	0	Road condition report not yet available.
		% km of road in good condition	39	39	0	
		% km of road in fair condition	23	23	0	
		% km of road in poor condition	9	9	0	



Programme 3 Roads Infrastructure							
Strategic Objective	Measure/Indicator	Actual Performance against Target		Variance (%)	Reason for Variance		
		Target	Actual				
	% km of road in very poor condition	2	2	0			
	3.1.15*	To maintain the condition of the total Provincial gravel road network of 10 595km:					
	% km of road in very good condition	1	1	0	Road condition report not yet available.		
	% km of road in good condition	13	13	0			
	% km of road in fair condition	35	35	0			
	% km of road in poor condition	38	38	0			
	% km of road in very poor condition	13	13	0			
	3.1.16*	Number of km (x10 <sup>3</sup> ) of gravel roads bladed	45	37	(18)	Central Karoo and Eden Areas did less blading than anticipated due to flood damage repairs.	
	3.1.17*	Number of m <sup>2</sup> (x10 <sup>3</sup> ) of blacktop patching on surfaced roads	25	81	224	Increase in reporting of pothole repairs. Benchmark was not previously available.	
	3.1.18*	Funds allocated to the Maintenance Sub-Programme expressed as a percentage of the total allocated to Programme 3: Roads Infrastructure	41	52	27	Re-directed resources towards resealing because of projected under-spending on bigger projects.	
3.2	Adequate human resource capacity to manage and maintain	3.2.1	Number of graduates trained	15	20	33	5 additional graduates taken in due to technical need.

Programme 3 Roads Infrastructure							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
	provincial road infrastructure network.	3.2.1 <sup>2</sup>	No of professional and technical vacancies filled	10	0	(100)	No suitable applications received due to OSD requirements.
3.3	Economic growth and empowerment through Roads Infrastructure investment.	3.3.1	Number of EPWP work opportunities created	8 000	5 356	(33)	Re-directing of resources towards resealing contracts which are less labour intensive than other road infrastructure projects
		3.3.2	Number of staff developed through 18.1 Learnerships	8	0	(100)	In view of budget re-prioritisation, the regional offices were unable to register any learnerships for 2010/11.
		3.3.3	Number of non-staff developed through 18.2 Learnerships	8	0	(100)	Learnerships were earmarked to be registered on the planned Hemel en Aarde project which did not commence due to environmental approval delays.

<sup>2</sup> This is due to the fact that two separate indicators, one Annual (table 14) and one Quarterly (table 15) in the APP have the same number (3.2.1), hence the duplicate numbering to ensure alignment with the APP.

Programme 3 Roads Infrastructure							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
		3.3.6	Value of tenders awarded to PDI contractors on CIDB level 1-5 as a percentage of total value of tenders awarded <sup>3</sup>	25	3	(88)	Only routine maintenance contracts were awarded in the CIDB level 1-5 of which the total value were much less than that of the tenders awarded in the higher levels.

<sup>3</sup> The indicator is interpreted as “Number of tenders awarded to PDI contractors on CIDB level 1 – 5 as a percentage of the total number of tenders awarded.” The actual output would then be 30.2 % which is in line with the 25% target.

## 2.2.4 PROGRAMME 4: PUBLIC AND FREIGHT TRANSPORT

### PURPOSE

To plan, regulate and facilitate the provision of public and freight transport services and related infrastructure, through own resources and partnerships in order to enhance the mobility of people and commodities and provide access to safe and efficient transport through an integrated public transport network.

### SIGNIFICANT ACHIEVEMENTS

A third impound facility, in addition to those in Ndabeni and Beaufort West was established in George. These facilities act as a deterrent to public transport operators from not complying with the legislative and regulatory framework.

A strengthened partnership with the Department of Community Safety resulted in improved law enforcement through integrated roadblock campaigns, dealing with unroadworthy vehicles, fatigue and moving violations; as well as the empowerment of law enforcement officials in the interpretation of operating licences and implications of non-compliance thereto.

The merger of the National Taxi Alliance and the SANTACO Western Cape under the banner of SANTACO, was achieved through constant dialogue, under the leadership of the Minister of Transport and Public Works.

The Provincial Operating Licence Board (POLB) office moved their offices from Goodwood to Athlone with very minimal interruptions of services to the clients.

The POLB has instituted a validity period of 5 years for operating licences as opposed to two years in order to enable operators to access financing from the financial institutions.

### SERVICE DELIVERY ACHIEVEMENTS

The achievement of the targets ensures that the Programme contributes to the achievement of Provincial Strategic Objective 3: Increasing access to safe and efficient transport; as well as to the departmental goal of leading the development and implementation of integrated transport in the Western Cape.

The table below provides for an overview of the Programme's performance against pre-determined targets. Sector specific indicators, set nationally, are marked with an '\*'.

**Table 2.2.4.1: Programme 4: Public and Freight Transport: Strategic objectives, performance indicators and targets**

Programme 4: Public and Freight Transport							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
4.1	Integrated Transport Institutional Structure	4.1.1	Number of Integrated Transport Institutional Structures established	0	0	0	-
4.2	An effective integrated public transport service, maximising subsidy benefits	4.2.1	Number of operated km's monitored (manually)	40 000 000	0	(100)	We are unable to monitor kilometres independently due to the manual system in use.
		4.2.2	Number of fitted onboard tracking units	1 000	138	(86)	Enabling Memorandum of Understanding with the bus operator was concluded later than planned.
		4.2.3*	<i>Number of subsidised trips</i>	-	1 556 727	100	No target was set for subsidised trips as the measurement is based on subsidised kilometres.
		4.2.4*	<i>Number of subsidised trips monitored</i>	-	636 761	100	No target was set for subsidised trips as the measurement is based on subsidised kilometres.

Programme 4: Public and Freight Transport							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
4.3	Public transport contracts implemented	4.3.1	Number of technical designs completed	2	0	(100)	Technical design targets, although set by the Province, has become the legislative competence of municipalities in terms of the NLTA.
		4.3.2*	<i>No. of transport operators trained</i>	750	772	3	With the change in legislation it was necessary to train all operators in the NLTA. This was undertaken by the Transport Registrar in partnership with the Compliance unit.
		4.3.3*	<i>Number of training courses facilitated</i>	3	14	367	With the change in legislation it was necessary to train all operators in the NLTA. This was undertaken by the Transport Registrar in partnership with the Compliance unit.

Programme 4: Public and Freight Transport						
Strategic Objective	Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
			Target	Actual		
	4.3.4*	<i>Number of public transport operators subsidised</i>	2	1	(50)	Contract for George Mobility project not concluded due to project delays.
	4.3.5*	<i>Number of public transport operators</i>	-	6 000	100	No target was set because this is driven by demand. Also the Provincial Transport Registrar only registers Minibus Taxi Operators and associations.
	4.3.6*	<i>Number of public transport infrastructure projects completed</i>	2	0	(100)	The 2 projects earmarked for completion were delayed because of delays experienced with the project planning and Inter-governmental engagements.
	4.3.7*	<i>Number of permits converted to operating licenses</i>	0	0	0	-
	4.3.8*	<i>Number of operating licenses issued</i>	14 000	14 286	2	The number of licences issued is demand driven
	4.3.9*	<i>Number of operating licenses withdrawn</i>	0	1	100	Misconduct on the part of an operator

Programme 4: Public and Freight Transport							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
		4.3.10*	<i>Number of registered public transport vehicles</i>	14 000	7 848	(44)	The number of registered vehicles is demand driven
4.4	Improved transport safety	4.4.1	Number of Public Transport Marketing & Safety Campaigns	8	8	0	-
		4.4.2	Number of Law enforcement Officers briefed on Operating Licenses & NLTA	500	500	0	-
		4.4.3	Number of PT Impound facilities established	3	3	0	-
		4.4.4*	<i>Number of accidents involving public transport vehicles</i>	-	-	-	RTMC has not yet released statistics for the financial year.
		4.4.5*	<i>Number of fatalities due to accidents involving public transport vehicles</i>	156	-	(100)	RTMC has not yet released statistics for the financial year.



## 2.2.5 PROGRAMME 5: TRAFFIC MANAGEMENT

### PURPOSE

To provide an appropriately authorised transport environment through the registration and licensing of vehicles; the issuing of driving licenses; the certification of motor vehicles as roadworthy for use on public roads; and to record accident data, exercise overload control and promote safety on public roads.

### SIGNIFICANT ACHIEVEMENTS

A second Safely Home anti-drunk driving operations war room (SHADOW) was opened in George in order to contribute to reducing accidents and deaths on public roads as a result of drunk driving.

A zero-tolerance approach to fraud and corruption led to the very first suspension of a private vehicle testing station in the Western Cape – following a joint operation involving the department’s compliance monitoring unit and the Hawks. Investigations into corrupt activities at drivers’ licence testing centres have also led to criminal charges being brought against municipal officials and private ‘runners’.

### SERVICE DELIVERY ACHIEVEMENTS

The achievement of the targets ensures that the Programme contributes to the achievement of the Provincial Strategic Objective 3: Increasing access to safe and efficient transport; as well as to the departmental goal of leading the development and implementation of integrated transport in the Western Cape.

The table below provides for an overview of the Programme’s performance against pre-determined targets. Sector specific indicators, set nationally, are marked with an ‘\*’.

**Table 2.2.5.1: Programme 5: Traffic Management: Strategic objectives, performance indicators and targets**

Programme 5: Traffic Management							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
5.1	Reduced outstanding license fees	5.1.1*	<i>No of new vehicle licenses issued</i>	24 102	68 428	184	Demand driven
		5.1.2*	<i>Number of license fraud cases prosecuted</i>	8	0	(100)	Cases under investigation and had not yet reached prosecution by

Programme 5: Traffic Management						
Strategic Objective	Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
			Target	Actual		
						financial year end.
	5.1.3*	<i>Number of vehicles registered</i>	325 044	530 625	63	<i>Demand driven</i>
	5.1.4*	<i>Number of vehicles licensed</i>	1 300 177	1 817 709	40	<i>Demand driven</i>
	5.1.5*	<i>Number of licenses paid on time</i>	1 560 212	1 703 403	9	<i>Demand driven</i>
	5.1.6*	<i>Number of registered vehicles licensed as a percentage of the total vehicles registered as on 31 March</i>	96%	96%	0	-
	5.1.7*	<i>Number of licenses paid on time as a percentage of total number of licenses paid</i>	96%	94%	(2)	Demand driven
	5.1.8*	<i>Administration costs as a percentage of total license revenue</i>	20%	19%	1	Collected licence fee revenue exceeded target while human resource cost remained constant.
	5.1.9*	<i>License fee revenue collected</i>	R 848m	R 901m	6	Higher demand, and increased licence compliance inspections. Also higher number of new vehicle registrations.
	5.1.10	Number of outstanding license fee cases followed up	16 500	15 131	(8)	Human resource capacity constraints

Programme 5: Traffic Management							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
5.2	Effectively controlled environment for traffic law administration	5.2.1*	<i>Number of license compliance inspections executed.</i>	10 800	11 100	3	Higher priority given to this function, albeit with low capacity base for inspections and audits.
		5.2.2	Number of audits at RA's	37 <sup>4</sup>	27	(27)	Human resource capacity constraints. Focus redirected to a service delivery improvement exercise.
		5.2.3	Number of audits at DLTC's	108	114	6	Priority given to DLTC audits.
		5.2.4	Number of audits at VTS's	87	86	(1)	Priority given to DLTC audits – with capacity constraints.
5.3	Improved operational efficiency through the conclusion of SLA's with local authorities and private vehicle testing stations (PVTS's)	5.3.1	Number of SLA's concluded with municipalities	27	0	(100)	Municipalities delaying signing of SLAs until financial elements have been renegotiated and agreed upon.
5.4	Minimised road damage through overload control	5.4.1*	<i>Number of transport vehicles weighed</i>	480 000	579 689	21	Increased law enforcement
		5.4.2*	<i>Number of vehicles which are overweight</i>	19 200	15 543	19	Increased law enforcement
		5.4.3*	<i>Number of hours weighbridges to be operated</i>	60 000	63 391	6	Increased law enforcement
		5.4.4*	<i>Number of vehicles weighed overloaded as a</i>	4%	3%	1	Increased law enforcement (fines).

<sup>4</sup> The 2010/2011 target in table 26 of the APP is inaccurate. The accepted target is reflected in table 27 of the APP. The accepted target thus reflects above as it is aligned with table 27.

Programme 5: Traffic Management							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
			<i>percentage of total vehicles weighed in a year</i>				
		5.4.5*	<i>Number of hours weighbridges operated as a percentage of total hours in a year</i>	76%	78%	3	Increased law enforcement.
		5.4.6*	<i>Number of vehicles inspected per hour (throughput)</i>	8	9	13	Improved productivity.
		5.4.7*	<i>Number of freight traffic overloaded as a percentage of total freight traffic weighed in a year</i>	4%	8%	4	Reporting criteria changed to include 5% 'grace' allowance for overloading.
		5.4.8*	<i>Number of weighbridges maintained/ calibrated</i>	9	9	0	-
		5.4.9*	<i>Number of Weighbridges constructed</i>	0	0	0	-
		5.4.10	Number of accident forms captured	18 000	22 432	25	Additional resources employed.
5.5	Improved transport safety	5.5.1	Number of road fatalities	1 400	1 476	5	1476 fatalities reported by provincial Forensic Pathology Services. Original target was based on RTMC stats. Accurate provincial database is under development.

## 2.2.6 PROGRAMME 6: COMMUNITY BASED PROGRAMMES

### PURPOSE

To co-ordinate, monitor and evaluate the implementation of the Expanded Public Works Programme (EPWP) and to develop and empower communities and contractors.

### SIGNIFICANT ACHIEVEMENTS

The nationally set target of 40 599 EPWP work opportunities was exceeded in the Province, with the achievement of 57 784 work opportunities, due to an increased level of participation of municipalities in the programme.

### SERVICE DELIVERY ACHIEVEMENTS

The achievement of the targets ensures that the Programme contributes to the achievement of the Provincial Strategic Objective 1: Increasing opportunities for growth and jobs; as well as to the departmental goal of leading the implementation and facilitation of EPWP in the Western Cape.

The table below provides for an overview of the Programme's performance against pre-determined targets. Sector specific indicators, set nationally, are marked with an '\*'.

**Table 2.2.6.1: Programme 6: Community Based Programme: Strategic objectives, performance indicators and targets**

Programme 6: Community Based Programme							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
6.1	Maintained and Improved institutional framework for EPWP coordination	6.1.1	Number of sector working groups established	4	4	0	-
		6.1.2	Number of steering groups	1	1	0	-
6.2	Implemented EPWP Plan	6.2.1	Sector plans developed	4	4	0	-
6.3	Facilitated EPWP Skills Development Programmes	6.3.1	Number of skills development projects	3	1	(67)	Two skills development projects terminated
6.4	Implemented Empowerment	6.4.1	Number of EmplAs	30	34	13	Pilot EmplA's conducted for

Programme 6: Community Based Programme							
Strategic Objective		Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
				Target	Actual		
Impact assessments							municipalities
	6.4.2	Number of local municipality socio-economic profiles	10	12	20		Additional demand.
	6.4.3	Number of community preliminary investigative reports	6	3	(50)		Fewer requests received for preliminary investigative reports.
	6.4.4	Number of EmplA compliance reports	4	3	(25)		Human resource capacity constraints due to unexpected delays in filling of posts.
6.5	Construction Industry Development Programmes developed and implemented	6.5.1	Number of Qingqa skills development programmes	48	60	25	Number of contractor information sessions increased from 7 to 8 per region.
		6.5.2	Number of regional WIC skills development business plans	7	7	0	-
		6.5.3	Number of contractors on Siyenyuka contractor enhancement programme	30	30	0	-
6.6	Innovative Construction Interventions identified	6.6.1	Number of Innovative construction interventions	4	4	0	-
		6.6.2	Number of skills development enhancement interventions	4	4	0	-
6.7	Monitored Compliance of EPWP Targets	6.7.1*	<i>Number of 100-day work opportunities created</i>	40 599	57 784	42	Increased municipal participation in the Provincial program
		6.7.2*	<i>Number of people</i>	40 599	57 784	42	Increased municipal

Programme 6: Community Based Programme						
Strategic Objective	Measure/Indicator		Actual Performance against Target		Variance (%)	Reason for Variance
			Target	Actual		
		<i>employed</i>				participation in the Provincial program
		6.7.3* <i>Number of youths (16 – 25) employed</i>	16 239 <sup>5</sup>	32 936	103	Increased municipal participation in the Provincial program
		6.7.4* <i>Number of women employed</i>	22 329	30 625	37	Increased municipal participation in the Provincial program
		6.7.5* <i>Number of people with disabilities employed</i>	811 <sup>6</sup>	268	(67)	Inadequate number of people with disabilities recruited
		6.7.6* <i>Number of people trained</i>	40 599	57 784	42	Increased municipal participation in the Provincial program
		6.7.7 Number of sector reports	16	16	0	-
6.8	Implemented EPWP Communication Plan	6.8.1 Number of Information interventions	12 <sup>7</sup>	12	0	-

<sup>5,6 & 7</sup> The 2010/2011 targets in table 30 of the APP are inaccurate. The accepted targets are reflected in table 31 of the APP. The accepted targets thus reflect above as it is aligned with table 31.



# Annual FINANCIAL STATEMENTS

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**PART 3**



ANNUAL FINANCIAL STATEMENTS

DEPARTMENT TRANSPORT AND PUBLIC WORKS

VOTE 10

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For the year ended  
31 March 2011

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

**REPORT OF THE AUDIT COMMITTEE**  
**for the year ended 31 March 2011**

**Report of the Audit Committee**

We are pleased to present our Report for the financial year ended 31 March 2011.

**Audit Committee Members and Attendance**

In terms of Cabinet Resolution 55/2007, The Department of the Transport and Public Works is served by the Transport and Public Works Audit Committee. The Audit Committee consists of the members listed below and should meet at least 4 times per annum as per its approved terms of reference. During the financial year under review, 7 meetings were held.

<b>Name of Member</b>	<b>Number of Meetings Attended</b>
Mr. Ameen Amod (Chairperson)	7
Mr. Zakariya Hoosain	7
Mr. Wessels Pieters	7

A quorum of members was present at all meetings.

**Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from **section 38(1) (a) of the Public Finance Management Act 1 of 1999 (PFMA)** and **Treasury Regulation 3.1**.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, approved by Cabinet on 9<sup>th</sup> February 2011, and has conducted its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

**The Effectiveness of Internal Control**

In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with assurance that the internal controls are adequate and effective. This is achieved by a risk-based Internal Audit Plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective action.

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**REPORT OF THE AUDIT COMMITTEE**  
**for the year ended 31 March 2011**

From our review of the reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the Management Report of the Auditor-General of South Africa, the Committee is still concerned about the system of internal control applied by the Department:

- **Legal and Regulatory Compliance**

- We have noted the non-compliance with laws and regulations as it pertains to supply chain management. Notwithstanding the differences in the legal interpretation of the status of practice notes, the Committee has encouraged management to implement the practice notes.
- The Committee deliberated the findings on control weaknesses highlighted by the Auditor-General with management. Although there were varying instances of control deficiencies, from an oversight perspective it is our view that it was not a pervasive breakdown of control across the organisation. We continue to monitor remediation on a quarterly basis.

- **Significant areas highlighted by Internal Audit**

During the year key control deficiencies were noted by Internal Audit in the following areas:

- Property Management
- Subsidised Public Transport
- Roads: Periodic Maintenance
- Transfer Payments

Corrective actions have been agreed by management and are being monitored by the Audit Committee.

- **Information Technology**

The Audit Committee previously reported on the limited progress that had been made towards implementation of the turn-around strategy to address the IT-related risks facing the Province. We are encouraged by the progress in this regard and continue to monitor progress against agreed actions.

- **The quality of In-Year Monitoring Reports and Quarterly Reports submitted in terms of the PFMA and the annual Division of Revenue Act**

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review. The under-spending was anticipated by Management with explanations provided to the Committee.

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**REPORT OF THE AUDIT COMMITTEE**  
**for the year ended 31 March 2011**

- **Enterprise Risk Management**

Further progress has been made with the implementation of the Enterprise-wide Risk Management (ERM) methodology and the identification of the key risks and mitigating controls implemented by the Department. The Audit Committee continued to review progress on a quarterly basis.

#### **Evaluation of Financial Statements**

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor-General's Management Report and management's response thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the Annual Report; and
- reviewed adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's opinion regarding the Annual Financial Statements, and proposes that the audited Annual Financial Statements be accepted and read together with the Report of the Auditor-General.

#### **Internal Audit**

In the previous year, the Audit Committee reported that the Shared Internal Audit Unit experienced challenges relating to capacity and change management which impacted on its ability to achieve its plan. The Audit Committee is still concerned that further audit coverage is required and that there is a need for additional capacity to support the increased coverage of further high risk areas.

The Committee reports that Internal Audit substantially completed its plan by the end of the financial year, and the remaining audit reports were issued subsequent to the year end. The Committee gained the

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for the year ended 31 March 2011**

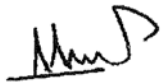
assurance by Internal Audit that this will not have an impact on the completion of the current year Internal Audit plan.

**Auditor-General South Africa**

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings emanating from the current regulatory audit will be monitored by the Audit Committee on a quarterly basis.

**Appreciation**

The Audit Committee wishes to express its appreciation to the Accounting Officer and Management of the Department, the Auditor-General South Africa and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.



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Mr. Ameen Amod  
Chairperson of the Transport and Public Works Audit Committee  
10 August 2011

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

**REPORT OF THE ACCOUNTING OFFICER**  
**for the year ended 31 March 2011**

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

**1 GENERAL REVIEW OF STATE OF FINANCIAL AFFAIRS**

**Important policy decisions**

It was decided to:

- Register with the Green Council of South Africa in order to support efforts in upholding environmental integrity, mainstreaming sustainability and optimising resource-use efficiency.
- Develop an over-arching policy framework for the acquisition, disposal and development of immovable assets.
- Hold motor vehicle licence fee tariffs at their current levels in order to achieve parity between provinces.
- Utilise a gross contracting regime for the George Mobility Project for the initial contracting period of 12 years.

**Strategic issues facing the Department**

The following are key strategic issues facing the Department:

- Implementation and assignment of functions to municipalities in terms of the National Land Transport Act, 2009 (Act 5 of 2009).
- Departmentalisation.
- Renegotiation of the Chapman's Peak Drive Public Private Partnership Agreement.
- Location and establishment of further Safely Home Anti-Drunk Driving Operations War Room (SHADOW) centres.
- Formalisation of the minibus taxi industry and dealing with strike action within the industry.
- Implementation of the Government Immovable Asset Management Act, 2007 (Act 19 of 2007).
- Responding to the high unemployment rate through departmental procurement processes and the utilisation of the immovable asset portfolio.
- Availability of road construction materials, for example bitumen and borrow pit material.
- Obtaining Environmental Impact Assessment Records of Decision for infrastructure delivery.

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- Nature and condition of public transport, particularly in the metro region with the specific focus on improving the rail system and supporting the rollout of the Integrated Rapid Transport system.

**Significant Events**

Table 1 below reflects on significant events during the course of the 2010/11 financial year.

**Table 1: Events**

No	Description	Date
1	<b>Opening of N2 Eastbound Road</b>  It was the first of the road infrastructure projects officially opened in support of the 2010 FIFA World Cup.	26 April 2010
2	<b>Opening of Knysna White Bridge Road</b>  The widening of the road into Knysna along the lagoon has from an economic perspective relieved congestion, thereby reducing the cost of doing business. In addition, as Knysna is a key destination, it enhances tourism activities in the area. Furthermore, it supported the 2010 FIFA World Cup, as teams were located within the Eden region.	3 May 2010
3	<b>Opening of Table Bay Boulevard</b>  The additional lane relieves traffic congestion and reduces the cost of doing business, while enhancing safety for the different modes of transport. The project was one of the key milestones achieved in support of the 2010 FIFA World Cup.	17 May 2010
4	<b>Opening of Somerset West Hazeldene – Broadlands Road</b>  Additional lanes to and from Sir Lowry's Pass reduces the cost of doing business, relieves congestion and enhances safety for the different modes of transport. The project was undertaken in support of the 2010 FIFA World Cup.	18 May 2010
6	<b>World Cup 2010 building the spirit. Staff Soccer – Foyer Event</b>  This occasion, held in the foyer of the Department's 9 Dorp Street office, aimed to build the spirit of staff in order to feel part of the World Cup atmosphere before the official opening of the 2010 FIFA World Cup.	4 June 2010
7	<b>Opening of Koeberg Interchange Ramp A</b>  The ramp aims to improve traffic flow from the N1 towards Muizenberg along the M5. This project was also one of the milestones achieved in support of the 2010 FIFA World Cup. The construction is regarded as a landmark in the City of Cape Town.	7 June 2010

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8	<p><b>Masakh'iSizwe Bursary Awards</b></p> <p>This event marked the continuation of the Masakh'iSizwe Bursary Programme, a flagship programme that addresses scarce skills in the transport and built environment sectors. Bursaries were awarded to 75 students, mainly in disadvantaged groups, for the 2010 Academic Year.</p>	28 Aug. 2010
9	<p><b>Fifth Regional Leaders Summit 2010</b></p> <p>Seven regions make up the regional Leaders – Bavaria, Upper Austria, Shandong, Sao Paulo, Georgia, Quebec and the Western Cape. The 2010 Summit focused on two themes, namely Integrated Transport and Food Security. Representatives from the regions engaged in bilateral and multi-lateral discussions, resulting in the 2010 Declaration of Regional Leaders, which stipulates areas for co-operation between the regions.</p>	27 – 29 Sept. 2010
10	<p><b>Opening of Pniel Road</b></p> <p>The Pniel Road runs from Stellenbosch through Helshoogte via Pniel to the Franschoek road (R45). The original road that was very narrow with gravel on the shoulders was upgraded significantly. The upgrading includes improvements such as increase in width, specially coloured road shoulders, raised pedestrian crossings, paved sidewalks, bus and taxi bays, improved drainage, new road signs, road markings and street lighting. The upgrading has improved traffic flow, provides safer conditions for all modes of transport and pedestrians. It reduces the cost of doing business and has enhanced the aesthetics of the area.</p>	9 Dec. 2010
11	<p><b>Opening of SHADOW 2 – George</b></p> <p>SHADOW means <i>“Safely Home anti-drunk driving operations war room”</i>. This is the second centre that became operational. SHADOW 2 is situated at the Provincial Centre, York Street, in George. It is equipped with Dräger Aloctest breath analyser machines which can take instant and accurate reading of the amount of alcohol on an individual's breath. This can then be used as evidence to secure a conviction. SHADOW centres contribute to reducing accidents and deaths on public roads.</p>	16 Dec. 2010
12	<p>The relegation of the Chapman's Peak Drive public private partnership agreement was concluded</p>	8 March 2011

**Major Projects undertaken or completed**

The following **General Buildings** projects were in progress:

Upgrading of the Façade and ground floor of the 4 Dorp Street Building, Cape Town.

Refurbishing and modernising four floors in the 4 Dorp Street Building, Cape Town to accommodate the Corporate Service Centre.



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The following **General Buildings** projects were completed:

Adaptations to the Shared Service Centre in Vangate, Athlone, for Cape Nature, Community Safety traffic officers and provided additional parking.

Upgrading of Bonitown Youth Centre into offices to accommodate the Social Development Wynberg District Office.

Upgrading of the Faure Drug Rehabilitation Centre in Eerste River and the Kraaifontein Youth Centre.

Refurbishment of Goulburn Centre to accommodate the Social Development District Offices in Bellville.

Approximately 210 maintenance projects on provincial government buildings and attended to defective air conditioning and lifts in provincial government buildings on an on-going basis.

Refurbishment of small offices and approximately 20 small capital projects for client departments.

The following **Education Facilities** projects were in progress:

Construction of 15 new schools, namely; Delft Primary 3, Delft Secondary 3, Blue Downs Primary, West Lake Primary, Northpine, Fisantekraal, Citrusdal Senior Secondary (SS), Naphakade SS, Melkbosstrand SS, Parklands SS, Oaklands SS, Vista SS and Dawn School of Skills.

The following **Education Facilities** projects were completed:

Construction of 6 schools, namely: Nomzamo Strand PS, Zwelihle PS in Hermanus, Wallacedene SS, Bongolwethu Primary in Phillippi, Tafelberg Elsen School in Bothasig and Westlake PS in Westlake.

The following **Health Facilities** projects were in progress:

Khayelitsha Hospital

Mitchells Plain Hospital

Paarl Hospital Phase 1

Worcester Hospital Phase IV

Vredenberg Hospital phase 2B upgrading

George Hospital phase 3 upgrading

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The following **Health Facilities** projects were completed:

- Ceres Hospital new emergency centre
- Paarl hospital phase 2 upgrades
- Groote Schuur Hospital Ward E16 Respiratory Clinic mechanical ventilation upgrade
- Lamberts Bay Ambulance Station extension
- Plettenberg Bay Kwanokuthula
- Plettenberg Bay Kwanokuthula new Ambulance station
- Paarl TC Newman CHC upgrade
- Valkenberg Hospital urgent restoration
- Groote Schuur Ward D7 NHLS conversion
- Forensic Pathology laboratories in Paarl, Worcester, and Malmesbury
- ARV Clinic at Michael Mapongwana
- Michells Plain extension to CHC
- Eester River Hospital Administration and Causality
- Riversdale Hospital upgrades Phase 2
- Vredenberg Hospital phase 2A staff accommodation and ring road

The following **Property Development** initiatives were underway:

The department supported by its strategic partners Cape Higher Education Consortium, City of Cape Town and Cape Town Partnership identified six precincts in Cape Town for the purpose of accelerated development. The project is known as "the Inner City Regeneration Programme". It aims to utilise provincial property to act as a catalyst thereby achieving provincial objectives related to economic growth, social development and a sustainable environment. In addition to the six precincts identified, a number of under and unutilised properties were identified. This will form part of an intensive programme of development over the next few years.

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The following **Transport Infrastructure** projects were in progress:

- Provision of street lighting on the N1 from Koeberg interchange (Cape Town) to Old Oak interchange (Bellville)
- Rehabilitation of Trunk Road 22 between Nuwekloof Pass and Wolseley
- Rehabilitation of Main Road 310: Prince Alfred Hamlet – Op Die Berg
- Rehabilitation of Trunk Road 2/1 (M5-Black River Parkway) between Koeberg Interchange and Raapenberg Interchange
- Upgrade of Main Road 559 Saldanha to Langebaan

The following **Transport Infrastructure** projects were completed:

- Rehabilitation of Main Road 172 through Pniel
- Upgrading to a surfaced standard of the Gansbaai/Elim Road (Phase 2)
- Upgrade of TR2: Somerset West to Sir Lowry's Pass
- Upgrade of Trunk Road 2/10: White Bridge to Knysna
- Rehabilitation of Divisional Road 1254: Karwyderskraal
- Rehabilitation and upgrade of the N2 east bound carriageway between Vanguard Drive Interchange and Borcherd's Quarry Interchange
- Upgrade of Main Road 542: Pakhuispas to Wupperthal turnoff

### **Departmental receipts trends**

The aggregate departmental receipts over collected for 2010/11 is R188.541 million (R113.546 million 2009/10); an increase of R74.997 million compared to the previous year. Table 2 below shows the percentage over collection on departmental receipts per classification expressed as a percentage of the estimated revenue. The over collection for 2010/11 is mainly attributed to the following:

- Improved collection of (current and arrear) motor vehicle license fees.
- Improved collection of arrear leases.
- Increased demand for: operating licenses, personalised motor vehicle registration numbers, abnormal load licenses and tender documentation.
- Sale of capital assets.

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Table 2: Departmental receipts over collection expressed as a percentage of estimated revenue

Classification	2010/11 R'000	%	2009/10 R'000	%
Tax revenue	53 579	6.3	71 615	8.3
Sales of goods and services other than capital assets	29 888	44.7	13 117	29.7
Interest, dividends, rent on land	6 464	100	118	100
Sale of capital assets	94 734	38 666.9	800	100
Financial transactions in assets and liabilities	3 876	100	27 896	100
<b>TOTAL</b>	<b>188 541</b>	<b>20.6</b>	<b>113 546</b>	<b>13.1</b>

### Spending trends

The annual appropriation for 2010/11 was adjusted upwards by R313 million (2009/10 R647 million) from R3 687 million (2009/10 R3 523 million) to R4 000 million (2009/10 R4 170 million) or in nominal terms by 8.5 per cent (2009/10 18 per cent). The under spending per Main Division and Economic Classification is set out respectively in Tables 3 and 4 below.

The under spending relates to:

- Vacancies not filled as planned, over estimation of capital requirements for the Enterprise Content Management system, and delays with the review process of Integrated Transport Plans.
- Uncertainty of liability for the payment of property rates – a hospital building occupies separate portions of land of which the Provincial Government and a tertiary institution are respectively the owners
- A contract awarded later than planned.
- Longer than expected procurement lead times to complete projects for the repair of flood damage.
- The Expanded Public Works Programme (EPWP) infrastructure sector targets that were not surpassed and as a consequence no cash inflow emanated to finance the appropriated EPWP Incentive Grant.
- George Mobility Project – the municipality required approval in terms of s78 of the Municipal Systems Act, 2000 (32 of 2000) before the Province could proceed with playing a role in the execution of the project.

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- Concluding of agreements with the Western Cape Minibus Taxi Council and the Western Cape Metered Taxi Council as the negotiation process took longer than expected.
- Protracted concluding of a memorandum of understanding with a bus operator in respect of electronic monitoring.
- A delay in the rollout of training interventions because of the conclusion of an overriding Training Strategy for Land Transport.
- The design of the Average Speed over Distance Infrastructure for which professional consultants needs to be procured took longer than expected.

Actions taken or planned to avoid recurrence of under spending:

- An improved roster system (subject to some refinement) was implemented to procure professional consultants in the roads infrastructure environment.
- Agreement was reached with the Provincial Treasury that the EPWP Incentive Grant allocation be allocated to projects prior to cash inflow from the grant, on condition that:
  - Cash in-flow is controlled by the Provincial Treasury.
  - The Department may be held liable for cash deficits.
  - Cash incentives earned above target are offset against cash deficits.
  - Expenditure committed complies with the published grant framework.
- Vacancies are monitored through the monthly In-year Revenue and Expenditure Report.
- Projects for the repair of flood damage have been contractually committed.
- A process is underway to appraise the land and the building in order to apportion the property rates.

The impact of the under spending on programmes and service delivery are as follows:

- Repairs were made temporarily on road infrastructure until permanent repairs could be made to restore the infrastructure to its original state; consequently road users were not negatively affected.
- Fewer projects could be undertaken that would create job opportunities.
- Existing staff carried an additional workload.

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Table 3: Under spending per Main Division

Main Division	2010/11 R'000	%	2009/10 R'000	%
1: Administration	12 531	7.6	13 473	6.9
2: Public Works	49 679	5.3	44 274	5.6
3: Roads infrastructure	62 931	3.5	195 076	8.9
4: Public Transport	34 338	4.4	28 932	4.0
5: Traffic management	8 111	3.5	1 488	0.7
6: Community Based Programme	24 620	37.2	14 747	32.2
TOTAL	192 210	4.8	297 990	7.1
TOTAL (excluding unspent grant funding)	88 766	2.3	92 421	2.5

Notably when the under spending of grant funding is left out of the equation, total spending is 98 per cent or 2 per cent below the amount appropriated which is within the 2 per cent norm.

Table 4: Under spending per economic classification

Economic classification	2010/11 R'000	%	2009/10 R'000	%
Current payments	106 000	6.8	63 631	4.1
Transfers and subsidies	20 194	2.0	26 137	2.7
Payments for capital assets Land and buildings	65 955	4.6	208 129	12.4
Payments for financial assets and liabilities	61	12.4	93	14.0
TOTAL	192 210	4.8	297 990	7.1

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**Virements**

Virement means that an accounting officer may utilise a saving in the amount appropriated under a main division within a vote towards the defrayment of excess expenditure under another main division within the same Vote subject to certain conditions and limitations. Table 5 below shows the virements authorised by the Accounting Officer.

**Table 5: Virement**

Main division			Reason
From	To	R'000	
1.Administration	3.Roads Infrastructure	7 590	Acceleration of Roads Infrastructure delivery.
5.Traffic Management	6. Community Based Programmes	2 458	Insufficient provision for the National Youth Service Program (NYS).

**Any other material matter**

Table 6 below shows the number allegations of unauthorised, fruitless and wasteful, and irregular expenditure received by the Financial Control Division that may impact on the department.

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Table 6: Unauthorised, fruitless and wasteful and irregular expenditure

Nature of expenditure	Number of cases	R'000	Main reasons	Steps to prevent recurrence
Unauthorised	0	0	Not applicable	Not applicable
Irregular Note: The reported value is reflected. Actual irregular expenditure is determined within the investigation phase.	33	127 808	Proper SCM processes allegedly not being followed.	Encourage reporting, deter causal behaviour and conduct training.
Fruitless and wasteful Note: The reported value is reflected. Actual fruitless and wasteful expenditure is determined within the investigation phase	12	7 697	Control procedures allegedly not followed.	Encourage reporting, deter causal behaviour and conduct training.
<b>Total</b>	45	135 505		

## 2 SERVICES RENDERED BY THE DEPARTMENT

### Services

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

### Tariff policy

Motor vehicle licence fees is the dominant contributor to provincial own receipts in the Western Cape. In accordance with the Western Cape Medium Term Budget Policy Statement 2010-2013, motor vehicle license fees were not increased due to the in-principle agreement with other provinces not to increase



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Western Cape fees until the fee structures are more or less aligned with the tariff levels in the Western Cape.

Key revenue sources for which tariffs are determined are captured in Table 7 below.

**Table 7: Tariffs for receipts**

Nature of tariff	Tariff	Policy applicable
Motor vehicle license	Various	National Road Traffic Act, 1996 ( Act 93 of 1996)
Building leases	As per lease agreement	Western Cape Land Administration Act 1998 ( Act 6 of 1998)

**Free services**

No *free services* were rendered that would have yielded significant revenue, had a tariff been charged.

**3 CAPACITY CONSTRAINTS**

Table 8 below shows the capacity constraints experienced by the Department

**Table 8: Capacity Constraints**

Description of Constraint	Impact on planned programmes and service delivery	Actions to remove/reduce impact
Inadequate organisational structure and concomitant staff establishment.	Increased burden on staff, slowing down service delivery and increasing the risk for non-compliance.	Review of macro- and micro- organisational structures, job descriptions and establishments
Limited in-house specialist expertise to formulate policies and conduct policy impact analyses.	Implementation of policy decisions is slower than expected.  Areas for improvement in programme delivery may not be identified timely.	Contracting-in specialist expertise on a needs basis to augment in-house expertise.
Limited in-house specialist expertise to develop complex business cases for provincial infrastructure and property management strategies and	Delay in accessing of resources (monetary, assets, human, etc.) to deliver on projects.	Contracting-in specialist expertise on a needs basis to augment in-house expertise.

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implementation plans.		
Limited resources and experience to implement comprehensive and integrated public transport solutions in rural areas.	Slow implementation of projects.	Contracting-in of specialist expertise on a needs basis to augment in-house expertise.

#### 4 UTILISATION OF DONOR FUNDS

The Department did not receive *Donor Funding*.

#### 5 TRADING ENTITIES

Information on new developments in relation to the *Government Motor Transport Trading Entity* is presented in the Annual Report for that *Entity*.

#### 6 TRANSFER PAYMENTS

Table 9 below shows the organisations to which transfer payments were made.

Table 9: Transfer payments

##### Administration

Name of entity	R'000	Purpose	Accounting Arrangement
Cape Winelands District Municipality	715	Review and update municipal Integrated Transport Plans in terms of the National Land Transport Act, 2009 (Act 5 of 2009).	Per memorandum of agreement
City of Cape Town	2 000	In terms of the transfer to the City of Cape Town, the total amount spent was for the funding of the FIFA 2010 World Cup transport operations planning.	Per memorandum of agreement

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Roads Infrastructure

Name of entity	R'000	Purpose	Accounting Arrangement
City of Cape Town	9 400	Maintain and improve transport in Metropolitan Transport Advisory Board (MTAB) area.	Per memorandum of agreement
Matzikama Municipality	52	Maintain and rehabilitate proclaimed municipal main roads within municipal areas.	Per memorandum of agreement
Cederberg Municipality	117		
Bergrivier Municipality	50		
Saldanha Bay Municipality	87		
Swartland Municipality	200		
Witzenberg Municipality	616		
Stellenbosch Municipality	1 522		
Breede Valley Municipality	10 555		
Langeberg Municipality	82		
Theewaterskloof Municipality	60		
Overstrand Municipality	40		
Cape Agulhas Municipality	5 163		
Hessaqua Municipality	300		
Mossel Bay Municipality	1 831		
George Municipality	325		
Oudtshoorn Municipality	5 122		
Laingsburg Municipality	9		
Prince Albert Municipality	6		
Beaufort West Municipality	42		

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**Public Transport**

Name of entity	R'000	Purpose	Accounting Arrangement
City of Cape Town	17 533	Provision of plans, facilities and operational systems that will assist with the movement and safety of people in the public transport system, including provision for persons with special needs.	Per memorandum of agreement
Matzikama Municipality	500		
Cederberg Municipality	500		
Bergrivier Municipality	500		
Saldanha Municipality	300		
Swartland Municipality	600		
Overstrand Municipality	1 000		
Cape Agulhas Municipality	1 100		
George Municipality	9 900		
Laingsburg Municipality	2 000		
Beaufort Municipality	3 500		
Golden Arrow Bus Services (Pty) Ltd - GABS	633 108	Subsidisation of public transport services in accordance with the timetable and route details as specified in the specifications.	Per Interim Contract for the Provision of Services by GABS
Passenger Rail Agency of South Africa (PRASA)	300	The provision of on board security linked to the Simons Town Line Pilot Project.	Per memorandum of agreement
George Mobility Strategy Trust	350	For the establishment of a business entity for the sole purpose of assisting the George Mobility steering committee to achieve its objectives and goals.	Per memorandum of agreement

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**7 PUBLIC PRIVATE PARTNERSHIP**

Chapman's Peak Drive is the only public private partnership managed by the Department. During the course of 2009/10 the Executive Authority for Transport and Public Works and Finance, Economic Development and Tourism, was mandated by the Premier to, with the assistance of a task team, re-negotiate the contract with the Concessionaire with a view to mitigate risk to the Department. The re-negotiations were concluded and the following matters, amongst others, were addressed:

- End the Designated Event as soon as possible.
- Improve Provincial Contract Management and Internal Control systems.
- Re-negotiate certain conditions in the existing contract.
- Review an alternative toll plaza solution.
- Agree on a pre-emptive closure regime.
- Review methodology of Province Future Support.
- Review of upgrades and maintenance reserve funds.

**8 CORPORATE GOVERNANCE ARRANGEMENTS**

The Department recognises the King Code of Governance of South Africa to be a key instrument to guide the implementation of the governance elements, principles and practices in the Department. The discussion below aims to address the nine principles of the Code.

**1 - Ethical leadership:**

The responsibility for leadership is assigned to the Provincial Minister and delegated to the Accounting Officer. The values of the Department subscribe to the principles of ethics and are encapsulated in the Department's Strategic Plan 2010 – 2014.

The responsibility for effective service delivery was assigned to the Accounting Officer and Management through the Department's Strategic Plan 2010 – 2014 and the Annual Performance Plan 2010/11. These plans establish the measurable objectives expected to be achieved in the financial year ending 2010/11. The Department has and maintains a system whereby performance outcomes are reported on a quarterly basis by management through the Accounting Officer to the Provincial Minister, Provincial Treasury and Provincial Cabinet in the prescribed format. The Department utilises its Enterprise Content Management System to assist with the electronic reporting process.

The Department's commitments to service delivery, ethics and a code of conduct are driven by the expectation that all employees: -

- Are expected to practice Batho Pele principles and comply with the Code of Conduct for the Public Service.

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- Involved in procurement processes comply with the values and Code of Conduct contained in the Accounting Officer's Supply Chain Management System.
- Involved as supply chain practitioners comply with the Code of Conduct for Supply Chain Practitioners (National Treasury Practice Note 4 of 2003).
- Involved in bid adjudication comply with the Code of Conduct for Bid Adjudication Committees (National Treasury 2006).
- Involved in construction procurement 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.

The Department is committed to the implementation of the Western Cape Procurement (Business of Employees) Act, 2010 (Act 8 of 2010). The Act restricts the business interests of employees of the Provincial Government and of provincial public entities as well as members of controlling bodies of such entities, in entities conducting business with the Provincial Government and provincial public entities. The Act further provides for the disclosure of such interests and for matters incidental thereto.

## 2 - Executive Management

The Department has and maintains a Ministerial Top Management Committee chaired by the Executive Authority, a Top Management Committee chaired by the Accounting Officer, a Fraud and Risk Management Committee chaired by the Accounting Officer, as well as a Management Forum chaired by the Accounting Officer.

A new Head of Department (also the Accounting Officer) was appointed with effect from 1 November 2010 for a 3 year period. For the period 1 April 2010 to 31 October 2010 this leadership position was occupied in an acting capacity.

The Strategic Plan 2010 – 2014 was approved by the Executive Authority and captures all the elements required by Treasury Regulation 5.2.2. Enterprise risk management was applied to the strategy by incorporating the risks and the mitigation thereof attached to each objective into the strategy document. As articulated in the Strategic Plan 2010 – 2014, the Accounting Officer and Executive Authority were directly involved with the strategy setting process.

All members of the Senior Management Service, including the Accounting Officer

- Concluded performance agreements that were aligned to Annual Performance Plan 2010/11 which in turn was linked to the Department's Strategic Plan 2010 – 2014. Performance was measured on a quarterly basis or at least bi annually against the specific outcomes in the respective agreements and assessed against the relevant protocol, through the prescribed performance management

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system. Final appraisals will only be conducted once the Auditor-General's Report for 2010/11 is published.

- Submitted financial disclosure certificates to the Executive Authority for noting.

It is acknowledged that financial discipline is fundamental to good governance in the Department and the public sector. No additional funding was requested for "unavoidable and unforeseeable" expenditure. However, adjustments were made in the Adjustments Estimates of Expenditure 2010 to enable shifting of funds to other Votes due to function shifts and to shift funds between main divisions in order to optimally utilise limited resources for service delivery.

The Department has, and maintains, delegations issued by the Executive Authority and the Accounting Officer in terms of the Public Service Act, 1994 and the Public Finance Management Act, 1999, respectively.

### **3 - Audit Committee**

The Department has an Audit Committee that came into effect on 1 January 2010. Prior to that date it was served by the Economic Cluster Audit Committee. The Committee was appointed by the Accounting Officer in consultation with the Executive Authority and consists of three independent members. The Committee meets on a regular basis (at least quarterly), operates in terms of an approved charter, has an oversight responsibility relating to the activities of Internal Audit, External Audit, Enterprise Risk Management, Fraud Investigative Unit and Internal Control. The Committee forms an integral component of the risk management process. The Committee meets at least annually with representatives of the Auditor-General without the presence of management. The leadership evaluated the Committee and the latter is considered to be effective in fulfilling its mandate. Oversight was conducted on specific reports, which include but are not limited to the following:

- Monthly in-year monitoring of revenue and expenditure reports
- Quarterly reports on performance (non-financial), i.e. performance on predetermined objectives
- Interim and annual financial statements
- Irregular, fruitless and wasteful and unauthorised expenditure reports
- Financial management improvement response plan progress reports
- 3-year Rolling Strategic Internal Audit Plan
- Internal Audit operational plan and reports
- Enterprise Risk Management plans and reports
- Fraud Investigative Unit plans and reports

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- Annual report
- Auditor-General's Audit Strategy
- Auditor-General's Management Reports and Reports

#### **4 - Internal Audit**

Internal Audit continued to be offered by the Shared Internal Audit Function which, similar to the Enterprise Risk Management support unit, is corporatised into the Corporate Service Centre of the Department of the Premier. The engagement between the Department and Internal Audit has grown to the required level of maturity, thus living up to Internal Audit's mandate of objective assurance and providing value adding services that would result in improving the operations of the Department. A 3-year Rolling Strategic Internal Audit Plan was approved by the Audit Committee, and the latter monitored the execution of the operational plan. The increasing maturity in the risk management process in the Department will enable Internal Audit to deploy its limited resources on high and extreme risks and thus optimise the value addition of the Internal Audit service.

#### **5 - Governance of Risks**

The Department recognises the need to implement Enterprise Risk Management as a key governance element.

The Enterprise Risk Management support unit was corporatised into the Corporate Service Centre of the Department of the Premier with effect from 1 April 2010, now known as the Provincial Enterprise Risk Management Unit (PERMU). The Chief Risk Officer is vested in PERMU. The relationship between PERMU and the Department is governed through a service level agreement and service schedules.

The journey to embed enterprise risk management in the Department continued. The Risk Management Implementation Plan that was executed addressed the fundamentals of risk management and resulted in basic compliance to regulatory requirements. The Fraud and Risk Management Committee, chaired by the Head of Department who is also the Risk Champion, was re-established with reviewed membership. Work commenced to review the Risk Management Policy and Strategy. A Departmental Risk Register was compiled towards the end of the financial year. The Department is engaging vigorously with the risk management process to ensure improved and credible risk information and by so doing improving the effectiveness of enterprise risk management.

Fraud represents a significant potential risk to the Department's assets, service delivery efficiency and reputation. Emanating from the Departments' Enterprise Risk Management Strategy the Department has and maintains an updated Fraud Prevention Plan, which includes a Fraud Prevention Policy, Strategy and a 5-Year Control Strategy Implementation Plan. The policy in brief entails the Department's commitment to protecting its revenue, expenditure, assets, liabilities and reputation from any attempt by any person to gain



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financial or other benefit in a dishonest, unethical and unlawful manner. Fraud, corruption and theft and other forms of dishonest activities of a similar nature will not be tolerated through the support and fostering of a culture of zero tolerance. Incidents and suspicions will be investigated and treated with the application of the full extent of the law. Staff of the Department voluntarily and actively participated in a Fraud Health Check Survey.

The Fraud Investigative Unit is corporatised into the Corporate Service Centre of the Department of the Premier. During 2010/11, 16 allegations of fraud/irregularities that may impact on the Department were received by the said Unit for investigation, of which 5 were referrals from the Department. In all outcomes indicating fraud and/or irregularities, corrective action is recommended, which includes reporting the matter to the South African Police Services in cases where the actions are criminal in nature. The Department has and maintains a Standard Operating Procedure guiding the Treatment and Management of Forensic Investigative Unit Reports.

Non-compliance to laws, rules, codes and standards could represent a significant risk to the Department's resources. During 2010/11 49 allegations of irregular, fruitless and wasteful and unauthorised expenditure that may impact on the Department were received by the Department's Financial Control Division for investigation. In all outcomes indicating a positive discovery of such expenditure, corrective action is recommended to the relevant authority. The Financial Control Division of the Department has and maintains a Register of Alleged Irregular, Fruitless and Wasteful, and Unauthorised Expenditure and a standard operating procedure for the treatment of such expenditure.

The Department has and maintains a Health and Safety Management Programme inclusive of a Health and Safety Policy in accordance with the Occupational Health and Safety Act, 1993 (Act 85 of 1993).

#### **6 - Governance of Information Technology (IT)**

The Centre for e-Innovation is corporatised in the Corporate Service Centre in the Department of the Premier. The relationship between the Department and the Centre for e-Innovation is governed by a Service Level Agreement and Service Schedules. The Director-General, on 5 January 2011, approved an Information Technology Governance Framework for the Provincial Government of the Western Cape, which supports and enables the business, delivers value and improves performance. The Framework is aligned to the King Code of Governance for South Africa.

The Chief Information Officer (CIO), is vested in the Department of the Premier, has oversight of internal governance structures and is the bridge between IT and the Department.

The Accounting Officer acknowledges his responsibility for cultivating an understanding of the value of IT within the Department. In order to support the Accounting Officer in the dispatching of his responsibilities, an IT Steering Committee, comprising of representatives from both the Department (business) and the Centre

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for e-Innovation (IT) is maintained. The said committee is known as the Departmental IT Committee (DITCOM).

The Departmental Strategic ICT Plan covering a period of five years considers the critical system needs of the Department in order to enable more efficient delivery of services and execution of its core mandate. The ICT Plan articulates the Departmental ICT mandate and strategy, and fully addresses issues of ICT architectures.

The Department of the Premier issued an assessment on IT governance maturity during March 2011 and the Centre for e-Innovation commenced with the preparation of an IT Governance Improvement: Current Status Report, which was issued on 10 April 2011.

#### **7 - Compliance with laws, rules, codes and standards**

The Division Financial Control, the Division SCM Performance and Compliance, as well as the Monitoring and Evaluation Directorate of the Department are the key structures that assist the Accounting Officer with measuring compliance in relation to financial management, supply chain management and performance management matters. A Financial Management Improvement Response Plan (the Plan) drives, and is used as a tool, to improve compliance. The Plan responds to and monitors progress with remedial actions on findings/resolutions of non-compliance reported by the Standing Committee on Public Accounts, Auditor's Management Report, Audit Report, and Auditor's Performance Reports as well as the Audit Committee and Internal Audit Reports.

In response to oversight body and internal and external audit reports (in which insufficient controls, policy and procedural gaps were reported), the department is committed to establishing an independent and impartial monitoring, evaluation and complaints body (SCM Committee) to consider and advise the Accounting Officer on relevant SCM system matters in order to promote continuous SCM system and governance improvements. It is envisaged that the compiled standard operating procedure in this regard will be released in 2011/12.

Supply Chain Management (SCM) system abuse represents a significant potential risk to the Departments assets, service delivery, efficiency and reputation. SCM system abuse may result in irregular expenditure or corrupt and fraudulent activities, whether internal or external. The Department will not tolerate SCM system abuse and will vigorously pursue and prosecute parties which engage in such practices or attempt to do so by legal means available. The aim is to release the compiled standard operating procedure related to this matter in 2011/12.

Given the general tenor of the findings as regards internal controls and matters associated with non-compliance, the assurance is given that the Department will devise an action plan, approved by the Accounting Officer and its top management and forwarded to the Provincial Treasury, to systematically deal with these so as to prevent a repetition of similar findings during the next audit cycle.

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**8 - Governing stakeholder relationships**

The Department acknowledges that managing stakeholder perceptions and relationships is an integral part of the operations of the Department, particularly with the increased emphasis on service delivery. Key stakeholders include, but are not limited to, road users, public transport users, motorists, public transport operators, construction industry, client departments for infrastructure provision and property developers. Communication with these stakeholders occurs through media, workshops, surveys, advertisements, public participation processes, events, seminars, etc. The main aim of the aforementioned communication activities is to consult, inform, promote, obtain feedback and provide access to services.

The Department in its construction activities upholds environmental integrity, sustainability and maximises sustainable resource and use through the intensifying of energy efficiency measures, utilisation of green technology and the promotion of water saving. In support of this effort the Department registered with the Green Council of South Africa.

**9 - Integrated reporting and disclosures**

Appropriate systems and processes are in place to produce integrated reports that give a complete picture of the Department's financial and non-financial profiles in a holistic and reliable manner; and which also reflect on economic, social and environmental issues. These reports include, but are not limited to the following:

- Review and outlook in the annual Estimates of Revenue and Expenditure
- 5-Year strategic and Annual Performance Plans
- Annual Report
- Monthly in-year monitoring of revenue and expenditure reports
- Quarterly reports on performance (non-financial), i.e. performance on predetermined objectives
- Interim and annual financial statements
- Irregular, fruitless and wasteful and unauthorised expenditure reports
- Fraud Investigative Unit reports
- Enterprise Risk Management reports

**9 TRANSFER OF FUNCTIONS**

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The functions listed below were corporatised and as a consequence shifted to the Corporate Service Centre vested in the Department of the Premier at the outset or during the course of 2010/11.

- Human Resource Development (internal)
- Human Resource Management
- Labour Relations
- Enterprise Risk Management

The relationship between the Corporate Service Centre and the Department is governed by a Service Level Agreements and concomitant service schedules.

## 10 ASSET MANAGEMENT

Table 10 below shows a matrix of the various types of assets managed by the Department that comply with the asset management requirements.

Table10: Asset Management

Item	Type of Asset			
	Intangible	Immoveable	Moveable	Infrastructure
Capturing of assets	In register	In register	In register	In register
Compliance with minimum requirements	Comply	Comply	Comply	Comply
Compliance with asset management reforms	Comply	Comply	Comply	Comply
Challenges	Capacity	Uncertainty of ownership and capacity	Capacity	Capacity

## 11 INVENTORIES

The total inventories on hand at year-end are included in Annexure 5 to the Annual Financial Statements. All stores were disclosed.

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**12 INFORMATION ON PREDETERMINED OBJECTIVES**

The Monitoring and Evaluation (M&E) Directorate was established in April 2008. The Directorate was fully staffed by March 2010, thus 2010/11 being the first full-year of its existence. One of the key activities of this component in relation to reporting on predetermined objectives is to provide strategic support and assistance to management. Subsequent to the Head of Department approving the Department's Monitoring and Evaluation Strategic Framework in September 2009, the following was undertaken to improve the effectiveness of performance reporting:

- The Department has and maintains an approved (September 2010) Manual for the Management of Performance Information, as required by TR 5.3.1.
- The Quarterly Performance Reporting process has been fully automated, using a Workflow on Enterprise Content Management system.
- At the end of each quarter, the M&E Directorate collects, verifies and validates the Portfolios of Evidence for reported Performance Information. A Technical Assessment Report, with findings and recommendations, is presented to the Head of Department for actioning.
- Governance structures in the Department have been augmented with the M&E Champions Forum. The Forum comprises M&E Champions from all units within the Department and meets quarterly to engage M&E related issues. M&E Champions have received a variety of M&E related training courses facilitated by service providers.
- In an attempt to capacitate management, a number of managers attended a course "Preparing for Audits of Performance Information" during July 2010.

**13 STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA)**

The SCOPA report for the 2009/10 financial year was released on 30 June 2011. The Department is in the process of preparing responses to the resolutions and an addendum to the Accounting Officers report will be included in the Annual Report prior to publication.

**14 PRIOR MODIFICATIONS TO AUDIT REPORTS**

Table 11 below shows the matters that gave rise to non-compliance.

**Table 11: Non-compliance matters**

Nature of non-compliance	Year of origin	Progress
Department did not have and maintain effective, efficient and transparent systems of financial and risk		

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management:		
Fraud and Risk Management Committee not in operation	2009/10	Membership reviewed, Risk Champion is the Accounting Officer and the Committee is functional.
Risk assessments process not conducted	2009/10	Risk register compiled by risk owners
Approved fraud prevention plan not updated	2009/10	Fraud prevention plan, inclusive of strategy, policy and implementation plan updated and approved
Insufficient information in support of predetermined objectives	2009/10	Manual issued in terms of TR 5.3.1 and technical assessment reports on compliance provided to management

**15 EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY**

The Department acknowledges its responsibility towards elevating the financial management maturity levels and the allocation of resources to ensure compliance with the Public Finance Management Act, 1999 (Act 1 of 2000 as amended) and related legislation. Consequently the Department has not requested approval for exceptions or deviations.

**16 OTHER**

**Roads Capital Account (RCA)**

The Roads Capital Account (RCA) was established in terms of the Provincial Capital Fund Ordinance, 1962 (Ordinance 3 of 1962). The RCA was incorporated into the books of account of the Department with the benefit that the annual financial statements will now present fairly in all material respects the financial position of the Department. However, capital of R17 657 837.96 remains in the RCA until amendment legislation has been passed by the Provincial Treasury in collaboration with the Department to dissolve the RCA and to make a determination on the utilisation of the capital.

**Investigations**

In the Accounting Officer's Report 2009/10, regarding the construction of the Western Cape Nurses College, Valkenberg High Care Admission Unit and schools it was reported that in circumstances where the contractor exceeded the contract value to complete the contracts, the excess may be considered to be fruitless and wasteful expenditure. Progress on the matter is set out in Table 12 below:

**Table 12: Western Cape Nurses College, Valkenberg High Care Admission Unit, Kalkfontein PS, Mfuleni PS, Delft SS, Du Noon SS**

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Project	Claim against guarantor	Claim against contractor
Western Cape Nurses College	Called up and paid out.	State Attorney to advise whether the claim against the contractor should be pursued.
Valkenberg High Care Unit	Claim with State Attorney. Court date 2012.	Claim with State Attorney. Court date 2012.
Schools <ul style="list-style-type: none"> <li>▪ Kalkfontein PS</li> <li>▪ Mfuleni PS</li> <li>▪ Delft SS</li> <li>▪ Du Noon SS</li> </ul>	Claims with State Attorney. Court date 2012.	Determination to be made on the future of claims, subject to the outcome of the guarantee claim.

Similarly it was reported that in the cases of the construction of the Table View Primary, Samora Machel and Kuyasa schools it was reported that in circumstances where the contractor exceeds the contract value to complete the contracts, the excess may be considered to be fruitless and wasteful expenditure. The final account was finalised as reflected in Table 13 below.

**Table 13: Table View Primary, Samora Machel and Kuyasa schools**

Activity	Table View	Samora Machel	Kuyasa
Final Account completion dates	30 November 2010	30 November 2010	30 November 2010

**Improvement of financial management**

The Provincial Treasury has set the target for the Province as a whole to achieve a financial management capability rating of 3+ by 2015. To this end, the Financial Management and Supply Chain Management teams currently with limited capacity have embarked on a journey towards achieving excellence through ensuring that the fundamentals of the said disciplines are in place. Apart from the improvement endeavors already captured elsewhere in this document the following further work was undertaken during the year under review:

- Maintenance of a Financial Management Improvement Plan, inclusive of an improvement strategy.
- Micro organisational structures to centralise the head office financial management function with concomitant job descriptions were submitted to the corporatised Organisational Development of the Department of the Premier for evaluation.
- Micro organisational structures for financial and supply chain management at roads Regional Offices with concomitant job descriptions were also submitted to the corporatised Organisational Development of the department of the Premier for evaluation.
- Re-engineering of the Supply Chain commenced.
- Financial delegations were reviewed and the quality check is underway
- Model for the requisitioning of funds (Draft – quality check in progress)

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- Supply Chain Management (SCM) Uniform Standards for contract administration was compiled (Draft - quality check in progress)
- SCM Risk management toolkit was compiled (Draft - quality check in progress)
- Conceptual design of an Accounting Officers SCM System
- Conceptual design of a departmental SCM roster system
- Consolidated Financial Manual (Draft - quality check in progress)
- Evaluation of the impact of the Western Cape Procurement (Business Interests of Employees) Act, 2010 on financial statement (Draft - quality check in progress)
- The following standard operating procedures were compiled:
  - a. Applying Limited Bidding. (Draft - quality check in progress)
  - b. Processing and completion of the budget process. (Issued)
  - c. Processing and completion of the adjustments estimates. (Issued)
  - d. Processing and compilation of the In-year revenue and expenditure monitoring report. (Issued)
  - e. Distribution of payrolls and salary advices. (Draft – quality check in progress)
  - f. Management and treatment of losses and claims. (Draft - quality check in progress)
  - g. Safekeeping of expenditure vouchers. (Draft – Draft quality check in progress)
  - h. Creditor's reconciliations. (Draft – quality check in progress)
  - i. Tax and other salary deduction pay overs and reconciliations. (Draft – quality check in progress)
  - j. Moveable assets and inventory stock taking. (Draft – quality check in progress)
  - k. Inventory management. (Draft – quality check in progress)
  - l. BAS – LOGIS reconciliation. (Draft – quality check in progress)
  - m. Disposal management. (Draft – quality check in progress)
  - n. Management of financial guarantees. (Draft – quality check in progress)
  - o. Management of deposits received for the sale of properties. (Draft – quality check in progress)
  - p. Management of retention monies. (Draft – quality check in progress)
  - q. Management of invoices received.
  - r. Accounting treatment of library books.
  - s. Accounting treatment of expenditure incurred by school governing bodies on immovable provincial property. (Draft - quality check in progress)
  - t. Management and treatment of the Electronic Purchasing System. (EPSi) (Draft – quality check in progress)
  - u. SCM assessments. (Draft – quality check in progress)
- SCM instructions/circulars were issued on the following subject matter:
  - a. Implementation of Data Cards
  - b. Reclassification of Biological assets
  - c. Calculation of private cell phone calls
  - d. Incorporation of WCBD 8 and WCBD 9 compulsory bid documents and augmentation of GCC



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- e. Quotations exceeding the threshold values in terms of goods, services or construction related issues
- f. Payment of fines in respect of hired and government motor transport vehicles.
- g. Application of functionality as evaluation criteria
- h. Compilation of LOGIS yearend reports
- Development of a B-Com in Public Procurement Management through a leading academic tertiary institution. The proposed degree has been scheduled with the Senate for approval. The anticipated date for implementation is the 2013 academic year.
- In order to encourage the financial management staff to improve their tertiary education in their field of responsibility 6 bursary awards were continued and 19 new bursaries were awarded.
- The following training interventions were made:

Name of course	Number of trainees
Compliance Management	5
Project management	64
Electronic Purchasing System	29
Government contracts and Procurement Law	30
Leadership Management Skills	63
Bid Adjudication Training	16
Rooting out financial fraud and corruption	30
Formal basic and advanced 1 year training on SCM	31 registered students

**17 APPROVAL**

The Annual Financial Statements set out on pages 3-40 to 3-115 are hereby approved.

  
C.J. FOURIE

**ACCOUNTING OFFICER  
29 JULY 2011**

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**REPORT OF THE AUDITOR-GENERAL**  
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**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL  
PARLIAMENT ON VOTE NO.10: WESTERN CAPE DEPARTMENT OF TRANSPORT  
AND PUBLIC WORKS**

**REPORT ON THE FINANCIAL STATEMENTS**

**Introduction**

1. I have audited the accompanying financial statements of the Western Cape Department of Transport and Public Works (department), which comprise the appropriation statement, the statement of financial position as at 31 March 2011, and the 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 information, as set out on pages 3-40 to 3-104.

**Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2010 (Act No. 1 of 2010) (DoRA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and, section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 40(2) of the PFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
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

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procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Transport and Public Works as at 31 March 2011, and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the PFMA and DORA.

**Emphasis of matter**

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

**Restatement of corresponding figures**

9. As disclosed in note 29 to the financial statements, the corresponding figures for 31 March 2010 have been restated as a result of an error discovered during 2010-2011 in the financial statements of the Western Cape Department of Transport and Public works at, and for the year ended, 31 March 2010.

**Material underspending of the budget**

10. As disclosed in the appropriation statement as well as tables 3 and 4 of the accounting officer's report, the department has materially under spent its budget by R192 210 000.
11. As disclosed on page 3-13 of the accounting officer's report, the impact of the under spending on service delivery was that repairs were made temporarily on road infrastructure until permanent repairs could be made to restore the infrastructure to its original state. Consequently, road users were not negatively affected. However, fewer projects could undertaken that would create job opportunities and existing staff carried an additional workload.

**Additional matters**

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

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**Unaudited supplementary schedules**

13. The supplementary information set out on pages 3-105 to 3-115 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

**Financial reporting framework**

14. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. Thus my opinion would have reflected that the financial statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the department.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

15. In accordance with the PAA and in terms of *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages 9 to 60 and material non-compliance with laws and regulations applicable to the department

**Predetermined objectives**

16. There are no material findings on the annual performance report.

**Compliance with laws and regulations**

**Annual financial statements**

17. The accounting officer submitted financial statements for auditing that were not prepared in all material aspects in accordance with generally recognised accounting practice as required by section 40(1) ((a) and) (b) of the PFMA. The material misstatements identified by the AGSA with regards to capital assets, liabilities and disclosure items were subsequently corrected.

**Procurement and contract management**

18. Goods and services with a transaction value between R10 000 and R500 000 were procured without inviting at least three written price quotations from prospective suppliers as per the requirements of Treasury Regulation 16A6.1 and National Treasury Practice Note 8 of 2007-08, resulting in irregular expenditure as disclosed in note 24 to the financial statements.

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**REPORT OF THE AUDITOR-GENERAL**  
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19. Awards were made to suppliers who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state as per the requirements of Treasury Regulation 16A8.3 and Practice Note 7 of 2009-10.

**Expenditure management**

20. The accounting officer did not take effective and appropriate steps to prevent the irregular expenditure disclosed in note 24 of the financial statements, as per the requirements of section 38(1)(c)(ii) of the PFMA.
21. The accounting officer did not take effective and appropriate steps to prevent and detect the fruitless and wasteful expenditure, as disclosed in note 25 of the financial statements, as per the requirements of section 38(1)(c)(ii) of the PFMA.

**Risk management**

22. The accounting officer did not ensure that the department maintained an effective, efficient and transparent system of risk management throughout the entire financial year, as per the requirements of section 38(1)(a)(i) of the PMFA.

**Service delivery – Public Works**

23. Contrary to the requirements of section 38(1)(b) of the PFMA, the department did not perform property utilisation inspections during the term of the lease by tenants to verify that the accommodation is still occupied and to prevent ineffective underutilisation / non-utilisation of office or other accommodation.

**INTERNAL CONTROL**

In accordance with the PAA and in terms of *General notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the basis for the findings on compliance with laws and regulations included in this report.

**Financial Management**

24. The material misstatements in the financial statements were not detected by internal controls and ongoing monitoring by the department due to the following:

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**for the year ended 31 March 2011**

- Staff in the finance unit did not adequately review the accuracy and completeness of supporting documentation and sub-ledgers forming the basis for the compilation of the financial statements.
  - The financial statements were not adequately reviewed against the financial reporting framework prior to the submission thereof for audit purposes.
  - Basic controls, such as reconciliations and adequate document management relating to moveable and immovable assets and the identification and recording of irregular and fruitless and wasteful expenditure on an ongoing basis, were not implemented.
25. Non-compliance with supply chain management (SCM) regulations and expenditure management resulted mainly from a lack of adequate enforcement and monitoring of adherence to established policies and procedures by management. Furthermore, the incomplete identification and recording of irregular and fruitless and wasteful expenditure resulted from the lack of an effective internal control monitoring system to determine, on the basis of a retrospective analysis, whether SCM processes were being followed and whether the desired objectives were being achieved.
26. Concerning risk management, the roles and responsibilities within the department in this regard were not adequately defined, resulting in a slow response to implement appropriate risk management practices in the department.
27. Although the department receives reports on the condition of buildings, it does not have appropriate control monitoring systems to ensure the effective and efficient utilisation of buildings.

## **OTHER REPORTS**

### **Investigations**

28. The forensic investigative unit within the Department of the Premier is in the process of investigating 18 cases. Fourteen of these cases relate to alleged procurement irregularities and the balance relate to alleged financial misconduct, alleged procurement corruption and alleged misuse of a government vehicle.
29. Seven investigations were completed during the year under review. The impact on the financial statements as result of concluding these cases is an increase in irregular expenditure amounting to R2 595 429.

### **Performance audits**

30. A performance audit was concluded during the year under review on the department's use of consultants, contractors and agency services. The management report was issued on 8 July 2010.

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31. A performance audit is being conducted on the readiness of government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The findings will be reported on in a separate report.

*Auditor-General*  
Cape Town  
31 July 2011



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

Appropriation per programme									
2010/11								2009/10	
	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
<b>1. Administration</b>									
Current payment	149,069	(1,032)	-	148,037	139,678	8,359	94.4%	164,249	162,136
Transfers and subsidies	11,532	877	-	12,409	11,611	798	93.6%	17,610	17,592
Payment for capital assets	11,796	-	(7,590)	4,206	833	3,373	19.8%	12,434	1,093
Payment for financial assets	14	155	-	169	168	1	99.4%	322	321
	<b>172,411</b>	<b>-</b>	<b>(7,590)</b>	<b>164,821</b>	<b>152,290</b>	<b>12,531</b>		<b>194,615</b>	<b>181,142</b>
<b>2. Public Works</b>									
Current payment	512,712	(27,992)	-	484,720	453,390	31,330	93.5%	424,810	412,582
Transfers and subsidies	283,404	571	-	283,975	265,633	18,342	93.5%	269,294	250,714
Payment for capital assets	137,648	27,343	-	164,991	164,985	6	100.0%	101,105	87,639
Payment for financial assets	11	78	-	89	88	1	98.9%	55	55
	<b>933,775</b>	<b>-</b>	<b>-</b>	<b>933,775</b>	<b>884,096</b>	<b>49,679</b>		<b>795,264</b>	<b>750,990</b>
<b>3. Roads Infrastructure</b>									
Current payment	547,692	(14,775)	-	532,917	530,405	2,512	99.5%	544,611	533,044
Transfers and subsidies	39,382	598	-	39,980	38,968	1,012	97.5%	68,792	66,392
Payment for capital assets	1,228,369	14,169	7,590	1,250,128	1,190,722	59,406	95.2%	1,566,148	1,385,039
Payment for financial assets	115	8	-	123	122	1	99.2%	93	93
	<b>1,815,558</b>	<b>-</b>	<b>7,590</b>	<b>1,823,148</b>	<b>1,760,217</b>	<b>62,931</b>		<b>2,179,644</b>	<b>1,984,568</b>
<b>4. Public and Freight transport</b>									
Current payment	108,022	(2,135)	-	105,887	71,605	34,282	67.6%	115,768	93,675
Transfers and subsidies	670,515	734	-	671,249	671,218	31	100.0%	610,192	605,057
Payment for capital assets	310	1,400	-	1,710	1,686	24	98.6%	1,982	281
Payment for financial assets	4	1	-	5	4	1	80.0%	9	6
	<b>778,851</b>	<b>-</b>	<b>-</b>	<b>778,851</b>	<b>744,513</b>	<b>34,338</b>		<b>727,951</b>	<b>699,019</b>



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**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

5. Traffic Management									
Current payment	231,522	(17)	(2,458)	229,047	223,043	6,004	97.4%	225,077	223,593
Transfers and subsidies	100	17	-	117	106	11	90.6%	83	82
Payment for capital assets	4,075	-	-	4,075	1,979	2,096	48.6%	1,751	1,749
Payment for financial assets	-	-	-	-	-	-	-	3	2
	<b>235,697</b>	<b>-</b>	<b>(2,458)</b>	<b>233,239</b>	<b>225,128</b>	<b>8,111</b>		<b>226,914</b>	<b>225,426</b>
6. Community Based Programme									
Current payment	62,261	(53)	2,458	64,666	41,154	23,512	63.6%	44,109	29,963
Transfers and subsidies	31	4	-	35	34	1	97.1%	464	461
Payment for capital assets	1,455	-	-	1,455	405	1,050	27.8%	1,037	527
Payment for financial assets	57	49	-	106	49	57	46.2%	183	95
	<b>63,804</b>	<b>-</b>	<b>2,458</b>	<b>66,262</b>	<b>41,642</b>	<b>24,620</b>		<b>45,793</b>	<b>31,046</b>
<b>TOTAL</b>	<b>4,000,096</b>	<b>-</b>	<b>-</b>	<b>4,000,096</b>	<b>3,807,886</b>	<b>192,210</b>	<b>95.2%</b>	<b>4,170,181</b>	<b>3,872,191</b>
<b>Reconciliation with statement of financial performance</b>									
ADD									
Departmental receipts				188,541				113,546	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>4,188,637</b>				<b>4,283,727</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>3,807,886</b>				<b>3,872,191</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

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**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Appropriation per economic classification									
	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	389,487	(18,457)	-	371,030	342,187	28,843	92.2%	318,528	304,423
Goods and services	1,221,791	(27,578)	-	1,194,213	1,117,056	77,157	93.5%	1,200,094	1,150,568
Interest and rent on land	-	32	-	32	32	-	100.0%	2	2
<b>Transfers and subsidies</b>									
Provinces and municipalities	362,354	597	-	362,951	343,024	19,927	94.5%	315,659	289,908
Public corporations and private enterprises	632,702	706	-	633,408	633,408	-	100.0%	633,774	633,774
Non-profit institutions	350	-	-	350	350	-	100.0%	914	914
Households	9,558	1,497	-	11,055	10,788	267	97.6%	16,088	15,702
<b>Payments for capital assets</b>									
Buildings and other fixed structures	1,313,950	34,807	7,590	1,356,347	1,296,946	59,401	95.6%	1,645,450	1,456,434
Machinery and equipment	27,162	12,619	-	39,781	34,173	5,608	85.9%	15,912	4,820
Land and subsoil assets	24,599	(5,377)	-	19,222	19,219	3	100.0%	6,293	6,289
Software and other intangible assets	17,942	863	(7,590)	11,215	10,272	943	91.6%	16,802	8,785
<b>Payments for financial assets</b>	201	291	-	492	431	61	87.6%	665	572
<b>Total</b>	<b>4,000,096</b>	<b>-</b>	<b>-</b>	<b>4,000,096</b>	<b>3,807,886</b>	<b>192,210</b>	<b>95.2%</b>	<b>4,170,181</b>	<b>3,872,191</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

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**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

2010/11								2009/10	
<b>Programme 1: Administration</b>	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>1.1 Office of the MEC</b>									
Current payment	4,697	63	-	4,760	4,658	102	97.9%	5,008	4,798
Transfers and subsidies	-	5	-	5	4	1	80.0%	-	-
Payment for capital assets	35	-	-	35	14	21	40.0%	54	54
Payment for financial assets	-	3	-	3	2	1	66.7%	-	-
<b>1.2 Management of the Department</b>									
Current payment	4,050	(66)	-	3,984	2,189	1,795	54.9%	4,136	3,894
Transfers and subsidies	20	(5)	-	15	11	4	73.3%	20	2
Payment for capital assets	138	-	-	138	8	130	5.8%	268	32
<b>1.3 Corporate support</b>									
Current payment	140,322	(1,029)	-	139,293	132,831	6,462	95.4%	155,105	153,444
Transfers and subsidies	11,512	877	-	12,389	11,596	793	93.6%	17,590	17,590
Payment for capital assets	11,623	-	(7,590)	4,033	811	3,222	20.1%	12,112	1,007
Payment for financial assets	14	152	-	166	166	-	100.0%	322	321
<b>Total</b>	<b>172,411</b>	<b>-</b>	<b>(7,590)</b>	<b>164,821</b>	<b>152,290</b>	<b>12,531</b>	<b>92.4%</b>	<b>194,615</b>	<b>181,142</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

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**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 1 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	61,846	(3,211)	-	58,635	51,568	7,067	87.9%	55,923	54,936
Goods and services	87,223	2,179	-	89,402	88,110	1,292	98.6%	108,326	107,200
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	3,507	-	-	3,507	2,715	792	77.4%	4,500	4,500
Households	8,025	877	-	8,902	8,896	6	99.9%	13,110	13,092
<b>Payment for capital assets</b>									
Machinery and equipment	3,268	-	-	3,268	833	2,435	25.5%	4,418	1,093
Software and other intangible assets	8,528	-	(7,590)	938	-	938	-	8,016	-
<b>Payments for financial assets</b>	14	155	-	169	168	1	99.4%	322	321
<b>Total</b>	<b>172,411</b>	<b>-</b>	<b>(7,590)</b>	<b>164,821</b>	<b>152,290</b>	<b>12,531</b>	<b>92.4%</b>	<b>194,615</b>	<b>181,142</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 2: Public Works	2010/11							2009/10	
	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
<b>2.1 Programme Support</b>									
Current payment	196,779	(27,988)	-	168,791	151,172	17,619	89.6%	150,833	138,652
Transfers and subsidies	363	571	-	934	933	1	99.9%	430	429
Payment for capital assets	3,000	2,235	-	5,235	5,233	2	100.0%	7,000	1,589
Payment for financial assets	11	78	-	89	88	1	98.9%	55	55
<b>2.2 Design</b>									
Current payment	15,000	(10,072)	-	4,928	-	4,928	-	-	-
Payment for capital assets	-	11,273	-	11,273	11,273	-	100.0%	-	-
<b>2.2 Construction</b>									
Current payment	-	733	-	733	732	1	99.9%	3	3
Payment for capital assets	114,449	19,945	-	134,394	134,393	1	100.0%	92,056	84,002
<b>2.3 Maintenance</b>									
Current payment	78,925	9,339	-	88,264	88,264	-	100.0%	76,462	76,461
Payment for capital assets	-	268	-	268	267	1	99.6%	-	-
<b>2.5 Property Management</b>									
Current payment	222,008	(4)	-	222,004	213,222	8,782	96.0%	197,512	197,466
Transfers and subsidies	283,041	-	-	283,041	264,700	18,341	93.5%	268,864	250,285
Payment for capital assets	20,199	(6,378)	-	13,821	13,819	2	100.0%	2,049	2,048
<b>Total</b>	<b>933,775</b>	<b>-</b>	<b>-</b>	<b>933,775</b>	<b>884,096</b>	<b>49,679</b>	<b>94.7%</b>	<b>795,264</b>	<b>750,990</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 2 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	120,057	-	-	120,057	110,296	9,761	91.9%	96,426	96,251
Goods and services	392,655	(28,024)	-	364,631	343,062	21,569	94.1%	328,384	316,331
Interest and rent on land	-	32	-	32	32	-	100.0%	-	-
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	283,041	-		283,041	264,700	18,341	93.5%	268,864	250,285
Households	363	571		934	933	1	99.9%	430	429
<b>Payment for capital assets</b>									
Buildings and other fixed structures	114,449	31,494		145,943	145,940	3	100.0%	91,933	84,002
Machinery and equipment	3,000	(1,917)		1,083	1,083	-	100.0%	7,079	1,546
Land and subsoil assets	20,199	(2,369)		17,830	17,828	2	100.0%	2,093	2,091
Software and other intangible assets	-	135	-	135	134	1	99.3%	-	-
<b>Payments for financial assets</b>	11	78	-	89	88	1	98.9%	55	55
<b>Total</b>	<b>933,775</b>	<b>-</b>	<b>-</b>	<b>933,775</b>	<b>884,096</b>	<b>49,679</b>	<b>94.7%</b>	<b>795,264</b>	<b>750,990</b>

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

**APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

2010/11									2009/10	
Programme 3: Infrastructure	Roads	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
<b>3.1 Programme support</b>										
Current payment		31,127	(6,747)	-	24,380	24,367	13	99.9%	22,406	20,252
Transfers and subsidies		14	-	-	14	6	8	42.9%	83	83
Payment for capital assets		1,136	(328)	-	808	807	1	99.9%	326	325
<b>3.2 Road Planning</b>										
Current payment		7,372	1,812	-	9,184	9,182	2	100.0%	7,302	5,081
Transfers and subsidies		3,200	(140)	-	3,060	2,903	157	94.9%	3,100	2,800
Payment for capital assets		35,918	(1,131)	-	34,787	34,782	5	100.0%	27,764	27,762
<b>3.3 Design</b>										
Current payment		33,398	(3,375)	-	30,023	30,021	2	100.0%	23,787	23,045
Transfers and subsidies		95	14	-	109	58	51	53.2%	648	647
Payment for capital assets		84,802	23,950	-	108,752	108,748	4	100.0%	81,876	81,873
<b>3.4 Construction</b>										
Transfers and subsidies		22,354	-	-	22,354	22,354	-	100.0%	50,579	50,579
Payment for capital assets		618,672	(29,416)	-	589,256	589,254	2	100.0%	1,071,394	1,071,394
<b>3.5 Maintenance</b>										
Current payment		475,795	(6,465)	-	469,330	466,835	2,495	99.5%	491,116	484,666
Transfers and subsidies		13,719	724	-	14,443	13,647	796	94.5%	14,382	12,283
Payment for capital assets		487,841	21,094	7,590	516,525	457,131	59,394	88.5%	384,788	203,685
Payment for financial assets		115	8	-	123	122	1	99.2%	93	93
<b>Total</b>		<b>1,815,558</b>	<b>-</b>	<b>7,590</b>	<b>1,823,148</b>	<b>1,760,217</b>	<b>62,931</b>	<b>96.5%</b>	<b>2,179,644</b>	<b>1,984,568</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 3 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	133,122	(15,072)	-	118,050	118,037	13	100.0%	106,751	101,377
Goods and services	414,570	298	-	414,868	412,368	2,500	99.4%	437,858	431,665
Interest and rent on land	-	-	-	-	-	-	-	2	2
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	38,373	597	-	38,970	38,176	794	98.0%	26,795	24,757
Public corporations and private enterprises	-	-	-	-	-	-	-	40,000	40,000
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,009	-	-	1,009	792	217	78.5%	1,997	1,635
<b>Payment for capital assets</b>									
Buildings and other fixed structures	1,199,501	3,313	7,590	1,210,404	1,151,006	59,398	95.1%	1,553,517	1,372,432
Machinery and equipment	16,562	13,427	-	29,989	29,985	4	100.0%	1,256	1,234
Land and subsoil assets	4,400	(3,008)	-	1,392	1,391	1	99.9%	4,200	4,198
Software and other intangible assets	7,906	437	-	8,343	8,340	3	100.0%	7,175	7,175
<b>Payments for financial assets</b>	115	8	-	123	122	1	99.2%	93	93
<b>Total</b>	<b>1,815,558</b>	<b>-</b>	<b>7,590</b>	<b>1,823,148</b>	<b>1,760,217</b>	<b>62,931</b>	<b>96.5%</b>	<b>2,179,644</b>	<b>1,984,568</b>



**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 4: Public and Freight Transport	2010/11							2009/10	
	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
<b>4.1 Programme support</b>									
Current payment	6,485	(433)	-	6,052	3,844	2,208	63.5%	5,198	4,515
Transfers and subsidies	30	-	-	30	-	30	-	-	-
Payment for capital assets	-	159	-	159	158	1	99.4%	100	22
Payment for financial assets	4	(4)	-	-	-	-	-	9	6
<b>4.2 Public and Freight Planning</b>									
Current payment	21,184	274	-	21,458	16,503	4,955	76.9%	45,712	31,233
Transfers and subsidies	645,385	356	-	645,741	645,741	-	100.0%	607,342	602,207
Payment for capital assets	100	(78)	-	22	21	1	95.5%	1,700	79
<b>4.3 Public &amp; Freight Infrastructure</b>									
Current payment	3,650	(706)	-	2,944	78	2,866	2.6%	4,886	4,789
Transfers and subsidies	18,900	-	-	18,900	18,900	-	100.0%	500	500
<b>4.4 Institutional Management</b>									
Current payment	34,584	-	-	34,584	16,397	18,187	47.4%	19,910	19,796
Transfers and subsidies	-	350	-	350	350	-	100.0%	350	350
Payment for capital assets	100	20	-	120	100	20	83.3%	23	22
<b>4.5 Operator Safety &amp; Compliance</b>									
Current payment	13,351	(1,904)	-	11,447	5,383	6,064	47.0%	12,831	6,113
Transfers and subsidies	6,200	-	-	6,200	6,200	-	100.0%	2,000	2,000
Payment for capital assets	-	13	-	13	12	1	92.3%	69	69
Payment for financial assets	-	1	-	1	1	-	100.0%	-	-

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

<b>4.6 Regulation and Control</b>									
Current payment	28,768	634	-	29,402	29,400	2	100.0%	27,231	27,229
Transfers and subsidies	-	28	-	28	27	1	96.4%	-	-
Payment for capital assets	110	1,286	-	1,396	1,395	1	99.9%	90	89
Payment for financial assets	-	4	-	4	3	1	75.0%	-	-
<b>Total</b>	<b>778,851</b>	<b>-</b>	<b>-</b>	<b>778,851</b>	<b>744,513</b>	<b>34,338</b>	<b>95.6%</b>	<b>727,951</b>	<b>699,019</b>

Programme 4 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	37,451	(159)	-	37,292	29,523	7,769	79.2%	26,905	24,883
Goods and services	70,571	(1,976)	-	68,595	42,082	26,513	61.3%	88,863	68,792
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	37,433	-	-	37,433	37,433	-	100.0%	15,500	10,366
Public corporations and private enterprises	632,702	706	-	633,408	633,408	-	100.0%	593,774	593,774
Non-profit institutions	350	-	-	350	350	-	100.0%	914	914
Households	30	28	-	58	27	31	46.6%	4	3
<b>Payment for capital assets</b>									
Machinery and equipment	310	1,271	-	1,581	1,558	23	98.5%	1,982	281
Software and other intangible assets	-	129	-	129	128	1	99.2%	-	-
<b>Payments for financial assets</b>	4	1	-	5	4	1	80.0%	9	6
<b>Total</b>	<b>778,851</b>	<b>-</b>	<b>-</b>	<b>778,851</b>	<b>744,513</b>	<b>34,338</b>	<b>95.6%</b>	<b>727,951</b>	<b>699,019</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

		2010/11						2009/10	
<b>Programme 5: Traffic Management</b>	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>5.1 Programme Support</b>									
Current payment	4,320	(2)	-	4,318	2,970	1,348	68.8%	681	680
Transfers and subsidies	-	2	-	2	1	1	50.0%	-	-
Payment for capital assets	150	100	-	250	191	59	76.4%	143	142
<b>5.2 Safety Engineering</b>									
Current payment	7,011	-	(2,458)	4,553	3,572	981	78.5%	1,486	1,484
Transfers and subsidies	10	-	-	10	1	9	10.0%	10	10
Payment for capital assets	56	15	-	71	70	1	98.6%	56	56
Payment for financial assets	-	-	-	-	-	-	-	3	2
<b>5.3 Transport Administration and Licensing</b>									
Current payment	201,008	(15)	-	200,993	197,479	3,514	98.3%	204,264	202,784
Transfers and subsidies	90	15	-	105	104	1	99.0%	73	72
Payment for capital assets	1,963	62	-	2,025	1,718	307	84.8%	1,552	1,551
<b>5.4 Overload Control</b>									
Current payment	19,183	-	-	19,183	19,022	161	99.2%	18,646	18,645
Payment for capital assets	1,906	(177)	-	1,729	-	1,729	-	-	-
<b>Total</b>	<b>235,697</b>	<b>-</b>	<b>(2,458)</b>	<b>233,239</b>	<b>225,128</b>	<b>8,111</b>	<b>96.5%</b>	<b>226,914</b>	<b>225,426</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**

**VOTE 10**

**APPROPRIATION STATEMENT**

*for the year ended 31 March 2011*

Programme 5 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	22,811	(15)	-	22,796	18,603	4,193	81.6%	15,210	15,209
Goods and services	208,711	(2)	(2,458)	206,251	204,440	1,811	99.1%	209,867	208,384
<b>Transfers and subsidies to:</b>									
Households	100	17	-	117	106	11	90.6%	83	82
<b>Payment for capital assets</b>									
Machinery and equipment	2,567	(162)	-	2,405	309	2,096	12.8%	140	139
Software and other intangible assets	1,508	162	-	1,670	1,670	-	100.0%	1,611	1,610
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	3	2
<b>Total</b>	<b>235,697</b>	<b>-</b>	<b>(2,458)</b>	<b>233,239</b>	<b>225,128</b>	<b>8,111</b>	<b>96.5%</b>	<b>226,914</b>	<b>225,426</b>

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

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2011**

Programme 6: Community Based Programme	2010/11							2009/10	
	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
<b>6.1 Programme Support</b>									
Current payment	5,443	(421)	-	5,022	5,020	2	100.0%	7,015	5,954
Transfers and subsidies	31	(19)	-	12	11	1	91.7%	461	459
Payment for capital assets	585	-	-	585	46	539	7.9%	530	105
Payment for financial assets	57	-	-	57	1	56	1.8%	183	95
<b>6.2 Innovation and Empowerment</b>									
Current payment	21,394	5,841	-	27,235	26,983	252	99.1%	25,110	17,353
Transfers and subsidies	-	1	-	1	1	-	100.0%	3	2
Payment for capital assets	490	-	-	490	158	332	32.2%	319	319
<b>6.3 Sector Co-ordination and Monitoring</b>									
Current payment	35,424	(5,473)	2,458	32,409	9,151	23,258	28.2%	11,984	6,656
Transfers and subsidies	-	22	-	22	22	-	100.0%	-	-
Payment for capital assets	380	-	-	380	201	179	52.9%	188	103
Payment for financial assets	-	49	-	49	48	1	98.0%	-	-
<b>Total</b>	<b>63,804</b>	<b>-</b>	<b>2,458</b>	<b>66,262</b>	<b>41,642</b>	<b>24,620</b>	<b>62.8%</b>	<b>45,793</b>	<b>31,046</b>

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

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2011**

Programme 6 per Economic classification	2010/11							2009/10	
	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
<b>Current payments</b>									
Compensation of employees	14,200	-	-	14,200	14,160	40	99.7%	17,313	11,767
Goods and services	48,061	(53)	2,458	50,466	26,994	23,472	53.5%	26,796	18,196
<b>Transfers and subsidies to:</b>									
Households	31	4	-	35	34	1	97.1%	464	461
Gifts and donations	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>									
Machinery and equipment	1,455	-	-	1,455	405	1,050	27.8%	1,037	527
<b>Payments for financial assets</b>									
	57	49	-	106	49	57	46.2%	183	95
<b>Total</b>	<b>63,804</b>	<b>-</b>	<b>2,458</b>	<b>66,262</b>	<b>41,642</b>	<b>24,620</b>	<b>62.8%</b>	<b>45,793</b>	<b>31,046</b>

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

**NOTES TO THE APPROPRIATION STATEMENT**  
**for the year ended 31 March 2011**

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-E) to the Annual Financial Statements.

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

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

**3. Detail on payments for financial assets**

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

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

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	164,821	152,290	12,531	7.6%

Explanation of variance: Vacancies not filled as planned, over estimation of capital requirements for the Enterprise Content Management system and delays with the review process of Integrated Transport Plans.

Public Works	933,775	884,096	49,679	5.3%
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Explanation of variance: Uncertainty of liability for the payment of property rates – a hospital building occupies separate portions of land of which the Provincial Government and a tertiary institution are respectively the owners.

A contract awarded later than planned.

Roads Infrastructure	1,823,148	1,760,217	62,931	3.5%
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Explanation of variance: Longer than expected procurement lead times to complete projects for the repair of flood damage.

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

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2011**

Public and Freight Transport	778,851	744,513	34,338	4.4%
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Explanation of variance: George Mobility Project – the municipality required approval in terms of S78 of the Municipal Systems Act, 2000 (32 of 2000) before the Province could proceed with playing a role in the execution of the project. Concluding of agreements with the Western Cape Minibus Taxi Council and the Western Cape Metered Taxi Council as the negotiation process took longer than expected.

Protracted concluding of a memorandum of understanding with a bus operator in respect of electronic monitoring.

A delay in the rollout of training interventions because of the conclusion of an overriding Training Strategy for Land Transport.

Traffic Management	233,239	225,128	8,111	3.5%
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Explanation of variance: The design of the Average Speed over Distance Infrastructure for which the procurement of professional procurement consultants took longer than expected.

Community Based Programmes	66,262	41,642	24,620	37.2%
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Explanation of variance: The Expanded Public Works Programme (EPWP) infrastructure sector targets that were not surpassed and as a consequence no cash inflow emanated to finance the appropriated EPWP Incentive Grant.



**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**NOTES TO THE APPROPRIATION STATEMENT**  
**for the year ended 31 March 2011**

4.2 Per Economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	371,030	342,187	28,843	7.77%
Goods and services	1,194,213	1,117,056	77,157	6.46%
Interest and rent on land	32	32	-	0.00%
<b>Transfers and subsidies</b>				
Provinces and municipalities	362,951	343,024	19,927	5.49%
Public corporations and private enterprises	633,408	633,408	-	0.0%
Non-profit institutions	350	350	-	0.0%
Households	11,055	10,788	267	2.42%
<b>Payments for capital assets</b>				
Buildings and other fixed structures	1,356,347	1,296,946	59,401	4.38%
Machinery and equipment	39,781	34,173	5,608	14.10%
Land and subsoil assets	19,222	19,219	3	0.02%
Software and other intangible assets	11,215	10,272	943	8.41%
<b>Payments for financial assets</b>	492	431	61	12.40%

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 31 March 2011**

	Note	2010/11 R'000	2009/10 R'000
<b>REVENUE</b>			
Annual appropriation	1	4,000,096	4,170,181
Departmental revenue	2	188,541	113,546
<b>TOTAL REVENUE</b>		<b>4,188,637</b>	<b>4,283,727</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	342,187	304,423
Goods and services	4	1,117,056	1,150,568
Interest and rent on land	5	32	2
<b>Total current expenditure</b>		<b>1,459,275</b>	<b>1,454,993</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	6	987,570	940,298
<b>Total transfers and subsidies</b>		<b>987,570</b>	<b>940,298</b>
<b>Expenditure for capital assets</b>			
Tangible capital assets	7	1,350,338	1,467,543
Software and other intangible assets	7	10,272	8,785
<b>Total expenditure for capital assets</b>		<b>1,360,610</b>	<b>1,476,328</b>
<b>Payments for financial assets</b>	8	431	572
<b>TOTAL EXPENDITURE</b>		<b>3,807,886</b>	<b>3,872,191</b>
<b>SURPLUS FOR THE YEAR</b>		<b>380,751</b>	<b>411,536</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		<b>192,210</b>	<b>297,990</b>
Annual appropriation		88,766	92,421
Conditional grants		103,444	205,569
Departmental revenue	13	188,541	113,546
<b>SURPLUS FOR THE YEAR</b>		<b>380,751</b>	<b>411,536</b>

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

**STATEMENT OF FINANCIAL POSITION**  
*for the year ended 31 March 2011*

	Note	2010/11 R'000	2009/10 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>658,191</b>	<b>653,744</b>
Cash and cash equivalents	9	647,859	643,370
Prepayments and advances	10	3,519	281
Receivables	11	6,813	10,093
<b>TOTAL ASSETS</b>		<b>658,191</b>	<b>653,744</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>657,386</b>	<b>653,744</b>
Voted funds to be surrendered to the Revenue Fund	12	192,210	297,990
Departmental revenue surrendered to the Revenue Fund	13	30,176	11,750
Bank overdraft	14	10,913	
Payables	15	424,087	344,004
<b>TOTAL LIABILITIES</b>		<b>657,386</b>	<b>653,744</b>
<b>NET ASSETS</b>		<b>805</b>	
<b>Represented by:</b>			
Recoverable revenue		805	-
<b>TOTAL</b>		<b>805</b>	<b>-</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2011**

<b>NET ASSETS</b>	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
<b>Recoverable revenue</b>			
Transfers:			
Debts raised		805	-
Closing balance		<u>805</u>	<u>-</u>
<b>TOTAL</b>		<u>805</u>	<u>-</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**CASH FLOW STATEMENT  
for the year ended 31 March 2011**

	Note	2010/11 R'000	2009/10 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>5,008,833</b>	<b>5,150,440</b>
Annual appropriated funds received	1.1	4,000,096	4,170,181
Departmental revenue received	2	1,008,737	980,259
Net (increase)/decrease in working capital		80,125	150,780
Surrendered to Revenue Fund		(1,383,280)	(1,308,204)
Current payments		(1,459,275)	(1,454,993)
Payments for financial assets		(431)	(572)
Transfers and subsidies paid		(987,570)	(940,298)
<b>Net cash flow available from operating activities</b>	16	<b>1,258,402</b>	<b>1,597,153</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	7	(1,360,610)	(1,476,328)
Proceeds from sale of capital assets	2.3	94,979	800
<b>Net cash flows from investing activities</b>		<b>(1,265,631)</b>	<b>(1,475,528)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		805	-
<b>Net cash flows from financing activities</b>		<b>805</b>	-
Net increase/(decrease) in cash and cash equivalents		(6,424)	121,625
Cash and cash equivalents at beginning of period		643,370	521,745
<b>Cash and cash equivalents at end of period</b>	17	<b>636,946</b>	<b>643,370</b>

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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

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 2010.

**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.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

**2. Revenue**

**2.1 Appropriated funds**

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

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

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

**2.2 Departmental revenue**

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

**2.3 Direct Exchequer receipts**

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

**2.4 Direct Exchequer payments**

All direct exchequer payments are recognised 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).

**2.5 Aid assistance**

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later then 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.



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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

**3. Expenditure**

**3.1 Compensation of employees**

**3.1.1 Salaries and wages**

Salaries and wages are expensed 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).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

**3.1.2 Social contributions**

Employer contributions to post employment benefit plans in respect of current employees are expensed 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).

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 National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

**3.2 Goods and services**

Payments made during the year 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/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

**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 Payments for financial assets**

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 an estimate is included in the disclosure notes to the financial statements amounts.

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

**3.5 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).

**3.6 Unauthorised expenditure**

When confirmed 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 derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

**3.7 Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

**3.8 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.

**4. Assets**

**4.1 Cash and cash equivalents**

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

Bank overdrafts are shown separately on the face of the statement of financial position.

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 and are derecognised as and when the goods/services are received or the funds are utilised.

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

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**4.4 Receivables**

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

**4.5 Investments**

Capitalised investments are shown at cost in the statement of financial position.

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

**4.6 Loans**

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

**4.7 Inventory**

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost formula.

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**for the year ended 31 March 2011**

**4.8 Capital assets**

**4.8.1 Movable assets**

**Initial recognition**

A capital asset is recorded in the asset register 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 movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

**Subsequent recognition**

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

**4.8.2 Immovable assets**

**Initial recognition**

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 immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

**Subsequent recognition**

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**ACCOUNTING POLICIES**  
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**5. Liabilities**

**5.1 Payables**

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

**5.2 Contingent liabilities**

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

**5.3 Contingent assets**

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

**5.4 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.

**5.5 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.

**5.6 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.

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**for the year ended 31 March 2011**

**5.7 Lease commitments**

**Finance lease**

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

**Operating lease**

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

**5.8 Impairment and other provisions**

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

**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 recognised in the capitalisation reserves when

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2011**

identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

**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. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

**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  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**1. Annual Appropriation**

**1.1 Annual Appropriation**

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

	<b>Final Appropriation</b>	<b>2010/11 Actual Funds Received</b>	<b>Funds not requested/ not received</b>	<b>2009/10 Appropriation received</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Administration	164,821	164,821	-	194,615
Public Works	933,775	933,775	-	795,264
Roads				
Infrastructure	1,823,148	1,823,148	-	2,179,644
Public & Freight				
Transport	778,851	778,851	-	727,951
Traffic				
management	233,239	233,239	-	226,914
Community				
Based				
Programmes	66,262	66,262	-	45,793
<b>Total</b>	<b><u>4,000,096</u></b>	<b><u>4,000,096</u></b>	<b><u>-</u></b>	<b><u>4,170,181</u></b>

**1.2 Conditional grants**

	<i>Note</i>	<b>2010/11 R'000</b>	<b>2009/10 R'000</b>
Total grants received	33	<b><u>1,533,405</u></b>	<b><u>1,618,333</u></b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2011**

**2. Departmental revenue**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Tax revenue		901,651	894,986
Sales of goods and services other than capital assets	2.1	96,746	57,259
Interest, dividends and rent on land	2.2	6,464	118
Sales of capital assets	2.3	94,979	800
Transactions in financial assets and liabilities	2.4	3,876	27,896
<b>Total revenue collected</b>		<b>1,103,716</b>	<b>981,059</b>
Less: Own revenue included in appropriation	13	915,175	867,513
<b>Departmental revenue collected</b>		<b>188,541</b>	<b>113,546</b>

**2.1 Sales of goods and services other than capital assets**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Sales of goods and services produced by the department	2	<b>96,627</b>	<b>57,242</b>
Sales by market establishment		75,709	40,491
Administrative fees		19,527	15,651
Other sales		1,391	1,100
Sales of scrap, waste and other used current goods		119	17
<b>Total</b>		<b>96,746</b>	<b>57,259</b>

**2.2 Interest, dividends and rent on land**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Interest	2	6,464	118
<b>Total</b>		<b>6,464</b>	<b>118</b>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**2.3 Sale of capital assets**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	2	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>94,979</b>	<b>800</b>
Buildings and other fixed structures	32.2	160	-
Machinery and equipment	30.2	50	-
Land and subsoil assets	32.2	94,769	800
<b>Total</b>		<b>94,979</b>	<b>800</b>

**2.4 Transactions in financial assets and liabilities**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	2	<b>R'000</b>	<b>R'000</b>
Receivables		295	50
Stale cheques written back		-	5
Other Receipts including Recoverable Revenue		3,581	27,841
<b>Total</b>		<b>3,876</b>	<b>27,896</b>

**3. Compensation of employees**

**3.1 Salaries and Wages**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Basic salary	231,162	207,489
Performance award	4,149	3,913
Service Based	774	1,156
Compensative/circumstantial	6,962	6,816
Periodic payments	2,150	2,087
Other non-pensionable allowances	53,122	44,576
<b>Total</b>	<b>298,319</b>	<b>266,037</b>

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**3.2 Social contributions**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
<b>Employer contributions</b>		
Pension	26,525	23,601
Medical	17,251	14,729
Bargaining council	89	50
Insurance	3	6
<b>Total</b>	<b>43,868</b>	<b>38,386</b>
<b>Total compensation of employees</b>	<b>342,187</b>	<b>304,423</b>
Average number of employees	1,645	1,657

**4. Goods and services**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Administrative fees		174,881	181,045
Advertising		2,636	1,912
Assets less than R5,000	4.1	4,830	3,484
Bursaries (employees)		524	634
Catering		1,784	2,309
Communication		8,927	12,229
Computer services	4.2	43,952	40,966
Consultants, contractors and agency/outsourced services	4.3	447,017	518,597
Entertainment		58	42
Audit cost – external	4.4	7,822	8,859
Inventory	4.5	50,270	36,697
Operating leases		148,937	150,561
Owned and leasehold property expenditure	4.6	177,984	157,542
Transport provided as part of the departmental activities		-	3
Travel and subsistence	4.7	20,502	19,475
Venues and facilities		1,126	1,744
Training and staff development		8,546	7,866
Other operating expenditure	4.8	17,260	6,603
<b>Total</b>		<b>1,117,056</b>	<b>1,150,568</b>

Travel and Subsistence and Operating Leases expenditure amounts for 2009/2010 have been restated due to reallocation of usage of GG vehicles.

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**4.1 Assets less than R5,000**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>4,830</b>	<b>3,484</b>
Machinery and equipment		4,830	3,484
<b>Total</b>		<b>4,830</b>	<b>3,484</b>

**4.2 Computer services**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
SITA computer services		2,303	1,163
External computer service providers		41,649	39,803
<b>Total</b>		<b>43,952</b>	<b>40,966</b>

**4.3 Consultants, contractors and agency/outsourced services**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Business and advisory services		69,061	112,047
Infrastructure and planning		26,118	24,601
Laboratory services		-	-
Legal costs		7,070	9,334
Contractors		322,825	352,755
Agency and support/outsourced services		21,943	19,860
<b>Total</b>		<b>447,017</b>	<b>518,597</b>

**4.4 Audit cost – External**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Regularity audits		7,822	7,696
Performance audits		-	1,103
Other audits		-	60
<b>Total</b>		<b>7,822</b>	<b>8,859</b>

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**4.5 Inventory**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Food and food supplies		219	-
Fuel, oil and gas		7,871	7,172
Other consumable materials		18,865	13,072
Maintenance material		10,884	4,824
Stationery and printing		12,408	11,618
Medical supplies		23	11
<b>Total</b>		<b><u>50,270</u></b>	<b><u>36,697</u></b>

**4.6 Property payments**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Municipal services		61,072	53,969
Other		116,912	103,573
<b>Total</b>		<b><u>177,984</u></b>	<b><u>157,542</u></b>

**4.7 Travel and subsistence**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Local		20,173	19,231
Foreign		329	244
<b>Total</b>		<b><u>20,502</u></b>	<b><u>19,475</u></b>

**4.8 Other operating expenditure**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	4	<b>R'000</b>	<b>R'000</b>
Learnerships		12,758	4,259
Professional bodies, membership and subscription fees		237	108
Resettlement costs		166	146
Other		4,099	2,090
<b>Total</b>		<b><u>17,260</u></b>	<b><u>6,603</u></b>

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**5. Interest and rent on land**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Interest paid	32	2
<b>Total</b>	<b>32</b>	<b>2</b>

**6. Transfers and subsidies**

		<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
	<i>Note</i>		
Provinces and municipalities	<i>Annex 1A</i>	343,024	289,908
Public corporations and private enterprises	<i>Annex 1B</i>	633,408	633,774
Non-profit institutions	<i>Annex 1C</i>	350	914
Households	<i>Annex 1D</i>	10,788	15,702
<b>Total</b>		<b>987,570</b>	<b>940,298</b>

**7. Expenditure for capital assets**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>1,350,338</b>	<b>1,467,543</b>
Buildings and other fixed structures	32.1	1,291,311	1,456,434
Heritage assets	32.1	5,635	-
Machinery and equipment	30.1	34,173	4,820
Land and subsoil assets	32.1	19,219	6,289
<b>Software and other intangible assets</b>		<b>10,272</b>	<b>8,785</b>
Capitalised development costs	31.1	10,138	8,785
Computer software	31.1	134	-
<b>Total</b>		<b>1,360,610</b>	<b>1,476,328</b>

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**7.1 Analysis of funds utilised to acquire capital assets – 2010/11**

	<b>Voted funds</b> <b>R'000</b>	<b>Total</b> <b>R'000</b>
<b>Tangible assets</b>	<b>1,350,338</b>	<b>1,350,338</b>
Buildings and other fixed structures	1,291,311	1,296,946
Heritage assets	5,635	
Machinery and equipment	34,173	34,173
Land and subsoil assets	19,219	19,219
<b>Software and other intangible assets</b>	<b>10,272</b>	<b>10,272</b>
Capitalised development costs	10,138	10,138
Computer software	134	134
<b>Total</b>	<b>1,360,610</b>	<b>1,360,610</b>

**7.2 Analysis of funds utilised to acquire capital assets – 2009/10**

	<b>Voted funds</b> <b>R'000</b>	<b>Total</b> <b>R'000</b>
<b>Tangible assets</b>	<b>1,467,543</b>	<b>1,467,543</b>
Buildings and other fixed structures	1,456,434	1,456,434
Machinery and equipment	4,820	4,820
Land and subsoil assets	6,289	6,289
<b>Software and other intangible assets</b>	<b>8,785</b>	<b>8,785</b>
Capitalised development costs	8,785	8,785
<b>Total</b>	<b>1,476,328</b>	<b>1,476,328</b>

**8. Payments for financial assets**

	<i>Note</i>	<b>2010/11</b> <b>R'000</b>	<b>2009/10</b> <b>R'000</b>
Material losses through criminal conduct		<b>1</b>	<b>5</b>
Theft	8.3	1	5
Other material losses written off	8.1	273	247
Debts written off	8.2	157	320
<b>Total</b>		<b>431</b>	<b>572</b>



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**8.1 Other material losses written off**

	<i>Note</i> 8	<b>2010/11</b> <b>R'000</b>	<b>2009/10</b> <b>R'000</b>
<b>Nature of losses</b>			
Accidents Government Motor Transport Vehicles (21 cases)		138	236
Damage to PA Vehicles (12 cases)		108	-
Other Losses (11 cases)		12	5
Damage to Hired Vehicles (3 cases)		15	6
<b>Total</b>		<b>273</b>	<b>247</b>

**8.2 Debts written off**

	<i>Note</i> 8	<b>2010/11</b> <b>R'000</b>	<b>2009/10</b> <b>R'000</b>
<b>Nature of debts written off</b>			
Other Debts (2 cases)		14	22
Dishonoured cheques (3 cases)		2	1
Debt Staff and ex-employees (90 cases)		141	297
<b>Total</b>		<b>157</b>	<b>320</b>

**8.3 Detail of theft**

	<i>Note</i> 8	<b>2010/11</b> <b>R'000</b>	<b>2009/10</b> <b>R'000</b>
<b>Nature of theft</b>			
Thefts (6 cases)		1	5
<b>Total</b>		<b>1</b>	<b>5</b>

**9. Cash and cash equivalents**

	<b>2010/11</b> <b>R'000</b>	<b>2009/10</b> <b>R'000</b>
Consolidated Paymaster General Account	-	4,175
Cash on hand	3	9
Cash with commercial banks (Local)	647,856	639,186
<b>Total</b>	<b>647,859</b>	<b>643,370</b>

\*\*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

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**10. Prepayments and advances**

	2010/11 R'000	2009/10 R'000
Travel and subsistence	102	55
Advances paid to other entities	3,417	226
<b>Total</b>	<b>3,519</b>	<b>281</b>

**11. Receivables**

		2010/11			2009/10	
	<i>Note</i>	R'000 Less than one year	R'000 One to three years	R'000 Older than three years	R'000 Total	R'000 Total
Claims recoverable	11.1	1,914	1,583	-	3,497	6,791
Recoverable expenditure	11.2	886	232	108	1,226	1,539
Staff debt	11.3	228	1,617	245	2,090	1,763
<b>Total</b>		<b>3,028</b>	<b>3,432</b>	<b>353</b>	<b>6,813</b>	<b>10,093</b>

**11.1 Claims recoverable**

	<i>Note</i>	2010/11 R'000	2009/10 R'000
National departments	11	4	17
Provincial departments	Annex 3	1,398	5,213
Households and non-profit institutions		737	865
Local governments		1,358	696
<b>Total</b>		<b>3,497</b>	<b>6,791</b>

**11.2 Recoverable expenditure (disallowance accounts)**

	<i>Note</i>	2010/11 R'000	2009/10 R'000
Disallowance: Miscellaneous	11	696	993
Disallowance: Damages & Losses		449	459
Disallowance: Dishonoured cheques		81	87
<b>Total</b>		<b>1,226</b>	<b>1,539</b>

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**11.3 Staff debt**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Debt Account	11	2,072	1,763
Sal Tax Debt		18	-
<b>Total</b>		<b><u>2,090</u></b>	<b><u>1,763</u></b>

**12. Voted funds to be surrendered to the Revenue Fund**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	297,990	313,933
Transfer from statement of financial performance	192,210	297,990
Paid during the year	(297,990)	(313,933)
<b>Closing balance</b>	<b><u>192,210</u></b>	<b><u>297,990</u></b>

**13. Departmental revenue surrendered to the Revenue Fund**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	11,750	24,962
Transfer from Statement of Financial Performance	188,541	113,546
Own revenue included in appropriation	915,175	867,513
Paid during the year	(1,085,290)	(994,271)
<b>Closing balance</b>	<b><u>30,176</u></b>	<b><u>11,750</u></b>

**14. Bank Overdraft**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General Account	10,913	-
<b>Total</b>	<b><u>10,913</u></b>	<b><u>-</u></b>

**15. Payables – current**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>Total</b>	<b>Total</b>
Clearing accounts	15.1	238	1,605
Other payables	15.2	423,849	342,399
<b>Total</b>		<b><u>424,087</u></b>	<b><u>344,004</u></b>

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**15.1 Clearing accounts**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	15	<b>R'000</b>	<b>R'000</b>
Salary income tax deductions		238	1,556
Salary Pension Fund		-	49
<b>Total</b>		<b>238</b>	<b>1,605</b>

**15.2 Other payables**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	15	<b>R'000</b>	<b>R'000</b>
Debt receivable interest		-	159
Government Motor Transport		407,626	323,593
National Skills Fund Training		6,732	6,984
Tender Deposits		100	100
Guarantees for rehabilitation		6,519	5,800
Debt receivable income		-	2
Roads Capital Accounts		-	686
E-Natis		2,872	5,075
<b>Total</b>		<b>423,849</b>	<b>342,399</b>

The Government Motor Transport amount of R407,626 is payable in the following financial year, being the opening balance of the Trading Entity as reflected in the Departments set of accounts, and should therefore not be included as inter - governmental payables.

**16. Net cash flow available from operating activities**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Net surplus/(deficit) as per Statement of Financial Performance	380,751	411,536
Add back non cash/cash movements not deemed operating activities	877,651	1,185,617
(Increase)/decrease in receivables – current	3,280	5,803
(Increase)/decrease in prepayments and advances	(3,238)	77
Increase/(decrease) in payables – current	80,083	144,900
Proceeds from sale of capital assets	(94,979)	(800)
Expenditure on capital assets	1,360,610	1,476,328
Surrenders to Revenue Fund	(1,383,280)	(1,308,204)
Other non-cash items	915,175	867,513
<b>Net cash flow generated by operating activities</b>	<b>1,258,402</b>	<b>1,597,153</b>

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**17. Reconciliation of cash and cash equivalents for cash flow purposes**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General account	(10,913)	4,175
Disbursements	-	-
Cash on hand	3	9
Cash with commercial banks (Local)	647,856	639,186
<b>Total</b>	<b><u>636,946</u></b>	<b><u>643,370</u></b>

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

**18. Contingent liabilities and contingent assets**

**18.1 Contingent liabilities**

		<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
			<b>R'000</b>	<b>R'000</b>
<b>Liable to</b>	<b>Nature</b>			
Housing loan guarantees	Employees	<i>Annex 2A</i>	18	84
Claims against the department		<i>Annex 2B</i>	40,873	26,180
Other departments (interdepartmental unconfirmed balances)		<i>Annex 4</i>	68	113
<b>Total</b>			<b>40,959</b>	<b>26,377</b>

**19. Commitments**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
<b>Current expenditure</b>		
Approved and contracted	239,228	117,299
Approved but not yet contracted	11,548	86,943
	<b>250,776</b>	<b>204,242</b>
<b>Capital expenditure</b>		
Approved and contracted	967,738	481,992
Approved but not yet contracted	-	492,132
	<b>967,738</b>	<b>974,124</b>
<b>Total Commitments</b>	<b>1,218,514</b>	<b>1,178,366</b>

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**20. Accruals**

			<b>2010/11</b>	<b>2009/10</b>
			<b>R'000</b>	<b>R'000</b>
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	16,361	141	16,502	27,154
Transfers and subsidies	5,846	-	5,846	5,602
Capital Assets	27,606	-	27,606	96,348
<b>Total</b>	<b>49,813</b>	<b>141</b>	<b>49,954</b>	<b>129,104</b>

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
	<i>19</i>	<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Programme 1: Administration		655	4,834
Programme 2: Public Works		9,904	10,826
Programme 3: Roads Infrastructure		33,571	106,166
Programme 4: Public Transport		1,614	3,981
Programme 5: Traffic management		3,520	3,040
Programme 6: Expanded Public Works		690	257
<b>Total</b>		<b>49,954</b>	<b>129,104</b>

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Confirmed balances with other departments	<i>Annex 4</i>	42	69
<b>Total</b>		<b>42</b>	<b>69</b>

**21. Employee benefits**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Leave entitlement	6,882	3,979
Service bonus (Thirteenth cheque)	8,706	8,484
Performance awards	408	-
Capped leave commitments	22,653	19,746
Other	350	322
<b>Total</b>	<b>38,999</b>	<b>32,531</b>

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**22. Lease commitments**  
**22.1 Operating leases expenditure**

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2010/11</b>			
Not later than 1 year	83,394	4,749	88,143
Later than 1 year and not later than 5 years	175,188	10,325	185,513
Later than five years	167,353	2,402	169,755
<b>Total lease commitments</b>	<b>425,935</b>	<b>17,476</b>	<b>443,411</b>
	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2009/10</b>			
Not later than 1 year	75,117	4,280	79,397
Later than 1 year and not later than 5 years	184,982	7,761	192,743
Later than five years	126,763	348	127,111
<b>Total lease commitments</b>	<b>386,862</b>	<b>12,389</b>	<b>399,251</b>

Operating Leases expenditure amounts for 2009/2010 have been restated due to reallocation of usage of GG vehicles.

Where escalations were based on the CPI, in terms of the lease agreement, the estimate of commitments (and therefore future escalations), had to be based on an estimate of the CPI, only up to the date available. The CPI used for calculations of future escalations was based on the CPI Forecast table. The Consumer Price Index (including interest rates on mortgage bonds) was used, and not the CPI (excluding interest rates on mortgage bonds). The Department capped leases for a maximum period of 20 years.

**22.2 Operating leases Revenue**

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2010/11</b>			
Not later than 1 year	3,960	-	3,960
Later than 1 year and not later than 5 years	9,722	-	9,722
Later than five years	10,937	-	10,937
<b>Total lease commitments</b>	<b>24,619</b>	<b>-</b>	<b>24,619</b>



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	Buildings and other fixed structures	Machinery and equipment	Total
<b>2009/10</b>			
Not later than 1 year	3,275	-	3,275
Later than 1 year and not later than 5 years	11,664	-	11,664
Later than five years	12,956	-	12,956
<b>Total lease commitments</b>	<b>27,895</b>	<b>-</b>	<b>27,895</b>

**23. Receivables for departmental revenue**

	2010/11 R'000	2009/10 R'000
<b>Tax revenue</b>	<b>292,398</b>	<b>377,139</b>
Licence fees	61,891	138,276
Licence arrears	99,311	99,658
Licence penalties	117,197	126,579
Registration fees	2,181	2,281
Registration penalties	1,934	2,113
Other	9,884	8,232
Sales of goods and services other than capital assets	34,344	57,715
<b>Total</b>	<b>326,742</b>	<b>434,854</b>

23.1

	2010/11 R'000	2009/10 R'000
<b>Analysis of receivables for departmental revenue</b>		
Opening balance	434,854	320,325
Less: Amounts received	166,097	35,641
Add: Amounts recognised	57,985	150,170
<b>Closing balance</b>	<b>326,742</b>	<b>434,854</b>

Outstanding motor vehicle licences from Kannaland municipality amount of R0,231 million

It should further be noted that the non signing of lease agreements by tenants, the department is at risk of losing R2,329 million rental income per year.

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**24. Irregular expenditure**

**24.1 Reconciliation of irregular expenditure**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	212,919	14,439
Corrections	(90,034)	-
Add: Irregular expenditure – relating to prior year	13,466	210,090
Add: Irregular expenditure – relating to current year	5,791	-
Less: Amounts condoned	(14,311)	(11,610)
Less: Amounts not recoverable (not condoned)	(23)	-
<b>Irregular expenditure awaiting condonation</b>	<b><u>127,808</u></b>	<b><u>212,919</u></b>

**Analysis of awaiting condonation per age classification**

Current year	5,791	-
Prior years	122,017	212,919
<b>Total</b>	<b><u>127,808</u></b>	<b><u>212,919</u></b>

**24.2 Details of irregular expenditure – current year**

<b>Incident</b>	<b>Disciplinary steps taken/criminal procedures</b>	<b>2010/11</b>
		<b>R'000</b>
Deviation from SCM procedure	None	5,791
<b>Total</b>		<b><u>5,791</u></b>

**24.3 Details of irregular expenditure condoned**

<b>Incident</b>	<b>Condoned by</b>	<b>2010/11</b>
		<b>R'000</b>
Approval to deviate from SCM procedures	Head of Department	14,311
<b>Total</b>		<b><u>14,311</u></b>

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**24.4 Details of irregular expenditures recoverable (not condoned)**

<b>Incident</b>	<b>2010/11</b>
	<b>R'000</b>
Deviation from SCM process	23
<b>Total</b>	<b><u>23</u></b>

**24.5 Details of irregular expenditures under investigation**

<b>Incident</b>	<b>2010/11</b>
	<b>R'000</b>
Alleged non-compliance with any applicable legislation (33 cases)	127,808
<b>Total</b>	<b><u>127,808</u></b>

**25. Fruitless and wasteful expenditure**

**25.1 Reconciliation of fruitless and wasteful expenditure**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	1,087	
Corrections	(171)	
Fruitless and wasteful expenditure – relating to prior year	1,578	1,179
Fruitless and wasteful expenditure – relating to current year	5,987	-
Less: Amounts condoned	-	(86)
Less: Amounts transferred to receivables for recovery	(782)	(6)
Less: amount written off	(2)	-
<b>Fruitless and wasteful expenditure awaiting condonement</b>	<b><u>7,697</u></b>	<b><u>1,087</u></b>

**25.2 Analysis of awaiting condonement per economic classification**

Current	<u>7,697</u>
<b>Total</b>	<b><u>7,697</u></b>

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**25.3 Details of fruitless and wasteful expenditure – relating to current year**

<b>Incident</b>	<b>2010/11</b>
	<b>R'000</b>
Control procedures allegedly not followed	5,987
<b>Total</b>	<b>5,987</b>

**26. Related party transactions**

The Department provided accommodation free of charge to the following departments as well as entities reporting to these 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
- 13) Provincial Operating Licence Board (POLB) / Provincial Regulating Entity (PRE)
- 14) Provincial Transport Registrar
- 15) Government Motor Transport
- 16) Western Cape Gambling and Racing Board
- 17) Construction Industrial Development Board
- 18) Western Cape Nature Conservation Board
- 19) University of the Western Cape
- 20) Groote Schuur Hospital Facility Board

The Department of Transport and Public Works received corporate services from the Corporate Service Centre of the Department of the Premier in the Western Cape. A service level agreement was signed on 30 November 2010. The service agreement consists of the following services:

- a) Information and Communication Technology
- b) Organisation Development
- c) Provincial Training (generic)
- d) Human Resource Management
- e) Enterprise Risk Management
- f) Internal Audit
- g) Forensic Investigations

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- h) Legal Services
- i) Corporate Communication

The Department makes use of 119 GG vehicles of Government Motor Transport based on daily and kilometre tariffs as approved by Provincial Treasury

<b>Payments made</b>	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
<b>Goods and Services</b>		
GG Vehicle Expenditure	8,214	7,705

**27. Key management personnel**

	<b>No. of</b>	<b>2010/11</b>	<b>2009/10</b>
	<b>Individuals</b>	<b>R'000</b>	<b>R'000</b>
Political office bearer	1	1,494	1,316
Officials:			
Level 15 to 16	6	5,386	5,196
Level 14	8	5,728	4,614
<b>Total</b>		<b><u>12,608</u></b>	<b><u>11,126</u></b>

**28. Public Private Partnership**

	<i>Note</i>	<b>2010/11</b>	<b>2009/10</b>
		<b>R'000</b>	<b>R'000</b>
Capital		513	41,651
Other obligations		10,737	23,103
		<b><u>11,250</u></b>	<b><u>64,754</u></b>

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.

During the course of 2009/10 the Executive Authority for Transport and Public Works and Finance, Economic Development and Tourism was mandated by the Premier to, with the assistance of a task team, re-negotiate the contract with the Concessionaire with a view to mitigate the risk to the Department. The re-negotiations were concluded and some of the matters that were addressed are:

- End the Designated Event as soon as possible.
- Improve Provincial Contract Management and Internal Control systems.
- Re-negotiate certain conditions in the existing contract.
- Review an alternative toll plaza solution.
- Agree on a pre-emptive closure regime.
- Review methodology of Province Future Support
- Review of upgrades and maintenance reserve funds

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**29. Impairment and other provisions**

	<b>2010/11</b>	<b>2009/10</b>
	<b>R'000</b>	<b>R'000</b>
Debtors	238,686	298,143
<b>Total</b>	<b><u>238,686</u></b>	<b><u>298,143</u></b>

The provisions amount for 2009/10 was previously included as a narrative in the Receivable Departmental Revenue disclosure.

**30. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>	<b>4,906</b>	-	-	-	<b>4,906</b>
Heritage assets	4,906	-	-	-	4,906
<b>MACHINERY AND EQUIPMENT</b>	<b>77,326</b>	<b>477,241</b>	<b>34,173</b>	<b>138,385</b>	<b>450,355</b>
Transport assets	34	288,299	6,311	73,784	160,860
Computer equipment	39,696	(6,336)	3,874	1,002	36,232
Furniture and office equipment	22,914	(18,379)	371	-	4,906
Other machinery and equipment	14,682	273,657	23,617	63,599	248,357
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b><u>82,232</u></b>	<b><u>477,241</u></b>	<b><u>34,173</u></b>	<b><u>138,385</u></b>	<b><u>455,261</u></b>

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**30.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>34,173</b>		-	-	<b>34,173</b>
Transport assets	6,311				6,311
Computer equipment	3,874		-	-	3,874
Furniture and office equipment	371				371
Other machinery and equipment	23,617		-	-	23,617
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>34,173</b>		-	-	<b>34,173</b>

**30.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>221</b>	<b>138,164</b>	<b>138,385</b>	<b>50</b>
Transport assets	-	73,784	73,784	-
Computer equipment	197	805	1 002	50
Other machinery and equipment	24	63,575	63,599	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>221</b>	<b>138,164</b>	<b>138,385</b>	<b>50</b>

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**30.3 Movement for 2009/10**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>HERITAGE ASSETS</b>	<b>4,906</b>	-	-	<b>4,906</b>
Heritage assets	4,906	-	-	4,906
<b>MACHINERY AND EQUIPMENT</b>	<b>72,628</b>	<b>5,216</b>	<b>518</b>	<b>77,326</b>
Transport assets	34	-	-	34
Computer equipment	36,404	3,600	308	39,696
Furniture and office equipment	22,546	379	11	22,914
Other machinery and equipment	13,644	1,237	199	14,682
<b>TOTAL MOVABLE TANGIBLE ASSETS</b>	<b>77,534</b>	<b>5,216</b>	<b>518</b>	<b>82,232</b>

**30.4 Minor assets**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	-	7	616	27,498	28,121
Current Year Adjustment to Prior Yr Balances	-	-	-	(274)	(274)
Additions	-	-	-	4,830	4,830
Disposals	-	-	-	(3,167)	(3,167)
<b>TOTAL</b>	<b>-</b>	<b>7</b>	<b>616</b>	<b>28,887</b>	<b>29,510</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Total
Number of minor assets at cost	-	-	-	32,748	32,748
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,748</b>	<b>32,748</b>



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**MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010**

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Minor assets	-	7	616	27,498	28,121
<b>TOTAL</b>	<b>-</b>	<b>7</b>	<b>616</b>	<b>27,498</b>	<b>28,121</b>

**MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Total
Number of minor assets at cost	-	3	265	23,406	23,674
<b>TOTAL</b>	<b>-</b>	<b>3</b>	<b>265</b>	<b>23,406</b>	<b>23,674</b>

**31. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Opening balance R'000	Current Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
CAPITALISED DEVELOPMENT COSTS	73,630	-	10,138	-	83,768
COMPUTER SOFTWARE	646	-	134	-	780
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>74,276</b>	<b>-</b>	<b>10,272</b>	<b>-</b>	<b>84,548</b>

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**31.1 Additions**

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Cash	Non-Cash	(Develop- ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	10,138	-	-	-	10,138
COMPUTER SOFTWARE	134	-	-	-	134
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>10,272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,272</b>

**31.2 Movement for 2009/10**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT COSTS	64,845	8,785	-	73,630
COMPUTER SOFTWARE	646	-	-	646
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>65,491</b>	<b>8,785</b>	<b>-</b>	<b>74,276</b>

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**32. Immovable Tangible Capital Assets**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>55,252,232</b>	<b>3,820,534</b>	<b>2,008,436</b>	<b>528</b>	<b>61,080,674</b>
Non-residential buildings	18,247,897	3,876,330	690,723	528	22,814,422
Other fixed structures	37,004,335	(55,796)	1,317,713	-	38,266,252
<b>HERITAGE ASSETS</b>	<b>55,828</b>	<b>137,186</b>	<b>-</b>	<b>-</b>	<b>193,014</b>
Heritage assets	55,828	137,186	-	-	193,014
<b>LAND AND SUBSOIL ASSETS</b>	<b>50,415</b>	<b>22,529</b>	<b>8,041</b>	<b>-</b>	<b>80,985</b>
Land	50,415	22,529	8,041	-	80,985
<b>INVESTMENT PROPERTY</b>	<b>449,659</b>	<b>315,974</b>	<b>-</b>	<b>-</b>	<b>765,633</b>
Investment property	449,659	315,974	-	-	765,633
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>55,808,134</b>	<b>4,296,223</b>	<b>2,016,477</b>	<b>528</b>	<b>62,120,306</b>

The adjustment of immovable assets to the prior year opening balance can be contributed to the removal of properties not registered in the department's name, reclassification between the different categories of assets and re-valuations received from municipalities. The unit cost for calculating other fixed structures current asset value is linked to the price of a heavy rehabilitation. This value is used as the total value of the structural layers. Furthermore the value of the structural layers is assumed as 60% to 68% of the total asset value. The total asset value includes the structural layers and the foundation and preparation works. The cost for building this is known as the reconstruction cost. No re-valuations of other fixed structures were done for the year under review.

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**32.1 Additions**

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>1,291,311</b>	<b>1,616,789</b>	<b>(899,664)</b>	<b>-</b>	<b>2,008,436</b>
Non-residential buildings	137,099	690,723	(137,099)	-	690,723
Other fixed structures	1,154,212	926,066	(762,565)	-	1,317,713
<b>HERITAGE ASSETS</b>	<b>5,635</b>	<b>-</b>	<b>(5,635)</b>	<b>-</b>	<b>-</b>
Heritage assets	5,635	-	(5,635)	-	-
<b>LAND AND SUBSOIL ASSETS</b>	<b>19,219</b>	<b>-</b>	<b>(11,178)</b>	<b>-</b>	<b>8,041</b>
Land	19,219	-	(11,178)	-	8,041
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1,316,165</b>	<b>1,616,789</b>	<b>(916,477)</b>	<b>-</b>	<b>2,016,477</b>

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**32.2 Disposals**

**DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011**

	Sold for cash  R'000	Transfer out or destroyed or scrapped  R'000	Total disposals  R'000	Cash Received Actual  R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>528</b>	<b>-</b>	<b>528</b>	<b>160</b>
Non-residential buildings	528	-	528	160
<b>LAND AND SUBSOIL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94,769</b>
Land	-	-	-	94,769
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>528</b>	<b>-</b>	<b>528</b>	<b>94,929</b>

The value of land in the asset register was reflected at R1. The amount received is actual cash received.

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**32.3 Movement for 2009/10**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>54,835,653</b>	<b>422,189</b>	<b>5,610</b>	<b>55,252,232</b>
Non-residential buildings	17,992,036	261,471	5,610	18,247,897
Other fixed structures	36,843,617	160,718	-	37,004,335
<b>HERITAGE ASSETS</b>	<b>55,828</b>	-	-	<b>55,828</b>
Heritage assets	55,828	-	-	55,828
<b>LAND AND SUBSOIL ASSETS</b>	<b>48,991</b>	<b>1,424</b>	-	<b>50,415</b>
Land	48,991	1,424	-	50,415
<b>INVESTMENT PROPERTY</b>	<b>449,010</b>	<b>649</b>	-	<b>449,659</b>
Investment property	449,010	649	-	449,659
<b>TOTAL IMMOVABLE TANGIBLE ASSETS</b>	<b>55,389,482</b>	<b>424,262</b>	<b>5,610</b>	<b>55,808,134</b>

**32.4 Immovable assets valued at R1**

**IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2011**

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Investment property	Total
R1 Immovable assets	9,405	164	171	249	9,989
<b>TOTAL</b>	<b>9,405</b>	<b>164</b>	<b>171</b>	<b>249</b>	<b>9,989</b>

**32.5 Immovable assets valued at R1**

**IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2010**

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Investment property	Total
R1 Immovable assets	9,032	161	163	263	9,619
<b>TOTAL</b>	<b>9,032</b>	<b>161</b>	<b>163</b>	<b>263</b>	<b>9,619</b>

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**33. STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT			2009/10	
	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
National Treasury/ Infrastructure Grant to Provinces	408,254	-	-	-	408,254	408,254	408,254	100%	364,644	364,644
Public works/ Devolution of Property Rates Fund Grant	181,351	18,579	83,111	-	283,041	283,041	264,700	94%	268,864	250,285
Transport/Transport Disaster Management Grant	-	186,490	-	-	186,490	186,490	124,605	67%	390,551	204,061
Expanded Public Works Programme Incentive Grant	22,718	-	-	500	23,218	23,218	-	-	500	-
Public Transport Operations Grant	632,402	-	-	-	632,402	632,402	632,402	100%	593,774	593,774
	<u>1,244,725</u>	<u>205,069</u>	<u>83,111</u>	<u>500</u>	<u>1,533,405</u>	<u>1,533,405</u>	<u>1,429,961</u>		<u>1,618,333</u>	<u>1,412,764</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2011*

**34. WORLD CUP EXPENDITURE**

**Purchase of world cup apparel**

Jersey

Flag

Ball

Ronex Sublime

Vuvuzelas

**Total**

**Total world cup expenditure**

	2010/11	2009/10	
	Quantity	R'000	R'000
	10	2	-
	8	1	-
	13	1	-
	3	1	-
	12	1	-
	<b>46</b>	<b>6</b>	-
		<b>6</b>	-



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

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 1A  
STATEMENT OF TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	TRANSFER ALLOCATION				TRANSFER		SPENT			2009/10
	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	49,513	-	27,800	77,313	75,727	98%	75,727	29,839	39%	44,046
Municipal Rates & Accounts	181,351	18,579	83,111	283,041	264,700	94%	264,700	264,700	100%	268,864
PD Vehicles Licences	-	-	2,593	2,593	2,593	100%	2,593	2,593	100%	2,748
PD Fines and Penalties	-	-	4	4	4	100%	4	4	100%	
	<u>230,864</u>	<u>18,579</u>	<u>113,508</u>	<u>362,951</u>	<u>343,024</u>		<u>343,024</u>	<u>297,136</u>		<u>315,658</u>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1B  
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2009/10
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Public Corporations</b>									
Transfers									
Airports company of SA	-	-	-	-	-	-	-	-	40 000
Golden Arrow Bus Services Pty Ltd	632,402	-	706	633,108	633,108	100%	-	633,108	593,774
Passenger Rail Agency of SA	-	-	300	300	300	100%	-	300	-
<b>Total</b>	<b>632,402</b>	<b>-</b>	<b>1,006</b>	<b>633,408</b>	<b>633,408</b>		<b>-</b>	<b>633,408</b>	<b>633,774</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1C  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	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
<b>NON-PROFIT INSTITUTIONS</b>							
<b>Transfers</b>							
George Mobility Strategy Trust	-	-	350	350	350	100%	350
Metrorail (PRASA)	-	-	-	-	-	-	564
<b>Total</b>	-	-	350	350	350		914

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 1D  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2009/10
	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
<b>HOUSEHOLDS</b>							
<b>Transfers</b>							
*Social Benefits	1,363	-	387	1,750	1,491	85%	3,148
Bursaries (non-employees)	8,000	-	871	8,871	8,871	100%	12,268
Claims against the State	169	-	225	394	393	100%	620
Donations and Gifts	26	-	14	40	33	89%	52
	<b>9,558</b>	<b>-</b>	<b>1,497</b>	<b>11,055</b>	<b>10,788</b>		<b>16,088</b>
*Injury on duty	329	-	(196)	133	34	26%	427
*Leave gratuity	1,027	-	583	1,610	1,450	90%	2,721
*Severance package	7	-		7	7	100%	-
<b>Total</b>	<b>1,363</b>	<b>-</b>	<b>387</b>	<b>1,750</b>	<b>1,491</b>		<b>3,148</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2011*

**ANNEXURE 1E**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2010/11	2009/10
	R'000	R'000
Paid in cash		
Gifts: Personnel Awards	18	20
Gifts other	10	1
Special needs Passengers	-	20
WC 2010 Event	5	-
<b>TOTAL</b>	<b>33</b>	<b>41</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2011*

**ANNEXURE 2A**  
**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2011 – LOCAL**

<b>Guarantor institution</b>	<b>Guarantee in respect of</b>	<b>Original guaranteed capital amount</b>	<b>Opening balance 1 April 2010</b>	<b>Guarantees draw downs during the year</b>	<b>Guarantees repayments/ cancelled/ reduced/ released during the year</b>	<b>Revaluations</b>	<b>Closing balance 31 March 2011</b>	<b>Guaranteed interest for year ended 31 March 2011</b>	<b>Realised losses not recoverable i.e. claims paid out</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Standard Bank	Housing		12		12		-		
First Rand: FNB	Housing		39		39		-		
Nedbank	Housing		18		-		18		
Old Mutual Bank	Housing		15		15		-		
	<b>TOTAL</b>		<b>84</b>		<b>66</b>		<b>18</b>		

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 2B  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011**

Nature of Liability	Opening Balance  1 April 2010 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancell ed/reduced during the year R'000	Liabilities recoverabl e (Provide details hereunder) R'000	Closing Balance 31 March 2011 R'000
Claims against the department	26,180	16,634	1,941	-	40,873
<b>TOTAL</b>	<b>26,180</b>	<b>16,634</b>	<b>1,941</b>	<b>-</b>	<b>40,873</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS**  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2011*

**ANNEXURE 3**  
**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
<b>Provincial Government Western Cape</b>						
Education	1,031	-	-	2,179	1,031	2,179
Premiers Office	-	-	-	1,578	-	1,578
Health	-	1,088	10	-	10	1,088
Housing	-	-	357	357	357	357
Local Government		11		-	-	11
	<b>1,031</b>	<b>1,099</b>	<b>367</b>	<b>4,114</b>	<b>1,398</b>	<b>5,213</b>
<b>National Departments</b>						
Police Services	-	-	-	-	-	-
Defence	-	-	4	3	4	3
	-	-	-	14	-	14
<b>TOTAL</b>	<b>1,031</b>	<b>1,099</b>	<b>371</b>	<b>4,131</b>	<b>1,402</b>	<b>5,230</b>



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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2011*

**ANNEXURE 4**  
**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Provincial Government Western Cape</b>						
<b>Current</b>						
Education	-	-	-	96	-	96
Premiers Office	42	19	-	-	42	19
Culture Affairs	-	11	-	-	-	11
Housing	-	1	-	-	-	1
Social development	-	-	68	-	68	-
<b>National Departments</b>						
<b>Current</b>						
Justice & Constitutional Development	-	21	-	17	-	38
South African Police	-	17	-	-	-	17
<b>Total</b>	<b>42</b>	<b>69</b>	<b>68</b>	<b>113</b>	<b>110</b>	<b>182</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 5  
INVENTORY**

Inventory	Note	Quantity	2010/11	Quantity	2009/10
			R'000		R'000
Opening balance		286,053	6,916	218,066	6,560
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases - Cash		1,757,204	42,866	1,518,913	29,799
Add: Additions - Non-cash		-	-	35,211	279
(Less): Disposals		-	-	(82)	-
(Less): Issues		(1,694,611)	(36,936)	(1,485,593)	(29,679)
Add/(Less): Adjustments		-	(5,151)	(462)	(43)
<b>Closing balance</b>		<b>348,646</b>	<b>7,695</b>	<b>286,053</b>	<b>6,916</b>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2011**

**ANNEXURE 6  
UNAUDITED IMMOVABLE PROPERTIES**

Uncertain properties taken out of Departmental asset register

2,267

**TOTAL**

**2,267**

Immovable assets that are not registered in the name of the Province or transferred in terms of section 28 must be disclosed in a separate unaudited schedule.  
(As per financial reporting clarity on immovable assets received from Provincial Treasury, reference T8/1/10/2, dated 14 June 2010)

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

**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

Addendum to the Report of the Accounting Officer for the year ending 31 March 2011 as referred to in paragraph 13 of that report

REPLY TO THE REPORT OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS DATED 24 JUNE 2011 FOR THE FINANCIAL YEAR ENDING 31 MARCH 2010

SUBJECT	RESOLUTION	REPLY
Due to the issues raised and discussed during the sitting, it became clear that the Audit Committee should also prepare a separate briefing document that will show additional points (similar to the AG's briefing report), separate from the Audit Report.	The committee resolved that the Audit Committee prepare a briefing document as discussed and present it at all future briefing sessions.	The requirement was referred to the Chairperson of the Audit Committee in writing (via e-mail) on 25 July 2011.
The Committee raised a concern around the capacity issues especially in the Internal Audit department.	The Committee resolved that, in light of the structural challenges pertaining to the internal audit section, this be effectively address by the Department by 2011/12 financial year.	The Internal Audit function is vested in the Corporate Service Centre of the Department of the Premier. The matter was referred to the acting Chief Audit Executive in writing (via e-mail) on 25 July 2011.
The Committee raised its concern that the Enterprise Risk Management processes are highly ineffective.	The Committee resolved that the Enterprise Risk Management be centralised and that the processes be improved as a matter of urgency.	The Enterprise Risk Management (ERM) function is centralised in the Corporate Service Centre of the Department of the Premier. The 2010/11 ERM Implementation Plan under reference was agreed to by the Accounting Officer on 3 February 2011.
A concern was raised over the challenges faced by the IT department with the transition from manual to computerised systems (being the conversion of the information into accrual-based financial statements).	The Committee resolved that the Department implement the GAAP compliant financial system by April 2011.	The GAAP compliant system was implemented at the Government Motor Transport with effect from April 2011.
Contrary to section 38(1)(a) of the PFMA, the Accounting Officer did not have and maintain effective, efficient and transparent systems of financial and risk management. The Fraud and Risk Management Committee of the department was not in operation during the year under review. Consequently, no	Fraud prevention plan must now be updated and implemented as a matter of urgency.  Furthermore, the risk management committee must also be established urgently in order to establish and implement a proper system of financial and	The reviewed departmental Fraud Prevention Plan inclusive of the policy, control strategies and five year control strategy implementation plan 2010 to 2014 became effective 1 June 2010.  The Fraud and Risk Committee is functional under the leadership of the

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS  
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**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
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SUBJECT	RESOLUTION	REPLY
<p>risk assessment process was conducted for the year under review and no updated approved fraud prevention plan existed. As this has been reported in the past, the lack of progress is of a serious concern.</p>	<p>risk management.</p> <p>The Accounting Officer should also review and monitor the process in order to ensure that this matter is resolved as soon as possible.</p>	<p>Risk Champion (Accounting Officer).</p>
<p>The following findings on the Performance Information pre-determined objectives were reported:</p> <p><b>Reliability of information</b> The following criteria were used to assess the usefulness of the planned and reported performance: Validity: Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?</p> <p><b>Accuracy:</b> Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.</p> <p><b>Completeness:</b> All actual results and events that should have been recorded have been included in the reported performance information.</p> <p>The following audit findings relate to the above criteria:</p> <p><b>Reported indicators not reliable as no/inadequate supporting source information was provided.</b> For Program 2, the validity, accuracy and completeness of 83% of the reported indicators could not be established as sufficient appropriate audit evidence could not be provided for audit purposes.</p>	<p>The reason why the applicable evidence could not be provided during the audit needs to urgently be investigated and the necessary corrective actions implemented. Furthermore, a proper system of record keeping data collection must be urgently developed to ensure that such data is available in the future and to avoid such findings in the future.</p> <p>Again, the reason why these variances could not be provided during the audit needs to urgently be investigated and the necessary corrective actions implemented as soon as possible. Furthermore, a proper system of record keeping must be urgently developed to ensure that such explanations are available in the future and to avoid such findings in the future.</p>	<p>The corrective actions were implemented. The Directorate: Monitoring and Evaluation of the Department is tasked to support management in ensuring that reported information is valid, accurate and complete.</p>

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**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

SUBJECT	RESOLUTION	REPLY
<p>Reasons for major variances between planned and actual reported targets were not supported by adequate and reliable corroborating evidence. Adequate and reliable corroborating evidence to support the reasons for major variances between the planned and the actual reported targets could not be obtained. 83% of the reasons for major variances could not be verified for audit purposes.</p> <p>The high percentages of the above two matters is of serious concern for the Committee.</p>		
<p>An investigation was conducted by an independent consultant; to investigate six cancelled contracts pertaining to prior year issues raised by both SCOPA and the Auditor-General of SA, <i>inter alia</i> the Western Cape Nursing College and the Valkenberg Hospital.</p> <p>This report revealed that the initial contracts awarded amounted to R54m. The escalated cost to the department would have been R69.9m had these contracts been completed by the first contractors. The total amount spent on the first and replacement contractors to complete the projects amounted to R107.3m. This amounts to an additional construction cost of about R37m of which R7.05m has been identified by the external consultants as a result of remedial work required. Remedial costs include poor/defective workmanship as certified, correcting poor</p>	<p>The Chief Financial Officer to come and report to the Committee on the Official(s) that was/were charged for misconduct as well as the settlement that was reached.</p>	<p>The claim against the guarantor - was called up and paid out. Claim against the contractor -The State Attorney to give advice as to whether the claim against the contractor, in respect of the Western Cape Nursing College, should be pursued.</p> <p>The claim relating to Valkenberg Hospital is currently with the State Attorney. The court date is only due in 2012.</p> <p>Determination will be made on the future of claims, subject to the outcome of the guarantee claim relating to the following schools; Kalkfontein PS, Mfuleni PS, Delft SS and Du Noon SS. The claims are currently with the State Attorney and the court date is set for 2012.</p> <p>In the cases of Table View Primary, Samora Machel and Kuyasa schools</p>

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**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

SUBJECT	RESOLUTION	REPLY
<p>workmanship, losses incurred between contracts and latent defects. Additional professional fees of R8m have been identified, capitalised as part of the asset and included in the claims against the contractors.</p> <p>The report further revealed that the Department has incurred fruitless expenditure in respect of the amount of remedial work performed by the replacement contractors, a portion of additional professional fees paid and repeated establishment and preliminary and general costs included in the additional construction cost. The completion of the construction work of the projects at an additional cost of R35.2m (also capitalised) constitutes inefficient and ineffective application of Department funds given that the initial budget for these projects was in the region of R53m (69.6m when escalated) and the project delivery was delayed by up to 27 months.</p> <p>This report was dated 10 September 2007, and to date it is still under investigation by the Department. Management indicated that any fruitless and wasteful expenditure can only be determined, subject to the outcome of the guarantee claim. These claims are with the State Attorney and the court date is 2012.</p>		<p>it was reported that in circumstances where the contractor exceeds the contract value to complete the contracts, the excess may be considered to be fruitless and wasteful expenditure. The final accounts were finalised on 30 November 2010.</p>

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

**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
for the year ended 31 March 2011**

SUBJECT	RESOLUTION	REPLY
<p>Investigation of contractor exceeding contract value</p> <p>The contractor exceeded the contract value to complete the contracts with regard to the construction of the Table View Primary, Samora Machel Kuyasa schools, and the excess may be considered to be fruitless and wasteful expenditure. The process forward is to institute penalties against the contractor, to quantify any possible fruitless and wasteful expenditure, to recover any fruitless and wasteful expenditure and to consider the write-off of any irrecoverable fruitless and wasteful expenditure.</p> <p>The accounting treatment of fruitless and wasteful expenditure is that the transactions are only recorded in the books of account once the irrecoverable amount is quantified. Any write-off will technically be for the account of the client department as the provisions for infrastructure delivery in terms of the Division of Revenue Act is vested in the vote of the client department, namely Education. Management indicated that any fruitless and wasteful expenditure can only be determined once the final account has been verified internally. The final account process anticipated date is 31 August 2010.</p>		
<p>The Accounting Officer's report highlights other investigations</p>		<p>Unused telephone lines: In response to the department's</p>



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SUBJECT	RESOLUTION	REPLY
<p>relating to unused telephone lines, the purchase of the ISM Building, alleged misconduct and possible irregularities regarding petrol and diesel.</p>		<p>request, the service provider conducted an audit of utilised telephone lines. Unutilised telephone lines were removed from the accounts.</p> <p>The report of the Forensic Investigative Unit within the Corporate Service Centre of the Department of the Premier in respect of the purchase of the ISM Building is still awaited.</p> <p>The case regarding alleged irregularities pertaining to petrol and diesel is managed by Legal Services. The court case has been postponed to the 14 September 2011.</p>
<p>The Committee raised a concern on the efficiency of the internal control within the Department as there were lapses in said controls as is evident in the audit report.</p>	<p>The Committee resolved that the Directorate: Operational Property Management address the challenges faced and ensure that it is fully compliant with the laws and regulations.</p>	<p>The following strategies/remedial actions were implemented:</p> <ul style="list-style-type: none"> <li>• The department discloses the potential receipts, where there is no official written lease agreement and the lessor is unlawfully occupying the department's property. It should be noted that most of these properties were transferred from other Provincial Departments with no lease agreements, in place but people already occupying the said properties.</li> <li>• The reconciliation process between the MDA and immovable asset register was concluded and there is consistency with regards to the description of properties, reflected on MDA and the</li> </ul>

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**ADDENDUM TO THE REPORT OF THE ACCOUNTING OFFICER  
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SUBJECT	RESOLUTION	REPLY
		<p>immovable asset register.</p> <ul style="list-style-type: none"> <li>• Further, and from a capacitation point of view, four training workshops were held to build the necessary skills and knowledge of the officials and management, directly involved with leases.</li> </ul> <p>The MDA-system is regularly updated, and signed-off by management.</p> <p>The Portfolio of evidence exists to support the information, as stated in the records, which information is also verified by the Monitoring and Evaluation unit.</p> <p>BAS and MDA systems are reconciled and reported on the IYM, on a monthly basis.</p> <p>The verifications have been completed for all properties which are leased for commercial and residential purposes. The lease files were audited and reconciled with the MDA system, which in turn has been reconciled with the immovable asset register.</p>
<p>The Committee raised a concern over the apparent lack of diligence in implementing the Financial Management Improvement Plan. The committee is also uncertain on which branches and components within the Department are compliant and which are not.</p>	<p>The Committee resolved that there is uniformity in the implementation of the Financial Management Improvement Plan within the Department.</p>	<p>Noted</p>
<p>The AG raised concerns around the reliability of the Department's information systems namely the (non)core financial systems and</p>	<p>The Committee resolved that the Department provide it with details of back-up systems that will operate once the current</p>	<p>Whilst back-up relates to the recovery of electronic information, continuity relates to business processes, a situational analysis will be conducted</p>

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SUBJECT	RESOLUTION	REPLY
noted that the Department as well as the Provincial Government would be severely challenged should the information systems break down and questioned whether it would be able to conduct its business.	information systems should break down, ensuring that the Department will be able to continue with its business.	on both aspects and monitored through the Financial Management Improvement Plan.
The Audit Committee raised concerns about the FIU process, particularly the fact that the nature of the acts of misconduct are far greater than the punishment/action taken by the Department. The Audit Committee felt that the FIU process should be extended by instituting criminal sanctions against the defaulters.	The Committee resolved that the Department should review and amend its disciplinary procedures / process to make provision for the institution of criminal sanctions against the defaulters.	Both the Forensic Investigative Unit and Labour Relations are vested in the Corporate Service Centre of the Department of the Premier consequently the matter was referred to the CSC under reference 9/1/2 dated 31 August 2011.
Concerns were raised concerning fraud investigations into the Youth Commission.	The Committee resolved, further, that more strict punishment / action be taken against defaulters in cases of fraud and that criminal sanctions be instituted against such defaulters.	The Youth Commission does not reside under the control of the Department of Transport and Public Works. Recommended that the matter be redirected by the Committee.
The AG raised concerns about the non-compliance with procurement regulations relating to prior years resulted in irregular expenditure. The AG and Audit Committee regard this as an outstanding issue.	The Committee resolved that the irregular expenditure due to lapses in the supply chain regulations be resolved and prescripts strictly adhered to as soon as possible as this has been a problem the past 2 (two) financial years. Safety measures must also be developed to curtail irregular expenditure.	The number of alleged irregular expenditure cases is declining. The situation is monitored by the Fraud and Risk Management Committee. Investigation reports provide for the controls to be implemented to mitigate the risk.
Concern was raised about the asset register of the Department that the asset register is incomplete and inaccurate.	The Committee resolves that the Department compile a complete and accurate asset register as soon as possible and provide same to the Committee.	A service provider has been appointed to verify and clean the data on the Provincial Immoveable Asset Register.  Phase 1 of the contract which end on 31 July 2011, will include the following tasks: Verify accuracy, completeness and integrity of existing information on record.

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for the year ended 31 March 2011**

SUBJECT	RESOLUTION	REPLY
		<p>Complete information gaps as well as supporting documentation. Provide completeness, test certificates, as well as portfolios of evidence.</p> <p>Phase 2, which ends on 31 July 2012, includes: Complete information for later financial years. Develop policies, procedures, work-flows, standard operating procedures, delegations, relevant controls (systemic and systems), and communication protocols. Advise on systems interfaces, inter-operability and integration, organisational design and model. Develop and advise on interfacing processes, protocols and procedures with users. Develop standardised lease agreement templates and negotiating protocols.</p>
<p>Concern was raised on the internal control measures within the Department and the inefficiency thereof.</p>	<p>The Committee resolves that the Department should draft and implement stricter internal control measures aimed at curbing irregular financial matters; irregular replacement of equipment and transfer of monies to institutions.</p>	<p>Stricter internal control measures are in various stages of development and implementation, through the drafting of standard operating procedures, re-engineering the supply chain, implementing new laws and prescripts.</p>
<p>A suggestion was made to the Committee that the Audit Committee also prepare a separate briefing document that will show additional points (similar to the AG's briefing report), separate from the Audit Report.</p>	<p>The Committee resolved that the Audit Committee prepare a briefing document and present it at the briefing sessions.</p>	<p>Duplication refer to reply above.</p>
<p>The Committee raised a concern around the capacity issues especially in the Internal Audit department.</p>	<p>The Committee requested that the Internal Audit department be fully capacitated by 2011/12 financial year.</p>	<p>Duplication refer to reply above.</p>



# Human Resource MANAGEMENT

## Provincial Values

- Caring
- Competence
- Accountability
- Integrity
- Responsiveness

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**PART 4**

## 4 HUMAN RESOURCE MANAGEMENT

### Oversight Report

#### 4.1 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 4.1.1: Main services and service standards in terms of the Service Delivery Plan (1 April 2010 to 31 March 2011)**

Service	Actual customers	Potential customers	Standard of service	Actual achievement against standards
To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50% by 31 March 2014	Western Cape residents, road users and public transport operators in the Province	Western Cape residents, road users and public transport operators in the Province	a. Road fatalities reduced to 1 400 b. 269 audits to be done	a. 1 476 fatalities b. 227 audits
To facilitate and develop expanded Public Works skills development programmes and implement Construction Industry Development programmes	Western Cape residents	Western Cape residents	a. 1 308 beneficiaries targeted for industry skills interventions b. 4 EPWP compliance monitoring reports	a. Skills development opportunities provided for 730 unemployed youth through the National Youth Service Skills Development Programme. b. 4 EPWP compliance monitoring reports undertaken in DTPW

Table 4.1.2: Consultation arrangements with customers, (1 April 2010 to 31 March 2011)

Type of arrangement	Actual customers	Potential customers	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50% by 31 March 2014</p> <p>a. Switchboard  b. Helpdesk on 2nd floor, 9 Dorp Street  c. Own Email Enquiry Service  d. Correspondence with Supervisor/Manager  e. Driving Licence Testing centres  f. Vehicle Testing centres</p>	<p>Western Cape residents, road users and public transport operators in the Province</p>	<p>Western Cape residents, road users and public transport operators in the Province</p>	<p>a. Operational switchboard facilities at all municipal agents  b. Helpdesk, 2nd floor, 9 Dorp Street  c. Own Email Enquiry Service through Cape Gateway.  d. Correspondence with Supervisor/Manager and other key staff  e. Driving Licence Testing centres  f. Vehicle Testing stations</p> <p>Additional mechanisms:  a. Call centre through Cape Gateway  b. Registering Authorities  c. Helpdesk on 1st floor, 9 Dorp Street</p>
<p>To facilitate and develop expanded Public Works skills development programmes and implement Construction Industry Development programmes</p> <p>a. Switchboard  b. Helpdesk in Long Street  c. Own Email Enquiry Service  d. Correspondence with Supervisor/Manager</p>	<p>Western Cape residents</p>	<p>Western Cape residents</p>	<p>a. Telephone enquiries through EPWP Skills Unit or PGWC switchboard.  b. Helpdesk in Long Street closed and services moved to 15 Dorp Street under Directorate EPWP Co-ordination  c. E-mail enquiry through Skills Development regional admin officers  d. Correspondence dealt with through DTPW registry and forwarded to relevant regional managers</p>

**Table 4.1.3: Service delivery access strategy (1 April 2010 to 31 March 2011)**

Access strategy	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50% by 31 March 2014</p> <ul style="list-style-type: none"> <li>a. Helpdesk on 2nd floor, 9 Dorp Street</li> <li>b. Driving Licence Testing centres</li> <li>c. Vehicle Testing centres</li> </ul>	<p>The services were provided at:</p> <ul style="list-style-type: none"> <li>a. Helpdesk on 2nd floor, 9 Dorp Street</li> <li>b. Driving Licence Testing centres</li> <li>c. Vehicle Testing centres</li> </ul> <p>Additional access strategies:</p> <ul style="list-style-type: none"> <li>a. Registering authorities</li> <li>b. Helpdesk on 1st floor, 9 Dorp Street</li> </ul>
<p>To facilitate and develop Expanded Public Works Skills Development programmes and implement Construction Industry Development programmes</p> <ul style="list-style-type: none"> <li>a. Helpdesk in Long Street</li> </ul>	<p>Helpdesk in Long Street closed and services moved to 15 Dorp Street under Directorate EPWP Co-ordination</p>

**Table 4.1.4: Service information tool (1 April 2010 to 31 March 2011)**

Types of information tool	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50% by 31 March 2014</p> <ul style="list-style-type: none"> <li>a. Website</li> <li>b. Annual Performance Plan</li> <li>c. Annual Report</li> <li>d. Helpdesk at Driving Licence Testing centres</li> <li>e. Helpdesk at Vehicle Testing centres</li> </ul>	<p>The following information tools were utilised:</p> <ul style="list-style-type: none"> <li>a. Website (Cape Gateway; Directorate; National eNaTIS)</li> <li>b. Annual Performance Plan</li> <li>c. Annual Report</li> <li>d. Service counters operational at Driving Licence Testing centres</li> <li>e. Service counters operational at Vehicle Testing centres</li> </ul> <p>Additional Information tools:</p> <ul style="list-style-type: none"> <li>a. Registering authorities</li> <li>b. Helpdesk on 1st floor, 9 Dorp Street.</li> <li>c. Helpdesk on 2nd floor, 9 Dorp Street</li> </ul>



<p>To facilitate and develop expanded Public Works skills development programmes and implement Construction Industry Development programmes</p> <ul style="list-style-type: none"> <li>a. Website</li> <li>b. Annual Performance Plan</li> <li>c. Annual Report</li> <li>d. Helpdesk in Long Street</li> </ul>	<p>The following information tools were utilised:</p> <ul style="list-style-type: none"> <li>a. Website review being undertaken through DTPW Communication Directorate</li> <li>b. Skills development input in published DTPW Annual Performance Plan 2011/12 completed</li> <li>b. Annual Report</li> <li>c. Handout A5 Booklet of Construction Industry Innovation and Empowerment Service Programmes developed and disseminated</li> </ul>
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**Table 4.1.5: Complaints mechanisms (1 April 2010 to 31 March 2011)**

Complaints mechanism	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50% by 31 March 2014</p> <ul style="list-style-type: none"> <li>a. Switchboard</li> <li>b. Helpdesk on 2nd floor, 9 Dorp Street</li> <li>c. Helpdesk at Driving Licence Testing centres</li> <li>d. Own Email Enquiry Service</li> <li>e. Helpdesk at Vehicle Testing centres</li> <li>f. Correspondence with Supervisor/Manager</li> </ul>	<ul style="list-style-type: none"> <li>a. Operational switchboard facilities at all municipal agents</li> <li>b. Helpdesk on 2nd floor, 9 Dorp Street</li> <li>c. Service counter at Driving Licence Testing centres</li> <li>d. Own Email Enquiry Service through Cape Gateway.</li> <li>e. Service counter at Vehicle Testing centres</li> <li>f. Correspondence with Supervisor/Manager and other key staff</li> </ul> <p>Additional mechanisms:</p> <ul style="list-style-type: none"> <li>a. Call centre through Cape Gateway</li> <li>b. Service Counters at Registering Authorities</li> <li>c. Helpdesk on 1st floor, 9 Dorp Street</li> </ul>
<p>To facilitate and develop Expanded Public Works Skills Development programmes and implement Construction Industry Development programmes</p> <ul style="list-style-type: none"> <li>a. Switchboard</li> <li>b. Helpdesk in Long Street</li> <li>c. Own Email Enquiry Service</li> <li>d. Correspondence with Supervisor/Manager</li> </ul>	<ul style="list-style-type: none"> <li>a. Telephone enquiries through EPWP Skills Unit or PGWC switchboard</li> <li>b. Helpdesk in Long Street closed and services moved to 15 Dorp Street under Directorate EPWP Co-ordination</li> <li>c. E-mail enquiry through Skills Development regional admin officers</li> <li>d. Correspondence dealt with through DTPW registry and forwarded to relevant regional managers</li> </ul>

## 4.2. EXPENDITURE

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme and by salary band. In particular, they provide an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the Department.

**Table 4.2.1: Personnel expenditure by Programme (2010/11)**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Goods & services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee R'000	Total number of employees
Administration	152 290	51 568	14 263	88 110	33.86	186	277
Public Works	884 096	110 296	79	343 062	12.48	241	457
Roads Infrastructure	1 760 217	118 037	992	412 368	6.71	143	825
Public and Freight Transport	744 513	29 523	1 609	42 082	3.97	476	62
Traffic Management	225 128	18 603	2	204 440	8.26	102	182
Community-Based Programmes	41 642	14 160	995	26 994	33.80	167	85
<b>Total</b>	<b>3 807 886</b>	<b>* 342 187</b>	<b>17 940</b>	<b>1 117 056</b>	<b>8.99</b>	<b>181</b>	<b>** 1 888</b>

**Table 4.2.2: Personnel costs by salary band (2010/11)**

Salary band	Personnel cost (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total number of employees
Lower skilled (Levels 1-2)	25 738	7.5	66	389
Skilled (Levels 3-5)	74 529	21.7	116	643
Highly skilled production (Levels 6-8)	94 178	27.4	194	485
Highly skilled supervision (Levels 9-12)	120 748	35.1	367	329
Senior management (Levels 13-16)	28 539	8.3	680	42
<b>Total</b>	<b>* 343 732</b>	<b>100</b>	<b>182</b>	<b>** 1 888</b>

Notes:

\*The figures in Table 4.2.1 are per the Basic Accounting System and the figures in table 4.2.2 are per the PERSAL system. The two systems are not synchronised in terms of closing dates for year-end closures as BAS has absolute cut-off dates while Persal is a live system with the ability to back-date expenditure. Accordingly there may be differences in total expenditure reflected on these systems.

\*\* The total number of employees includes all employees remunerated during the report year.

The following tables provide a summary per programme and salary band of expenditure incurred as a result of salaries, overtime, homeowners 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 4.2.3: Salaries, overtime, homeowners allowance and medical assistance by Programme (2010/11)**

Programme	Salaries		Overtime		Homeowners Allowance		Medical Assistance	
	Amount R'000	Salaries as a % of total personnel cost	Amount R'000	Overtime as a % of total personnel cost	Amount R'000	HOA as a % of total personnel cost	Amount R'000	Medical assistance as a % of total personnel cost
Administration	30 893	9	941	0.3	897	0.2	1 893	0.6
Public Works	75 382	21.9	726	0.2	2 112	0.6	4 628	1.3
Roads Infrastructure	80 418	23.4	619	0.2	5 898	1.7	7 509	2.2
Public and Freight Transport	20 509	6	278	-	712	0.2	1 675	0.5
Traffic Management	12 208	3.6	51	-	439	0.1	866	0.3
Community-Based Programmes	10 208	3	66	-	286	0.1	675	0.2
<b>Total</b>	<b>229 618</b>	<b>66.8</b>	<b>2 681</b>	<b>0.8</b>	<b>10 344</b>	<b>3</b>	<b>17 246</b>	<b>5</b>

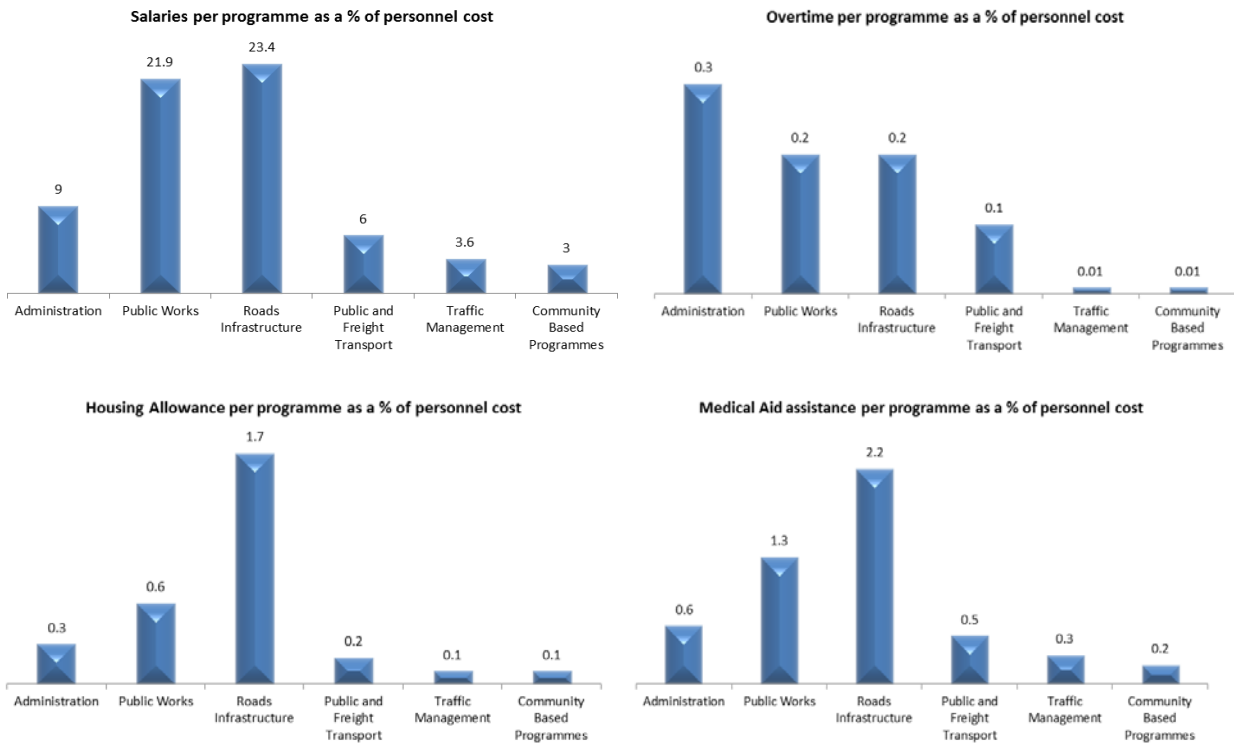


Figure 4.2.1: Salaries, overtime, homeowners allowance and medical assistance by Programme as a % of personnel cost

Table 4.2.4: Salaries, overtime, homeowners allowance and medical assistance by salary band (2010/11)

Salary band	Salaries		Overtime		Homeowners Allowance		Medical Assistance	
	Amount R'000	Salaries as a % of total personnel cost	Amount R'000	Overtime as a % of total personnel cost	Amount R'000	HOA as a % of total personnel cost	Amount R'000	Medical assistance as a % of total personnel cost
Lower skilled (Levels 1-2)	16 789	4.9	149	-	2 315	0.7	2 535	0.7
Skilled (Levels 3-5)	49 044	14.3	606	0.2	4 253	1.2	5 962	1.7
Highly skilled production (Levels 6-8)	65 985	19.2	1 419	0.4	2 598	0.8	5 143	1.5
Highly skilled supervision	81 894	23.8	507	0.1	1 005	0.3	3 541	1.0

(Levels 9-12)								
Senior management (Levels 13-16)	15 906	4.6	-	-	173	0.1	362	0.1
<b>Total</b>	<b>229 618</b>	<b>66.8</b>	<b>2 681</b>	<b>0.8</b>	<b>10 344</b>	<b>3.0</b>	<b>17 543</b>	<b>5</b>

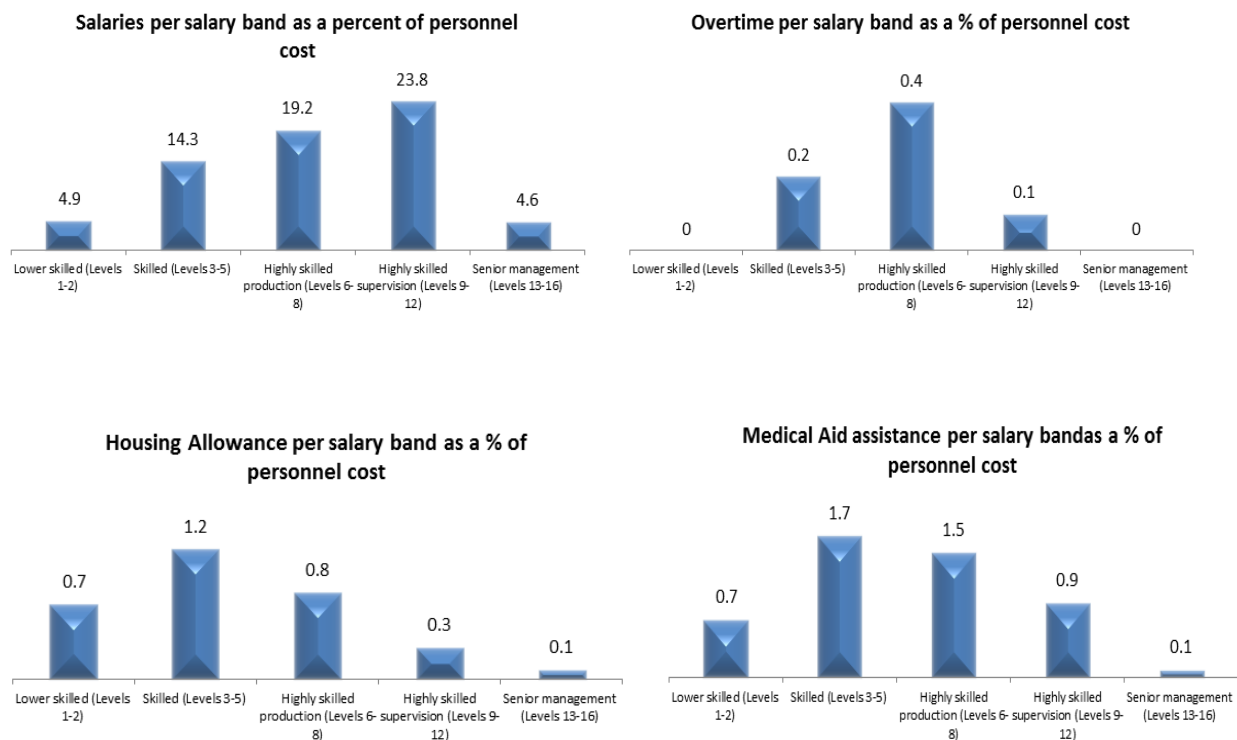


Figure 4.2.2: Salaries, overtime, homeowners allowance and medical assistance by salary band as a % of personnel cost

### 4.3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: - programme, salary band and critical occupation. Departments have identified critical occupations that need to be monitored. Table 4.3.3 provides establishment and vacancy information for the key critical occupations of the Department.

The vacancy rate reflects the percentage of posts that are not filled as per the approved post establishment.

Table 4.3.1: Employment and vacancies by Programme (as at 31 March 2011)

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administration	207	137	33.8	26
Public Works	399	348	12.8	61
Roads Infrastructure	974	758	22.2	30
Public and Freight Transport	137	108	21.2	9
Traffic Management	98	84	14.3	7
Community Based Programmes	85	62	27.1	1
<b>Total</b>	<b>1 900</b>	<b>1 497</b>	<b>21.2</b>	<b>134</b>

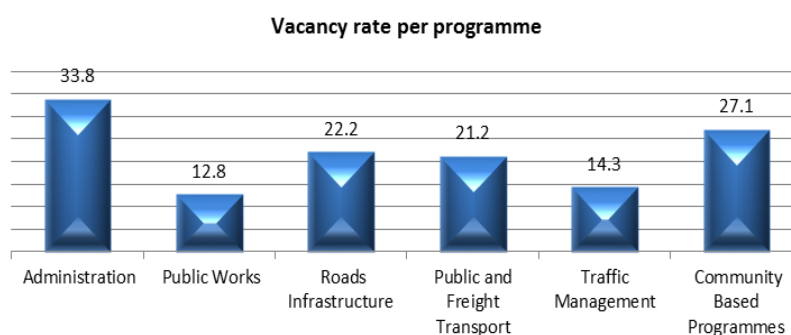


Figure 4.3.1: Vacancy rate by Programme

Table 4.3.2: Employment and vacancies by salary band (as at 31 March 2011)

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	377	286	24.1	-
Skilled (Levels 3-5)	663	559	15.7	34
Highly skilled production (Levels 6-8)	521	382	26.7	34
Highly skilled supervision (Levels 9-12)	291	237	18.6	65
Senior management (Levels 13-16)	48	33	31.3	1
<b>Total</b>	<b>1 900</b>	<b>1 497</b>	<b>21.2</b>	<b>134</b>

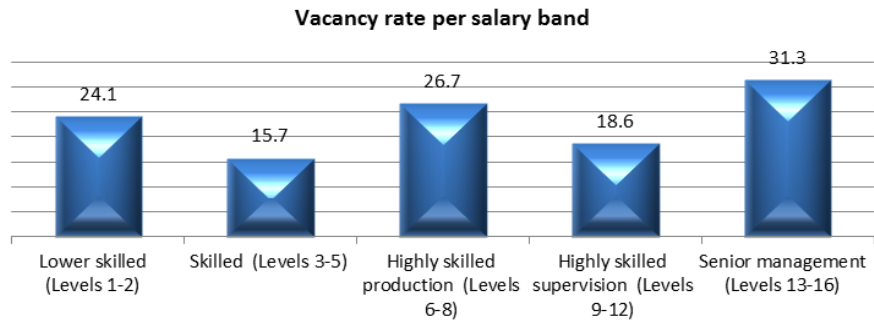


Figure 4.3.2: Vacancy rate by salary band

Table 4.3.3: Employment and vacancies by critical occupation (as at 31 March 2011)

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Quantity Surveyor Technicians	1	1	-	-
Quantity Surveyors	14	12	14.3	-
Engineers	31	6	80.6	27
Architects	8	6	25	9
Senior Management Service	48	33	31.3	1
<b>Total</b>	<b>102</b>	<b>58</b>	<b>43.1</b>	<b>37</b>

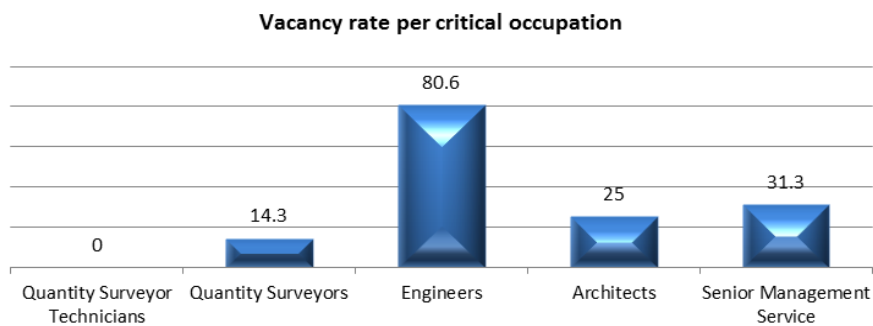


Figure 4.3.3: Vacancy rate by critical occupation

#### 4.4. 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. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.4.1) 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 4.4.1: Job evaluation (1 April 2010 to 31 March 2011)**

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary band	Posts Upgraded		Posts Downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	377	-	-	-	-	-	-
Skilled (Levels 3-5)	663	6	0.9	3	50	-	-
Highly skilled production (Levels 6-8)	520	10	1.9	10	100	-	-
Highly skilled supervision (Levels 9-12)	291	7	2.4	1	14.3	-	-
Senior management Service Band A	35	-	-	-	-	-	-
Senior management Service Band B	9	-	-	-	-	-	-
Senior management Service Band C	3	-	-	-	-	-	-
Senior management Service Band D	1	-	-	-	-	-	-
<b>Total</b>	<b>1 899</b>	<b>23</b>	<b>1.2</b>	<b>14</b>	<b>60.9</b>	<b>-</b>	<b>-</b>

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



**Table 4.4.2: Profile of employees with upgraded salary positions (1 April 2010 to 31 March 2011)**

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	-	3	-	4
Male	1	-	1	-	2
<b>Total</b>	<b>2</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>6</b>
<b>Employees with a disability</b>					<b>None</b>

Note: Of the 14 posts that were upgraded, only 6 were filled and the salaries of incumbent employees were subsequently upgraded.

**Table 4.4.3: Profile of employees whose salary level exceed the grade determined by job evaluation (1 April 2010 to 31 March 2011) (in terms of PSR 1.V.C.3)**

<b>Total number of employees</b>	<b>None</b>
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#### 4.5 EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and by critical occupation. (These "critical occupations" should be seen as the same as those listed in Table 4.3.3).

**Table 4.5.1: Annual turnover rates by salary band, (1 April 2010 to 31 March 2011)**

Salary band	Number of employees per band	Appointments	Transfers in	Terminations	Transfers out	% Turnover rate
Lower skilled Levels 1-2)	313	10	-	4	2	1.9
Skilled Levels 3-5)	596	57	5	68	11	13.3
Highly skilled production Levels 6-8)	422	51	6	59	14	17.3
Highly skilled supervision (Levels 9-12)	280	70	7	60	4	22.9
Senior management (Service Band A)	27	1	-	1	3	14.8
Senior management (Service Band B)	6	-	1	2	-	33.3

Salary band	Number of employees per band	Appointments	Transfers in	Terminations	Transfers out	% Turnover rate
Senior management (Service Band C)	3	-	1	-	-	-
Senior management (Service Band D)	1	-	-	1	-	100
<b>Total</b>	<b>1 648</b>	<b>189</b>	<b>20</b>	<b>195</b>	<b>34</b>	<b>13.9</b>

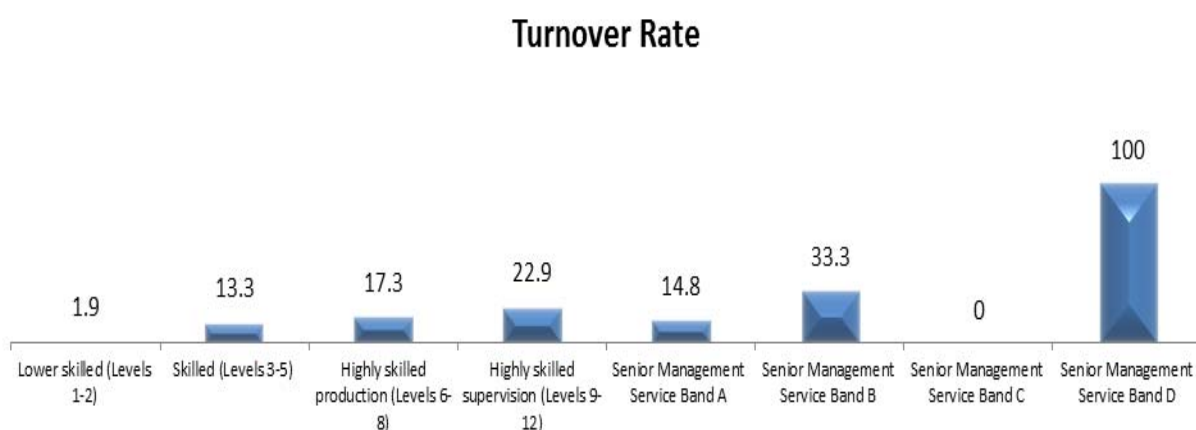


Figure 4.5.1: Turnover rate per salary band

Table 4.5.2: Annual turnover rates by critical occupation (1 April 2010 to 31 March 2011)

Critical occupation	Number of employees per salary band	Appointments	Transfers in	Terminations	Transfers out	% Turnover rate
QS Technician	1	-	-	-	-	-
Quantity Surveyor	10	-	-	1	-	10
Engineer	33	15	-	26	-	78.8
Architect	11	10	-	6	-	54.5
Senior Management	37	1	2	4	3	18.9
<b>Total</b>	<b>92</b>	<b>26</b>	<b>2</b>	<b>37</b>	<b>3</b>	<b>43.5</b>

Note: The majority of transfers out of the Department are as a result of the corporatisation process and subsequent migration of staff to the Department of the Premier.

**Table 4.5.3: Reasons why staff leave the employ of the Department (1 April 2010 to 31 March 2011)**

Termination type	Number	% of total terminations
Death	8	3.5
Resignation	32	14
Expiry of contract	123	53.7
Dismissal – operational changes	-	-
Dismissal – misconduct	6	2.6
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	0.4
Retirement	25	10.9
Transfers to other Public Service departments	34	14.8
Other	-	-
<b>Total</b>	<b>229</b>	<b>100</b>
<b>Total number of employees who left as a % of the total employment</b>		<b>13.9</b>

Note transfers as a result of corporatisation and subsequent migration to the Department of the Premier.

**Table 4.5.4: Granting of employee-initiated severance packages by salary band (1 April 2010 to 31 March 2011)**

Total number of employee-initiated severance packages	None
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**Table 4.5.5: Reasons for staff resignations from the Public Service (1 April 2010 to 31 March 2011)**

Reason	Number	% of total resignations
Better remuneration	23	71.9
Nature of work	1	3.1
Other occupation/Career change	6	18.8
Personal grievances	1	3.1
Other	1	3.1
<b>TOTAL</b>	<b>32</b>	<b>100</b>

Table 4.5.6: Age groups of staff who resigned from the Public Service (1 April 2010 to 31 March 2011)

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	2	6.3
Ages 25 to 29	13	40.6
Ages 30 to 34	9	28.1
Ages 35 to 39	4	12.5
Ages 40 to 44	1	3.1
Ages 45 to 49	-	-
Ages 50 to 54	1	3.1
Ages 55 to 59	1	3.1
Ages 60 to 64	1	3.1
Ages 65 >	-	-
<b>Total</b>	<b>32</b>	<b>100</b>

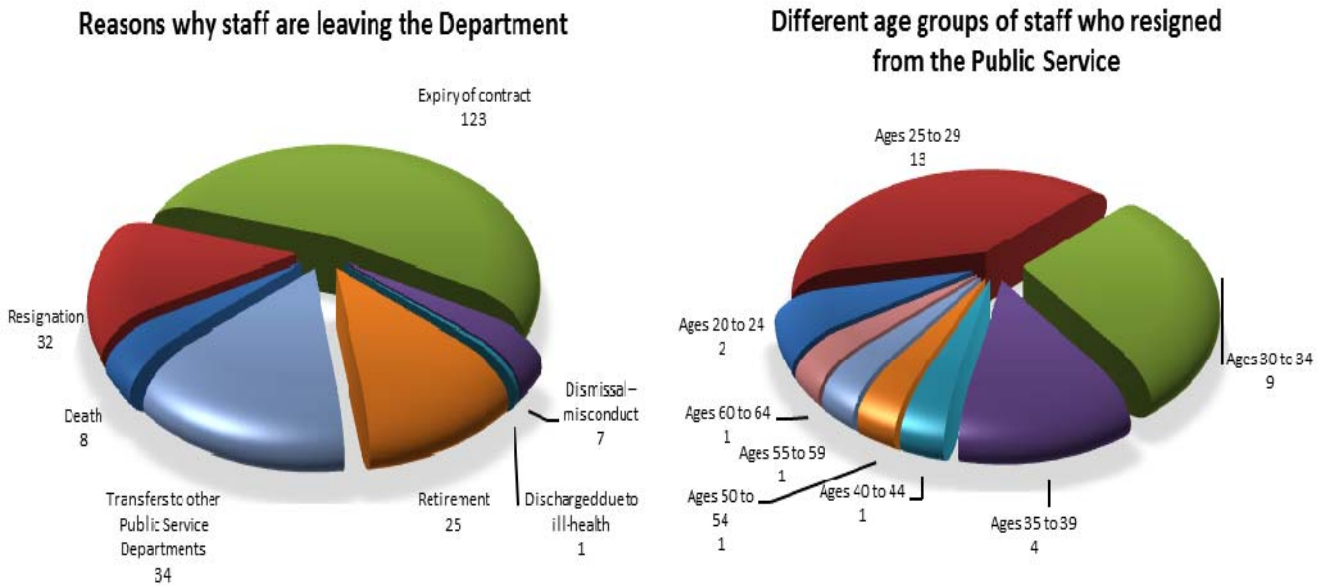


Figure 4.5.2: Staff departures and resignations

**Table 4.5.7: Promotions by salary band (1 April 2010 to 31 March 2011)**

Salary band	Number of employees	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees	OSDs	OSDs as a % of salary band
Lower skilled (Levels 1-2)	313	-	-	237	75.7	-	-
Skilled (Levels 3-5)	596	2	0.3	368	61.7	-	-
Highly skilled production (Levels 6-8)	422	20	4.7	313	74.2	57	13.5
Highly skilled supervision (Levels 9-12)	280	12	4.3	131	46.8	109	38.9
Senior management (Levels 13-16)	37	4	10.8	25	67.6	-	-
<b>Total</b>	<b>1 648</b>	<b>38</b>	<b>2.3</b>	<b>1 074</b>	<b>65.2</b>	<b>166</b>	<b>10.1</b>

**Table 4.5.8: Promotions by critical occupation (1 April 2010 to 31 March 2011)**

Critical occupation	Number of employees	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Quantity Surveyor Technician	1	-	-	-	-
Quantity Surveyor	10	-	-	-	-
Engineer	33	-	-	-	-
Architect	11	-	-	-	-
Senior Management Service	37	4	10.8	25	67.6
<b>Total</b>	<b>92</b>	<b>4</b>	<b>4.3</b>	<b>25</b>	<b>27.2</b>

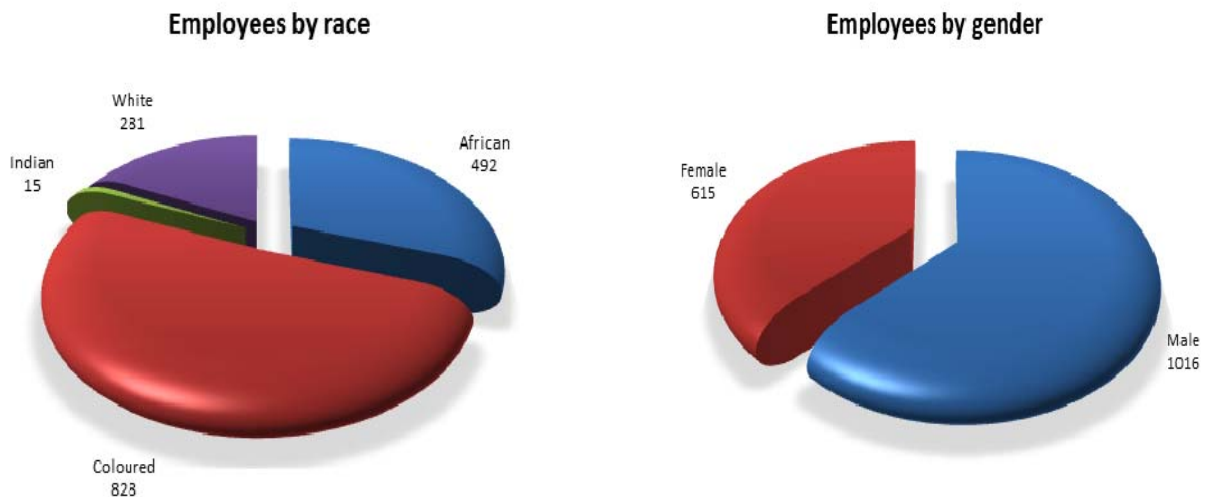
Note: The notch progressions in above tables relate to the 2009/10 performance cycle.

#### 4.6. EMPLOYMENT EQUITY

The following table provides a summary of the total workforce profile per occupational level. Temporary employees comprise the total of workers employed for three consecutive months or less. The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

**Table 4.6.1: Profile of employees, including employees with disabilities, in different occupational bands (as at 31 March 2011)**

Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	2	-	1	-	-	-	1	-	-	4
Senior management (Level 13-14)	5	11	1	7	3	2	-	1	-	-	30
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	26	96	6	95	13	30	2	19	12	3	302
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	36	93	-	55	51	109	3	69	-	-	416
Semi-skilled and discretionary decision making (Levels 3-5)	193	202	-	14	53	117	3	11	-	-	593
Unskilled and defined decision making (Levels 1-2)	62	94	-	5	50	72	-	3	-	-	286
<b>Total Permanent</b>	<b>322</b>	<b>498</b>	<b>7</b>	<b>177</b>	<b>170</b>	<b>330</b>	<b>8</b>	<b>104</b>	<b>12</b>	<b>3</b>	<b>1 631</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>322</b>	<b>498</b>	<b>7</b>	<b>177</b>	<b>170</b>	<b>330</b>	<b>8</b>	<b>104</b>	<b>12</b>	<b>3</b>	<b>1 631</b>



**Figure 4.6.1: Employees by race and gender**

**Table 4.6.2: Profile of employees with disabilities in different occupational bands (as at 31 March 2011)**

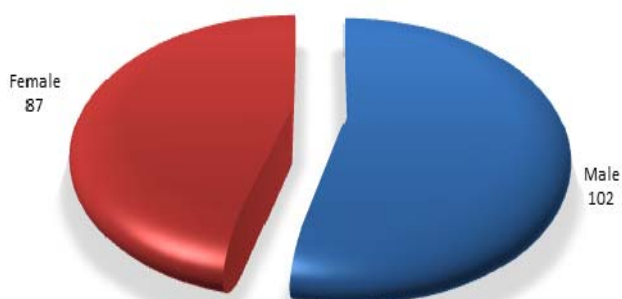
Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	3	-	2	-	-	-	-	-	-	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	2	-	2	-	-	-	-	-	-	5
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	-	1	1	-	-	-	-	-	7
Unskilled and defined decision making (Levels 1-2)	-	1	-	-	-	-	-	-	-	-	1
<b>Total Permanent</b>	<b>3</b>	<b>9</b>	<b>-</b>	<b>5</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>3</b>	<b>9</b>	<b>-</b>	<b>5</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>

**Table 4.6.3: Recruitment (1 April 2010 to 31 March 2011)**

Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Level 13-14)	-	-	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	6	15	1	16	2	8	2	5	12	3	70
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	7	10	-	1	19	11	1	2	-	-	51
Semi-skilled and discretionary decision making (Levels 3-5)	10	14	-	2	10	21	-	-	-	-	57

Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (Levels 1-2)	4	3	-	-	2	1	-	-	-	-	10
<b>Total Permanent</b>	<b>27</b>	<b>42</b>	<b>1</b>	<b>20</b>	<b>33</b>	<b>41</b>	<b>3</b>	<b>7</b>	<b>12</b>	<b>3</b>	<b>189</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>27</b>	<b>42</b>	<b>1</b>	<b>20</b>	<b>33</b>	<b>41</b>	<b>3</b>	<b>7</b>	<b>12</b>	<b>3</b>	<b>189</b>

**Recruitment by Gender**



**Recruitment by Race**

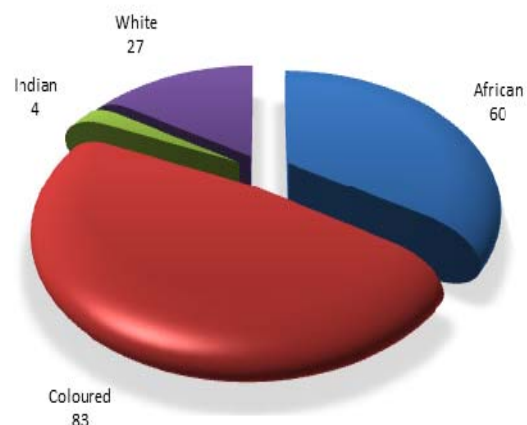


Figure 4.6.2: Recruitment by gender and race

Table 4.6.4: Promotions (1 April 2010 to 31 March 2011)

Occupational level	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	1	0	0	0	0	0	0	1
Senior management (Level 13-14)	0	2	0	1	0	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	5	0	2	1	2	0	1	0	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	7	0	0	2	7	0	2	0	0	20
Semi-skilled and discretionary decision making (Levels 3-5)	0	0	0	0	0	0	0	2	0	0	2



Occupational level	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total Permanent</b>	<b>3</b>	<b>14</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>38</b>
Temporary employees											
<b>Grand Total</b>	<b>3</b>	<b>14</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>38</b>

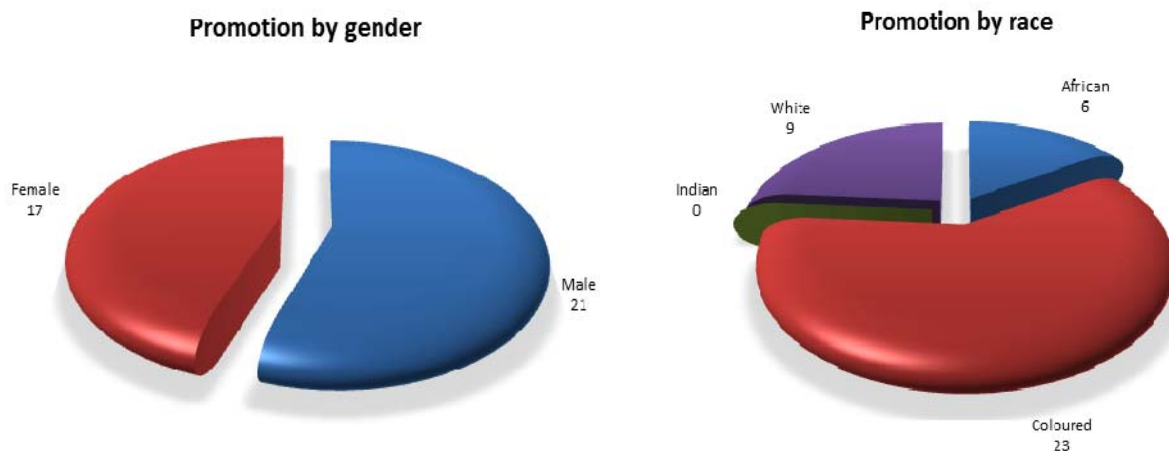


Figure 6.6.3: Promotion by gender and gender

Table 4.6.5: Terminations (1 April 2010 to 31 March 2011)

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	1	-	-	-	-	-	-	-	-	-	1
Senior management (Level 13-14)	1	1	-	1	0	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	4	10	-	20	2	4	-	3	14	3	60
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	11	9	-	2	23	12	1	1	-	-	59
Semi-skilled and discretionary decision making (Levels 3-5)	18	17	-	2	9	22	-	-	-	-	68

Occupational Levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (Levels 1-2)	2	-	-	-	-	2	-	-	-	-	4
<b>Total Permanent</b>	<b>37</b>	<b>37</b>	<b>-</b>	<b>25</b>	<b>34</b>	<b>40</b>	<b>1</b>	<b>4</b>	<b>14</b>	<b>3</b>	<b>195</b>
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>37</b>	<b>37</b>	<b>0</b>	<b>25</b>	<b>34</b>	<b>40</b>	<b>1</b>	<b>4</b>	<b>14</b>	<b>3</b>	<b>195</b>

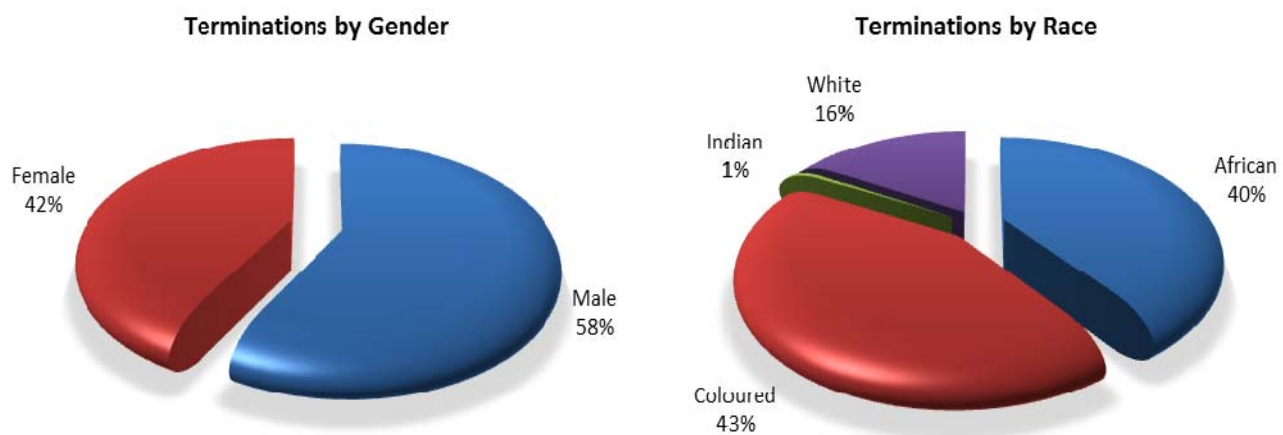


Figure 6.6.4: Termination by gender and race

Table 4.6.6: Disciplinary actions (1 April 2010 to 31 March 2011)

Total number	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
	5	3	0	4	2	3	0	0	0	0	17

Table 4.6.7: Skills development (1 April 2010 to 31 March 2011)

Occupational level	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	2	3	-	1	-	-	-	1	7
Senior management (Level 13-14)	5	5	-	4	2	2	-	2	20

Occupational level	Male				Female				Total
	A	C	I	W	A	C	I	W	
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	8	25	2	15	3	9	-	10	72
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	21	-	12	8	14	-	3	60
Semi-skilled and discretionary decision making (Levels 3-5)	17	20	-	1	33	28	-	15	114
Unskilled and defined decision making (Levels 1-2)	6	20	-	-	12	10	-	3	51
<b>Total Permanent</b>	<b>40</b>	<b>94</b>	<b>2</b>	<b>33</b>	<b>58</b>	<b>63</b>	<b>-</b>	<b>34</b>	<b>324</b>
Temporary employees	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>40</b>	<b>94</b>	<b>2</b>	<b>33</b>	<b>58</b>	<b>63</b>	<b>-</b>	<b>34</b>	<b>324</b>

#### 4.7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 4.7.1: Signing of performance agreements by SMS members (as at 30 September 2010)

SMS Level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed performance agreements per level	Signed performance agreements as % of SMS members per level	Number of SMS who received performance bonuses
Director-General/ Head of Department	1	-			-
Salary Level 15	3	3	3	100	-
Salary Level 14	9	6	4	66.6	2
Salary Level 13	35	25	20	80	4
<b>Total</b>	<b>48</b>	<b>34</b>	<b>27</b>	<b>79.4</b>	<b>6</b>

Note: Performance rewards were paid out in respect of the 2009/10 performance cycle.

Newly appointed employees have 3 months after date of appointment to conclude performance agreements

**Table 4.7.2: Disciplinary steps taken against SMS members for not having concluded performance agreements by 30 September 2010**

Reason for not concluding performance agreements
None required

**Table 4.7.3: Reasons for not having concluded performance agreements with all SMS members by 30 September 2010**

Disciplinary steps taken against SMS members for not having concluded performance agreements
Newly appointed employees are granted a grace period of 3 months for the finalisation of performance agreements. The four newly appointed employees therefore all complied with the extended period for submission of performance agreements.
The functions of three senior managers were corporatized, and the process of matching and placing was not concluded by 30 September 2010. Drafting of performance agreements is subject to the final deployment of the three individuals.

## 4.8. FILLING OF SMS POSTS

**Table 4.8.1: SMS posts information (as at 31 March 2011)**

SMS level	Number of funded SMS posts	Number of SMS posts filled	% of SMS posts filled	Number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	-	-
Salary Level 15	3	2	66.7	1	33.3
Salary Level 14	9	7	77.8	2	22.2
Salary Level 13	35	23	65.7	12	34.3
<b>Total</b>	<b>48</b>	<b>33</b>	<b>68.8</b>	<b>15</b>	<b>31.3</b>

**Table 4.8.2: SMS posts information (as at 30 September 2010)**

SMS level	Number of funded SMS posts	Number of SMS posts filled	% of SMS posts filled	Number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	-	-	1	100
Salary Level 15	3	2	66.7	1	33.3

SMS level	Number of funded SMS posts	Number of SMS posts filled	% of SMS posts filled	Number of SMS posts vacant	% of SMS posts vacant
Salary Level 14	9	7	77.8	2	22.2
Salary Level 13	35	25	71.4	10	28.6
<b>Total</b>	<b>48</b>	<b>34</b>	<b>70.8</b>	<b>14</b>	<b>29.2</b>

**Table 4.8.3: Advertising and filling of SMS posts (as at 31 March 2011)**

SMS Level	Advertising	Filling of Posts	
	Number of vacancies advertised in 6 months	Number of vacancies filled in 6 months	Number of vacancies filled in 12 Months
Director-General/ Head of Department	1	1	-
Salary Level 15	1	-	1
Salary Level 14	1	1	-
Salary Level 13	3	3	-
<b>Total</b>	<b>6</b>	<b>5</b>	<b>1</b>

The following table lists reasons for not filling funded vacant SMS posts advertised within 6 months and filled within 12 months after becoming vacant.

**Table 4.8.4: Reasons for not having complied with the filling of funded SMS posts**

SMS level	Reasons for non-compliance
Director-General/ Head of Department	Not applicable
Salary level 16, but not HOD	
Salary Level 15	Post of Executive Manager: Provincial Public Works was advertised and no suitable candidate was found, even after the post was re-advertised. Department embarked on a head hunting process and post filled with effect from 1 May 2011.
Salary Level 14	Not applicable. Posts have not been vacant for more than 12 months.
Salary Level 13	Currently there are 12 posts vacant on salary level 13. Pending the outcome of the organisational investigation will the filling of the posts be revisited as possible functional changes are to be expected

**Table 4.8.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts**

Disciplinary steps taken
None required.

#### 4.9. PERFORMANCE REWARDS

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2009/10 but paid in the financial year 2010/11. The information is presented in terms of race, gender, and disability, salary band and critical occupation.

**Table 4.9.1: Performance rewards by race, gender, and disability (1 April 2010 to 31 March 2011)**

Race and Gender	Beneficiary profile			Cost (R'000)	
	Number of beneficiaries	Number of employees in group as on 1 April 2010	% of total	Total cost	Cost per employee
<b>African</b>	<b>157</b>	<b>506</b>	<b>31.0</b>	<b>691</b>	<b>4</b>
Male	116	336	34.5	452	4
Female	41	170	24.1	239	6
<b>Coloured</b>	<b>396</b>	<b>830</b>	<b>47.7</b>	<b>2 043</b>	<b>5</b>
Male	253	498	50.8	1 250	5
Female	143	332	43.1	793	6
<b>Indian</b>	<b>4</b>	<b>9</b>	<b>44.4</b>	<b>29</b>	<b>7</b>
Male	1	5	20.0	8	8
Female	3	4	75.0	21	7
<b>White</b>	<b>135</b>	<b>285</b>	<b>47.4</b>	<b>1 316</b>	<b>10</b>
Male	84	177	47.5	957	11
Female	51	108	47.2	359	7
<b>Employees with a disability</b>	<b>6</b>	<b>18</b>	<b>33.3</b>	<b>44</b>	<b>7</b>
<b>Total</b>	<b>698</b>	<b>1 648</b>	<b>42.4</b>	<b>4 123</b>	<b>6</b>

### Performance rewards by Race and Disability

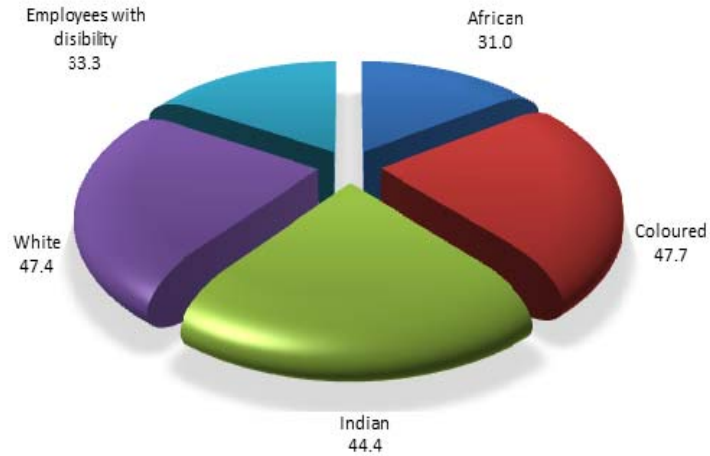


Figure 4.9.1: Performance rewards by race and disability

Table 4.9.2: Performance rewards by salary band for personnel below senior management service (1 April 2010 to 31 March 2011)

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total	Total cost (R'000)	Average-Cost per beneficiary	Total cost as a % of total personnel expenditure
Lower skilled (Levels 1-2)	137	313	43.8	357	R2 606	0.1
Skilled (Levels 3-5)	249	596	41.8	873	R3 506	0.3
Highly skilled production (Levels 6-8)	174	422	41.2	1 205	R6 925	0.4
Highly skilled supervision (Levels 9-12)	132	280	47.1	1 484	R11 242	0.4
<b>Total</b>	<b>692</b>	<b>1 611</b>	<b>43</b>	<b>3 919</b>	<b>R5 664</b>	<b>1.1</b>

**Table 4.9.3: Performance rewards by critical occupation (1 April 2010 to 31 March 2011)**

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees 1 April 2010	% of total within occupation	Total cost (R'000)	Average Cost per beneficiary
Quantity Surveyor Technician	-	1	-	-	-
Quantity Surveyor	7	12	58.3	61	R8 714
Engineer	16	51	31.4	37	R2 313
Architect	9	18	50	36	R4 000
Senior Management Service	6	36	16.7	202	R33 667
<b>Total</b>	<b>38</b>	<b>118</b>	<b>32.2</b>	<b>336</b>	<b>R8 842</b>

**Table 4.9.4: Performance related rewards (cash bonus) by salary band for senior management service (01 April 2010 to 31 March 2011)**

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees 1 April 2010	% of total within salary band	Total cost (R'000)	Average Cost per beneficiary	Total cost as a % of total SMS wages
Band A (Level 13)	4	27	14.8	129	R32 250	0.5
Band B (Level 14)	2	6	33.3	73	R36 500	0.3
Band C (Level 15)	-	3	-	-	-	0.0
Band D (Level 16)	-	1	-	-	-	0.0
<b>Total</b>	<b>6</b>	<b>37</b>	<b>16.2</b>	<b>202</b>	<b>R33 667</b>	<b>0.7</b>

#### 4.10. FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and each major occupation.



**Table 4.10.1: Foreign workers by salary band (April 2010 to 31 March 2011)**

Salary band	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	17	100	15	100	-2	-11.8
Senior management (Levels 13-16)	-	-	-	-	-	-
<b>Total</b>	<b>17</b>	<b>100</b>	<b>15</b>	<b>100</b>	<b>-2</b>	<b>-11.8</b>

**Table 4.10.2: Foreign workers by major occupation (1 April 2010 to 31 March 2011)**

Major Occupation	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals	17	100	15	100	-2	-11.8
<b>TOTAL</b>	<b>17</b>	<b>100</b>	<b>15</b>	<b>100</b>	<b>-2</b>	<b>-11.8</b>

#### 4.11. LEAVE UTILISATION

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

**Table 4.11.1: Sick leave (1 January 2010 to 31 December 2010)**

Salary band	Total days taken	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average number of days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	3 717	85.7	264	18.2	14	863
Skilled (Levels 3-5)	6 418	81.6	561	38.7	11	2 014
Highly skilled production (Levels 6-8)	3 768	77.3	382	26.4	10	2 251
Highly skilled supervision (Levels 9-12)	1 525	77.6	214	14.8	7	1 681

Salary band	Total days taken	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average number of days per employee	Estimated cost (R'000)
Senior management (Levels 13-16)	195	80.5	27	1.9	7	311
<b>Total</b>	<b>15 623</b>	<b>81.1</b>	<b>1 448</b>	<b>100</b>	<b>11</b>	<b>7 120</b>

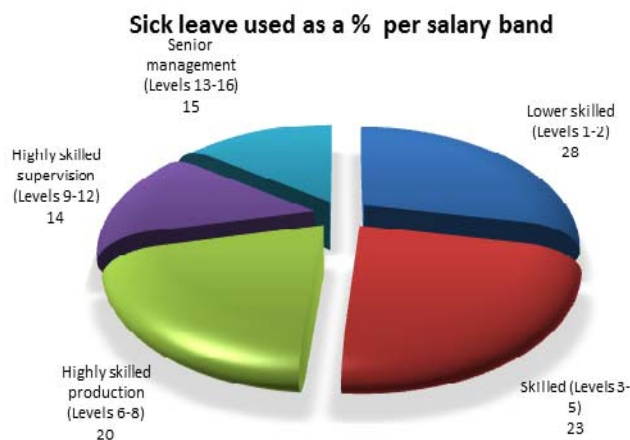


Figure 4.11.1: Sick leave used per salary band

Table 4.11.2: Incapacity leave: temporary and permanent (1 January 2010 to 31 December 2010)

Salary band	Total days taken	% 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)	169	100	4	17.4	42	39
Skilled (Levels 3-5)	517	100	11	47.8	47	152
Highly skilled production (Levels 6-8)	273	100	3	13.0	91	137
Highly skilled supervision (Levels 9-12)	84	100	4	17.4	21	71
Senior management (Levels 13-16)	9	100	1	4.3	9	14
<b>Total</b>	<b>1 052</b>	<b>100</b>	<b>23</b>	<b>100</b>	<b>46</b>	<b>413</b>

The following table 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 4.11.3: Annual leave (1 January 2010 to 31 December 2010)**

Salary band	Total days taken	Average per employee
Lower skilled (Levels 1-2)	6 151	21
Skilled (Levels 3-5)	13 707	22
Highly skilled production (Levels 6-8)	8 858	21
Highly skilled supervision (Levels 9-12)	5 857	20
Senior management (Levels 13-16)	831	24
<b>Total</b>	<b>35 404</b>	<b>21</b>

**Table 4.11.4: Capped leave (1 January 2010 to 31 December 2010)**

Salary band	Total days of capped leave taken	Average number of days per employee	Average capped leave per employee	Number of employees	Total capped leave available on 31 December 2010
Lower skilled (Levels 1-2)	12	-	8	289	364
Skilled (Levels 3-5)	916	3	34	610	10 518
Highly skilled production (Levels 6-8)	321	2	45	420	8 134
Highly skilled supervision (Levels 9-12)	594	5	72	297	9 022
Senior management (Levels 13-16)	2	-	92	35	1 662
<b>Total</b>	<b>1 845</b>	<b>3</b>	<b>43</b>	<b>1 651</b>	<b>29 700</b>

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

**Table 4.11.5: Leave pay-outs (1 April 2010 to 31 March 2011)**

Reason	Total amount (R'000)	Number of employees	Payment per employee
Leave pay outs for 2010/11 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay outs on termination of service for 2010/11	807	13	R 62 076.92
Current leave pay outs on termination of service for 2010/11	838	26	R 32 230.72
<b>Total</b>	<b>1 645</b>	<b>39</b>	<b>R 42 179.49</b>

Note: Actual costs and not average cost is reflected in above Table.

## 4.12. HIV AND AIDS & HEALTH PROMOTION PROGRAMMES

**Table 4.12.1: Steps taken to reduce risk of occupational exposure (1 April 2010 to 31 March 2011)**

Units/categories of employees at high risk of contracting HIV (& related diseases)	Key steps taken to reduce the risk
The Corporate Services Centre within the Department of the Premier provides a transversal employee Health and Wellness Programme for 11 Departments within the PGWC. The programme is aimed at all employees, since all staff members are deemed to be at risk. The nature of the work within the department does not place employees at risk of contracting HIV.	<ul style="list-style-type: none"> <li>a. Transversal Health &amp; Wellness Programme</li> <li>b. General HIV Counselling and Testing (HCT) and Awareness Campaigns</li> <li>c. Outsourced Health and Wellness contract (EAP), which provided access to counselling for all staff</li> </ul>

**Table 4.12.2: Steps taken to reduce risk of occupational exposure (1 April 2010 to 31 March 2011)**

Units/categories of employees at high risk of contracting HIV (& related diseases)	Key steps taken to reduce the risk
The Corporate Services Centre within the Department of the Premier provides a transversal employee Health and Wellness Programme for 11 Departments within the PGWC. The programme is aimed at all employees, since all staff members are deemed to be at risk. The nature of the work within the department does not place employees at risk of contracting HIV.	<ul style="list-style-type: none"> <li>a. Transversal Health &amp; Wellness Programme</li> <li>b. General HIV Counselling and Testing (HCT) and Awareness Campaigns</li> <li>c. Outsourced Health and Wellness contract (EAP), which provided access to counselling for all staff</li> </ul>

**Table 4.12.3: Information in response to questions asked in health promotion and HIV and AIDS programmes (1 April 2010 to 31 March 2011)**

<b>Question (1)</b>	<b>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</b>
<b>Details, if yes</b>	Prior to modernisation, the designated SMS member for this Department was Ms F Rayi. Post-modernisation (August 2010), her role shifted to the Corporate Services Centre (CSC) owing to the corporatisation of the Employee Health and Wellness function. Mr Pieter Kemp, Director: Organisational Behaviour within the CSC, is now the responsible SMS member.
<b>Question (2)</b>	<b>Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of its employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</b>
<b>Details, if yes</b>	The Department is one of those serviced transversally by the Corporate Services Centre. As such, it contains a designated Employee Health and Wellness unit as a sub-directorate within the directorate of Organisational Behaviour and the chief directorate of Organisation

	<p>Development, which promote the health and well-being of employees of the 11 participating departments. The unit consists of a Deputy Director, 3 Assistant Directors and 4 team members and reports to the Director of Organisational Behaviour.</p> <p>Budget : R 2 426 000</p>
<b>Question (3)</b>	<b>Has the department introduced an employee assistance or health promotion programme for its employees? If so, indicate the key elements/services of this programme.</b>
<b>Details, if yes</b>	<p>Prior to modernisation, the Department reviewed its integrated Employee Well-being Programme (EWP). This included the outsourced EWP, with Careways as service provider. The EAP contract with Careways was extended for the rest of the 2010/11 financial year. A new transversal Wellness Contract (EAP) is being arranged for the next 3 years.</p>
<b>Question (4)</b>	<b>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.</b>
<b>Details, if yes</b>	<p>Prior to modernisation, the Departmental HIV/AIDS Committee was established in terms of the Public Service Regulations VI E. The committee consisted of representatives from across all occupational categories, with attention to gender, persons living with disabilities, and designated and non-designated groupings. The role of the committee is to implement the provisions contained in the Public Service Regulations VI E regarding HIV/AIDS policy and workplace programmes that promote non-discrimination and equality. The committee met on a quarterly basis and was re-established as the Employee Health and Wellness Committee, as described above.</p> <p>Post modernisation, the PEAP committee consists of HIV and AIDS workplace coordinators from the departments of Health and Education and the Department of the Premier, representing all the other provincial departments.</p> <p>NGOs appointed to provide the HCT service also form part of the committee. Funding for NGOs to provide the HCT service is provided by the Department of Health's directorate: HIV/AIDS/STI/TB (HAST). District HAST coordinators therefore also form part of the PEAP Committee.</p> <p>For 2010/11, the HCT service providers were LifeLine (Metropole), Right to Care (Overberg and Central Karoo), At Heart (Cape Winelands), Diakonale Dienste (West Coast) and That's It (Eden). Service providers may change on an annual basis, depending on funding application outcomes.</p> <p>In addition, after modernisation a new Health and Wellness Steering Committee was established. This Department's committee members are: Mr C Marx and Mr K Love.</p>
<b>Question (5)</b>	<b>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.</b>
<b>Details, if yes</b>	<p>Review of employment policies and practices was not required during the reporting period. The Department implements national policies and prescripts pertaining to the employment of all personnel. These policies make provision for fair employment practices and do not discriminate against employees who are HIV positive.</p> <p>Further to this, the Transversal HIV and AIDS Policy and Programme was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 13 April 2005. This</p>

	<p>provincial policy provides a blueprint for non-discriminatory practices and attitudes in the workplace.</p> <p>At the same time, DPSA presented workshops to align provinces to the four functional pillars contained in the DPSA Employee Health and Wellness Strategic Framework. In view of this, readiness assessments were conducted.</p> <p>After modernisation a new transversal employee health and wellness policy was drafted, and is in the process of being consulted and ratified.</p> <p>In addition, the Transversal Management Framework for Employee Assistance Programmes in the Western Cape Provincial Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p>
<b>Question (6)</b>	<b>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.</b>
<b>Details, if yes</b>	<p>The Department reviewed its integrated Employee Well-being Programmes (EWP) in the 2009/10 financial year, which included the outsourced EWP (Point 4 refers), and the service elements were included for the 2010/11 financial year. Other key elements that address anti-HIV/AIDS discrimination issues were: awareness programmes like display of posters, distributing pamphlets, awareness campaigns and condom promotion.</p> <p>The Department utilised an outsource Employee Well-being Programme (EWP) model and has utilised the services of Careways to manage the programme.</p> <p>The following EH&amp;WP services are offered to employees and their family members:</p> <ul style="list-style-type: none"> <li>• A comprehensive needs analysis and behavioural risk management audit</li> <li>• 24-hr multilingual, toll free psychological counselling</li> <li>• Face to face counselling sessions</li> <li>• An HIV/AIDS consultancy service</li> <li>• Toll-free Life Management service offering information and assistance with legal problems financial concerns, healthcare and family matters</li> <li>• Comprehensive trauma response service</li> <li>• Access to comprehensive online health care programme</li> <li>• Training, knowledge transfer and skills development on EWP referral systems and protocols and employee well-being issues for in-house well-being functionaries, employee representatives and managers</li> <li>• Managerial consultancy and referral options supporting managers in their relations with employees and providing them with professional help in effectively handling new or difficult people management issues</li> <li>• Quarterly and annual reports on all key utilisation aspects of the EWP</li> <li>• A dedicated Account Manager to co-ordinate the programme and ensure that the ICAS group programme is appropriately managed at all times</li> <li>• A comprehensive online EWP service</li> </ul> <p>The above approach was adopted post-modernisation.</p>
<b>Question (7)</b>	<b>Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.</b>
<b>Details, if yes</b>	<p>Pre- and post-modernisation, employees have been referred to local clinics or to use their general practitioner if their request falls outside of the Departmental VCT (HCT) programme. During HCT campaigns, employees are provided with wallet-sized cards (pre-modernisation only) containing all the relevant numbers for referral, including the Employee Assistance Programme toll free number.</p>

	<p>Lifeline and At Heart have been contracted to render VCT (HCT) services for the Department. They also assist in HIV/AIDS awareness training; promotion and provision of HIV counselling and testing and employee support by way of continuous post-test counselling.</p> <p>Wellness EH&amp;WP Toll Free Number: 0800 864 417  Careways: 0800 004 770</p> <p>HIV Testing and Screening: Staff members attended pre-counselling and testing sessions. Two employees tested positive for HIV. Confidential counselling sessions were arranged in each case.</p> <p>TB Screening: Staff attended testing sessions for tuberculosis. Two employees tested positive for TB.</p> <p>General Wellness interventions also included diabetes, hypertension and STI screening.</p>
<b>Question (8)</b>	<b>Has the department developed measures/indicators to monitor &amp; evaluate the impact of its health promotion programme? If so, list these measures/indicators.</b>
<b>Details, if yes</b>	<p>The impact of health promotion programmes is indicated through information provided via the Employee Health and Wellness Contract (external EAP service provider).</p> <p>The EHWP is monitored via quarterly and annual reporting provided by the External Service Provider. The most recent annual review period is 1 April 2010–31 March 2011. Annual reports have been provided for 4 Careways departments and an overview of all the departments have been compiled in one presentation.</p> <p>The quarterly and annual review provides:</p> <ul style="list-style-type: none"> <li>• a breakdown of the EHWP human capital demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases etc.</li> <li>• service utilisation</li> <li>• problem profiling and trending</li> <li>• assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place</li> <li>• assessment of formal referrals and the underlying reasons impacting on employee performance and productivity</li> <li>• assessment of organisational issues presented by employees using the EWHP</li> <li>• assessment of high risk cases</li> </ul> <p>Programme evaluation via the External Service Provider include:</p> <ul style="list-style-type: none"> <li>• formal referral evaluation process impact (outcomes assessment) (The results of this process will only be available towards the first week of June 2011). Formal referral cases are selected for this process and employees as well as referring managers called upon to assess the impact of the intervention.</li> </ul> <p>The external service provider provides a Return on Investment (ROI) indicator.</p>

#### 4.13. LABOUR RELATIONS

Table 4.13.1: Collective agreements (1 April 2010 to 31 March 2011)

Total collective agreements	None
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The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 4.13.2: Misconduct and disciplinary hearings finalised (1 April 2010 to 31 March 2011)

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling/departmental	12	54.5
Verbal warning/Departmental	-	-
Written warning	1	4.5
Final written warning	3	13.6
Suspension without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal/ desertion	6	27.3
Not guilty	-	-
Case withdrawn	-	-
<b>Total</b>	<b>22</b>	<b>100</b>

Table 4.13.3: Types of misconduct addressed at disciplinary hearings, (1 April 2010 to 31 March 2011)

Type of misconduct	Number	% of total
Steals, bribes or commits fraud	4	18.2
Fails to comply with or contravenes an act	5	22.7
Theft, bribery, fraud, act of corruption	1	4.5
Assault / attempts or threatens to assault	1	4.5
Falsifies records or any documents	2	9.1
Disrespect / abusive or insolent behaviour	1	4.5



Type of misconduct	Number	% of total
Wrongfully possess / use State property	1	4.5
Absent from work without reason or permission	1	4.5
Contravenes any code of conduct	1	4.5
False statements / evidence in execution	1	4.5
Abscondment	2	9.1
Financial mismanagement	1	4.5
Pornography	1	4.5
<b>Total</b>	<b>22</b>	<b>100</b>

**Table 4.13.4: Grievances lodged, 1 April 2010 to 31 March 2011**

Grievances lodged	Number	% of Total
Number of grievances resolved	2	100
Number of grievances not resolved	-	-
<b>Total number of grievances lodged</b>	<b>2</b>	<b>100</b>

**Table 4.13.5: Disputes lodged with Councils, 1 April 2010 to 31 March 2011**

Disputes lodged with Councils	Number	% of Total
Number of disputes upheld	5	83
Number of disputes dismissed	1	17
<b>Total number of disputes lodged</b>	<b>6</b>	<b>100</b>

**Table 4.13.6: Strike actions, 1 April 2010 to 31 March 2011**

Strike actions	Number
Total number of person working days lost	98.8
Total cost (R'000) of working days lost	74
Amount (R'000) recovered as a result of no work no pay	74

**Table 4.13.7: Precautionary suspensions, 1 April 2010 to 31 March 2011**

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	67
Cost (R'000) of suspensions	122

#### 4.14 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development. The tables reflect the training needs as at the beginning of the period under review, and the actual training provided.

**Table 4.14.1: Training needs identified, 1 April 2010 to 31 March 2011**

Occupational Categories	Gender	Number of employees as at 1 April 2010	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	-	13	-	13
	Male	29	-	9	-	9
Professionals	Female	39	-	53	-	53
	Male	106	-	154	-	154
Technicians and associate professionals	Female	150	-	155	-	155
	Male	156	-	105	-	105
Clerks	Female	255	-	108	-	108
	Male	126	-	-	-	-
Service and sales workers	Female	4	-	-	-	-
	Male	12	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft & related trade	Female	10	-	-	-	-

Occupational Categories	Gender	Number of employees as at 1 April 2010	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
workers	Male	174	-	-	-	-
Plant and machine operators and assemblers	Female	4	-	-	-	-
	Male	43	-	-	-	-
Elementary occupations	Female	144	-	44	-	<b>44</b>
	Male	386	-	58	-	<b>58</b>
Sub Total	Female	616	-	373	-	<b>373</b>
	Male	1 032	-	326	-	<b>326</b>
<b>Total</b>		<b>1 648</b>	<b>-</b>	<b>699</b>	<b>-</b>	<b>699</b>
<b>Employees with disabilities</b>	Female	2	-	-	-	-
	Male	16	-	-	-	-

Note: The above table identifies training interventions identified at the beginning of the reporting period under review.

**Table 4.14.2: Training provided, (1 April 2010 to 31 March 2011)**

Occupational Categories	Gender	Number of employees as at 31 March 2011	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	7	-	22	-	<b>22</b>
	Male	28	-	40	-	<b>40</b>
Professionals	Female	52	-	124	-	<b>124</b>
	Male	108	-	77	-	<b>77</b>
Technicians and associate professionals	Female	158	-	67	-	<b>67</b>
	Male	156	-	65	-	<b>65</b>
Clerks	Female	239	-	64	-	<b>64</b>
	Male	123	-	46	-	<b>46</b>
Service and sales workers	Female	4	-	-	-	-
	Male	12	-	-	-	-

Occupational Categories	Gender	Number of employees as at 31 March 2011	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	7	-	-	-	-
	Male	171	-	-	-	-
Plant and machine operators and assemblers	Female	4	-	-	-	-
	Male	40	-	-	-	-
Elementary occupations	Female	144	-	10	-	10
	Male	378	8	12	-	20
Sub Total	Female	615	-	287	-	287
	Male	1 016	8	240	-	248
<b>Total</b>		<b>1 631</b>	<b>8</b>	<b>527</b>	<b>-</b>	<b>535</b>
<b>Employees with disabilities</b>	Female	<b>1</b>	-	-	-	-
	Male	<b>17</b>	-	-	-	-

Note: The above table identifies training interventions provided during the reporting period under review.

#### 4.15 INJURY ON DUTY

The following tables provide basic information on injury on duty.

**Table 4.15.1: Injury on duty (1 April 2010 to 31 March 2011)**

Nature of injury on duty	Number	% of total
Required basic medical attention only	33	100
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
<b>Total</b>	<b>33</b>	<b>100</b>

## 4.16 UTILISATION OF CONSULTANTS

Table 4.16.1: Report on consultant appointments using appropriated funds, 1 April 2010 to 31 March 2011

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
Public Transport	TPT1581/TPT1383	Provision of services in line with Supply Chain Services	1	6 months	194 960.00	2	100%	100%	1	194 960.00
	Limited Bid	Specialist Transport Legal Advisor	1	36 months	4 350 000.00	1	100%	100%	1	4 350 000.00
	TPT1562	Provide services in respect of Western Cape Meter Taxi Council site elections and facilitate constitutional amendments.	1	6 months	100 000.00	1	100%	100%	1	100 000.00
	TPT1650	Providing training for 25 WCMTC delegates in the National Certificate in Tourist Guide	1	4 months	198 000.00	1	50%	50%	1	99 000.00
	NIL	Top Up training on existing skills programme to fulfil National Certificate in Professional Driving NQF Level 3	2	6 months	1 082 829.60	1	100%	100%	2	1 082 829.60
Corporate Services		HREF Workshop	1	1	8 250.00	1	100%	100%	1	8 250.00
GMT	GMT:LB2010/19	GAAP related issues	3	170 days	2 065 680.00	1	50%	40%	1	1 032 840.00
SCM	3/2/R	SCM Re-engineering	11	36 months	9 427 000.00	1	0%	0%	3	-
	SCM001/2011	Assist with undertaking of the Asset Management reform project in the Department	10	37 months	5 000 000.00	1	100%	100%	50	5 000 000.00

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
Finance	3/6/R	Public Sector Legal and Guidance	1	3 months	172 200.00	2	80%	100%	1	137 760.00
MEC	BO1/13/05/10	To develop a medium – long term integrated transport position paper and vision	1	12	480 000.00	1	100%	100%	0	480 000.00
INTEGRATED PLANNING	SPO2/10	Preparation of mobility concepts	2	7 months	820 000.00	1	67%	67%	1	549 400.00
	SPO2/10	Preparation of mobility concepts	2	7 months	894 918.00	1	30%	30%	1	268 475.40
	SPO2/10	Preparation of mobility concepts	1	7 months	768 030.54	1	24%	24%	0	184 020.12
	SP01/10	Preparation of the Provincial Land Transport Framework	2	7 months	1 513 806.00	1	79%	79%	0	1 195 906.74
Road Infrastructure	4/5/3/5	Mentoring and assist in managing projects	1	12 months	712 300.00	1	0%	0%	1	-
		Mentoring and assist in managing projects	1	12 months	878 000.00	1	0%	0%	1	-
	2013/05/01	Mentoring and assist in managing projects	1	12 months	525 000.00	1	0%	0%	1	-
		Mentoring of engineering graduates	1	14 months	189 000.00	1	100%	100%	1	189 000.00
Public Works		Project management on RPM system	4	9 months	414 118.00	1	76%	76%	4	312 659.09
EPWP	EPWP00400/R & EPWP00430/EPWP00401/R	Research, facilitation, documentation, reports	1	3 days	156 400.00	1	0%	0%	1	-
	EPWP00562	Research, facilitation, documentation, reports	2	1 day	10 000.00	1	100%	100%	2	10 000.00

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00385/EPWP00399/EPWP00404/EPWP00405/EPWP00445/EPWP00471/EPWP00458/EPWP462/EPWP00463	Research, facilitation, documentation, reports	2	3 months	697 297.10	9	22%	22%	0	153 405.36
	EPWP00313	Mentoring for contractor development beneficiaries, technical support for EPWP, development of EPWP best practices model, conducting Empowerment Impact Assessment, project management of mentoring programme	1	330 hrs	145 350.00	2	100%	100%	1	145 350.00
	EPWP00489	Research, facilitation, documentation, reports	2	1 month	80 600.00	1	100%	100%	2	80 600.00
	EPWP00426/EPWP00390/EPWP00343	Mentoring for contractor development beneficiaries, technical support for EPWP, development of EPWP best practices model, conducting Empowerment Impact Assessment, project management of mentoring programme	1	540 hrs	243 911.85	3	51%	51%	1	124 788.96

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00424	Mentoring for contractor development beneficiaries, technical support for EPWP, development of EPWP best practices model, conducting Empowerment Impact Assessment, project management of mentoring programme	1	180 hrs	73 872.00	1	100%	100%	1	73 872.00
	EPWP0403	Liaison and administrative support services between Head Office and regional forums, research and programme surveying services	2	72 days	23 457.13		100%	100%	2	23 457.13
	EPWP00337	Research, facilitation, documentation, reports	2	6 months	60 000.00	1	100%	100%	2	60 000.00
	EPWP00352/R/R/EPWP00391/EPWP00391/EPWP00395/EPWP00441/EPWP00420	Empowerment Impact Assessments - Bergriver Municipality	1	8 months	381 122.00	6	100%	100%	1	381 122.00
	EPWP00495/R	Research, facilitation, documentation, reports	1	Ad hoc	93 750.00		0%	0%	1	-
	EPWP00418/EPWP00442	Empowerment Impact Assessments - West Coast Region	1	300 hrs	215 000.00	3	100%	100%	1	215 000.00
	LB/DEL193/EPWP/002-2010 & LB/DEL193/EPWP/002-2010	Feasibility study to be conducted into the application of the "Green Low Cost Housing" construction intervention and to develop a guideline for its implementation	3	3 months	567 225.00	2	0%	0%	1	-



PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00330/EPWPO 0372/EPWP00377	Skills Plan including best practices to be developed	2	3 months	143 913.60	3	100%	100%	2	143 913.60
	EPWP00356/EPWPO 0423	Built Environment Consultant / Professional to complete Empowerment Impact Assessment	1	270 hrs	146 880.00	2	90%	90%	1	132 192.00
	EPWP00416/EPWPO 0360		2	330 hrs	120 500.00	2	100%	100%	2	120 500.00
	EPWP00374	Analyst / Statistician required to analyse data	2	2 months	30 000.00	1	100%	100%	2	30 000.00
	EPWP00432	Life Skills Training	2	2 days	72 080.88	1	100%	100%	2	72 080.88
	EPWP00406	Training provider - NOF Level 2 for Occupational Health and Safety for Construction - Eden, Overberg and West Coast	2	2 weeks	31 920.00	1	19%	19%	2	6 064.80
	EPWP00381/EPWPO 0384	Training provider - NOF Level 2 for Occupational Health and Safety for Construction - Eden, Overberg and West Coast	2	6 months	170 500.00	2	50%	50%	2	85 250.00
	LB/DEL194/EPWPO0 5-2010	Feasibility Study	3	3 months	244 430.00	1	36%	36%	0	87 505.94
	EPWP00422	Built Environment Consultant / Professional to complete Empowerment Impact Assessment	1	150 hrs	50 274.00	1	75%	75%	1	37 705.50
	EPWP00355	Empowerment Impact Assessments - Drakenstein Municipality	1	180 hrs	49 500.00	1	100%	100%	1	49 500.00
	EPWP00341	Service provider that can collect standard survey information	2	2 months	18 000.00	1	0%	0%	2	-

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00340	Service provider that can collect standard survey information	1	8 months	20 520.00	3	76%	76%	0	15 595.20
	EPWP00425/EPWP00438/EPWP00443	Built Environment Consultant / Professional to complete Empowerment Impact Assessment	1	390 hrs	157 050.00	3	30%	30%	0	47 115.00
	EPEP00357/EPWP00439/EPWP00444/EPWP416/R	Mentoring for contractor development beneficiaries, technical support for EPWP, development of EPWP best practices model, conducting Empowerment Impact Assessment, project management of mentoring programme	1	810 hrs	259 875.00	4	100%	100%	1	259 875.00
	EPWP00382	Mentoring and training for contractor development beneficiaries	2	12 months	529 117.00	10	100%	100%	2	529 117.00
	EPWP00342/EPWP00371/EPWP00376/EPWP00380/EPWP00383	Mentoring for contractor development beneficiaries, technical support for EPWP, development of EPWP best practices model, conducting Empowerment Impact Assessment, project management of mentoring programme	2	12 months	401 530.50	6	100%	100%	2	401 530.50
	EPWP00397	Registered Technologist in the Built Environment Industry required to assist with Stage 1 to Stage 3 report for identified structure/s - Matzikama	1	6 days	18 525.00	1	0%	0%	1	-

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00378	Skills Plan including best practices to be developed	3	3 months	75 000.00	1	100%	100%	3	75 000.00
	EPWP00322/EPWP00354/EPWP00396/EPWP415/EPWP00421/EPWP00440	Built Environment Consultants conduct, advise and impact on EMPIAS	1	835 hrs	256 300.00	6	100%	100%	1	256 300.00
	EPWP00406	Training provider - NQF Level 2 for Occupational Health and Safety for Construction - Cape Metro, Cape Winelands	2	2 weeks	24 988.80	1	0%	0%	2	-
	EPWP00373	Research, facilitation, documentation, reports	2	30 days	28 500.00	1	100%	100%	1	28 500.00
	EPWP00393/EPWP00394	Registered Technologist in the Built Environment Industry required to assist with Stage 1 to Stage 3 report for identified structure/s - Overberg	1	3 days	12 500.00	1	100%	100%	1	12 500.00
	EPWP00326/EPWP00323/EPWP00324	Liaison and administrative support services between Head Office and regional forums, research and programme surveying services	1	5 months	63 208.00	3	100%	100%	1	63 208.00
	EPWP00375/EPWP00339/EPWP00338/EPWP00339/EPWP00429	Research, facilitation, documentation, reports	2	10 months	154 960.00	4	100%	100%	2	154 960.00
	EPWP00331/EPWP00333/EPWP00334	Training - General Conditions of Contract for Construction	2	2 months	213 798.00	3	100%	100%	2	213 798.00

PROGRAM	CONTRACT NO.	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIP BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
	EPWP00408/EPWP00316/EPWP00491	Provision of demand, acquisition and contract management services in line with the SCM system of DTPW.	2	12 months	273 400.00	3	100%	100%	2	273 400.00
<b>Grand total</b>					<b>36 109 348.00</b>					<b>19 548 307.82</b>

# Other INFORMATION



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**PART 5**

## 5. OTHER INFORMATION

### Acronyms

BEE	Black Economic Empowerment	MTEF	Medium Term Expenditure Framework
BRT	Bus Rapid Transit	MTSF	Medium Term Strategic Framework
CBD	Central Business District	NDoT	National Department of Transport
CFO	Chief Financial Officer	NLTA	National Land Transport Act
CIDB	Construction Industry Development Board	NLTIS	National Land Transport Information System
DLTC	Driving Licence Testing Centre	NLTTA	National Land Transport Transition Act
DORA	Division of Revenue Act	NMT	Non-motorised Transport
DPSA	Department of Public Services and Administration	NRTA	National Road Traffic Act
DoT	Department of Transport	PAIA	Promotion of Access to Information Act
DRE	District Roads Engineer	PAJA	Promotion of Just Administration Act
DTPW	Department of Transport and Public Works	PFMA	Public Finance Management Act
EBE	Engineering and the Built Environment	PGDS	Provincial Growth and Development Strategy
ECM	Enterprise Content Management	PGWC	Provincial Government Western Cape
EE	Employment Equity	PLTF	Provincial Land Transport Framework
EEA	Employment Equity Act	POLB	Provincial Operating Licence Board
EEPS	Employment Equity Plan System	PPP	Public Private Partnership
eNATIS	National Transport Information System	PPPFA	Preferential Procurement Policy Framework Act
EPWP	Expanded Public Works Programme	PSA	Public Service Act
FTE	Full Time Equivalent	PTIP	Public Transport Improvement Programme
GIAMA	Government Immovable Asset Management Act	PTOG	Public Transport Operations Grant
HR	Human Resources	RA	Registering Authority
ICT	Information Communication Technology	RISFSA	Road Infrastructure Strategic Framework of South Africa
IFMS	Integrated Fare Management System	RTMC	Road Traffic Management Corporation
IRT	Integrated Rapid Transport	SETA	Sectoral Education and Training Authority
IRPTN	Integrated Rapid Public Transport Network	SIP	Strategic Infrastructure Plan
ITP	Integrated Transport Plan	SMME	Small Micro Medium Enterprise
ITS	Intelligent Transport System	SNP	Special Needs Passenger
LDV'S	Light Delivery Vehicles	SO	Strategic Objective
LUPO	Land Use Planning Ordinance	VCI	Visual Condition Index
M&E	Monitoring and Evaluation	VTS	Vehicle Testing Station
MDG	Millennium Development Goals	WC	Western Cape
MEC	Member of the Executive Council	WC2010	World Cup 2010

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## ANNEXURE A: LEGISLATIVE AND POLICY MANDATES

The following legislative and policy mandates guide the Department of Transport and Public Works:

### **Constitutional mandates:**

The Department is concurrently responsible for:

- ❖ Public transport;
- ❖ Public Works only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law; and
- ❖ Road traffic regulation,

as contemplated in Schedule 4 of the Constitution and read with other legislation.

Likewise, it is exclusively responsible for provincial roads and traffic as contemplated in Schedule 5.

### **Legislative mandates:**

In the main, the following national and provincial legislation guides the Department in the discharge of its responsibilities. The key responsibilities placed upon the Department by each piece of legislation are outlined below.

## **TRANSPORT**

**National Land Transport Act (NLTA), 2009 (Act 5 of 2009):** Provides for the process of transformation and restructuring of the national land transport system initiated by the National Land Transport Transition Act, 2000 (Act 22 of 2000) (NLTTA).

The provincial sphere of government is responsible for:

- ❖ the formulation and implementation of provincial land transport policy and strategy, within the framework of national policy and strategy;
- ❖ planning, co-ordination and facilitation of land transport functions in the Province and preparing the Provincial Land Transport Framework (PLTF)



- ❖ co-ordination between municipalities with a view to ensuring effective and efficient execution of land transport in the province and promoting provincial legislation with a view to promoting the objectives of the NLTA;
- ❖ liaising with other government departments in the national and provincial spheres with responsibilities that impact on transport and land use planning issues, and bringing together key players;
- ❖ ensuring that municipalities that lack capacity and resources are capacitated to perform their land transport functions;
- ❖ building capacity in municipalities to monitor the implementation of the NLTA;
- ❖ ensuring implementation of the provincial integrated development strategy and public transport strategy, with due attention to rural areas, with the focus on less capacitated municipalities or those that do not fulfil their responsibilities in respect of transport service delivery, either by direct implementation or assistance;
- ❖ performing the other provincial functions assigned to the MEC in terms of the NLTA.

**National Road Traffic Act (NRTA), 1996 (Act 93 of 1996), Road Traffic Act, 1989 (Act 29 of 1989) and Western Cape Road Traffic Act, 1998 (Act 12 of 1998):** (certain Sections):

The Department, with the MEC as designated authority, must ensure that all functions relating to the registration and licensing of motor vehicles, driver fitness testing and vehicle fitness testing are performed. Furthermore the Department is also responsible for the management of events that take place on public roads.

**Road Safety Act, 1972 (Act 9 of 1972):** Promotes and regulates road safety.

**Road Transportation Act, 1977 (Act 74 of 1977):** Provides for the control of certain forms of road transportation and for matters connected therewith.

**Advertising Along Roads and Ribbon Development Act, 1940 (Act 21 of 1940):** Places the responsibility on the Department to regulate the display of advertisements outside certain urban areas at places visible from provincially proclaimed roads, and the depositing or leaving of disused machinery or refuse and the erection, construction or laying of structures and other things near certain provincially proclaimed roads, and the access to certain land from such roads.

The Department is required to work closely with municipalities where land use planning issues are involved. The relevant legislation that is affected by this cooperation is the Land Use Planning Ordinance (LUPO) where the Province is usually a commenting authority on land use changes, the Roads Access Guidelines (2000), and The Ribbon Development Act (Act 21 of 1940) where the Province is deemed to be the Controlling Authority in terms of the Act.

**Cape Roads Ordinance, 1976 (Ord. 19 of 1976):** The Province has sole authority on relaxations of the statutory 5,0m and 95m building lines pertaining to various classes of provincially proclaimed roads. Furthermore, the alteration/change of a roads classification is done in terms of section 4 of the Roads Ordinance. Such applications are usually received from the relevant District Municipality via the District Roads Engineer, but they can also originate from the Department's head office.

**Western Cape Toll Road Act, 1999 (Act 11 of 1999):** Provides for the tolling of provincial public roads in the Western Cape and for the planning, design, declaration, construction, operation, management, control, maintenance and rehabilitation of provincial toll roads; and to provide for matters related thereto.

Furthermore, under the functions of the MEC of Transport and Public Works, the Act gives the Department the responsibility for, and power to perform, all strategic planning with regard to the Province's toll road system, as well as the functions noted above. The Department (under the powers of the MEC) may—

- provide, establish, erect and maintain facilities on toll roads for the convenience and safety of road users;
- charge a levy, fee or rent for any authorisation, approval or permission that may be granted or given by the MEC to any person for the provision, construction, erection, establishment, carrying on or operation on, over or underneath a toll road of anything provided for in this Act;
- subject to this Act, use any portion of a toll road that is not immediately required for traffic purposes, for any purposes which the Minister considers fit;
- undertake or conduct any research, investigations or inquiries and collect any information in connection with toll roads, whether in the Republic or elsewhere; take out insurance against any risk, loss or damage connected with the exercise of the powers or the performance of the functions or duties in terms of this Act;

- liaise with bodies of professional persons performing work with regard to toll roads in the Province or similar roads elsewhere;
- liaise and exchange information, knowledge and expertise with the official bodies or authorities entrusted with the control of toll roads, whether of a provincial, national or municipal character, in other countries, and participate in the conferences, seminars and workshops of those bodies or authorities and in the activities of any multi-national or international association of those bodies or authorities;
- grant a bursary, loan or subsidy to any person for study or research in any subject or field in connection with toll roads, or grant a subsidy to any institution or body engaged in research of that nature, if the study or research, in the MEC's opinion, will help to achieve the objects and perform the functions contemplated in this Act;
- do anything else which is reasonably ancillary to any of the main functions and powers in terms of this Act.

## **PUBLIC WORKS**

### **Government Immoveable Asset Management Act (GIAMA), 2007 (Act 19 of 2007):**

Aims to promote Government's service delivery objectives through the sound management of immovable assets they use or control. GIAMA gives clear responsibilities of the user and that of the custodian which is Provincial Public Works in the Western Cape.

### **National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977):**

Requires the Department, as custodian and regulator of the built environment, to ensure that all building and construction work on government property, irrespective of by whom it is undertaken, complies with the legislation.

**Western Cape Land Administration Act, 1998 (Act 6 of 1998):** Provides for the acquisition of immovable property and the disposal of land which vests in the Western Cape Provincial Government and for the management of matters incidental thereto. Accordingly, the Department is responsible to continuously update the asset and property register, procure additional properties required and relinquish or redevelop properties that fall into disuse.

## TRANSVERSAL

**Skills Development Act, 1998 (Act No. 97 of 1998 as amended):** Stipulates that the Lead Employer, i.e. the Department undertakes to ensure compliance with the Employer's duties in terms of the Agreement and to ensure the implementation of the Agreement at the Workplace. The Department implements, through the Expanded Public Works Programme (EPWP), Learnerships and Skills Programmes to provide skills training to participants in artisan related fields.

**Occupational Health and Safety Act, 1993 (Act 85 of 1993):** Requires the Department, as custodian and regulator of the built environment, to ensure that all building and construction work on government property, irrespective of by whom it is undertaken, complies with this legislation and that the structures remains compliant throughout its lifecycle.

**Construction Industry Development Board Act, 2000 (Act 38 of 2000) and Regulations:** Establishes the Construction Industry Development Board (CIDB), inter alia, responsible for developing the industry for the improved delivery of infrastructure to the South African public; working with all stakeholders for the sustainable growth of construction enterprises and the best practice of employers, contractors and the professions; identifying best practice and setting national standards; and promoting common and ethical standards for construction delivery and contracts.

**Public Service Act (PSA), 1994:** This is the principal act which governs public administration. It provides the administrative and operational framework for the government departments by providing direct guidelines concerning employment and human resource practices, i.e. conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.

**Employment Equity Act (EEA), 1998 (Act 55 of 1998):** Aims at achieving equity in the workplace by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination and implementing affirmative action measures to redress the disadvantaged in employment experienced by designated groups in order to ensure equitable representation in all occupational categories and levels in the workforce.

**Division of Revenue Act** (an annual Act of Parliament): Provides, inter alia, for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government and conditional grants to provinces to achieve government's policy objectives. It further promotes predictability and certainty in respect of all allocations to provinces and municipalities in order that such governments may plan their budgets over a multi-year period.

**Public Finance Management Act (PFMA), 1999 (Act 1 of 1999):** To secure transparency, accountability, and sound management of the revenue, expenditure, assets and liabilities of the Department.

**Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act 5 of 2000):** The main thrust is that a government department must determine its preferential procurement policy and must implement the set preferential procurement framework.

**Promotion of Administrative Justice Act (PAJA), 2000 (Act 3 of 2000):** Gives effect to section 33 of the Constitution, 1996 which stipulates that everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. Furthermore, everyone whose rights have been adversely affected has the right to be given reasons. PAJA deals with general administrative law and therefore binds the entire administration at all levels of government.

**Promotion of Access to Information Act (PAIA), 2000 (Act 2 of 2000):** Responds to section 32 of the Constitution, 1996. In terms of this provision everyone has the right of access to information held by the State. PAIA fosters a culture of transparency and accountability in the public and private bodies by giving effect to the right of access to information and to actively promote a society in which people have effective access to information to enable them to more fully exercise and protect all their rights.

**Western Cape Procurement (Business of Employees) Act, 2010 (Act 8 of 2010):** The Act restricts the business interests of employees of the Provincial Government and of provincial public entities, as well as members of controlling bodies of such entities, in entities conducting business with the Provincial Government and provincial public

entities. The Act provides for the disclosure of such interests and for matter incidental thereto.

### **Policy mandates:**

## **TRANSPORT**

**National White Paper on Transport, 1996:** Aims to provide safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable.

**Provincial White Paper on Transport, 1997:** builds on the foundation created by the national White Paper on Transport Policy and provides greater detail of specific intentions responsive to the needs and opportunities in the Western Cape, and recognises current and future competencies assigned to provinces and other spheres of government under the Constitution.

**National Public Transport Strategy, 2007:** Has two key thrusts, namely:

- ❖ *Accelerated Modal Upgrading*, which seeks to provide for new, more efficient, universally accessible, and safe public transport vehicles and skilled operators.
- ❖ *Integrated Rapid Public Transport Networks (IRPTN)*, which seeks to develop and optimise integrated public transport solutions.

**National Rural Transport Strategy, 2007:** Provides guidance to all three spheres of government in addressing the mobility and access challenges experienced in rural areas in an integrated, aligned and coordinated manner. There are two main strategic thrusts highlighted in the strategy; these are, promoting co-ordinated rural nodal and linkage development; and developing demand-responsive, balanced and sustainable rural transport systems.

**National Freight Logistics Strategy, 2005:** Directed towards reducing inland freight costs through lower system costs that result from increased efficiency, reliability and

lower transit times, thus offering the customer viable modal choices between road and rail.

**Road Infrastructure Strategic Framework for South Africa (RISFSA):** The policy for the planning and development of road infrastructure and provides guidelines for the redefinition of the South African road network. It assists Roads Authorities in the reclassification of existing road networks.

**Western Cape Policy Statement with respect to Transport for Special Needs Passengers (SNP), 2009:** Places certain responsibilities on the Department, which includes:

- Encouraging the incremental accessibility of rail infrastructure and training of operators and their staff to undertake sensitivity training with respect to special needs persons.
- Supporting the provision of universally accessible public transport informational services.
- Preparing and publishing, in association with the Department of Transport, guideline requirements for accessible public transport vehicles.
- Ensuring that all new public transport facilities are planned to be accessible to special needs persons.
- Ensuring that all future contracted public transport services within the Province progressively include the operation of accessible services until all contracted services are either accessible and/or an alternative demand responsive service is available.

## **PUBLIC WORKS AND PROPERTY MANAGEMENT**

**Western Cape Provincial Government White Paper on the Management of Provincial Property, 2004:** Provides a framework to guide the activities relating to the fixed properties of the Western Cape Provincial Government and other properties utilised by the Provincial Government in order to achieve government's objectives. It also covers coordination with the property management activities of other public and civil society role-players in the Province.

**Western Cape Provincial Property Disposal Policy:** Aims to guide development, drive transformation and instil confidence in especially under-developed areas to redress imbalances of the past and to promote economic activities.

**Western Cape Provincial Acquisition Policy:** Aims to guide the custodian(s), amongst others, to acquire immovable assets, promote and specify uniform criteria and processes.

**Western Cape Parking Policy:** Makes provision for a methodology for allocation of parking bays in terms of a specified priority sequence, the procurement of more parking bays, cross-subsidisation and payment, maintenance of database facilities maintenance and logistics.

## **EXPANDED PUBLIC WORKS PROGRAMME**

**Guidelines on the implementation of the National Youth Service:** Stipulate that implementation of youth programmes is the responsibility of all the institutions of government. To this end, much of the responsibility for planning, co-ordinating and initiating effective and innovative strategies for youth development will rest equally with the National Youth Commission and individual government departments at the national, provincial spheres, forming the basis for the development of action plans and programmatic interventions at national, provincial and local spheres.

**Guidelines on the implementation of the Expanded Public Works Programme (EPWP):** The Expanded Public Works Programme's objective is to create short and medium term work opportunities for the poor and unemployed, as part of government's Anti-Poverty Strategy. These work opportunities are combined with training with the aim to increase the employability of the low skilled beneficiaries within the formal employment market. The programme targets four main sectors namely Infrastructure, Environment and Culture, Social and Non-State.

## **TRANSVERSAL**

**White Paper on Human Resource Management, 1997:** Focuses on the essential role of human resource capacity in meeting the goal of efficient service delivery. This is a key goal in the overall transformation of the Public Service. Human resource development and management within a transforming and transformed Public Service must facilitate the development of human resource practices that will support the broader goals of transformation.





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The Department develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity.

Afrikaans and isiXhosa versions of this publication are available on request.



**Western Cape  
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Transport & Public Works

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