

MPUMALANGA PROVINCIAL GOVERNMENT
Department of Public Works, Roads and Transport

VOTE NO. 08

ANNUAL REPORT
2022/23 FINANCIAL YEAR

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PART A

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
ANC	African National Congress
APP	Annual Performance Plan
BA	Baccalaurei Artium
BAS	Basic Accounting System
BEE	Black Economic Empowerment
BFI	Budget Facility for Infrastructure
BLM	Bushbuckridge Local Municipality
BBBEE	Broad Based Black Economic Empowerment
CA	Chartered Accountant
CAMP	Custodian Asset Management Plan
CBO	Community Based Organisation
CFO	Chief Financial Officer
CHC	Community Health Centre
CIA	Certified Internal Auditor
CIDB	Construction Industry Development Board
CSD	Central Supplier Database
CTA	Cumulative Translation Adjustment
COVID-19	Corona Virus Disease of 2019
DBSA	Development Bank of Southern Africa
DCSSL	Department of Community Safety, Security and Liaison
DCSR	Department of Culture, Sports and Recreation
DDG	Deputy Director General
DDM	District Development Model
DEDT	Department of Economic Development and Tourism
DNO	Did Not Operate
DOD	Department of Defence
DOE	Department of Education
DOH	Department of Health
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPWRT	Department of Public Works, Roads and Transport
DSD	Department of Social Development
EAP	Economic Active Population
ECD	Early Childhood Development
EE	Employment Equity
EOT	Extension of Time
EPWP	Expanded Public Works Programme
EXCO	Executive Council
GCCN	Government Common Core Network
GIAMA	Government Immovable Asset Management Act
GMT	Government Motor Transport
HDI	Historical Disadvantaged Individual
HIV/ Aids	Human Immune-Deficiency Virus/ Acquired Immune-Deficiency Syndrome
HOA	Home Owners Allowance
HOD	Head of Department
HR	Human Resource
HRBP	Human Resource Budget Plan
HRM	Human Resource Management
HRU&CD	Human Resource Utilisation and Capacity Development
HVAC	Heating, Ventilation and Air Conditioning
IBT	Innovative Building Technology
ICT	Information Communication Technology
ID	Identity Document
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IFS	Interim Financial Statements
IOD	Injury on Duty
IRMA	Integrated Rural Mobility and Accessibility
ISA	Infrastructure South Africa
IT	Information Technology
MBA	Masters Business Administration
MEC	Member of Executive Council
MEGDP	Mpumalanga Economic Growth and Development Path
MERRP	Mpumalanga Reconstruction and Recovery Plan
MIMP	Mpumalanga Infrastructure Master Plan
MMS	Maintenance Management System

MPL	Mpumalanga Provincial Legislature
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCDP	National Contractor Development Programme
NDP	National Development Plan
NDPWI	National Department of Public Works and Infrastructure
NEHAWU	National Education, Health and Allied Workers Union
NGO	Non-Governmental Organisation
NIP	National Infrastructure Plan
NLTA	National Land Transport Act
NYS	National Youth Services
OHS	Occupational Health and Safety
OPD	Outpatient Department
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PAMA	Public Administration Management Act
PDP	Personal Development Plan
PERSAL	Personnel and Salary System
PFMA	Public Finance Management Act
PLTF	Provincial Land Transport Policy
PMDS	Performance Management Development System
PMU	Project Management Unit
POMM	Project Operations Management Meeting
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
PRE	Provincial Regulatory Entity
PRMG	Provincial Road Maintenance Grant
PSCBC	Public Service Coordinating Bargaining Council
PVPA	Property Valuers Profession Act
PSA	Public Service Act
PSR	Public Service Regulations
PTOG	Public Transport Operations Grant
PWD	People With Disabilities
PRMG	Provincial Road Maintenance Grant
PSCBC	Public Service Coordinating Bargaining Council
RAMS	Road Asset Management System
SA	South Africa
SANRAL	South African National Roads Agency Limited
SARS	South African Revenue Service
SBD	Standard Bidding Document
SCM	Supply Chain Management
SCOPA	Select Committee on Public Accounts
SDF	Spatial Development Framework
SDG	Sustainable Development Goals
SERO	Socio-Economic Review and Outlook
SETA	Sector Education and Training Authority
SITA	State Information Technology Agency
SIU	Special Investigation Unit
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Service
SOPA	State of the Province Address
SPLUMA	Spatial Planning and Land Use Management Act
STI	Sexual Transmitted Infections
TB	Tuberculosis
TMH	Technical Methods for Highways
UAMP	User Asset Management Plans
VAT	Value Added Tax
VCI	Visual Condition Index
VO	Variation Order
VCT	Voluntary Counselling and Testing
VPN	Virtual Private Network
WC	Water Closet
WPTSPS	White Paper on Transformation of the Public Service
YDC	Youth Development Centre
YP	Young Professionals

3. FOREWORD BY THE MEC



Mr MP Ndlovu (MPL)
MEC: Public Works, Roads and Transport

I am pleased and honoured to present the Department of Public Works, Roads and Transport Annual Report for the 2022/23 financial year. This report highlights the progress we made in the pursuit of excellence in the delivery of services to the citizens of our beautiful province of Mpumalanga. This report presents challenges we faced as the department and strategies we used to respond to these. Whilst infrastructure delivery remains a key priority and achieving the goals set in the National Development Plan 2030, the Department has performed in a forever challenging environment. As the MEC of the Department, I am pleased with the overall achievements and acknowledge that there are still challenges to be overcome.

This Annual Report provides a detailed account on the performance of the Department in the 2022/23 financial year. The Department achieved 73% of the planned targets set out in the Annual Performance Plan (APP) whilst 99.9% of the budget was spent to achieve these and other operational targets. Numerous projects reached different milestones over the past 12 months, moving us towards achieving the goals in our strategic plan and fulfilling our mandate. These include the completion of 149 building and 13 transport infrastructure projects with various multiyear projects still in progress.

The Mpumalanga Provincial Government has adopted specific interventions to get the economy back on track. Amongst them is infrastructure investment which has emerged as central to help drive the recovery and economic growth. Infrastructure South Africa (ISA) is assisting the Province to develop capacity to prepare project pipelines that will attract private investors. This includes a submission to the Budget Facility for Infrastructure (BFI) for funding of the coal haul road rehabilitation programme. At the same time, we are working on ensuring that there is strong and effective project management within the Department of Public Works, Roads and Transport (DPWRT) to oversee the massive infrastructure rollout. If not addressed, this can slow the envisaged economic growth and job creation.

Challenges for the financial year under review
Our environment is filled with challenges that call for innovative solutions to address infrastructure and maintenance backlogs, external factors such as community disruptions and limited funding to fulfil

our mandate. In addition, there has been flooding and other climate-related disasters which are putting additional strain on the capacity and fiscus of the State. However, the Department remains focused to address these challenges head on so that we can continue to deliver the much needed services to our people. To support economic reconstruction and recovery, there is a need for structural reforms to finance road construction, maintenance and rehabilitation. The decision to withdraw the coal haulage portion from the Provincial Road Maintenance Grant (PRMG) needs to be revisited. Why, because South Africa is still reliant on coal for electricity generation of which 75% is generated at the various coal-fired power stations across Mpumalanga. More flexibility is also required on the PRMG to enable spending above the capped 25% on rehabilitation of roads. Equally, the Province needs to prioritise its transport network by allocating more funds to address the steady decline in the quality of our roads.

Medium to long term goals of the Department
The Department's plans are aligned to the revised Medium Term Strategic Framework (MTSF): 2019 – 2024 and priorities of the ANC's 6th administration. More importantly, it sets the pathway for pursuing Government Priority 2: Economic Transformation and Job Creation whilst engaging in the journey to fight against the triple challenges of poverty, inequality and unemployment.

Good transport infrastructure is a catalyst for economic activity as movement of both goods and people becomes faster and affordable. In fact, transport infrastructure facilitates provision of an efficient, equitable and integrated transport system hence it is critical to the strength of the Mpumalanga economy. However, public transportation is sometimes a source of conflicts and congestion and therefore it is our responsibility as Government to protect the vulnerable especially commuters and students. Stakeholder engagement remains the preferred way of problem solving in such an environment but the Department will not tolerate violence and interference. The law will be allowed to take its course where there is infringement on the rights of others.

The Expanded Public Works Programme (EPWP) continues to provide the unemployed with income supplements and training support. The Province created a total of 138 851 work opportunities since 2019 in support of the Medium Term Strategic Framework (MTSF): 2019-2024 and 35 027 in the Province during the 2022/23 financial year. We want to help our people build deep capabilities that will enable them to adapt to a fast changing world, and seize opportunities where they arise. We will ensure that government continues to have this capacity to invest in critical programmes and public employment schemes with long-term benefits. Our goal is to turn beneficiaries into independent individuals in line with the radical economic transformation agenda.

Acknowledgements and conclusion
As we look to the future, we do so with a clear understanding of our role in the pursuance of broad government priorities. As the MEC, I am proud to lead a group of dedicated men and women, whose contribution has made this organization more efficient and has assisted in the achievement of a number of socio-economic priorities. I hope this report will provide Members of the Provincial Legislature, stakeholders and the general public with useful information regarding our account on the use of public funds and how we fared against our planned outputs.

Mr MP Ndlovu (MPL)
MEC: Public Works, Roads & Transport
Date: 31 August 2023



Mr MC Morolo
Head: Public Works, Roads and Transport

Overview of the operations of the Department:

I am pleased to submit the Annual Report for the 2022/23 financial year to the MEC of Public Works, Roads and Transport (DPWRT), Mr MP Ndlovu. This report presents the activities and achievements of the Department in the past 12 months. Significant strides were made towards delivery of socio-economic outcomes and to strengthen the organisation's capacity to execute its growing mandate. As part of building a **Capable, Ethical and Developmental State**, processes are ongoing to fill all the 583 advertised posts in the 2023/24 financial year.

Infrastructure performance

Infrastructure rollout remains a significant priority for the Mpumalanga Provincial Government. Last year, DPWRT administered a collective revised budget of R2,680 billion for building and maintenance of **social infrastructure**. This amount was directed towards the completion of 149 projects with varying scope and complexities. The breakdown per client department is as follows: Education 134, Health 3, Social Development 2 and Culture; Sport & Recreation 3. Departmentally, 7 building maintenance projects were completed at Kwamhlanga Government Complex.

These projects include eradication of sanitation backlogs, provision of basic services, maintenance, replacements, upgrades, additions, storm damage repairs, fencing and Early Childhood Development (ECD) for the Department of Education. In terms of Health Infrastructure, the projects completed include 66 Anderson Street in Mbombela, KwaMhlanga Hospital (IBT structure) and the repairs of lifts in Standerton Hospital. A highlight for the Department of Culture, Sport and Recreation was the completion of new libraries at Schoemansdal and Emalahleni as well as repairs done to the Standerton Library. Works were also completed at the Swartfontein Treatment Centre on behalf of Social Development.

We have and will continue to engage with our clients with a view towards improving infrastructure planning across the province. Additionally, the review of the Mpumalanga Infrastructure Master Plan (MIMP) is planned to be completed in the 2023/34 financial year. This plan provides an overview of the infrastructure and spatial development goals of the Province. Moreover, it supports the District Development Model (DDM) to address the lack of coherent planning in government. These collaborative efforts will lead to the delivery of sustainable infrastructure as well as achievement of envisaged socio-economic outcomes.

In relation to **transport infrastructure**; approximately, R1,436 billion was spent towards completion of 13 transport infrastructure projects including 8 roads projects and 5 Integrated Rural Mobility and Access (IRMA) projects (refer to page 54 and 55 for the project list). The expenditure includes multi-year capital works undertaken on access, tourism, coal haulage and flood damaged roads but also several road maintenance activities including patching of potholes, reseal of surfaced roads, regravelling and blading of gravel road to improve access to social amenities.

Integrated Transport Operations

Apart from being an implementing agent of the provincial infrastructure agenda, DPWRT also has a mandate to facilitate an **efficient public transport system**. Great strides were made in scholar transport services where almost 70 000 learners were given access to quality education. Furthermore, ±135 000 commuters who use public transport on a daily basis benefitted from the government bus subsidy scheme. We are working with municipalities to create an integrated public transport system that will bring improvements and enhanced commuter experience.

Job creation

The Expanded Public Works Programme (EPWP) continued to create the much needed work and training opportunities for the poor and unemployed. Last year, the Programme benefitted local communities through the creation of 35 027 EPWP jobs across the Province and also provided local small-medium and micro-sized enterprises (SMMEs) with opportunities to participate in the mainstream economy. In terms of demographics, a total of 15 576 work opportunities were created for youth, 22 661 for women and 198 persons with disabilities. The work opportunities were created in three sectors i.e. Social-, infrastructure and Environment and Culture as follows:

Key Challenges

Notwithstanding the above achievements; there were several challenges during the year. Since the Covid-19 pandemic, **reduced baselines** and increased levels of national debt have become part of our broader environment. As such, we had to find new ways of delivering effective and efficient public services in a fiscally constrained environment. A range of initiatives were introduced/ designed to improve the efficiency of public expenditure. This includes the ambitious recruitment programme to fill 583 posts and reduce reliance on consultants and tenders.

Efforts have also been made to facilitate integrated planning within the three spheres of government. Central to this is the District Development Model (DDM) which seeks to strengthen intergovernmental relations. On the other hand, there has been review and development of strategic documents (e.g. Mpumalanga Infrastructure Master Plan (MIMP), National Infrastructure Plan 2050) to guide infrastructure investment. Work is ongoing with

multiple stakeholders and agencies to build relationships and bring the latest knowledge into the sector to inform policy development.

The effective and efficient management of the State's property portfolio are negatively affected by the historical **backlogs in payment of arrears for rates and taxes** and building maintenance. An amount of R59,663 million has been paid to Bushbuckridge Local Municipality (BLM) in the 2022/23 financial year. Included in that amount is the R43,8 million towards the historical debt. A balance of R145,088 million is still outstanding and will be repaid in line with the repayment agreement with BLM. All other rates and taxes are up to date.

During February 2023, Mpumalanga and six other provinces experienced **persistent heavy rains**. The inclement weather destroyed properties and infrastructure such as

roads, bridges and other crossings in a number of areas. Flood damage reports were prepared and costed to identify the required funds to mitigate the destruction. The declaration of the State of Disaster allowed the Province to reprioritise its budgets and allocate funding for the disaster interventions. However, more relief measures are needed to address medium and long term plans.

In September 2022, major bus routes in Mbombela and surrounding areas were **blocked by taxi associations**. The operators accused the local bus company of operating outside its licensed conditions. Despite a court interdict, the strike continued and some community members were not able to go to work. Talks with the taxi industry is ongoing to find a suitable solution and a transactional advisor has been appointed to facilitate the process. Also, surveys of bus routes has been done and these will inform negotiated bus contracts for new service providers.

Overview of the financial results of the Department:

This section provides an overview of the financial position of the Department for the 2022/23 financial year.

Departmental receipts

Departmental Receipts	2022/2023			2021/2022		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	9,304	9,384	(80)	8,947	9,589	(642)
Fines, penalties and forfeits	9,129	12,175	(3,046)	8,744	8,694	50
Interest, dividends and rent on land	-	3,948	(3,948)	0	2,578	(2,578)
Sale of capital assets	2,211	5,261	(3,050)	2,110	1,522	588
Financial transactions in assets and liabilities	907	1,215	(308)	865	2,785	(1,920)
Total	21,551	31,983	(10,432)	20,666	25,168	(4,502)

Revenue collection

The projected revenue for the 2022/2023 financial year was R21,5 million. At year end, the Department managed to collect R31,9 million, equivalent to 148,4%, which reflect an over collection by R10,4 million for the financial year ending 31 March 2023. The sources of revenue that contributed to over collection are mainly: Interest received (bank balance), Impound fees as well as sales for machinery and equipment (auctions).

scrap metal etc.) charged by the Department are reviewed and approved by Provincial Treasury on an annual basis. However, the National Department of Transport determines fees charged in terms of the National Land Transport Act. No. 5 of 2009. The user pay principle was applicable in terms of office accommodation provided by the Department and therefore there were no free services offered during the financial year under review.

Determination of tariffs

The tariffs (e.g. renting of halls and guesthouses, sale of

Bad debts written off

No debts were written off during the 2022/23 financial year.

Programme Expenditure

Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	367,642	367,642	-	333,520	333,194	326
Public Works Infrastructure	1,209,120	1,209,120	-	956,376	950,987	5,389
Transport Infrastructure	1,919,467	1,917,587	1,880	2,173,257	2,093,628	79,629
Transport Operations	1,362,391	1,358,393	3,998	1,342,504	1,336,998	5,506
Community Based Programmes	74,231	74,231	-	80,738	79,534	1,204
Total	4,932,851	4,926,973	5,878	4,886,395	4,794,341	92,054

In the past 12 months, the Department managed to spend R4, 927 billion or 99.9% against its final appropriation of R4, 933 billion. This means that there was R5, 878 million of unspent funds at the end of the financial year. Details on the under expenditure are disclosed in Part F: Annual Financial Statements (AFS) on page 115 to 160 of this report. The reasons for the under expenditure per Programme are as follows:

- **Transport Infrastructure:** Programme 3 registered an under expenditure of R1, 880 million due to work stoppages and poor performance by contractors that delayed implementation of projects.
- **Transport Operations:** Programme 4 registered an under expenditure of R3, 998 million. Part of the Public Transport Operations Grant (PTOG) could not be spent due suspension of kilometres during social unrests.

Virements/roll overs

The following virements were made after the 2022/23 budget adjustment appropriation:

Transfer From	Amount R'000	Transfer To	Amount R'000
Transport infrastructure	(85,730)	Administration	8,163
		Public Works Infrastructure	39,257
		Transport Operations	38,310
Total	(85,730)	Total	85,730
Community Based Programmes	(2,648)	Transport Operations	2,648
Total	(2,648)	Total	2,648
Overall Total	(88,378)	Overall Total	88,378

Reasons for the virements

Virements are applied in terms of section 43(3) of the Public Finance Management Act (Act No. 1 of 1999 as amended) to defray over/under expenditure within and between Programmes and economic classifications under the same vote. In Public Works Infrastructure, virements were done to cater for the over expenditure on payment of property rates and taxes as well as on storm damaged buildings. Other virements were done in Transport Operations to cater for the over expenditure on goods and services.

Request for rollovers

The Department did not request any rollovers.

Reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence

The Department did not incur any unauthorised, fruitless or wasteful expenditure in the 2022/23 financial year.

Strategic focus over the short to medium term period

The 6th Administration has identified seven overarching priorities for the Medium Term Strategic Framework (MTSF): 2019 – 2024. These priorities seek to promote coherence, better coordination and improved efficiency between Government, private sector and civil society: In terms of this framework, the DPWRT is responsible for the coordination of *Priority 2: Economic Transformation and Job Creation*. The Department further supports achievement of the other six priorities – an indication of the inherent collaborative work to address socio-economic challenges. In the next five years, we have committed our budget to pursue the following broad Provincial Priorities:

- Spatial transformation
- Improvement of tourism routes
- Accelerate the provision of social infrastructure
- Maintenance of road infrastructure in mining towns
- Safe and reliable public and scholar transport services
- Revitalisation of rural and township industrial economies
- Increase employment in public employment programmes

Public Private Partnerships

The Department did not enter into any Public Private Partnerships during the 2022/23 financial year. However, partnerships are being finalised for the upgrading and rehabilitation of Road P171/1 with the following Mining Houses in the Mashishing area: Dwarsrivier Chrome (Pty) Ltd, Glencore, Rustenburg Platinum Mines (Pty) Ltd, Samancor Chrome Ltd, Northam Platinum, Two Rivers Platinum. This partnership will see DPWRT and the parties above entering into an agreement of co-funding the construction works in a

proportion of Department +/- 40% of the works and mining houses +/-60%.

Discontinued key activities/ activities to be discontinued

The following projects were discontinued or deferred to outer years due to budgetary constraints and reprioritisation of budgets:

- Scholar transport monitoring services in Gert Sibande and Nkangala districts.
- Various road reseal projects were put on hold to alleviate some of the flood damages.
- 7 Building infrastructure projects were withdrawn by DOE due to site changes and budget reprioritisation, 1 project was reprioritized by DOH and 2 projects by DCSR whilst 1 project was implemented by a local municipality (Thaba Chweu).

New or proposed key activities

Here below are the identified key activities for the year ahead:

- The implementation of renewable energy projects;
- Repair and restoration of flood damaged infrastructure;
- Implementation of the Rural Bridges “Welisizwe” Programme in collaboration with the Department of Public Works & Infrastructure (DPWI) and Department of Defence (DOD);
- Establishment of mechanical workshops to do in-house repairs to government fleet;
- Finalize the negotiated bus contract for Mbombela, Nkomazi and Bushbuckridge;
- Scholar transport monitoring services in Gert Sibande and Nkangala districts is undertaken by internal officials in order to reduce reliance on consultants;
- Job massification to increase work opportunities in the Province, with a special focus on youth and people with disabilities.

Supply Chain Management

List of unsolicited bid proposals concluded for the year under review

No unsolicited bid proposals were concluded.

The following SCM processes and systems are in place to prevent irregular expenditure:

- The Central Supplier Database (CSD) has been implemented for the registration of prospective suppliers, including the verification of key supplier information (e.g. directorship, tax compliance, etc.)

- CSD is utilised to invite three quotations for goods and services below R1 000 000.
- Procurement of goods and services is done in accordance to the prescribed threshold values from National Treasury and in line with the Preferential Procurement Regulations, 2022.
- Competitive bids are invited for goods and services above R1 000 000.00 to ensure that equal opportunities are given to all suppliers to compete.
- Deviations from normal procurement processes (procurement without inviting competitive bids) are justified, recorded and reported to both the Provincial Treasury and the Auditor General.
- The completeness of SBD 4 is checked to ensure compliance with SCM prescripts.

- ID numbers of the directors are verified on CSD and PERSAL systems.
- VAT registration of suppliers is verified on the SARS website to ensure that service providers who claim VAT are duly registered and are compliant.
- The status of CIDB grading of service providers is verified on the CIDB website to ensure that their status is active prior to awards.
- Contract records are properly managed and kept safe to ensure that awards made are in accordance to the requirements of SCM legislation and prescripts.
- Transaction checklists are implemented and monitored to ensure compliance to SCM prescripts.
- Procurement delegations are issued at the beginning of each financial year and compliance is monitored regularly.

Challenges experienced in Supply Chain Management and how they were resolved

No.	Challenges	Action taken to resolve challenges
1.	Failure to declare conflict of interest by service providers	<ul style="list-style-type: none"> ▪ Completeness of SBD4 was checked and verified. ▪ Service providers who failed to complete the prescribed declaration forms (SBD4) were disqualified. ▪ The National Treasury Database of Restricted Suppliers was verified prior to award to ensure that restricted service providers are disqualified. ▪ Officials doing business with the state were also verified on the CSD.
2.	Invalid VAT numbers of the invoices	<ul style="list-style-type: none"> ▪ VAT registration of suppliers was checked on SARS website.
3.	Lack of an electronic system to detect government officials doing business with the Department especially those not on the PERSAL system.	<ul style="list-style-type: none"> ▪ ID numbers of company directors were checked on PERSAL and CSD report to ensure that members were not government employees. ▪ Contracts of service providers, whose directors are government employees, were cancelled. ▪ Other government institutions were notified to enable them to take disciplinary action against their officials who had done business with DPWRT.
4.	Misuse of Government owned vehicles after working hours and during weekends	<ul style="list-style-type: none"> ▪ Vehicle tracking devices were installed on government fleet. ▪ Monthly monitoring of vehicles and improved fleet management.

Gifts and Donations received in kind from non-related parties

There were no gifts or donations received.

Exemptions and deviations received from the National Treasury

There were no exemptions and deviations received from National Treasury on the compilation of the 2022/23 financial year's Annual Financial Statements (AFS). The AFS set out on pages 115 to 160 have been approved by the Accounting Officer.

Events after the reporting date

There were no events after the reporting date.

Acknowledgement/s or Appreciation

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

Conclusion

As we go into 2023/24, we do so as a united DPWRT, committed to our stakeholders and the people of Mpumalanga as a whole. We will continue to strive to provide an integrated transport system and infrastructure that promotes socio-economic development.

Approval and sign off



MC Morolo
Accounting Officer
Department of Public Works, Roads and Transport
Date: 31 August 2023

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

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

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

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

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

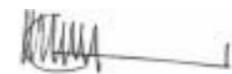
The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the annual financial statements. In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully,



MC Morolo
Accounting Officer
Date: 31 August 2023



6. STRATEGIC OVERVIEW

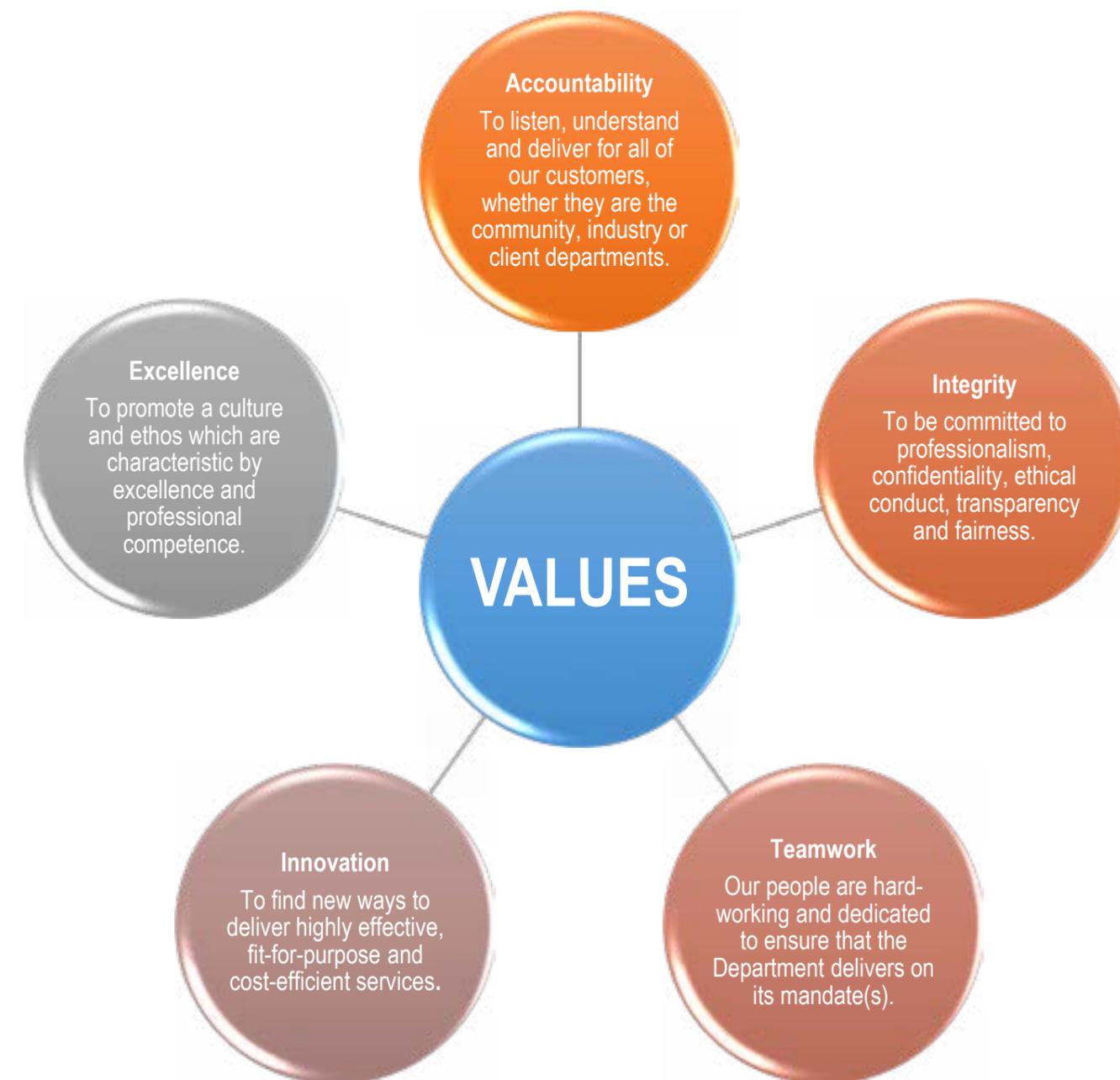
6.1 Vision

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

6.2 Mission

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

6.3 Values



7. LEGISLATIVE AND OTHER MANDATES

-Legislative and Policy Mandates

The Department is responsible for implementing, managing or overseeing the following legislations:

Broad-Based Black Economic Empowerment Act (Act 53 of 2003)

The Act provides a legislative framework for the promotion of BEE, empowering the Minister of Trade and Industry to issue Codes of Good Practice and publish Transformation Charters, and paving the way for the establishment of the B-BBEE Advisory Council.

Construction Industry Development Board Act, (Act 38 of 2000)

Provides for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters connected therewith.

Cross-Border Road Transport Act, 1994 (Act 4 of 1998)

Provides for co-operative and co-ordinated provision of advice, regulation, facilitation and law enforcement in respect of cross-border road transport by the public and the private sectors; to that end, to provide for the establishment of the Cross-Border Road Transport Agency; to repeal certain laws; and to provide for matter connected therewith.

Deeds Registries Act, (Act no 47 of 1937)

To consolidate and amend the laws in force in the Republic relating to the registration of deeds.

Expropriation Act, 1975 (Act 63 of 1975)

Provides for the expropriation of land and other property for public and certain other purposes; and to provide for matters connected therewith.

Extension of Security of Tenure Act, 1997 (Act no 62 of 1997)

ESTA deals with the eviction of lawful occupiers or occupiers of rural or peri-urban land whose occupation was previously lawful, subject to certain conditions

Fencing Act, 1963 (Act 31 of 1963)

Consolidates the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto.

Government Immovable Asset Management Act (GIAMA), 2007 (Act no. 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 Department of Public Works, Roads and Transport in Mpumalanga.

Infrastructure Development Act, 2014 (Act 23 of 2014)

Provides for the facilitation and coordination of public infrastructure development, which is of significant economic or social importance to the Republic.

Mpumalanga Archives Act, (Act 14 of 1998)

Provides for the establishment of Mpumalanga records services, provides for proper management and care of the records of provincial governmental bodies and the preservation and use of provincial archival heritage.

Mpumalanga Road Act, (Act 1 of 2008)

Provides for the establishment, transformation, restructuring and control of the Mpumalanga Provincial road network; to develop and implement Provincial road policy and standards.

Mpumalanga Road Traffic Act (Act 4 of 1998)

Consolidates and amend the provisions relating to road traffic and to provide for matters connected therewith.

National Archives and Records Services Act (Act No. 43 of 1996)

Provides for a National Archives and Record Service; the proper management and care of the records of government bodies; and the preservation and use of national archival heritage; and to provide for matters connected therewith.

National Building Regulations and Building Standards Act, 1977 (Act 103, of 1997)

Ensures that all building and construction on government property, irrespective of by whom is undertaken, complies with the legislation.

National Environment Management Act, 1998 (Act 107 of 1998)

Provides for co-operative environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for co-ordinating environmental functions exercised by organs of state, to provide for certain aspects of the administration and enforcement of other environmental management laws; and to provide for matter connected therewith.

National Land Transport Act, (Act 5 of 2009)

Provides further the process of transformation and restructuring the National land transport system initiated by the national land transport transition Act, 2000 (Act No. 22 of 2000); and to provide for matters connected therewith.

National Road Traffic Act, 1996 (Act 93 of 1996)

Provides for road traffic matters, which shall apply uniformly throughout the Republic for matters connected therewith.

National Veld and Forest Fire Act, 1998 (Act 101 of 1998)

Reforms the law on veld and forest fires; to repeal certain provisions of Forest Acts 1984; and to provide for related matters.

Public Finance Management Act (PFMA), (Act 29 of 1999)

Regulates financial management in the national government and provincial government, to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively, to provide for the responsibilities persons entrusted with financial

Public Service Act (PSA), 1994

Provides the organisation and administration of the public service, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.

Preferential Procurement Regulations

The revised regulations were gazetted on 20 January 2017 and took effect 01 April 2017. In the main, these provide a mechanism to empower SMME's, co-operatives, township and rural enterprises, designated groups and promotion of local industrial development through government procurement.

Protection of Personal Information Act, 2013

To promote the protection of personal information processed by public and private bodies. This includes the introduction of certain conditions so as to establish minimum requirements for the processing of personal information.

Promotion of Access to Information Act (PAIA), 2000 (Act no. 2 of 2000)

Gives effect to section 32 of the Constitution, 1996. In terms of this provision everyone has the right of access to information held by the State.

Promotion of Administrative Justice Act (PAJA), 2000 (Act no. 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.

Road Safety Act, 1972 (Act no. 9 of 1972)

Promotes and regulates road safety.

Municipal Property Rate Act 2004 (Act no. 6 of 2004)

To make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies. To make provision for fair and equitable valuation methods of properties, to make provision for an objections and appeals process.

Occupational Health and Safety Act, 1983 (Act no. 85 of 1993)

To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery.

Property Valuers Profession Act (PVPA), 2000 (Act no. 47 of 2000)

To provide for the establishment of a juristic person to be known as the South African Council for the Property Valuers Profession; to provide for the registration of professionals, candidates and specified categories in the property valuation profession; to provide for the regulation of the relationship between the South, African Council for the Property Valuers Profession and the Council for the Built Environment; and to provide for matters connected therewith.

State Land Disposal Act, 1961 (Act no. 48 of 1961)

To provide for the disposal of certain State land and for matters incidental thereto, and to prohibit the acquisition of State land by prescription.

State Affairs Agency Act of 1976

To provide for the establishment of an Estate Agency Affairs Board and an Estate Agents Fidelity Fund; for the control of certain activities of estate agents in the public interest; and for incidental matters.

Sectional Titles Act, 1986 (Act no. 95 of 1986)

To provide for the division of buildings into sections and

common property and for the acquisition of separate ownership in sections coupled with joint ownership in common property; the control of certain incidents attaching to separate ownership in sections and joint ownership in common property; the transfer of ownership of sections and the registration of sectional mortgage bonds over, and real rights in, sections; the conferring and registration of rights in, and the disposal of, common property; the establishment of bodies corporate to control common property and for that purpose to apply rules; and the establishment of a sectional titles regulation board; and to provide for incidental matters.

Rental Housing Act, 1999 (Act no. 50 of 1999)

To create mechanisms to promote the provision of rental housing property; to promote access to adequate housing through creating mechanisms to ensure the proper functioning of the rental housing market; to make provision for the establishment of Rental Housing Tribunals; to define the functions, powers and duties of such Tribunals; to lay down general principles governing conflict resolution in the rental housing sector; to provide for the facilitation of sound relations between tenants and landlords and for this purpose to lay down general requirement relating to leases; to repeal the Rent Control Act, 1976; and to provide for matters connected therewith.

Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act No. 16 of 2013)

SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa.

Land Survey Act, 1997 (Act no. 8 of 1997)

To regulate the survey of land in the Republic; and to provide for matters connected therewith.

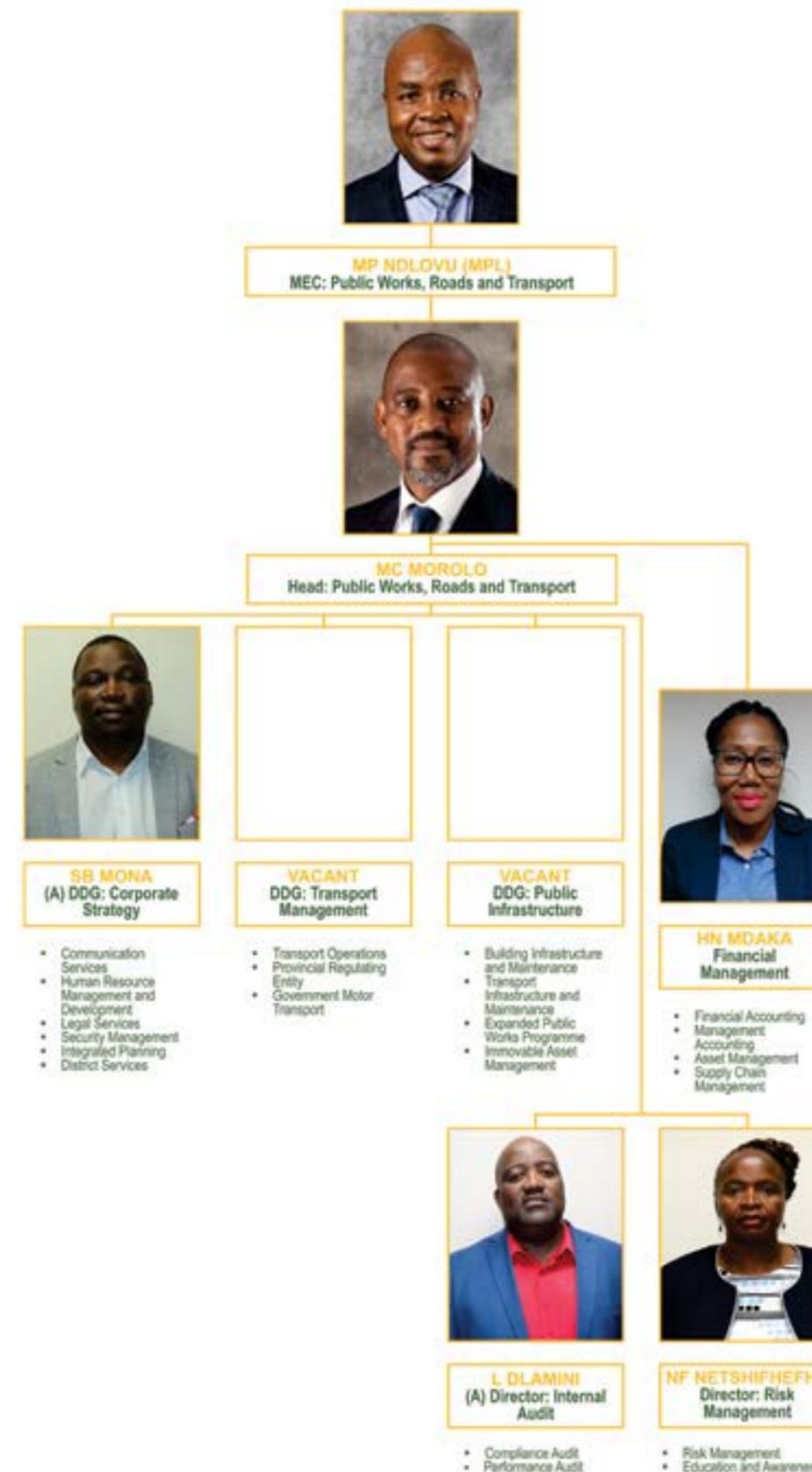
-Policy frameworks that govern the Department

Source	Purpose
National Development Plan (NDP 2030)	The NDP is a long-term vision for the country which provides a broad strategic framework to guide key government choices and actions, and focuses on the critical capabilities needed to transform the economy and society.
MTSF: 2019-2024	The MTSF outlines the country priorities of the 6 th administration and provides a medium-term roadmap for developing five-year institutional plans to enable the NDP's goals to be achieved.
2019 Election Manifesto of the ANC	It is a coherent and bold people's plan for a better life for all, addressing the persistent realities of unemployment, poverty and inequality.
Agenda 2063	Agenda 2063, published by the African Union Commission in 2015, is a strategic framework for the socio-economic transformation of Africa over the next 50 years.
United Nations Sustainable Development Goals (SDGs)	The SDGs aim to create the conditions for sustainable, inclusive and sustained economic growth, shared prosperity and decent work for all, taking into account different levels of national development and capacities.
National Infrastructure Plan	The plan aims to transform our economic landscape while simultaneously creating significant numbers of new jobs, and strengthen the delivery of basic services. The plan also supports the integration of African economies.
Mpumalanga Vision 2030	It provides a provincial expression of the key priorities, objectives and targets enumerated in the NDP and expressed within the manifesto.
Mpumalanga's Economic Growth and Development Path (MEGDP)	The MEGDP illustrates the current economic landscape of Mpumalanga with a view to future economic growth and development.
SERO (Socio - Economic Review & Outlook) Report	It provides an overview of the socio-economic situation and challenges of Mpumalanga for planning, decision making, intervention and budget purposes.
Spatial Development Frameworks (SDFs)	The purpose of SDFs is to optimise, integrate and coordinate strategic interventions in national spaces to achieve spatial development and transformation.
Mpumalanga Infrastructure Master Plan (MIMP)	MIMP serves as guide for government departments, agencies and private sector infrastructure providers in planning, providing, managing and maintaining infrastructure.
Standard for an Infrastructure Delivery Management System, 2012	IDMS was developed to improve planning, implementation, monitoring and maintenance of infrastructure in government.
District Development Model (DDM)	DDM provides a streamlined and well-co-ordinated approach between government departments and municipalities when responding to a multitude of development needs of communities.
Gender Policy Framework	It details the overarching principles which will be integrated by all sectors into their own sectoral policies, practices and programmes.
National Youth Policy	It is a cross-sectoral policy affecting positive youth development outcomes amongst youth people of local, provincial and international level in South Africa.
South African Disability Policy Framework	It focuses on increased and equal opportunities for people with disabilities.

8. ORGANISATIONAL STRUCTURE

The Department delivers its services through three branches, namely: Corporate Strategy, Public Infrastructure and Transport Management. These branches are made up of five (5) Programmes and each of these have a district footprint in Ehlanzeni, Bohlabela, Nkangala and Gert

Sibande. The districts and their cost centres are at the coalface of service delivery and as such play an important role in the execution of the Department's mandate. The high level organisational structure below indicates clear accountabilities and responsibilities for all directorates and how delivery of government services is efficiently and effectively facilitated.





PART B

PERFORMANCE INFORMATION

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report. Refer to 109 of the Report of the Auditor General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

This section of the annual report provides an overview of how the Department performed against its Annual

Performance Plan (APP) during the 2022/23 financial year. Performance information indicates how well an institution is meeting its aims and objectives, and which policies and processes are working. Making the best use of available data and knowledge is crucial for improving the execution of government's mandate. More details on DPWRT's performance against each outcome as at end of March 2023 is set out on page 24 to 38. These include challenges in terms of achieving the planned targets but also reasons for the under-performance and proposed strategies on how to address the under-performance going forward.

Summary of the Department's Performance per Programme

 = Achieved (100% and above)
 = Not achieved (0% - 99%)

Programme	Targets in the APP	Targets Achieved	Targets Not Achieved	% of Targets Achieved
1. Administration	8	6	2	75%
2. Public Works Infrastructure	7	6	1	86%
3. Transport Infrastructure	12	8	4	67%
4. Transport Operations	6	5	1	83%
5. Community Based Programmes	7	4	3	57%
Total	40	29	11	(73%)

The overall performance was 73% in the 2022/23 financial year which is a decline from the 79.5% obtained in the 2021/22 financial year.

2.1 Service Delivery Environment

2.1.1 Summary of Services

The Department of Public Works, Roads and Transport delivers its services through five Programmes namely: (1) Administration, (2) Public Infrastructure (3) Transport Infrastructure, (4) Transport Operations and (5) Community Based Programmes. Most of these services depend on several client departments, government agencies, non-governmental organizations, local communities and private sector contractors. As such, the Department's APP included a number of performance targets that were based on specific actions and support from various stakeholders. These institutional dynamics provide an overview of the context and environment within which the Department operated to implement its mandate(s) and how service delivery was impacted.

- **Administrative Services** – These services are designed to provide support to the four core Programmes and employees of the Department. However, there are other services such as capacity building initiatives targeting both the workforce and those that aspire to build a career in the public service. Other services include ensuring that benefits are paid out efficiently, accurately and on time to beneficiaries.
- **Transport Infrastructure** - National Treasury has consistently reduced infrastructure conditional grants to provinces and municipalities as the budget deficit and debt have risen. This has reinforced the need for innovative approaches to bridge the funding gap and this include matching the Provincial Roads Maintenance Grant (PRMG) - rand for rand and forming partnerships with mining houses and private sectors.
- **Building Infrastructure** - There is a need for strong and effective project management within the Department to oversee infrastructure projects on behalf of client departments. Equally, these departments need to submit their plans on time, honour their commitments and ensure that service providers are paid within 30 days from receipt of invoices.

- **Immovable Asset Management** - The Department of Public Works, Roads and Transport is responsible for providing and managing accommodation, housing, land and infrastructure needs for all provincial departments. Most importantly, user departments are responsible to budget for maintenance works while the custodian advises and provide the necessary technical expertise.
- **Integrated Transport System** - The Department is responsible for transport planning, public transport policy development and implementation, scholar transport management and regulation and control. The Transport Infrastructure Programme is assisting the Transport Operations Programme to implement non-motorised transport projects. There is also a Provincial Regulatory Entity (PRE) that is responsible for processing operating licenses.
- **Job Creation** - The Department is mandated to coordinate Government's job creation initiatives through the implementation of the Expanded Public Works Programme (EPWP). This programme involves participation of 30 public bodies (i.e. departments and municipalities) who were collectively tasked with the creation of 45 056 work opportunities during the 2022/23 financial year.

Key Challenges and Corrective Steps Taken

Climate Change

Climate change has had different implications for various sectors – heatwaves and droughts are putting **existing energy generation** under stress. A shift towards green investment will help to improve the energy efficiency of homes and other buildings. Generators provide reliable emergency power for some public buildings but they have a negative environmental impact. In addition to harmful pollutants, the cost of keeping these going is astronomical and it is not sustainable in the long term. In other instances, some generators cannot withstand long operational hours thus resulting in frequent breakdowns than before. As a result; more funds were spent for diesel budgets and refurbishment and maintenance of old generators.

Besides the impact on the environment, climate change continues to affect **public infrastructure** such as roads, bridges and buildings. Decisive action is being taken to strengthen climate-resilience where new infrastructure assets are now planned, designed, built and operated to account for the climate changes that may occur over their lifetimes. Some existing infrastructure will need to be retrofitted or managed differently, given this natural crisis. Unfortunately; this will require increased investment for adaptation strategies and maintenance of essential services. Hence; DPWRT is pursuing strategic partnerships with private sector; Infrastructure South Africa and DBSA in order to meet the increasing demand for better public infrastructure.

Increased Demand for Scholar Transport

Despite all the plans that the Department has, new settlements are continuously emerging across the Province. Almost every month; there are new dwellings in areas where there are no schools. Noteworthy is that it is the responsibility of the Department of Education to monitor if there is a need and provide transport for the learners and advise DPWRT about the demand. However in other instances, the problem is caused by the school of choice thus making it difficult to plan and budget accordingly. Bearing in mind that education is a constitutional right, budget pressures to this regarded were reported to the Budget and Finance Committee.

High Unemployment Levels

An infrastructure oriented department such as DPWRT is key in assisting to address the high unemployment rate especially amongst the youth. The rollout of public infrastructure did not only play a significant role in reducing backlogs and addressing the spatial injustices but it sought to stimulate economic growth and create jobs. This was done through interventions such as Public Employment Programmes (e.g. EPWP, Siyatentela, Sakh'abakhi, the National Youth Service (NYS) that included Internship and Learnership programmes. Moreover, this Department facilitated the transformation of the built environment and ensured increased participation of youth, women and people with disabilities on public infrastructure implementation.

2.1.2 Other Significant Developments

War between Russia and Ukraine

Also of significant concern is the increasing oil price as result of the Russia-Ukraine conflict which has triggered turmoil in the financial markets and South Africa's (SA's) economic recovery efforts. Alongside this, there has been interest rate hikes but there are projections that the repo rate will start to decline from the fourth quarter of 2023. In the meantime, the country needs much higher growth to address the triple challenges of inequality, poverty, and unemployment. This means that continued commitment to a macroeconomic framework to encourage investment, accelerated progress on economic reforms; improved state capability and enhanced quality of public spending are no longer optional.

Industrial / Strike Actions

South Africa has a long history of strike actions and mainly due to the massive discrepancy between asset prices and wages. Notable, employees have the right to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. However, lock-outs or infringement on the rights of others is prohibited. Most of the strikes were about: high fuel costs; load shedding; demand for 30% of Buscor's contract; NEHAWU wage increase demand; poor service delivery; high crime rate and contractual disputes on project sites. Most of these

disagreements were resolved in boardrooms or public gatherings or courts or through political interventions but way later after they had a negative impact on service delivery.

2.2 Service Delivery Improvement Plan (SDIP)

The Department of Public Service and Administration (DPSA) issued a circular (Circular No 14 of 2022) to allow for an extension of time for submission of Service Delivery Improvement Plans (SDIP) in order for DPSA to provide support to departments and to strengthen critical SDIP building blocks. Departments were directed to submit their draft SDIPs to DPSA in December 2022 for implementation in the 2023/24 financial year. The Department complied with the deadlines and the revised SDIP: 2023/24 has subsequently been approved. Notwithstanding this, the Department continued to render various services and strived for compliance to the Batho Pele principles.

2.3 Organisational Environment

Key Challenges and Corrective Actions

High Wage Bill

There is consensus that managing the wage bill is critical for ensuring sustainable public finances. That is why in the current economic downturn; the size of public sector wage bill is once again in the spotlight. It must however be noted that DPWRT saw a high staff turnover (±1100) during the period between February 2015 and September 2020 and no replacements were appointed due to the provincial moratorium. It is against this background that the Department advertised 583 posts in the endeavour to re-source its core programmes and cost centres. That said, there Department has been advised by Provincial Treasury to review the number of posts that can it can afford especially after the recent wage settlement.

Cyber Threats

There has been a quantum leap as far as adoption of information technology solutions within the Department. Initiatives such as the work from home strategy has increased the potential of cyber-attacks hence the rollout of hardware, software and support to mitigate against the emerging risks was intensified in the year under review. However, the excessive use of the gov. (government) Virtual Private Network (VPN) and load shedding resulted in the system being slow. To enable better network connectivity the Provincial Treasury appointed State Information Technology Agency (SITA) to rollout a virtual private network for the province outside the gov. VPN. To date the project plan, project charter and rules of engagement have been developed as building blocks towards the connection of transversals systems to Government Common Core Network (GCCN) and Basic Accounting Systems (BAS) servers.

Fraud and Corruption

Investments to fund large scale infrastructure roll-out and address service delivery backlogs were constrained due slow economic recovery. Considering the limited resources of government, minimising inefficient spending, fighting corruption and enhancing the effectiveness of public expenditure have become critical during this period. As we manage infrastructure procurement, various internal controls are in place to mitigate against high risk of fraud and corruption. For example, financial disclosure for members of senior management and procurement officials is not optional. This and other internal controls will go a long way towards regaining public and more specifically client trust.

2.3 Key Policy Developments and Legislative Changes

The following policies developments have affected the operations of the Department during the period under review:

Policy/Legislation	Details
1. Transport Regulations	The regulations outlined the transport sector's response aimed at limiting the spread of the virus through the transport system. These were amended according to the determined risk level.
2. Budget Adjustment	In the final budget adjustment, a total of R60, 4 million was reduced from the original budget allocation after two budget adjustments were made within the financial year due to funds on some projects rescheduled to the next financial year.
3. Mpumalanga Economic Reconstruction and Recovery Plan (MERRP)	Taking cue from the National Plan, Mpumalanga developed its own reconstruction and recovery plan. It details the specific interventions to get the provincial economy back on track.
4. Budget Facility for Infrastructure (BFI)	Mpumalanga has identified catalytic infrastructure projects that will address the provincial development agenda. Projects were registered with Infrastructure South Africa (ISA) to assist the province to develop project pipelines for investment mobilisation.
5. National Infrastructure Plan (NIP): 2050	The goal of NIP 2050 is to create a foundation for achieving the NDP's vision of inclusive growth.
6. Preferential Procurement Regulations, 2022	The new Preferential Procurement Regulations of 2022 was promulgated in November 2022 and took effect from 16 January 2023. The new regulation is based on a preference point system with consideration of specific goals that are relevant to the tender.

To enhance internal controls and good governance, the following policies were reviewed in the 2022/23 financial year:

1. Debt Management Policy
2. Fraud Prevention Policy
3. Procurement of Goods and Services Policy
4. Revenue Management Policy
5. Risk Management Policy
6. Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
7. Whistle Blowing Policy

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Covid-19 pandemic has had a negative impact on the socio-economic outcomes articulated in the Strategic Plan: 2020-2025, the Medium Term Strategic Framework (MTSF): 2019-2024 and the National Development Plan (NDP). In response, the Mpumalanga Economic Reconstruction and Recovery Plan (MERRP) was developed to re-igniting the provincial economy through focusing on specific interventions. Significant strides have been made towards achievement of these targets as indicated in the summary below. However, the Department needs to accelerate service delivery in order to realise the set priorities of the 6th Administration.

Impact Statement 01	Public value and trust; active citizenry and partnerships in society		
Outcome	Outcome Indicator	MTSF Target 2020-2025	Progress by end of March 2023
Improved governance and accountability	Audit opinion of the regulatory audit by Auditor General South Africa (AGSA)	Clean audit opinion	Unqualified audit opinion with matters

Impact Statement 02	Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of provincial infrastructure ensured		
Outcome	Outcome Indicator	MTSF Target 2020-2025	Progress by end of March 2023
An efficient, competitive and responsive economic infrastructure network	Percentage of road network in very good condition	15%	5%
	Percentage of road network in good condition	25%	18%
An efficient, competitive and responsive economic infrastructure network	Percentage of road network in fair condition	32%	28%
	Percentage of road network in poor condition	24%	36%
	Percentage of road network in very poor condition	4%	12%

Impact Statement 03	Reduced unemployment especially amongst women, youth and people with disabilities		
Outcome	Outcome Indicator	MTSF Target 2020-2025	Progress by end of March 2023
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Number of jobs created	220 575	138 851
	Number of youth employed (18-35)	121 316	61 727
	Number of women employed	132 345	90 269
	Number of persons with disabilities employed	4 412	718

Impact Statement 04	Transformed, representative and inclusive economy which prioritises women, youth and persons with disabilities		
Outcome	Outcome Indicator	MTSF Target 2020-2025	Progress by end of March 2023
Increased economic participation, ownership and access to resources and opportunities by women, youth and persons with disabilities	Value of contracts awarded to black people expressed as a percentage of the total value of contracts awarded	80%	89%
	Value of contracts awarded to black women expressed as a percentage of the total value of contracts awarded	40%	47%
	Value of contracts awarded to black people who are youth expressed as a percentage of the total value of contracts awarded	30%	16%
	Value of contracts awarded military veterans expressed as a percentage of the total value of contracts awarded	2%	0.7%
	Value of contracts awarded to black people with disabilities expressed as a percentage of the total value of contracts awarded	2%	0.4%



4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

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

Sub-Programmes

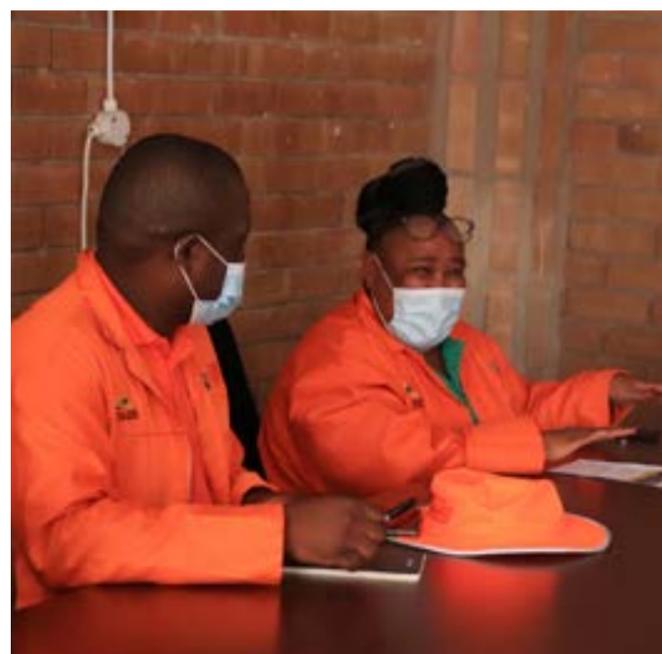
Sub-programmes	Purpose of the Sub-Programmes
Office of the MEC	To render advisory, secretarial, administrative and office support services.
Management of the Department	Overall management and support of the Department.
Corporate Support	To manage personnel, procurement, finance, administration and related support services.
Departmental Strategy	Provide operational support in terms of strategic management, strategic planning, monitoring and evaluation, integrated planning and coordination across all spheres of government, departments and the private sector organisations including policy development and co-ordination.

Institutional outcomes

- Improved governance and accountability
- Increased economic participation, ownership and access to resources and opportunities by women, youth and persons with disabilities

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

This Programme forms the backbone of a Capable, Ethical and Developmental Department and State. It offers support to the Department's four core Programmes and in so doing enables successful execution of the organisation's mandate. The Department is striving to meet the targets on employment equity in the Public Service which requires a 50% representation of women in Senior Management level and 2% employment of persons with disabilities across all levels as per the White Paper on Transformation of the Public Service (WPTSPS). The Department is doing well with employment of persons with disabilities at level 2-12 (2.4%) but, due to vacant posts, the other targets have not yet been achieved. However, all other planned targets were achieved in the financial year.



The following table includes all outputs, performance indicators and targets in line with the tabled APP:

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Programme / Sub-programme: Corporate Support								
Improved governance and accountability	Compliance to the Performance Management and Development System	Percentage of performance agreements signed	100%	100%	100%	100%	0	None.
	Skills development through Internship	Number of interns enrolled	68	150	100	150	50	Over-achievement due to SETA grants.
	Skills development through Learnership	Number of learners enrolled	240	100	70	134	64	Over-achievement due to SETA grants.
	Employment Equity	% of Women in SMS positions	-	-	50%	37.5%	-12.5%	3 x SMS posts had to be re-advertised and 1 female resigned.
	Employment Equity	% of Persons with disabilities employed	-	-	2%	2.4%	0.4%	None.
	Employment Equity	% of Persons with disabilities employed in SMS positions	-	-	2%	0%	-2%	3 x SMS posts had to be re-advertised.
Improved governance and accountability	Enhancement of revenue collection	Total amount of revenue collected	R22.5 million	R25.2 million	R21,5 million	R31,9 million	R10,4 Million	Interest on the bank balance and proceeds from auction.
Improved governance and accountability	Payment of invoices within 30 days	Percentages of invoices paid within 30 days	100%	100%	2%	2.4%	0.4%	None.

Linking performance with budgets

Programme 1 (Administration) managed to spend 100% of its budget for the 2022/23 financial year and in the process achieved 6 of the 8 (75%) planned outputs at year end. This expenditure relates to support services that were provided to the other four Programmes. It also includes Compensation

of Employees and related benefits for the staff complement under all the sub-programmes. Note should be taken that the targets that were not achieved (i.e. Number of women in SMS positions and SMS with disabilities) did not have direct implications on the overall expenditure of the Programme.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	10,741	10,741	-	9,685	9,628	57
Management of the Department	4,873	4,873	-	3,585	3,521	64
Corporate Support	330,899	330,899	-	297,594	297,469	126
Departmental Strategy	21,129	21,129	-	22,656	22,577	79
Total	367,642	367,642	-	333,520	333,194	326

Strategies to overcome areas of under performance

Areas of under performance	Reasons for under performance	Strategies to overcome areas of under performance
% of Women in SMS positions	<ul style="list-style-type: none"> Three SMS posts were not filled in the 2022/23 financial year and had to be re-advertised. 	<ul style="list-style-type: none"> Promotion of equality in line with the Employment Equity Amendment Act, 2022.
% of Persons with disabilities employed in SMS positions	<ul style="list-style-type: none"> One female SMS resigned. 	<ul style="list-style-type: none"> Implementation of affirmative action measures to aid workplace transformation.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

There were no sectoral or provincial approved standardised

outputs and output indicators for Programme 1. Notwithstanding this, the Department included employment equity targets and its own indicators as reflected in the APP and annual report.



4.2 Programme 2: Public Works Infrastructure

Purpose

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

Sub-programmes

Sub-programme	Purpose of the Sub-Programmes
Programme Support	Overall management and support of the program; to manage the activities of the professional components strategically; to render an administrative support service to the professional components with regard to provincial government building infrastructure and property management its management administration, financial matters and supply chain management.
Planning	Management of the demand for infrastructure. Development, monitoring and enforcement of built sector and property management norms and standards. Assist in the development of user asset management plans. Development of Custodian Management Plans. Development of Infrastructure Plans. Development of Infrastructure Implementation Plans.
Design	Design of new and upgrading building infrastructure.
Construction	New construction, upgrading and refurbishment.
Maintenance	Will entail the following four maintenance activities and or sub-sub programmes i.e. Routine maintenance; Scheduled maintenance; Conditions assessment of all buildings and Alterations - Alterations refers to changes that are required for reasons other than 'maintaining the asset, e.g. changes to interior walls.
Immovable Asset Management	To manage the property portfolio of the province; to establish and manage the provincial strategic and infrastructure plan; to provide accommodation for all provincial departments and other institutions; to acquire and dispose of accommodation which entails: Acquiring and disposal of properties; Manage leasing in of properties; Managing leasing out of redundant government properties; Collection of revenue and revenue generation; Management of the asset register; Management of the lease management tools; monitor the utilisation of provincial government facilities and Management of payment of all utilities.
Property Management	To manage the operations of buildings including facilities management, cleaning, greening, beautification, interior decoration and designs and day to day preventative maintenance of electronic, electrical, and mechanical equipment All services related to managing a building.

Institutional outcome

- More decent jobs created and sustained, with youth, women and persons with disabilities prioritised.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Department is responsible for the implementation of social infrastructure and taking care of state-owned properties in partnership with several client and user departments whose projects supports socio-economic imperatives related to employment, education, skills, health and social cohesion. To this regard, it managed to complete 149 infrastructure projects and the main beneficiaries of these public facilities were youth, women and persons with disabilities. As the custodian of the property portfolio, it conducted condition assessment on 120 state-owned properties and further sponsored the maintenance of 12 projects on state-owned buildings.



The following table includes all outputs, performance indicators and targets in line with the tabled APP:

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Building infrastructure designs approved	Number of infrastructure designs ready for tender	467	380	135	161	26	See breakdown below:
			DoE=460	305	114	143	29	Additional projects received.
			DOH=4	11	8	2	-6	Outstanding Clinical Reports from DoH.
			DSD=2	44	0	1	1	Unplanned project received from DSD.
			DCSR=1	12	13	15	2	Additional projects were completed as requested by DCSR.
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Building infrastructure projects completed	Number of capital infrastructure projects completed	459	248	198	149	-49	See breakdown below:
			DoE=441	211	153	134	-19	Delays in the confirmation of budget and scope of work by the Client Department
			DOH=12	3	12	3	-9	Payment disputes, poor performing contractors, changes in scope of work etc.
			DSD=5	25	04	2	-2	Water related challenges and community unrest.
			DCSR=1	9	21	3	-18	Community unrest and delays in confirmation by budgets.
			DEDT=1	0	1	0	-1	Payment delays, community and labour unrest.
			DPWRT=7	-	7	7	0	None.
			Sub-Programme: Maintenance					
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Building maintenance projects completed	Number of planned maintenance projects completed	3	21	3	12	9	Additional projects completed due to reprioritisation.

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Sub-Programme: Immoveable Asset Management								
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Effective facilities management	Number of shared office accommodation receiving facilities management services	8	8	8	8	0	None.
			Office accommodation utilisation inspections	-	-	50	50	0
	Disposal of properties	Number of properties disposed	-	-	6	14	8	Transfer of additional properties donated for land tenure upgrade.
			Effective property management	100	60	50	120	70

Linking performance with budgets

Programme 2 (Public Works Infrastructure) spent 100% of its budget for the 2022/23 financial year and achieved 6 of the 7 (86%) planned targets at year end. The expenditure includes Compensation of Employees and related benefits for the staff complement under all the sub-programmes.

The target that was not achieved relates to the construction of capital building infrastructure projects on behalf of client departments. The over expenditure relates to payment of rates and taxes, including the backlog for Dr JS Moroka Local Municipality and some of the debt owed to Bushbuckridge Local Municipality. The savings from Immoveable Asset Management was used to offset these payments.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	3,638	3,638	-	4,121	4,056	65
Planning	17,192	17,190	2	8,596	8,558	38
Design	18,116	18,115	1	17,454	17,372	(6)
Construction	184,166	190,034	5,868	61,650	60,483	1,167
Maintenance	340,192	334,361	5,831	323,810	322,050	1,760
Immoveable Asset Management	525,515	525,517	(2)	426,568	424,756	1,813
Facility Operations	120,301	120,265	36	114,177	113,625	551
Total	1,209,120	1,209,120	-	956,376	950,988	5,388

Strategies to overcome areas of under performance

Areas of under-performance	Reasons for under-performance	Strategies to overcome area of under performance
Completion of capital infrastructure projects	Projects were not completed on time due to changes in scope of work, labour disputes, and community disruptions.	<ul style="list-style-type: none"> Affected projects were carried over to the next financial year with clear instructions to the contractors to accelerate works. Close monitoring of revised work schedules.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

There were no sectoral or provincial approved standardised outputs and output indicators for Programme 2.

Notwithstanding this, the Department developed its own indicators and these were reflected in the APP and annual report.

4.3 Programme 3: Transport Infrastructure

Purpose

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

Sub-Programmes

Sub-programmes	Purpose of the Sub-Programmes
Programme Support	Overall management and support of the program.
Infrastructure Planning	<ul style="list-style-type: none"> Provides planning for all modes of transport including the movement of goods and passenger to integrate transport and spatial planning Provides for the planning and co-ordination towards the formulation of provincial transport policies and statutory plans. Planning of integrated modal transport facilities and systems for all modes of transport including non-motorised transport. To promote and improve safety on the transport infrastructure. To facilitate the provision of road safety audits on all roads and transport infrastructure to ensure safe traffic and people movement. The provision of data collection services; research to provide management information systems for the provincial road network. (e.g.: road condition, traffic counts and accident data).
Design	To provide design of road and transport infrastructure including all necessary support functions such as environmental impact assessments, traffic impact assessments, survey, expropriation, material investigations and testing.
Construction	To develop new, reconstruct, upgrade and rehabilitate road and transport infrastructure.
Maintenance	To effectively maintain road and transport infrastructure.

Institutional outcome

An efficient, competitive and responsive economic infrastructure network.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Transport Infrastructure is the Department's largest Programme and the capital investment demonstrates its commitment to improve the provincial road network. Fundamentally, what drives this programme is the need to improve access and mobility to public amenities and economic opportunities. In the past 12 months, several noticeable outputs were registered including the support offered to local municipalities. The continued investment in roads infrastructure will help DPWRT to achieve its priority outcome of improving connectivity and growing the economy through enhancements to the transport network.



The following table includes all outputs, performance indicators and targets in line with the tabled APP:

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviation	
Sub-Programme: Planning									
An efficient, competitive and responsive economic infrastructure network	Infrastructure plans developed	Number of consolidated infrastructure plans developed	-	-	1	1	0	None.	
	Visual condition assessment of the provincial surfaced road network conducted	Number of kilometers of roads visually assessed as per the applicable T M H manual	0	4 393	3 000	5 627	2 627	Reprioritization and reprogramming of works to increase number of assessments completed	
	Visual condition assessment of the provincial gravel road network conducted	Number of kilometers of gravel roads visually assessed as per the applicable T M H manual	0	3 583	3 500	8 038	4 538		
Sub-Programme: Design									
An efficient, competitive and responsive economic infrastructure network	Roads infrastructure designs completed	Number of Infrastructure designs completed	12	11	4	4	0	None.	
Sub-Programme: Construction									
An efficient, competitive and responsive economic infrastructure network	Rural and access roads upgraded	Number of kilometres of gravel roads upgraded to surfaced roads	11	12	15	7	-8	See breakdown below:	
		Surfaced roads	-	-	11	3	-8		Community unrest.
		Paving	-	-	4	4	0		None.
An efficient, competitive and responsive economic infrastructure network	Rural mobility and accessibility improved	Number of IRMA projects completed	3	3	5	5	0	None.	
	Contractors participating in the National Contractor Development Programme (NCDP)	Number of contractors participating in the National Contractor Development Programme (NCDP)	-	-	32	53	21	More contractors identified than planned.	

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviation
Sub-Programme: Maintenance								
An efficient, competitive and responsive economic infrastructure network	Coal haulage and tourism network rehabilitated	Number of square kilometers of surfaced roads rehabilitated	-	-	282 080	141 000	-141 080	Poor contractor performance and financial challenges by the contractor.
	Strategic and access roads resealed	Number of square meters of surfaced roads resealed	568 528	495 326	987 864	574 360	-413 504	Resources were re-directed to address flood damages.
	Strategic and rural roads regavelled	Number of km of gravel roads regavelled	173	294	187	284	97	High demand due to poor road condition.
	Strategic and access roads patched	Number of square meters of blacktop patching	196 916	186 755	141 186	204 612	63 426	High demand due to poor road condition.
	Strategic and rural roads bladed	Number of kilometres of gravel roads bladed	18 577	20 432	34 467	16 792	-17 675	The target included the blading of temporary bypasses (17 809km)

Linking performance with budgets

Programme 3 (Transport Infrastructure) spent 99.9% of its budget and achieved 8 of the 12 (67%) planned targets at year end. The expenditure includes Compensation of Employees and related benefits for the staff complement of under all the sub-programmes. The Department redirected

some of the funds to attend to storm damages as a result of flooding, mainly in the month of February 2023. There were also site related challenges on upgrading and rehabilitation of service roads that led to under performance of planned targets. More details on the capital works and related challenges per project can be found on page 76 and 77.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	2,301	2,301	-	2,352	2,352	-
Infrastructure Planning	61,818	61,818	-	48,457	48,457	-
Design	38,635	38,635	-	70,045	70,045	-
Construction	741,143	743,601	(2,458)	1,008,930	964,483	44,447
Maintenance	1,075,570	1,071,232	4,338	1,043,473	1,008,291	35,182
Total	1,919,467	1,917,587	1,880	2,173,257	2,093,628	79,629

Strategies to overcome areas of under performance

Area of under-performance	Reasons for under-performance	Strategies to overcome area of under performance
Upgrading of gravel roads to surfaced roads	Slow progress on various projects due to community unrests and rainfall. Projects include: <ul style="list-style-type: none"> Upgrading of Road D4407, D4409 and a section of D4416 between Hluvukani and Orpen Road P194/1 near Welverdiend (7.82km) – Bohlabela Upgrading of Road D481 Ebuhleni to Maanaar between Mooiplaas and Ekulindeni (7.2km) - Gert Sibande 	Project time frames were revised for completion in the 2023/24 financial year.
Surfaced roads rehabilitated	<ul style="list-style-type: none"> Delays due to poor contractor performance and financial challenges by the contractor. Long works suspension on Road P36/1 Delmas, P182/1 Hendrina and D2486 Klipwal also played a role in the shortfall. 	<ul style="list-style-type: none"> P182/1 contract terminated, Cessions and subcontracting agreements signed for both P36/1 and P29/1, and the sub-contractors busy with the works. Extension of time and VO approved for D2486 Klipwal.
Surfaced roads resealed	Resources were re-directed to address flood damages.	Works to be completed in the next financial year 2023/24.
Blading of gravel roads	<ul style="list-style-type: none"> The blading of bypasses is considered a temporary intervention while upgrading of roads are in progress. Works are done on an ad hoc basis, as and when required and no completion certificates are issued since it's a temporary measure. 	The Department will exclude the blading of bypasses when reporting on gravel roads bladed.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions
All sectoral or provincial approved standardised outputs

and output indicators for Programme 3 were included in the Department's Annual Performance Plan (APP).



4.4 Programme 4: Transport Operations

Purpose

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

Sub-Programmes

Sub-programmes	Purpose of the Sub-Programmes
Programme Support	Overall management and support of the programme.
Public Transport Services	The management of integrated land transport contracts to provide mobility to the commuters.
Transport Safety and Compliance	To manage/co-ordinate and facilitate the transport safety and compliance in all modes with related legislation, regulations and policies through pro-active and reactive tactics and strategies. This includes the monitoring of public transport operators in terms of national and provincial legislation to ensure safety of commuters.
Transport Systems	To manage and operate public transport systems and the support services required such as; mass movement systems, Intelligent traffic systems, Fare management systems, integrated ticketing system, electronic traffic signs etc.
Infrastructure Operations	To manage transport terminals such as inter modal terminals, air passenger and freight terminals.

Institutional outcome

An efficient, competitive and responsive infrastructure network.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In the 2022/23 financial year, the Department provided public transport to more than 135 000 daily commuters through its bus subsidization scheme. In addition, it facilitated the transportation of approximately 69 725 learners and further regulated public transport operations through its Transport Inspectorate; in partnership with various local municipalities and the Department of Community Safety, Security and Liaison (DCSSL). An integrated transport system is an essential part of development ambitions of the province since it facilitates the movement of people, goods and services. This system is dependent on continuous stakeholder engagements to ensure availability of viable transport options for all, improve transport affordability and remove barriers to access.



The following table includes all outputs, performance indicators and targets in line with the tabled APP:

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Sub-Programme: Public Transport Services								
An efficient, competitive and responsive infrastructure network	Effective management of bus subsidy contracts	Number of routes subsidized	154	154	154	154	0	None.
	Effective management of bus subsidy contracts	Number of vehicle kilometers subsidized	24 868 229	27 091 280	27 109 763	26 763 584	-346 179	Community protests, reduction of services, blockade of buses by taxi operators, DNO's and vehicle breakdown.
	Effective management of bus subsidy contracts	Number of trips subsidized	895 351	802 318	814 892	812 007	-2 885	
An efficient, competitive and responsive infrastructure network	Effective management of Scholar Transport Services	Number of scholar transport routes monitored	1 173	1 673	1 673	1 673	0	None.
Sub-Programme: Transport Safety and Compliance								
An efficient, competitive and responsive infrastructure network	Monitoring and enforcement of NLTA	Number of roadside checks conducted	4 382	3 774	3 500	4 129	629	Additional operations conducted during festive seasons, monitoring of scholar transport and unrests/ protests.
Sub-Programme: Transport Systems								
An efficient, competitive and responsive infrastructure network	Oversight and monitoring of public transport in the Province	Number of Provincial Regulating Entity (PRE) hearings conducted	41	52	48	48	0	None.

Linking performance with budgets

Programme 4 (Transport Operations) spent 99, 7% of its budget and in the process achieved 5 of the 6 (83%) planned targets at year end. The expenditure includes Compensation of Employees and related benefits for the staff complement under all the sub-programmes. It also includes

funds spent on coordinating regional logistics and cross border operations along various corridors in Mpumalanga. However, the Programme could not spend all of its budget due to the inability to undertake some planned kilometres during service delivery protests. Subsequently, the savings were surrendered to Treasury as per the requirements of the Division of Revenue Act (DORA).

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,037	1,037	-	1,159	1,159	-
Public Transport Services	1,275,343	1,271,345	3,998	1,252,565	1,247 934	4 630
Transport Safety and Compliance	65,804	65,804	-	61,106	59 837	1 269
Transport Systems	14,622	14,622	-	19,450	19,681	(231)
Infrastructure Operations	5,585	5,585	-	8,224	8,387	(162)
Total	1,362,391	1,358,393	3,998	1,342,504	1,336,998	5,506

Strategies to overcome areas of under performance

Area of under-performance	Reasons for under-performance	Strategies to overcome area of under performance
Number of vehicle kilometers subsidized	Some operators were affected by community protests, reduction of services, blockade of buses by taxi operators, DNO's and vehicle breakdowns.	Savings on the Provincial Transport Operations Grant were surrendered to Provincial Treasury.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions
All sectoral or provincial approved standardised outputs

and output indicators for Programme 4 were included in the Department's Annual Performance Plan (APP).



4.5 Programme 5: Community Based Programmes

Purpose

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

Sub-Programmes

Sub-programmes	Purpose of the Sub-Programmes
Programme Support	Overall management and support of the programme.
Community Development	Programmes to bring about the development and empowerment of impoverished communities.
Innovation and Empowerment	Programmes to develop contractor empowerment, development of new programmes and training.
EPWP Coordination and Monitoring	The management and co-ordination of expenditure on the Expanded Public Works Programme.

Institutional outcome

More decent jobs created and sustained, with youth, women and persons with disabilities prioritised.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Expanded Public Work Programme (EPWP) continued to create the much needed work and training opportunities for the poor, unemployed, youth and women. The Mpumalanga Province created a total of 35 027 work opportunities in the past year and the main beneficiaries of these jobs were 22 661 women, 15 576 youth and 298 people with disabilities. DPWRT contributed a total of 8 310 of these work opportunities created in the Province. The EPWP has further provided training to assist job seekers to build the skills necessary to gain employment and create new enterprises.



The following table includes all outputs, performance indicators and targets in line with the tabled APP:

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations	
Sub-Programme: Community Development									
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Work opportunities created by Provincial Public Works, Roads and Transport	Number of work opportunities created by Provincial Public Works, Roads and Transport	13 292	9 430	9 226	8 310	-916	See breakdown below:	
		Public Works Sector	7 054	1 526	691	657	-34		Termination of projects and community unrest.
		Transport Sector	6 238	7 904	8 535	7 653	-882		
Sub-Programme: Co-ordination and Compliance									
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Empowerment Programmes implemented (NYS, Sakhabakhi and Siyatentela)	Number of beneficiary empowerment interventions	3	3	4	4	0	None.	
	Interventions implemented to support Public Bodies in relation to EPWP	Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the Province	5	5	3	3	0	None.	
Sub-Programme: Coordination and Compliance									
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Public bodies reporting on work opportunities created through EPWP	Number of public bodies reporting on EPWP targets within the Province	30	30	30	30	0	None.	

Outcome	Output	Output Indicator	Audited Actual Performance 2020/ 2021	Audited Actual Performance 2021/ 2022	Planned Annual Target 2022/ 2023	Actual Achievement 2022/ 2023	Deviation from planned target to Actual Achievement 2022/2023	Reasons for deviations
Sub-Programme: Coordination and Monitoring								
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	Youth work opportunities created	Number of youths employed (18 – 35)	-	-	5 040	3 499	-1 541	Termination of projects and community unrest, Insufficient provision of projects focusing on youth.
		Public Works Sector	-	-	346	557	211	
		Transport Sector	-	-	4 694	2 942	-1 752	
	Women work opportunities created	Number of women employed	-	-	5 536	5 899	363	More work opportunities were created for women to support national targets for EPWP and employment equity
		Public Works Sector	-	-	415	406	-9	
		Transport Sector	-	-	5 121	5 493	372	
	People with Disabilities work opportunities created	Number of persons with disabilities employed	-	-	186	3	-183	Termination of projects, community unrest and lack of provision of projects which can accommodate persons with disabilities.
		Public Works Sector	-	-	14	3	-11	
		Transport Sector	-	-	172	0	-172	

Linking performance with budgets

Programme 5 (Community Based Programmes) spent 100% of its budget compared and in the process achieved 4 of the 7 (57%) planned targets by year end. The expenditure includes Compensation of Employees and related benefits for the staff complement under all the sub-programmes. The budget for this Programme relates to the coordination of EPWP while

the budget for implementation is allocated to the various Programmes, departments and municipalities. Inherently, any adverse developments outside the Department will have a negative impact on the provincial targets. Therefore, there is no direct relationship between the performance and expenditure for this Programme. The underspending was due to delays in the delivery of capital assets i.e. computers and scanners.

Sub-programme expenditure

Sub- Programme Name	2022/2023			2021/2022		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme Support	1,187	1,187	-	925	925	-
Community Development	47,812	47,812	-	55,893	55,676	217
Innovation and Empowerment	10,129	10,129	-	9,050	8,382	668
EPWP Co-ordination and Monitoring	15,103	15,103	-	14,870	14,550	320
Total	74,231	74,231	-	80,738	79,533	1,205

Strategy to overcome areas of under performance

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

There are no sectoral or provincial approved standardised

outputs and output indicators for Public Works and Infrastructure sector. However, all sectoral or provincial approved standardised outputs and output indicators, as prescribed by the Transport Sector, were included in the Department's Annual Performance Plan (APP).

5. TRANSFER PAYMENTS

5.1. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2022 to 31 March 2023:

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Bus operators X 6	Public transport operators	Bus subsidies	Yes	743,515	739,517	Some operators were affected by community protests, reduction of services, blockade of buses by taxi operators, DNO's and vehicle breakdowns
Provincial Taxi Council	Public transport operators	Training and skill development	Yes	11,000	11,000	None.
All provincial local municipalities	Municipalities	Rates and taxes	Yes	422,361	422,363	None.
Households	Employees	Injury on duty, leave gratuity and claims against the state (cash)	Yes	22,724	22,724	None.

The table below reflects the transfer payments which were budgeted for in the period 1 April 2022 to 31 March 2023, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Not applicable.				



6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds received

The Department received R1, 625, 310 of grant funding and managed to spend R1, 621, 309 (99, 8%) by the end of the financial year. The tables below detail the conditional grants and earmarked funds received for the period 1 April 2022 to 31 March 2023:

Conditional Grant 1: Provincial Road Maintenance Grant (PRMG)

Department who transferred the grant	To supplement provincial roads investments and support preventative, routine and emergency, maintenance on provincial road networks.
Purpose of the grant	Improvement of the provincial roads infrastructure.
Expected outputs of the grant	<ul style="list-style-type: none"> 141 000 Square meters of surfaced roads rehabilitated 574 360 Square meters of surfaced roads resealed 284 Km of gravel roads re-gravelled 204 612 m² of blacktop patching 16 792 Km of gravel roads bladed
Actual outputs achieved	907,146
Amount per amended DORA	907,146
Amount received (R'000)	Not applicable.
Reasons if amount as per DORA was not received	None.
Amount spent by the department (R'000)	907,143
Reasons for the funds unspent by the entity	Not applicable.
Reasons for deviations on performance	Enforcement of contractual conditions (e.g. revised work plans, penalties, terminations, etc.).
Measures taken to improve performance	Performance reports, contractors' and consultants' meetings and physical inspection of progress.
Monitoring mechanism by the receiving department	To supplement provincial roads investments and support preventative, routine and emergency, maintenance on provincial road networks.

Conditional Grant 2: Public Transport Operations Grant (PTOG)

Department who transferred the grant	National Treasury.
Purpose of the grant	To provide supplementary funding towards public transport services provided by the provincial department.
Expected outputs of the grant	To provide access to transport facilities for the citizens of the Province.
Actual outputs achieved	<ul style="list-style-type: none"> 154 Routes subsidised 26 763 584 Km subsidised 812 007 Trips subsidised
Amount per amended DORA	711,126
Amount received (R'000)	711,126
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	707,128
Reasons for the funds unspent by the entity	Community protests, trips not operated and blockade by taxi operators.
Reasons for deviations on performance	Community protests, trips not operated and blockade by taxi operators.
Measures taken to improve performance	Enforcement of contractual conditions (e.g. penalties) and NLTA (e.g. fines, impoundment, etc.).
Monitoring mechanism by the receiving department	Performance reports, public operators' and commuters' meetings and monitoring of trips and routes.

Conditional Grant 3: Expanded Public Works (EPWP) Grant

Department who transferred the grant	National Treasury.
Purpose of the grant	Performance based grant for job creation.
Expected outputs of the grant	Creation of 350 Youth work opportunities.
Actual outputs achieved	327 Work opportunities were created.
Amount per amended DORA	7,038
Amount received (R'000)	7,038
Reasons if amount as per DORA was not received	Not applicable.
Amount spent by the department (R'000)	7,038
Reasons for the funds unspent by the entity	None.
Reasons for deviations on performance	The under-achievement was due to participants finding permanent work opportunities or leaving for greener pastures.
Measures taken to improve performance	EPWP departmental forum established.
Monitoring mechanism by the receiving department	Performance reports and EPWP reporting system and mentorship reports by the mentors.

7. CAPITAL INVESTMENT

7.1 Capital investment, maintenance and asset management plan

The table below highlights the overall expenditure for immovable assets (building and transport infrastructure) whose budget was allocated to the Department of Public Works, Roads and Transport.

Infrastructure projects	2022/2023			2021/2022		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
New and replacement assets	120,059	167,522	(47,463)	31,797	44,000	6,894
Existing infrastructure assets	1,386,358	1,366,828	19,530	1,612,571	1,573,492	38,908
▪ Upgrades and additions	425,682	429,054	(3,372)	459,190	483,035	(2,308)
▪ Rehabilitation, renovations and refurbishments	359,620	339,774	19,846	599,605	543,332	71,991
▪ Maintenance and repairs	601,056	598,000	3,056	553,776	547,125	29,522
Infrastructure transfer						
▪ Current	601,056	598,000	3,056	553,776	547,125	6,651
▪ Capital	905,361	936,350	(30,989)	1,090,592	1,070,367	20,225
Total	1,506,417	1,534,350	(27,933)	1,644,368	1,617,492	26,8976

Infrastructure projects which were completed in the 2022/23 financial year:

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
Department of Education				
1. Ramoshidi Secondary School	Demolition of 2 pit toilets and steel structure room. Construction of 6 enviroloo WC inclusive of 1 disability toilet, 4 urinals (replace basins with concrete trough x 2) provide steel palisade around water tanks.	07-Feb-22	05-Apr-22	Late payments resulted in cash flow challenges for the contractor. The 2 nd approved EOT exceeded.
2. Mpakeni Primary School	Repairs to 8 storm damaged classrooms: 2 x 4 classroom block, remove and replace damage roof sheeting, remove and replace damaged and exposed trusses, remove and replace damaged ceiling, paint internal walls, replace broken glazing, repairs electrical installation, install new doors and new floor slab and floor coverings.	11-Apr-22	07-Apr-22	Completed ahead of time.
3. Ratlhahana Secondary School	Provision of palisade fencing around jojo tanks and perimeter fencing around school.	20-Apr-22	08-Apr-22	Completed ahead of time.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
4. Lungisani Secondary School	Phase1: construction of 20 enviro loo toilets, 8 urinals,15 basins, french drain, 2x drinking fountains, fencing around tanks and demolition of 14 existing pit toilets.	30-Nov-21	13-Apr-22	Community unrest. EOT exceeded. Penalties to be effected during the final account stage
5. Mmadimo Primary School	Demolition of 13 pit toilets, construction of 15 enviro loo toilets, 5 urinals and 11 basins as per toilet type, 2 x drinking fountains and soakaways, fence around tanks and water reticulation from the tanks.	25-Mar-22	21-Apr-22	Community unrest. EOT exceeded.
6. Skoonuitsig Primary School	Phase 1: Construction of 20 enviro-loo toilets, 5 urinals and 14 wash hand basins. 1x type h modified by adding 2 urinals and removing 1 basin (4t,4u,2b) for learners boys -1x type a1 (1t,1b,1u) for male staff.- 1x type c (2t,1b,1d) for female staff and disable - install steel palisade fence and steel gate around water tanks. - 2x water drinking fountains with 4 taps each -2x french drains. -demolish 6 pit toilets.	28-Feb-22	22-Apr-22	Challenges experienced by contractor due to late information supply by the engineers. EOT approved.
7. Bongani Primary School	Demolishing of 18 pit toilets, construction of 20 normal enviro loo toilets, 2 disabled toilets, 8 urinals, and 16 whb; 2x water drinking fountains, 1x5000l tank, raising existing 2x5000l tanks on new stands, borehole equipment, fence around tank stands, plumbing and drainage.	31-Mar-21	26-Apr-22	EOT approved to Nov 2021 was exceeded.
8. Khanyisani Secondary School	Demolition of 12 pit toilets, refurbishment of 13x waterborne toilets, construction of 13x waterborne toilets, honey sucking of 2x septic tank, 4x drinking water fountains, water and sewer reticulation.	8-Jun-22	04-May-22	Completed ahead of time.
9. Kamhushwa Primary School	Repairs to storm damaged classroom and palisade fence.	20-May-22	05-May-22	Slow performance by the contractor penalties to be effected at the final account stage.
10. Masobye Primary School	Renovation and refurbishment of 12 existing classrooms.	01-Jun-22	06-May-22	Completed ahead of time.
11. Thabang Day Care	Renovations and repairs.	08-Mar-22	06-May-22	EOT approved to 06 May 2022 for adverse weather and community unrest.
12. Qhubekani Primary School	Demolition of 15 pit toilets, refurbishment of 15 water borne toilets. Construction of 5 toilets, 1 urinal and 1 basin, equipping of borehole, allow of water reticulation and 2x drinking water fountains.	04-May-22	09-May-22	Business forum disruptions delayed the completion. No EOT application.
13. Jabulani Primary School	Refurbishment of 4 waterborne toilets, refurbishment of 29 enviro loo toilets, repairs the sewer manhole frame and access cover, equipping of borehole, 2 x drinking fountains and allow for water reticulation.	11-Mar-22	09-May-22	Business forum disruptions delayed the completion. No EOT application.
14. Senzangakhona Secondary School	Demolition of 04 pit toilets and refurbishment of existing (twenty) 20x waterborne toilets. Refurbishment of existing septic tank and renovating water connection supply. Installation of drinking fountains (4).	20-May-22	09-May-22	EOT approved for change in scope etc.
15. Entokozweni Pre-Creche	Renovations and repairs.	03-Mar-22	11-May-22	EOT approved for inability to obtain materials.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
16. Mshadza Secondary School	Demolition of 14 pit toilets, renovation of 19 waterborne toilets, construction of 5 waterborne toilets including 4 x urinals, 4 drinking fountain, water reticulation from the tanks to drinking fountains and new toilet block, sewer reticulation and rehabilitation of existing water tanks.	15-Jun-22	12-May-22	Completed ahead of time.
17. Sikhwahlane Secondary School	Demolishing of 22 x pit toilets, and construction of 25x toilets, 9urinals, 18whb, provide 3 x drinking fountains, fencing around tanks, allow for plumbing for water reticulation and drainage and refurbishment of 1 number existing waterborne toilets and two number steel tank stands	20-May-22	16-May-22	Delayed due to excessive rainfall, community disruptions and delivery of enviroloo toilet systems as the contractor entered into cession with the supplier. EOT no 4 approved.
18. Mbuduma Junior Secondary School	Demolition of 1 x pit toilets slab, refurbishment of 19 waterborne toilets, replacement of 8 drinking fountains taps, install of 3 x drinking fountains and refurbishment of existing septic tanks.	1-Jun-22	19-May-22	Completed ahead of time.
19. Nansindlela Secondary School	Demolition of 10 plain pit toilets and construction of 13 enviroloo toilets, 4 urinals, basins according to toilets type, 1 x drinking fountain, soakaway, steel stand, fencing around tank and water reticulation from the stand.	10-Jun-22	24-May-22	Completed ahead of time.
20. Ndabezitha Primary School	Demolition of 16 pit toilets, construction of 8 enviro- loo toilets, 4 urinals, 6 wash hand basins, 2 x drinking fountain, equipping of a borehole, installation of 2X 5000L Jojo water tanks and including 2X steel water stand.	03-Jun-22	26-May-22	Completed ahead of time.
21. Steenbok Pre-School	Renovations and repairs.	24-Jun-22	27-May-22	EOT was approved for civil commotion to 24 June 2022.
22. Siyakhula Pre-School	Renovations and repairs.	25-Jun-22	27-May-22	EOT was approved for civil commotion to 24 June 2022.
23. Intsizwane	Renovations and repairs.	26-Apr-22	27-May-22	EOT was approved for civil commotion to 24 June 2022.
24. Duduzile Secondary School	Refurbishment and renovations of existing 16 classrooms.	01-Jun-22	01-Jun-22	None.
25. Impumelelo Primary School	Demolishing of 15 existing pit toilets, renovation of 2 waterborne toilets and 1 urinal, construction of new 13 enviro loo toilets, 4 urinals as per toilet type, 1 x drinking fountain with 4 taps, palisade fence around tanks and water reticulation from the tanks.	28-Jun-22	02-Jun-22	Civil commotion, riot and strikes. EOT approved to 28 June 2022.
26. Pine Ridge Combined School	Demolition and construction of 8 classrooms	13-Jun-22	13-Jun-22	Community unrest disrupted the starting of the project. EOT approved for civil commotion to 13 June 2023.
27. Vukani Secondary School	Phase 1: demolition of 12 existing pit toilets and construction of 19 new ablution units, provision of a borehole and 2 x 10000l elevated water tank and fencing.	20-Jun-22	29-Jun-22	Late start by the contractor and business forums. no EOT submitted.
28. Masinakane Special School	Renovation to existing classroom blocks 01 into a dormitory. Provision for a temporary guardhouse, including external, electrical, mechanical and fireworks.	20-May-22	30-Jun-22	Slow performing contractor.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
29. Boschrand Primary School (Msholoji)	Phase 2: construction of 24 classrooms, administration block, library, computer centre, 2 x grade r, kitchen, 30 toilets, 15 urinals, guardhouse, electricity, water.	15-Jul-22	12-Jul-22	EOT approved to 15 July 2022 for default by nominated sub-contractor.
30. Siyabonga Day Care	Renovations and repairs.	21-Dec-21	15-Jul-22	Slow performing contractor.
31. Siyabuswa Primary School	Renovation and refurbishment of existing 14 classrooms.	31-Aug-22	18-Jul-22	Completed ahead of time.
32. Mkhukhumba Secondary School	Renovation of 8 enviro-loo toilets, construction of 4 enviroloo toilets, 5 urinals, 9 basins, demolition of 4 existing pit toilets, equipping of borehole, 2 x 5000l jojo tanks and tank stands and provision of drinking fountain	26-Jan-22	25-Jul-22	Project delayed due to community unrest.
33. Mhlume Secondary School	Phase 1: construction of 10 classrooms future phases: provision of education support facilities	27-Jul-22	27-Jul-22	Completed on time. EOT approved till 27 July 2022 for late supply of information by professional team
34. Mshengu Primary School	Demolition of 14 pit toilets, construction of 19 enviro-loo toilets, 5 urinals, 1 disabled, 18 basins and 2 drinking fountains with 4 taps each.	21-Feb-22	28-Jul-22	EOT approved
35. Luthango Primary School	Demolition of 24 pit toilets, construction of 20 enviroloo wc, 5 urinals, construction of water reticulation, provision of water storage tank supporting structures and palisade fence enclosure.	03-Aug-22	03-Aug-22	Completed on time, EOT approved till 3 Aug 2022 due to civil commotion and late payments.
36. Magewu Primary School	Demolition of 16 pit toilet, construction of 21 enviro-loo toilets, 6 urinals, 16 basins and renovation of existing 8 waterborne toilets and water storage (3 x 5000l jojo tanks)	15-Jul-22	04-Aug-22	Approved EOT of 15 July 2022 was exceeded due to poor performing contractor.
37. Gebhundlovu Primary	: demolition of 20 pit toilet, construction of 21 enviro-loo toilets, 4 urinals, 1 disabled, 17 basins and 3 drinking fountains with 4 taps each.	29-Jul-22	05-Aug-22	Approved EOT of 29 July 2022 was exceeded due to civil strike.
38. Khutsalani Secondary School	Construction of 13 enviro loo toilets and 6 urinals, refurbishment of existing water reticulation. Construction of 04 drinking fountains. Provision steel tank stands, palisade fence, electrical installation to enviro loo block.	28-Jun-22	12-Aug-22	EOT approved for vandalism was exceeded. Was approved till 28 June 2022.
39. Thandulwazi Primary School	Renovation and refurbishment of 12 classrooms.	10-Oct-22	16-Aug-22	Completed ahead of time.
40. Sikhulangolwati Edu-Care	Renovations and repairs.	15-Feb-22	23-Aug-22	Approved EOT of 13 May 2022. Was exceeded due to civil commotion and slow performance by the contractor.
41. Rantshweni Pre School	Renovations and repairs.	24-Mar-22	23-Aug-22	Approved EOT of 13 May 2022 was exceeded due to unavailability of materials and slow performance by the contractor.
42. Leroro Pre School	Renovations and repairs.	24-Mar-22	23-Aug-22	Slow performance by the contractor.
43. Ledimo Day Care	Renovations and repairs.	24-Mar-22	23-Aug-22	Approved EOT of 26 May was exceeded due to unavailability of materials and slow performance of contractor.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
44. Vuyelani Primary	Demolition of 24 x pit toilets; construction of 10 x enviro loo toilets, 5 x whb, 5 x urinals; refurbishment of 15 x waterborne toilets, 7 x whb, 3 x urinals; honey sucking of the septic tank; replace leaking (supply) jojo tank, 2 x elevated steel stands and fencing for existing jojo tanks; 2 x drinking fountains; reticulation of water to toilets and drinking fountains; equipping of the borehole; water purification.	26-Oct-22	26-Aug-22	Completed ahead of time.
45. Mahlatsi Secondary School	Demolition of existing pit toilets, refurbishment of 20 enviro- loo toilets, refurbishment of 5 waterborne toilets, supply water reticulation, 02 drinking fountains, fence around existing elevated tanks.	29-Aug-22	29-Aug-22	Completed ahead of time.
46. Mathethe Primary School	Replacement of 5 classrooms damaged roof coverings, trusses, ceiling, electricity, glazing, doors and fans. Repairs on plaster cracks and painting.	31-Aug-22	30-Aug-22	Completed ahead of time.
47. Siyakhula Primary School	Demolish existing pit toilets, construction of a guard house including refuse area. Provision of perimeter fencing around the school and sports ground. Provision of elevated 5000L jojo tank, steel palisade fencing around the jojo tank and water reticulation to the guardhouse.	14-Sep-22	01-Sep-22	Completed ahead of time.
48. Masihambisane Primary School	Demolition of 1x block of deteriorated waterborne structure, refurbishment of 10 existing waterborne toilets, construction of 5x waterborne toilets, 2 urinals and basins refurbishment of 2x drinking fountains. Allowance of sewer and water reticulation	10-Sep-22	01-Sep-22	Completed ahead of time.
49. Loti Primary School	Demolish 10 pit toilets, renovate 5 waterborne toilets in the admin, construction of 20 enviro-loos seats including 4 urinals and 14 basins and provide 2 x drinking fountains, fence around the jojo tanks.	07-Sep-22	6-Sep-22	Completed ahead of time.
50. Sidlamafa Secondary School	Disposal of storm damaged mobile classrooms, renovation of toilets facilities, refurbishment and upgrade of water supply and refurbishment of electricity supply, provision of fence and guardhouse (Phase 1).	07-Dec-22	14-Sep-22	Completed ahead of time.
51. Siyacathula Day Care	Renovations and repairs.	20-Dec-21	15-Sep-22	Slow performing contractor.
52. Siphokuhle Primary School	Refurbishment of 11 existing waterborne toilets and construction of 07 new additional waterborne toilets and 1 x 5000l jojo tank on elevated steel tank.	21-Sep-22	21-Sep-22	Completed on time
53. Sihlangu Primary School	Demolishing of 28 pit latrine toilets, minor refurbishment of existing 16 waterborne toilets and septic tank, construction of 10 enviroloo toilets with 6 urinals, water reticulation, french drain and urinal network.	22-Sep-22	22-Sep-22	Completed on time.
54. Soshangana High School	Demolishing of 37 pit latrine toilets, refurbishment of existing 2 waterborne toilets and septic tank, construction of 24 enviroloo toilets with 7 urinals and 18 wash hand basins, water reticulation and french drain.	22-Sep-22	22-Sep-22	Completed on time.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
55. Zamokuhle Primary School	Demolition of 10 pit toilet, construction of 14 enviro loo toilets, 8 urinals, 4 basins renovation of existing 18 waterborne toilets. Install 2 x 5000l jojo tanks complete with stands.	30-Jun-22	28-Sep-22	Approved EOT of 30 June 2022 was exceeded due to civil commotion and slow performance.
56. Hlabangemehlo Primary School	Demolition of 8 pit toilets and construction of 28 enviro loo wc, 8 urinals & 13 basins. Provision of 3 x 5000l water tank, including water reticulation and support structure. Construction of a french drain. Install a borehole. Refurbish 2 x existing waterborne toilets, 1 x urinal & 2 x basins. Refurbish existing septic tank reticulation. Add 2 water drinking fountains.	28-Sep-22	28-Sep-22	None.
57. Vezubuhle Secondary School	Demolition of 14 plain pit toilets, renovation of 12 waterborne toilets, construction of 6 enviro- loo toilets, 7 urinals and basins as per toilet type, 1 drinking fountain and soak ways and water reticulation from the tanks.	15-Jul-22	29-Sep-22	Approved EOT exceeded due to adverse weather conditions and slow performance.
58. Laerskool Nelspruit	Demolition of 3 asbestos classrooms. Construction of 3 new brick and mortar classrooms. Construction of new ablution block and remedial work to existing building roofs.	28-Oct-22	29-Sep-22	Completed ahead of time.
59. Zamani Primary School	Demolition of 24 x pit toilets. Construction of 24 x enviro loo seats and 8 x enviro loo urinals. Provision of elevated stands for 1 x existing tanks and 3 x new tank and stands. Provision of fencing around tanks. Water reticulation. Construction of 4 x standard drinking fountains. Construction of a french drain.	04-Oct-22	04-Oct-22	Completed as per approved EOT of 4 Oct 2022 due to civil commotion.
60. Sigweje Secondary School	Demolishing of 06 existing pit toilets and 22 enviro loo, construction of 20 new enviro loo toilets, (type o, o1 & g for girls and type h1, & b for boys) 05 concrete wash hands basins and 05 urinals, construction of 04 drinking fountains and soakaways, fence around tanks and water reticulation from the tanks, steel palisade fencing around jojo tanks.	25-Oct-22	06-Oct-22	Completed ahead of time.
61. Madola Primary School	Refurbishment of 6 existing enviro-loo toilets and construction of 14 enviro loo toilets, 5 urinals, 3 basins, construct 2x drinking fountains with soakaway, drilling and equipping of a borehole. Water reticulation.	7-Oct-22	7-Oct-22	Completed on time.
62. Masitakhe Secondary School	Demolition of 8 pit toilets and construction of 12 enviro loo toilets (type h1 for boys with 4 urinals, type o1 for girls including disable and type c for girls with disable, water reticulation, 3x drinking fountains, 1 elevated 5 000l jojo tank, steel palisade fencing around jojo tanks, soak away for wash trough basins.	10-Oct-22	10-Oct-22	Completed on time.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
63. Mlambongwane Primary School	Demolish 18 pit toilets, renovate 2 waterborne toilets in the admin, construction of 18 enviro-loos seats including 5 urinals, 1 disable concrete wash troughs, provide 2 x drinking fountains, clearing and rehabilitation of existing septic tank. Drilling and equipping of borehole including geo-hydro investigations. Elevate the existing jojo tanks and provide an additional 2 x 5000l elevated jojo tank, fence around the jojo tanks, perimeter fencing around the school	08-Sep-22	12-Oct-22	Slow performing contractor.
64. Vukasambe Primary School	Demolition of 12 x pit toilets. Refurbishment of 26 x waterborne toilets. Construction of 3 x enviro loo seats. Provision of 2 x 5,000l jojo tanks with stands and fencing around the tanks. Water reticulation. Construction of 2 x standard drinking fountains. Construction of a french drain.	07-Dec-22	12-Oct-22	Completed ahead of time.
65. Esselman Primary School	Demolition of 12 pit toilets and construction of 11 enviro loo toilets, 05 wash hands basins, 05 urinals, refurbishment of 04 existing enviro loo toilets, invisible perimeter school fence, honey sucking of existing septic tank, elevated 5 000l jojo tank, palisade fence for 02 jojo tanks, 01 elevated stand for existing jojo tank, 01 drinking fountain equipping with borehole and water purification.	28-Oct-22	14-Oct-22	Completed on time as per approved EOT of 28 Oct 22 due to civil commotion.
66. Hey Day Edu-Care	Renovations and repairs.	26-Apr-22	14-Oct-22	Slow performing contractor.
67. Sisini Primary School	Refurbishment of existing 19 classrooms.	17-Oct-22	17-Oct-22	Completed on time as per approved EOT of 17 Oct 22 due to civil commotion.
68. NJ Mahlangu Secondary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	25-Oct-22	17-Oct-22	Completed ahead of time.
69. Mdzabu Secondary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	26-Oct-22	17-Oct-22	Completed ahead of time.
70. Kwalodakada Primary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	25-Oct-22	17-Oct-22	Completed ahead of time.
71. Bonginsimbi Secondary School	Renovations of 35 x toilets, 39x classrooms, admin block and sewer reticulation system repairs, fencing, 2x drinking fountain, water tanks and elevated steel stand.	20-Oct-22	19-Oct-22	Completed ahead of time.
72. Njeyeza Secondary School	Demolition of 26 pit toilets and 08 dilapidated enviro loo toilets, refurbishment of 05 existing waterborne toilets, refurbishment of 12 existing eviro loo toilets, construction of 05 enviro loo wash hands, 04 urinals, construction of water reticulation, provision of water storage tank supporting structure and palisade fence enclosure and refurbish existing septic tanks.	28-Feb-23	20-Oct-22	Completed ahead of time.
73. Intfutuko Primary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	25-Oct-22	21-Oct-22	Completed ahead of time.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
74. Morithing Primary School	Construction of 7 x enviro loo toilets, 11 x whb, 5 x urinals; refurbishment of 8 x enviro loo toilets; 1 x 5000l jojo tank and 2 x elevated steel stands including fencing; 1 x drinking fountain; reticulation of water to toilets and drinking fountains.	07-Oct-22	21-Oct-22	Approved EOT of 7 Oct 22 was exceeded due to civil commotion and slow performing contractor.
75. Mokgomana Primary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	27-Feb-23	24-Oct-22	Completed ahead of time.
76. Emthonjeni Primary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	24-Oct-22	24-Oct-22	None.
77. Mzamo Primary School	Demolition of existing 12 pit toilets relocation/removal of mobile waterborne toilets. Construction of 21 enviroloo toilets consisting of 16 wc, 5 urinals, 11 wash hand basins. Provision of new fully equipped borehole, 2x5000l jojo tanks with 2 x tank stands and fence around, construction of 2 x drinking fountains including soak ways construction of clearvu perimeter security fence.	24-Oct-22	24-Oct-22	None.
78. Sinethemba Secondary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	25-Oct-22	24-Oct-22	Completed ahead of time.
79. Ndwandwe Primary School	Demolition of 8 existing pit toilets, refurbishment of 9 existing enviro loo toilets, construction of 6 enviro loo toilets, provision of 1x5000l jojo tank and steel stand, construction of 1x drinking fountain and allow for water reticulation.	05-Aug-22	24-Oct-22	Approved EOT of 25 July 2022 was exceeded due to slow performing contractor and adverse weather conditions.
80. Nkulungwana Primary School	Construction of a guard house and provision of security/ perimeter fencing and other related services	25-Oct-22	26-Oct-22	Delayed signing of completion Certificate.
81. Mzimba Secondary School	Replacement of damaged roof covering complete with timber trusses and ceiling, electrical wiring, light fitting and paintwork of 5 classroom block, replacement of broken window glass panels of 8 classrooms	16-Nov-22	31-Oct-22	Completed ahead of time.
82. Sehlulile Primary School	Phase 1: demolish 12 pit toilets, construction 29 environ loo toilets, (type o for grade r, 2x type o1 for girls and disable, type g for girls type h for staff with 2 urinals and 2x type e for boys with 6 urinals. 7x double wash trough. Demolish dilapidated brick tank stands and provide 6x 4.5m high steel stand and palisade fencing around jojo tanks. Water reticulation, clear existing rubble to create more space. Phase 2: provision of fence and construction of a grade r centre.	31-Oct-22	31-Oct-22	Completed on time.
83. Twalakule Primary School	Refurbishment of existing 11 toilets, construction of 09 toilets, provision of 2 x steel stand, refurbishment of drinking fountains, allow of water and sewer reticulation.	05-Aug-22	1-Nov-22	Approved EOT of 5 August 2022 exceeded due to civil commotion.
84. Kamhola Secondary School	Construction of a guard house and provision of security/ perimeter fencing and other related services.	26-Oct-22	02-Nov-22	Delayed due to civil commotion.
85. Sibambisene Primary School	Demolition of 14 plain pit toilets and construction of 11 enviroloo toilets and 2 urinals, renovation of 7 grade-renovation of 8 enviroloo toilets and 3 admin toilets, provision of 3x drinking fountains with 4 plastic taps.	02-Nov-22	02-Nov-22	None.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
86. Masuku Primary School	Demolition of classrooms roofed with asbestos material and construction of 3 x 3 classroom block and 1 x grade r centre.	30-Nov-22	10-Nov-22	Completed on time as per approved EOT of 10 Nov 2022 due to change of scope by the client.
87. Nkomazi East Teacher Centre	Repairs and renovations of 10 classrooms, administration block, library, laboratory and waterborne toilets	27-Jan-23	11-Nov-22	Completed ahead of time.
88. Mamosodi Primary School	Demolition of 8 pit toilets, refurbishment of 8 existing enviro- loo toilets, construction of 12 enviro- loo toilets, elevation of existing 1x 5000l jojo tanks, construction of 1x drinking fountains, drilling and equipped of borehole.	16-Nov-22	16-Nov-22	None.
89. Ekukhanyeni	Phase 1: A) Construction of 3 new waterborne toilets with 1 basin, B) Refurbishment of 12 existing waterborne ablutions, C) Honey sucking and demolition of 1 pit toilet and rehabilitation of 2 open pit toilets. D) Repair and reticulation of waterline to service the facility. E) Refurbishment of existing septic tank and construction of new septic tank F) Refurbishment of existing borehole and installation of 2 x 5 000L Jojo tanks and 2 x steel tank stands and fencing around G) Installation of clearview fence around school perimeter Phase 2: Construction of computer centre, kitchen, laboratory, 2 Sportsgrounds and Car Park.	14-Sep-22	16-Nov-22	Approved EOT of 25 Oct exceeded due to slow performing contractor and civil commotion.
90. Bekezela Primary School	Demolition of 16 pit toilets, renovate 05 waterborne toilets, construction of 10 seats enviro loo toilets including 05 urinals, 10 basins, upgrade of existing borehole, fence around the stand tanks.	21-Jan-23	18-Nov-22	Completed ahead of time.
91. Letsamaile Chiloane Primary School	Phase 1: demolition and rehabilitation of 16 existing pit toilets, construction of 25 enviro loo, 8 urinals, 18 wash hand basins, water reticulation with 2 drinking fountains and fencing around 2 jojo tanks Phase 2: 2 Grade R classrooms.	24-Jan-23	22-Nov-22	Completed ahead of time.
92. Lekazi Secondary School	Renovation of 23 classrooms, administration block, lab, lib, comp centre, 30 toilets, renovation of the entire school fence.	25-Nov-22	25-Nov-22	Completed on time.
93. Moloto Primary School	Refurbishment of existing 18 waterborne toilets construction of 11 new waterborne toilets, refurbishment of existing borehole and installation of 2 x 5 000l jojo tanks and 2 x steel tank stands and fencing around fencing to the existing tank stand refurbishment of existing septic tank construction of a new septic tank construction of 4 new drinking fountains rehabilitation and upgrades of electrical installations, repair and reticulation of waterline to service the facilities. Installation of clear view fence around school perimeter.	14-Oct-22	28-Nov-22	Approved EOT of 18 Nov 2022 exceeded due to slow performance and unavailability of materials.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
94. Lm Kganane Secondary School	Demolition of 18 x pit toilets; construction of 6 x enviro loo toilets, 3 x whb, 5 x urinals; decommissioning and closing off of old 16 x pit toilets that were not properly demolished; refurbishment of 11 x waterborne toilets, 5 x whb, 2 x urinals; honey sucking of the septic tank; 1 x 5000l jojo tank and 2 x elevated steel stands including fencing; 1 x drinking fountain; reticulation of water to toilets and drinking fountains; equipping of the borehole; water purification.	13-Oct-22	09-Dec-22	Approved EOT of 13 Oct 2022 exceeded due to civil commotion.
95. Tekwane Primary School	Refurbishment of 19 existing waterborne toilets and construction of 06 x waterborne toilets, with soak way, construction of 1x drinking fountain, allow honey sucking of existing septic tank. Water and sewer reticulation. Construction of fencing.	04-Feb-23	09-Dec-22	Completed ahead of time.
96. Saselani Primary School	Demolition of 04 pit toilets and renovation of 04 waterborne grade r toilets and 32 enviro- loo toilets. Provision of 4x5000 l jojo tanks and stands	04-Jan-23	12-Dec-22	Completed ahead of time.
97. Camden Combined School	Demolition of 8 existing pit toilets to be demolished. Construction of new 21 waterborne toilets {1 x type e (6t,2u 7b); 3 x type c (5t, 2u, 5b)} as per standard sanitation types. Refurbishment of existing septic tank, 3 x drinking fountains and soakaways, fence around new elevated tanks and water reticulation from the tanks for water storage, septic tank.	22-Dec-22	14-Dec-22	Completed ahead of time.
98. Mpisi Primary School (To Be Renamed Jameyane P School)	Demolition of existing unsafe structures. Construction of 21 new classrooms, 04 Grade R centres, Admin Block, Computer Centre, Library, 25 Enviro-loo toilets, Guard house, Fence, water, electricity, ramps and rails and car parks.	22-Dec-22	15-Dec-22	Completion on time as per approved .EOT of 15 Dec 2022 due to civil commotion.
99. Zigode Primary School	Renovation of 16 enviro loo toilets, construction of 4 enviro loo toilets, 2 urinals, 2 basins demolition of 12 pit toilets, 2x5000l jojo tanks and tank stands surrounded by palisade and provision of drinking fountain	27-Dec-22	20-Dec-22	Completed ahead of time.
100. Harmony Hill Primary School	Refurbishment of 18 waterborne toilets, construction of 7 waterborne toilets, 4 urinals and basins, provision of 2x 5000l jojo tank, provision of 2x steel stands and fencing around tanks, construct 3x drinking fountain with soakway, refurbishment of 16 classrooms, allow for water reticulation and sewer reticulation and fencing around school.	15-Mar-23	22-Dec-22	Completed ahead of time.
101. Lundanda Primary School	Repairs to 1 x 4 classrooms block and repairs to one classroom within a four classroom.	01-Mar-23	11-Jan-23	Completed ahead of time.
102. Hokisa Primary School	Repair and replace leaking roof, falling ceiling in all the 16 classrooms, broken window panels and doors.	15-Dec-22	11-Jan-23	Slow performing contractor.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
103. Entokozweni Primary School	Demolition of existing water tank stands, refurbishing of 20 existing waterborne toilets, provision of 3x new steel water tank stands, including water reticulation required. Refurbishment of existing water reticulation and add new water supply and construction of 2 drinking fountains and French drain.	06-Mar-23	16-Jan-23	Completed ahead of time.
104. Khumbula Secondary School	Refurbishment of existing 23 classrooms, replacement of roof sheets, ceilings, roof structure, paintwork, replacement of chalkboards and pin boards, construction of aprons, electrical and mechanical work.	05-Jun-23	23-Jan-23	Completed ahead of time.
105. Thandulwazi Primary School	Demolition of 22 pit toilets, renovate 04 waterborne toilets, construction of 21 enviro loo seats including 08 urinals, 2 disable, 16 wash hands basins, drilling of new borehole and fence around jojo tanks.	21-Jan-23	23-Jan-23	Project completed on time (delayed signing of completion certificate due to completion date falling over the weekend).
106. Luthango Secondary School	Refurbishment of existing 15 classrooms, replacement of roof sheets, ceilings, roof structure, paintwork, replacement of chalkboards and pin boards, construction of aprons, electrical and mechanical work.	31-Mar-23	25-Jan-23	Completed ahead of time.
107. Siyathokoza Secondary School	Demolition of pit and waterborne toilets, construction of 12 enviro loo ablution and provision of fencing, provision of water pump, jojo tank and tank stand and construction of disable toilets and electrical works.	01-Feb-23	26-Jan-23	Completed ahead of time.
108. Mbongo Primary School	Demolition of 10 existing pit toilets, demolition of 5 blocked waterborne block, renovations to 14 waterborne toilets (including unblocking). Construction of 6 new enviro-loo toilets demolition of 1 existing septic tank, construction of 1 new french drain, refurbishment of existing borehole with pump including 2 x 5 000l jojo tanks and 2 x steel tank stands fenced, repair and reticulation of waterline to service the facilities. Refurbishment of 2 septic tanks, construction of 4 new drinking fountains and installation of clearview fence around school perimete.	24-Oct-22	01-Feb-23	Approved EOT date of 24 Oct was exceeded due to civil commotion.
109. Hazyview Comprehensive School	Repairs to the administration block, computer center, toilets and hall, steel palisade at the temporal kitchen, water stands and parking bays	27-Feb-23	01-Feb-23	Completed ahead of time.
110. Bhekiswayo Secondary School	Repairs to 1x4 classrooms block, replacement of entire roof to 4 classrooms block blown away, ceiling and electrical installation and replacement of damaged glazing.	28-Feb-23	03-Feb-23	Completed ahead of time.
111. Inkunzi Secondary School	Repairs to 1x4 classroom block, kitchen, computer lab and science laboratory	25-Feb-23	03-Feb-23	Completed ahead of time.
112. Emjindini Secondary School	Demolition of 16x existing waterborne toilets, refurbishment of 20x waterborne toilets, 6x new waterborne toilets (6x wash, 6x wash hands basins, 4x urinals) and construction of 3x drinking fountain.	08-Feb-23	3-Feb-23	Completed ahead of time.
113. Sithabile Primary School	Renovation of 14 classrooms, grade r structure and 17 x waterborne ablution facilities.	15-Feb-23	3-Feb-23	Completed ahead of time.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
114. Cyril Clarke Secondary School	Renovation of 22x existing waterborne toilets, construction of 8x waterborne toilets, 1x urinal and 6x wash hand basins, installation of 6x 5000l water storage tanks with elevated steel tanks, water reticulation and sewer reticulation	03-Mar-23	6-Feb-23	Completed ahead of time.
115. Ndimande Primary School	Renovation of existing 08 classrooms and admin block.	27-Mar-23	08-Feb-23	Completed ahead of time.
116. Bonginhlhla Secondary School	Renovation of enviro- loo toilets, admin waterborne toilets, provision of water and termite treatment.	12-Apr-23	09-Feb-23	Completed ahead of time.
117. Masizakhe Primary School	Renovations of classrooms, kitchen, storage and administration office.	10-Feb-23	10-Feb-23	None.
118. Sehoko Primary School	Removal of existing fence. Construction of new invisible welded mesh fencing including new entrance gate.	28-Mar-23	17-Feb-23	Completed ahead of time.
119. Siphumelele Secondary School	Repairs to the administration block, library and classroom block (5 classrooms).	27-Feb-23	20-Feb-23	Completed ahead of time.
120. Likhweti Primary School	Repairs to storm damages and replacement of gutters and downpipes.	12-Apr-23	22-Feb-23	Completed ahead of time.
121. Kamagugu Special School	Renovations of classrooms, main hall, kitchen hall and the provision of the toilets facilities.	03-Mar-23	03-Mar-23	None.
122. Vulamehlo Combined School	Demolition of 2 x pit toilets, refurbishment of 10 waterborne toilets, construction of 5 water borne toilets, 4 urinals and 1 basin, allow water reticulation, allow for honey-sucking of septic tank & 1 x drinking fountains.	18-Jan-23	07-Mar-23	Community disruptions (no EOT applied for).
123. Dumeleni Secondary School	Renovations of administration office, kitchen and 14 x classrooms.	10-Feb-23	08-Mar-23	Community disruptions.
124. Khanyisa Primary School	Renovations of classrooms, kitchen, computer centre, library and administration.	10-Feb-23	08-Mar-23	Community disruptions.
125. Lindokuhle Primary School	Refurbishment of 12 existing classrooms.	10-Feb-23	08-Mar-23	Community disruptions.
126. Laerskool Bergland	Demolition of 4 asbestos classrooms, construction of new 12 classrooms, renovation of 1 existing classroom with related services.	22-Mar-23	10-Mar-23	Completed ahead of time.
127. Ramodieg Primary School	Demolition of existing administration block and construction of standard administration block	15-Mar-23	15-Mar-23	None.
128. Phumula Secondary School	Demolition of 10 pit toilets, construction of 12 enviro loo wc, 5 urinals. Provision of 2x 10 000l water tanks, including water reticulation and support structure. Refurbish existing borehole and existing water reticulation system and 3 drinking fountains.	09-Mar-23	17-Mar-23	Approved EOT of 9 March 2023 exceeded due to slow performing contractor.
129. Kadishi Secondary School	Renovation of laboratory and installation of electricity to the whole school.	21-May-23	20-Mar-23	Completed ahead of time.
130. Magwagwaza Secondary School	Demolition of 34 pit toilets, renovation of 22 waterborne toilets, renovates palisade fence and 06 classrooms laboratory, rehabilitation of electrical works and soil poisoning of the whole site.	18-Mar-23	22-Mar-23	Project completed on time (delayed signing of completion certificate due to completion date falling over the weekend).

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
131. Marifaan Primary School	Refurbishment of 25 waterborne toilets, construction of 4 waterborne toilets, 4 urinals and basins, provision of 2x 5000l jojo tank, provision of 2x steel stands and fencing around tanks, construct 3x drinking fountain with soakway, refurbishment of 13 classrooms and hall, allow for water reticulation and sewer reticulation and fencing around school.	15-Jan-23	24-Mar-23	Slow performing contractor.
132. Somabedlana Primary School	Refurbishment and renovation of 16 classrooms.	28-Mar-23	24-Mar-23	Completed ahead of time.
133. Sebenta Primary School	Major renovation of waterborne wc and construction of enviro- loo toilets.	15-Feb-23	24-Mar-23	Slow performing contractor.
134. Thulamahashe Circuit	Renovations of circuit office.	15-Feb-23	29-Mar-23	Slow performing contractor.
Department of Health				
1. Standerton District Hospital	Emergency repair and installation of lifts	12-Apr-22	12-Apr-22	None
2. Kwamhlanga Hospital	Construction of new maternity ward. Construction of IBT Structures	30-Jun-22	17-Jun-22	None.
3. 66 Anderson Street, Mbombela (Office Block)	Repairs of storm damages and related repair work.	18-May-22	23-Sep-22	Poor performing contractor.
Department of Social Development				
1. Swartfontein Treatment Centre	Electrical and water reticulation of the Treatment Centre and refurbishment of work station (Phase 3).	15-Apr-23	14-Dec-22	Project completed ahead of schedule.
2. Sonjoy Building	Refurbishments of building.	31-Jan-23	31-Jan-23	None.
Department of Culture, Sport and Recreation				
1. Schoemansdal Library (Matsamo)	Construction of new community library.	30-Oct-22	15-Dec-23	Community disruptions.
2. Emalaheni Library	Upgrading of library.	30-Jul-22	27-Jan-23	Community disruptions.
3. Standerton Regional Library	Repairs to storm damages.	16-Nov-22	28-Feb-23	Community disruptions.
Public Works, Roads and Transport				
1. Kwamhlanga Government Complex	Comprehensive maintenance of building 2, 3 & 4.	21-Apr-22	21-Apr-22	None.
2. Kwamhlanga Government Complex	Comprehensive maintenance of building 6, 7 & 8.	21-Apr-22	21-Apr-22	None.
3. Kwamhlanga Government Complex	Comprehensive maintenance of building 1 and 12 (SAPS and Finance Buildings).	05-May-22	04-May-22	None.
4. Kwamhlanga Government Complex	Comprehensive maintenance of building 5 and 16 (Education and Agriculture Buildings).	21-Apr-22	20-Oct-22	Termination or original contractor.
5. Kwamhlanga Government Complex	Comprehensive maintenance of building 11, 13 and 15 (Library, Canteen and PWRT Maintenance).	05-Dec-22	15-Dec-22	Community disruptions.
6. Kwamhlanga Government Complex	Completion of outstanding maintenance works in building 5 (Education Building) including electrical installations.	30-Nov-22	15-Dec-22	Community disruptions.
7. Kwamhlanga Government Complex	Comprehensive maintenance of building 9 and 10 (Legislature and Conference rooms).	30-Nov-22	28-Feb-23	Community disruptions.
Transport Infrastructure				
1. Road D1043	Repair of 2 slip failures, patching and cleaning of side drains.	18-Jun-22	08-Dec-22	Contractor cash flow and community demands. Additional scope of work.
2. Road P9/1	Repair of a sinkhole and road marking.	13-May-22	14-Sep-22	Community unrest.
3. Tekwane Bridge	Replace washed away Armco steel culvert with concrete bridge and repair culvert.	13-Apr-22	23-Jun-22	Community unrest.

Project Name	Scope of work	Targeted Completion Date	Actual completion Date	Reasons for variance
4. Road D2952 Masibekela To Thambokhulu (4.2 km)	Upgrading from gravel to block paving.	31-Mar-22	22-Sep-22	Delays in supply of material and contractors cash flow.
5. Road D281 Volksrust to Daggakraal (13km)	Upgrading of road.	15-May-20	23-Aug-22	Contractor cash flow.
6. Road P170/1 between Matibidi and Graskop (22.5 km)	Rehabilitation of road and sealing of additional 5 km.	23-Nov-20	28-Feb-23	Covid-19, additional scope of work (increase scope from 16.5 km to 22.5 km).
7. Road P95/1 between Verena And Gauteng Border (13 km)	Rehabilitation of road.	27-Nov-21	10-Aug-22	Contractor financial challenges.
8. Road D3930 Acornhoek (12.86 km)	Rehabilitation of road.	30-Aug-20	08-Dec-22	Court interdict by one of the bidders. Nominated sub-contractor abandoned site due to community demands and threats.
Integrated Rural Mobility And Access (IRMA) Projects				
1. Culvert On Road D2944 Driekoppies	Construction of culvert.	30-Nov-22	23-Nov-22	None.
2. Bus Shelters Pixley Ka Seme	Construction of bus shelters.	30-Jun-23	31-Jan-23	Flood damages.
3. Kanyamazane Culvert	Repair of culvert.	31-Mar-23	15-Mar-23	None.
4. Agincourt Culvert	Repair of culvert.	30-Jun-23	31-Mar-23	Flood damages.
5. Bus Shelters In Dr JS Moroka	Construction of bus shelters.	30-Jun-23	31-Mar-23	Flood damages.

Building maintenance projects that were completed by the DPWRT during the 2022/23 financial year:

Project name	Scope of work	Targeted completion date	Actual completion date	Reasons for variance
Riverside Government Complex				
1. Mgwenya Building	Upgrade of security control room	30-Sep-22	08-Nov-22	Delay in delivery of material.
2. Mgwenya Building	Service of chiller 2,4,5,6, and 7 in the chiller plant.	31-Dec-22	28-Nov-22	Completed ahead of schedule.
Ehlanzeni District				
3. 13 Stinkhout Crescent, Mbombela	General building maintenance: Renovation of offices.	31-Aug-22	27-Jul-22	Completed ahead of schedule.
4. 14 Bester Street, Mbombela	General building maintenance: Renovations of ablution facilities.	31-Aug-22	01-Aug-22	Completed ahead of schedule.
5. Driekoppies Cost Centre	General building maintenance: Upgrading and extension of an office to a boardroom.	31-Dec-22	14-Dec-22	Completed ahead of schedule.
Gert Sibande District				
6. Batho Pele Building	Supply, repair and maintenance of generator installations: Installation and commissioning of a generator.	31-Dec-22	18-Nov-22	Completed ahead of schedule.
Nkangala District				
7. GMT Workshop: Steve Tshwete Cost Centre	General building maintenance: Repairs and general renovations at the GMT workshop.	31-Dec-22	15-Dec-22	Completed ahead of time.
8. GMT Workshop: Kwamhlanga	General building maintenance.	31-Jan-23	21-Oct-22	Completed ahead of time.
9. Kwamhlanga Government Complex	Replacement of damaged water pipe.	31-Jan-23	19-Nov-22	Completed ahead of time.
10. Thembisile Hani Cost Centre	General building maintenance.	31-Jan-23	15-Dec-22	Completed ahead of time.
11. Kwamhlanga Government Complex	Replacement of entrance door at building 7 and 8.	31-Jan-23	06-Jan-23	Completed ahead of time.
12. Dr JS Moroka	Renovation of Old Parliament building.	31-Mar-23	15-Mar-23	Completed ahead of time.

The following projects were not completed in the 2022/23 financial year:

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
Department of Education				
1. Silindokuhle Special School	Demolition of the existing 16 pit toilets, construction of new female learner's enviro- loo toilets inclusive of disable toilets as per the norms and standards. Construction of new male learner's enviro- loo toilets inclusive of disable toilets as per the norms and standards. Construction of new female staff enviro- loo toilets inclusive of disabled toilets as per norms and standard, construction of new male staff enviro- loo toilets inclusive of disabled toilets as per norms and standard. Construction of two new drinking fountains to address the current need for quality drinking water. Civil/ Structural works inclusive of water reticulation, equipping of borehole and water storage tanks and stand.	16-Mar-23	30-Sep-23	Project delayed. Contractor is busy with site establishment.
2. Yinhle Lentfo Primary School	Construction of 24 classrooms, administration block, library, computer centre, 2 X Grade R, kitchen, 30 toilets, 15 urinals, guardhouse, electricity, water.	1-Oct-20	30-Jun-23	Partial handover done on 10 Jan. 2022. Delays due to late removal of mobile classrooms by client Department. Works on site resumed on the 29 Aug 2022.
3. Nelspruit Primary School	Demolition of 5 asbestos classroom, construction of 12 new classrooms renovation existing classroom into Grade R with related services.	15-Feb-23	30-Jun-23	Late submission of construction documents by civil structural engineer. The VO for fire compliance is still pending from the consultants.
4. Nqobangolwazi Secondary School	Demolition of existing 4 classrooms and construction of 4 new classrooms Repairs and Refurbishment to existing classrooms, toilets and administration block. Implementation of storm water management, Provision of Clear Vu perimeter fencing, Repairs to Electrical and mechanical works and compliance to fire requirements.	31-Jan-23	30-Jun-23	EOT 1 approved until 30 March 2023 but project is not complete.
5. Slyakhula Primary School	Renovation of existing 18 classroom and administration block and kitchen.	30-Mar-23	30-Jun-23	Community unrest.
6. Mpuluzi Circuit Offices	Refurbishment of existing admin block, renovation of 4 x classroom block A, renovation of 4 x classroom block B, renovation of existing 8x waterborne toilets.	10-Mar-23	30-Sep-23	Community unrest.
7. Soshangane High School	Renovations of the administration building.	15-Feb-23	30-Jun-23	Project is progressing well
8. Greendale Combined School	Demolitions and replacement of walkways.	22-Mar-23	28-Jul-23	Late delivery of materials.
9. Tonga View Primary School	Demolition of 5 existing pit toilets and Construction of 5 Enviro loo toilets, refurbishment of 24 water borne toilets, 3 x drinking fountains, and fencing around tanks stand with 3 x steel stands allow water plumbing for water reticulations and drainage.	31-May-21	TBC	The project has been suspended due to changes in scope.
10. Makhosana Secondary School	Demolish existing 6 Pit Toilets, install new 6 urinals + 7 Basins, Refurbish 23 educators sanitation facilities and Equipping of the new borehole including elevated water storage (2x 5000L JoJo tanks) and 3 drinking fountains.	07-Oct-21	TBC	Project terminated on 23 Mar 2022.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
11. Phindela Primary School	Demolishing of 8 pit latrine toilets, Refurbishment of existing 24 waterborne toilets and septic tank, water reticulation, fencing and drinking fountain.	22-Sep-22	31-Mar-24	Project put on hold since the scope was not accepted by the school.
12. Kgwaditiba Primary School	Demolishing of 16 existing pit toilets, Demolition of 8 dilapidated enviroloo toilets, Construction of 25 enviroloo toilets 3 x Drinking Fountains, 1 x Steel Stand, steel palisade fencing and water reticulation.	28-Jan-22	31-Mar-24	Poor performing contractor.
13. Manyangana Secondary School	Phase1: Construction of 5 Enviroloo toilets, 4 Urinals and 10 Wash Troughs, Renovations of Existing 11 Enviroloo toilets, Demolition of 10 existing pit toilets.	28-Feb-22	31-Mar-24	Project is on hold due to new scope of work to be added.
14. Tjhidela Primary School	Construction of 10 enviroloo toilets (4 x WC for Girls, 1 x WC for boys 2 x Unisex WC for Disabled, 3 x WC for female staff, 1 x WC for Male staff), 4 x urinals and 5 x Concrete basins , 4 x drinking fountains and 1 x 5000L Elevated jojo tank.	14-Nov-22	31-Mar-24	Scope change requested due to non-availability of water and change from water borne toilets to Enviroloo
15. Retang Primary School	Construction of 06 wash hands basins (2X WC for girls, 4X WC for Grade R and 2X unisex WC for disabled) 2X urinals for boys, 2X concrete basins, 1X 5000L Jojo tanks, 3X borehole to be equipped and 4X drinking fountains.	14-Nov-22	31-Mar-24	Scope change requested due to non-availability of water and change from water borne toilets to Enviroloo.
16. Evimbilanga Primary School	Demolition of 7 pit toilets, construction of 8 enviro-loo toilets, 5 urinals, 13 basins and renovate existing 21 waterborne toilets and water storage (2 x 5000L JoJo tanks).	23-Mar-22	30-Jun-23	Cashflow problems by contractor.
17. Khahlela Primary School	Phase 1: Demolition of 14 dilapidated enviro loo toilets, construction of 20 environ loo toilets, 2 x drinking fountains, 1X steel stand, steel palisade fencing, water reticulation and borehole equipping including Goe-hydro Investigations. Phase 2: Provision of fence.	15-Nov-22	30-Jun-23	Late commencement and delayed payments.
18. Mbuyane Secondary School	Demolition of 20 pit toilets, construction of 16 Enviro-loo toilets (15 toilets and 1 Disabled), 5 urinals, 12 basins, fence around steel stand tanks, 2 x drinking fountains with 4 taps each and water reticulation.	01-Nov-22	30-Jun-23	Poor performing contractor.
19. Timbavati Primary School	Demolition of 18 pit toilets, refurbishment of 12 existing enviro- loo toilets, construction of 13 enviro- loo toilets, elevation of existing 2X 5000L jojo tanks, construction of 2X drinking fountains, drilling and equipped of borehole.	15-Jun-22	30-Jun-23	Partial hand Over, work still incomplete due to poor performing contractor.
20. Sele Secondary School	Demolish existing 12 waterborne and 6 pit toilets. Construction of 17 enviroloo toilets consisting of 12wc, 5 urinals, 9 wash hand basin. Refurbishment of borehole, installation of water purification system with 2x5000L Jojo tanks with steel stands and fence around, Construction of 2 x drinking fountains including a soak away.	24-Oct-22	30-Jun-23	Delay in connecting water to site.
21. Azalea Combined School	Repairs and Renovations to 20 classrooms, admin block, 4 computer centers and relocate Grade R mobile.	30-Mar-23	30-Jun-23	Community unrest.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
22. Hlulani Primary School	Renovations to 8X existing enviro- loo toilets, construction of 2X new enviro- loo toilets, construction of guardhouse and refuse area. Refurbishment of fencing, supply water reticulation, 3 x 5000L Jojo tanks, fencing around new and existing tanks and 2 x drinking fountains.	28-Feb-23	30-Jun-23	Community unrest.
23. Thubelihle Primary School	Renovation of 2 x 8 existing waterborne toilets and renovation of 5 x 7 waterborne toilets.	15-Mar-23	13-Apr-23	EOT submitted due to inclement weather.
24. Idlangemabala Secondary School	Demolishing of 08 existing pit toilets. Provide 08 x Girls toilets, 07 x Boys Toilets, 03 x Females staff Toilets, 01 x Male staff toilet, 06 x Urinals for Boys, 01 x Urinal for Male Staff, 04 x Girls WHB, 05 x Boys WHB, 02 x Female staff WHB, 01 x Male staff WHB. Construction of 19 toilets. (1 x Type A1 (1 x Toilet, 1 x Urinal & 1 x Basin) (2 x Type B (2 x Toilet, 2 x Urinal & 2 x Basin) (1 x Type C (2 x Toilets, 1 x Disable & 1 x Basin) (1 x Type D (3 x toilets & 2 x Basins) (2 x Type G (4 x Toilets & 2 x Basins) Refurbishment of existing water pipe to aid functionality of 09 waterborne toilets and refurbishment of septic tank.	10-Mar-23	28-Jul-23	Poor performing contractor.
25. LD Moetanalo Secondary School	Renovations to 32 x existing waterborne toilets, construction of a Guard house and refuse area, fencing, sewer reticulation, 8X 5000L elevated Jojo tanks, fencing around new and existing tanks and 3X drinking fountain.	30-Mar-23	31-Aug-23	EOT submitted due to inclement weather.
Department of Health				
1. Rob Ferreira Hospital	Repairs and Upgrades to Electrical installations, Mechanical installations, Fire installations and related building works. Provision and installation of scaffolding and mobile cranes (Phase 2A).	26-Jul-21	31-May-23	Approved EOT.
2. Rob Ferreira Hospital	Alterations to builders work, wet works, duct covers and decking, balustrades, structural steel and paintwork, as well as plumbing and drainage to the existing nurses accommodation (Phase 2B).	27-Sep-20	31-May-23	Approved EOT.
3. Rob Ferreira Hospital	Repairs, renovations and rehabilitation of all carpentry, joinery, ceilings, ironmongery, metalwork, aluminium doors, windows and shopfronts, tiling, paintwork to the existing nurses accommodation (Phase 2C).	27-Sep-20	31-May-23	Approved EOT.
4. Rob Ferreira Hospital	Repairs, renovations and rehabilitation of all carpentry, joinery, ceilings, ironmongery, metalwork, aluminium doors, windows and shopfronts, tiling, paintwork to the existing nurses accommodation (Phase 2D).	18-Aug-21	31-May-23	Approved EOT.
5. Mmamethlake Hospital	Alterations and additions to existing hospital (Phase 3).	10-Jun-22	30-Jun-23	Approved EOT.
6. Mapulaneng Hospital	Construction of new maternity ward (Construction of IBT structures)	04-Jun-21	30-Jun-23	Late approval of VO.
7. Themba Hospital	Construction of new maternity ward (Construction of IBT structures) (Phase 1)	02-Aug-22	TBC	Contractor terminated.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
8. Bethal Hospital	Upgrading and alteration to include Task 1: Demolition of ward 3, 5, 6, pharmacy, filling station, residence on adjoining site, garden buildings, medical class, including site works etc. New 2 x hostels, doctor's accommodation, alteration to laundry. Task 2: Demolition of nursing training centre, mortuary, stores, EMS, nurses home, Doctor's flats and accommodation, pre-school, lecture room, mobile school, asset store and wellness clinic. Construction of new wards, kitchen, mortuary, gas bank, laboratory, high care, theatre, casualty, x-ray, dental, OPD, waste collection, guardhouses and site related works. Task 3: Demolition of ward 1, theatre, kitchen, human resources, admin, ward 2, x-ray, construction of new admin, stores, allied health and site related works.	30-Jul-22	28-Apr-23	Delay in the relocation of staff from the old hospital to the new facilities.
Department of Social Development				
1. Daantjie Youth Development Centre	Construction of youth development centre.	30-Dec-21	30-May-23	Approved EOT.
2. Msogwaba Youth Development Centre	Construction of youth development centre.	27-Feb-22	30-Jun-23	Approved EOT.
Department of Economic Development & Tourism				
1. Mpumalanga International Fresh Produce Market	Construction of the new fresh produce market.	30-Aug-20	30-Nov-23	Slow progress by contractor and failure to pay key sub-contractors (electrical & HVAC subbies)
Transport Infrastructure				
1. Road D3976 Mathibela (1 km)	Upgrading from gravel to block paving (Phase1).	31-Mar-23	30-May-23	Flood damages and contractor cash flow problems.
2. Road P57/2	Rock fall protection, patching and installing of storm water channel.	31-Mar-23	30-May-23	Contractor cash flow problems.
3. Road D567 Moloto Village	Upgrading from gravel to block paving (1 km)	31-Mar-23	30-May-23	Flood damages and community Business Forum disputes.
4. Road D1875 between Gembokspruit and Tweefontein	Upgrading from gravel to block paving (2 km)	31-Mar-23	30-May-23	Flood damages and contractor cash flow problems.
5. Culvert on Road D2946 Gomora	Reinstate of washed away culvert	30-Mar-23	30-Jun-23	Delays in the issuing of the design drawings and flood damages.
6. Culvert on Road D4415 Kashoty	Reinstate of washed away culvert.	30-Mar-23	30-Jun-23	Delays in the issuing of the design drawings and flood damages.
7. Culvert on Road D282 Daggakraal	Reinstate of washed away culvert.	30-Mar-23	30-Jun-23	Delays in the issuing of the design drawings and flood damages.
8. Road P182/1 between Van Dyksdrift and Hendrina (12km)	Rehabilitation of road.	15-Nov-21	15-Aug-24	Contractor had financial challenges. Contract terminated.
9. Road D2486 N2 to Klipwal (9 km)	Light rehabilitation of road (Phase 1).	30-May-20	30-Aug-23	Design terminated, Engineer design review by the new engineer. Contractor cash flow problems.
10. Road P29/1 Delmas (12.55km)	Rehabilitation of road.	11-Nov-22	30-Sep-23	Contractors' cash flow problems and dispute between the JV partners.
11. Road D481 Embhuleni to Maanaar (7 km)	Upgrading of road.	13-Mar-23	30-Sep-23	Community disruptions.

Project name	Scope of work	Targeted completion date	Revised completion date	Reasons for the delays
12. Road P36/1 between Delmas and N12 (9.1km)	Rehabilitation of road.	15-Nov-21	15-Nov-23	Community problems and Contractor's financial challenges.
13. Road D2274 between N11 and Hendrina	Upgrading of road (13 km) with 2 new bridges and one culvert	31-Mar-23	15-Dec-23	Contractor cash flow problems and community disruptions, demands and threats.
14. Road D3960&D4442 Gamotibidi and Rainbow (12.8km)	Upgrading of road.	14-Dec-20	31-Mar-25	Community demand change of design after award. Financial challenges by the contractor. Contract terminated.

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

Project Name	Scope of work	Targeted Completion Date
Department of Education		
1. Mkhondo Boarding School	28 Classrooms, admin block, library, computer laboratory, science laboratory, 8 ablution blocks, dining/ multi/ purpose hall, 8 dormitories, 3 grade r accommodation, guard house, rails, ramps, parking, paving, fence, water supply, electricity, sewerage and storm water.	21-Sep-20
2. New Ermelo Primary School	Phase 2: construct 24 classrooms, grade r centre, administration block, library, computer centre, school hall, 30 toilets, fence, kitchen, ramps + rails, 3 sports grounds and car park.	14-Apr-23
3. Mgobodi Primary School	Demolition of 15 classrooms, admin block, grade r centre, kitchen and guard house. Refurbishment of 04 classrooms. Construction of 19 new classrooms, 2 grade r centres, library, admin block, media centre, kitchen, guard house, electricity, water, ramps & rails, car park and 02 sports fields.	02-Oct-24
4. Silulu Secondary School	Construction of 28 classrooms, school hall, science laboratories, admin block, library, computer centre, kitchen, toilets, fence, guardhouse, ramps and rails, media centre, sports fields.	17-Jan-25
Department of Health		
1. KaNyamazane CHC	Construction of a new Community Health Centre and accommodation Units including associated external works.	06-Oct-23
2. Middleburg District Hospital	Planning and construction of a new district hospital (Bulk Services).	01-Dec-23
3. New Mapulaneng Hospital	Construction of Top Structures (OPD and Others) (Phase 3 B).	17-Mar-25
4. New Mapulaneng Hospital	Construction of Top Structures (OPD and Others) (Phase 3 C).	17-Mar-25
5. New Mapulaneng Hospital	Construction of Top Structures (OPD and Others) (Phase 3 A).	07-Jul-26
Department of Social Development		
1. Morgenzon Branch Office	Provision of mobile Office, fencing, drilling of a borehole and services.	10-May-23
2. Mmamethlake Branch Office	Construction of 16 new offices.	27-Mar-24
3. Mbuzini Branch Office	Construction of 16 new offices.	09-Apr-24
Department of Culture, Sport and Recreation		
1. Maphotla Library	Upgrading of library (maintenance).	30-Jun-23
2. Libangeni Public Library	Upgrading of library (maintenance).	30-Jun-23
3. Ehandukhanya Community Library	Construction of new co with guard house and refuse area.	04-Jul-23
4. Kwamhlanga Dual Purpose Library	Construction of new community library.	14-Nov-23
Transport Infrastructure		
1. Sand River Bridge D4400 near Rolle	Construction of bridge and extra lane	17-May-23
2. Road D2950 Mananga	Upgrading of road (6 km)	06-Nov-23
3. Road P8/1 Mashishing to Bambi Phase 3	Rehabilitation of road (11 km)	11-Dec-23

Project Name	Scope of work	Targeted Completion Date
4. Kumani Bridge D4422 in Thulamahashe	Construction of bridge and upgrading of road (5 km)	17-Jan-24
5. Road D4407, D4409&D4416 Hluvukani to Welverdiend	Upgrading of road (14.28 km)	21-May-24

Plans to close down or down-grade any current facilities

The Department is finalising a submission to the Executive Council for approval to sell state owned houses. Various proposals were suggested to ensure that all stakeholders are acknowledged in the decision i.e. current occupants, labour and government. In addition, a total of 14 properties were disposed of which includes properties donated for land tenure upgrade.

Progress made on the maintenance of infrastructure

The main activities carried out for infrastructure maintenance included routine and preventative works for both building and transport infrastructure. To implement strategic asset management principles, the Department leveraged on the results from the condition assessment on state-owned buildings and Road Asset Management System (RAMS). However, the current funding levels for infrastructure maintenance is inadequate to achieve the prescribed standards for asset management or make positive impact on the existing maintenance backlog.

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

Public Works

The number of projects implemented by DPWRT had a huge impact on the expenditure of both the Department and its client departments. The vast number of projects implemented severely overstretched the limited human capacity available within the implementing agent. The maintenance of building infrastructure is done in line with Government Immovable Asset Management Act, (GIAMA). In compliance with this act, a total of 12 building maintenance projects were completed at various regions. There is still a need to improve communication and processes to manage changes to the infrastructure plans between the client departments and implementing agent through enhancement of the existing Service Level Agreements (SLAs).

Transport Infrastructure

The overall road network condition continues to deteriorate albeit at a low rate but this causes the maintenance backlog to grow every year. The reduced budget allocations limit the maintenance interventions that can be carried out across the Province. This trend may continue unless the Province starts to invest more on road infrastructure instead of relying on the road maintenance grant received from Treasury each financial year which in fact was meant to supplement equitable share. In the meantime, measures such as reseals, fog-sprays and re-graveling are implemented to delay the deterioration of an existing road network, thereby extending its lifespan while additional funding is being sourced.

Changes in the Asset Holdings

The asset holdings of the Department have changed over the 2022/23 financial as follows (R'000):

Opening Balance	R 828,806
Adjustments	R -
Disposals	(R 16,525)
Additions	R 15,301
Total	R 827,582

Of the R827, 582 million, the Department spent R13, 372 million to acquire the following movable additional assets (R'000):

Transport Assets	R 5,433
Computer Equipment	R 3,812
Furniture & Office Equipment	R 1,177
Other machinery & Equipment	R 2,950
Total	R 13,372

Disposal of assets

The Department disposed movable assets amounting to R16, 525 million during the period under review. A total of four (4) auctions were held as follows:

Region	Month	Amount (R '000)
Bohlabela	August 2022	R3,907
Nkangala	August 2022	R2,832
Gert Sibande	December 2022	R2,331
Ehlanzeni	December 2022	R4,423
Total		R9,074

Material losses

Material losses to the value of R1, 978,538.62 were recorded for the 2022/23 financial year.

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

The asset base of the Department is recorded in its Asset Register. Measures taken to update the register include bar coding, physical verification and reconciliation of all assets according to the Asset Management Policy. Other controls include performance asset inspections on buildings are undertaken on a monthly basis. Planned inspections are undertaken on provincially owned property. User Departments are also required to inspect and report on the buildings under their control in their User Asset Management Plans (UAMPs).

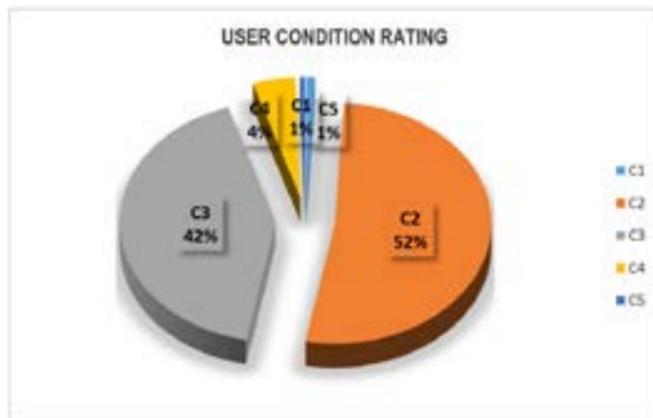
The current state of the capital assets i.e. what percentage is in good, fair or bad condition is as follows:

State accommodation

The Department of Public Works, Roads and Transport's (DPWRT's) immovable asset portfolio consists of 5 346 facilities (some on unsurvey land) with estimated required maintenance budget of R2.53 billion over a 5 year period. Noteworthy is that user departments are responsible to budget for maintenance works while the custodian advises and provide the necessary technical expertise. It therefore goes without saying that this Department relies heavily on availability of funds from client departments hence the focus has been on routine instead of preventative maintenance. To address this, the Department will be reviving the discussions about the 2% set aside for maintenance by all departments which was pronounced during SOPA 2019.

The pie chart below provides a breakdown of the condition rating of state accommodation as determined by user departments - User Asset Management Plans (UAMPs) and Custodian Asset Management Plan (CAMP). The rating is utilized to give a brief indication of the physical condition of the asset (It should be noted that this is not a technical condition assessment but a user perception). According to the chart, the average condition of the buildings utilised by the Province has deteriorated from C3 (fair) to C2 (poor) status. This means that 52% percent of buildings require rehabilitation and 42% requires repairs or renovations.

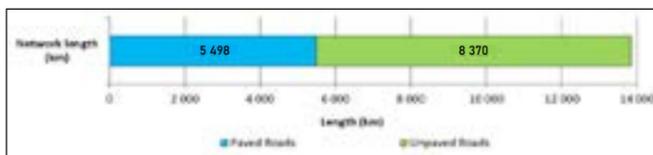
Below is the percentage of condition rating per category:



- **C1 (1%)** - these assets have failed; are not operational and are unfit for occupancy. *Risk Index: Accommodation is unusable, immediate high risk to security, health and safety or property. Significant cost impact can be expected.*
- **C2 (52%)** - these assets have deteriorated badly, with some structural problems. General appearance is poor with eroded protective coatings; elements are broken, services are interrupted; significant number of major defects exists. *Risk Index: Many disruptions to service capability, some risk to health and safety or property. High cost implication.*
- **C3 (42%)** - these assets are in average condition, deteriorated surfaces require attention; services are functional but require attention, backlog maintenance work exists. *Risk Index: Frequent inconvenience to operations. Some risk to health and safety or property. Medium cost implications*
- **C4 (4%)** - these assets exhibit superficial wear and tear, with minor defects and minor signs of deterioration to surface finishes.
- **C5 (1%)** - these assets have no apparent defects. Appearance is as new. *Risk Index: No effect on service capability. No risk.*

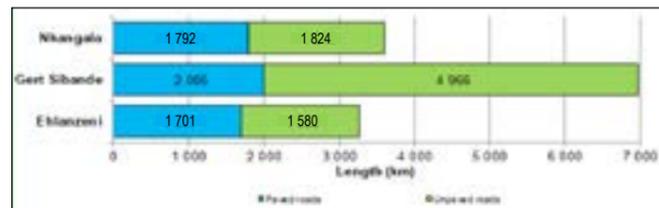
Provincial paved road network

Spatial Information, Statistics and Demographic Data for Provincial Road Network



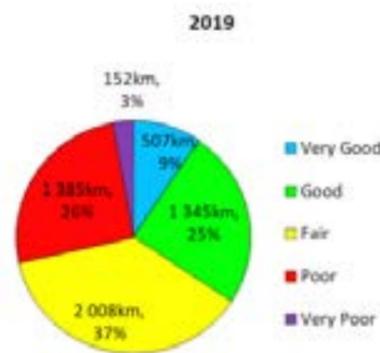
Source: Roads Asset Management System, 2023 - Mpumalanga Provincial Road Network (excluding SANRAL and municipalities)

The Department is responsible for approximately **13 868** kilometres of the provincial road infrastructure network that interconnects municipal areas, other provinces and neighbouring countries. The strategic importance of the provincial road network is mainly based on the following: (i) Mpumalanga generates almost 75% of the country's electricity hence the strategic importance of the coal haulage network to ensure **energy** security. (ii) Transport infrastructure plays a critical role in promoting **tourism** growth by allowing tourists to access and enjoy Mpumalanga's vast tourist attractions and (iii) Mpumalanga is one of South Africa's important **agricultural** regions and plays a key role in its export profile and is also an important lifeline for food security.



Source: Roads Asset Management System, 2023 - Mpumalanga Provincial Road Network (excluding SANRAL and municipalities)

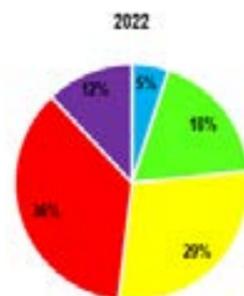
Road Condition – Visual Condition Index (VCI) vs. Length (km) – Paved



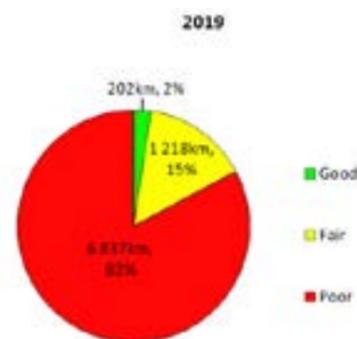
Source: Roads Asset Management System 2022

Summary

In comparison to 2019, the percentage of very good and good roads have decreased indicating a need for urgent interventions.



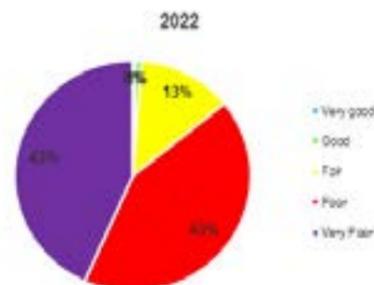
Road Condition – Visual Condition Index (VCI) vs. Length (km) – Unpaved



Source: Roads Asset Management System 2022

Summary

The high percentage of roads in a poor and very poor condition points to a considerable backlog and a high need for maintenance and regravelling projects.



Other Assets

Name	Excellent	Good	Fair	Poor
Computer equipment	7%	61%	30%	2%
Furniture and office equipment	1%	35%	61%	3%
Other machinery and equipment	4%	50%	42%	4%
Specialised military assets	0%	96%	1%	3%
Transport equipment (white fleet)	3%	71%	24%	2%
Road construction equipment (yellow fleet)	0%	51%	39%	10%



PART
C
GOVERNANCE

1. INTRODUCTION

The Department has a number of internal controls (e.g. policies, standard operating procedures, frameworks, etc.) to guide its everyday business practices. Over and above this, a number of internal accountability forums and committees are in place to ensure good governance and transparency.

Combined, these provide assurance that public money and resources are used effectively and efficiently. Such a governance regime, draws together principles from various prescripts that drive the organization's performance whilst enabling oversight of accountabilities. Monthly and weekly meetings are held to set strategic direction, monitor, evaluate and report on the following key performance areas:



2. RISK MANAGEMENT

The Department has an approved Risk Management Policy, Risk Management Strategy and Risk Management Implementation Plan, which are reviewed annually to ensure that the policy's application remains relevant and comprehensive. The annual Risk Assessment report for the 2022/23 financial year were approved during March 2022. The Risk Assessment are performed annually per programme were all risks are identified for the financial year, there after the Risk Registers is circulated to all Directorates in order to provide monthly progress reports. On a monthly basis the risk progress reports are submitted to the Risk Management Directorate where after progress reports are submitted to the Head of Department. New and emerging risks are identified and included in the risk register on a monthly basis. The risk management report has been enhanced to include Auditor General Audit Remedial Action Plan, litigation, labour cases, IT information, the financial and performance report. The management of risks is showing an improvement into the Department's performance.

The Head of Department has appointed a Departmental Risk Management Committee that is chaired by an external Risk Management advisor and reports to the Accounting Officer and Audit Committee on a quarterly basis. The responsibilities of this Committee is to monitor inherent and emerging risks as well as review risk management progress reports. The Departmental Risk Management Committee meets on a quarterly basis to discuss risk management progress reports and all risk related matters. Management has agreed that all SMS members have risk management as one of their key performance area. The Department has 4

District Risk Management Committees to address risks within the Districts and these committees also meet on a quarterly basis. Furthermore, a Risk Management Champions Committee has been appointed by the Accounting Officer to monitor and review risk management progress reports. The day-to-day management of risks rests with the senior and line managers of each sub-programme within the Department. This collaborative approach ensures that risk management is fully integrated with existing management processes and responsibilities.

3. FRAUD AND CORRUPTION

The Department is committed to deal with fraud and corruption in terms of the Public Service Coordinating Sectoral Bargaining Council (PSCBC) Resolution 1 of 2003 as well as the Labour Relations Act 66 of 1995 as amended and other applicable prescripts. Unauthorised, Irregular, Fruitless and Wasteful Expenditure as well as lack of consequence management as reported by the Auditor-General impact the operating efficiency of the Department. The Department has an approved Fraud Prevention Policy, Whistle Blowing Policy, Fraud Prevention Plan and Ethics Management Strategy and does not tolerate any fraud and corruption related activities from employees, including doing business with the state. The main objectives of the Fraud Prevention Plan are creating a culture which is intolerant to fraud; detecting, preventing and investigating fraud; and taking appropriate action against fraudsters. The Department also identify and assess Fraud and Ethics Risks on an annual basis. Monthly progress are submitted in order to minimise the risks.

The implementation of the Fraud Prevention plan is monitored against the approved Minimum Anti-Corruption Capacity Implementation plan of the Department. The Department have also appointed a Fraud and Ethics Committee to assist with the implementation of the Fraud Prevention Plan and the progress made on investigations and the fraud and ethics are monitored on a quarterly basis. Awareness workshops are conducted on all fraud policies, the fraud prevention plan as well as the code of conduct. The Whistle Blowing Policy stipulates the procedures which an official can follow to report suspected fraud. More importantly, cases of fraud can also be reported to the fraud and corruption hotline, Public Protector, Presidential Hotline, Public Service Commission. All cases reported are investigated either by our Department or the Integrity Management Unit located in the Office of the Premier and depending on the outcome of the investigations, the cases are handed over to Labour Relations to take the appropriate disciplinary actions for officials.

4. MINIMISING CONFLICT OF INTEREST

All SMS members submitted their Financial Disclosures for the 2022/23 financial year as per the Directive issued by Minister of Public Service and Administration (MPSA) in terms of section 41(3) of the Public Service Act, 1994 read with the Amended Public Service Regulations (PSR) 2016. Furthermore, members of the Audit Committee, Risk Management Committee and Fraud and Ethics Committee sign a declaration of interest during each meeting indicating whether they have interest or not. The Department's SCM unit further ensures that all suppliers complete the SBD4 form before a contract is awarded. Service providers who failed to complete the prescribed declaration forms (SBD4) are disqualified. The National Treasury Database of Restricted Suppliers and the CSD are also verified prior to award to ensure that restricted service providers are disqualified. The Department further issued a circular that prohibits employees in the public service and special advisors from conducting business with the state and making it a criminal offence to do so without permission.

5. CODE OF CONDUCT

The Code of Conduct for Public Servants, issued by the Public Service Commission, provides guidelines to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. During the 2022/23 financial year, the Department achieved 100% compliance in terms of submission of financial disclosures. This is in line with the Public Service Regulations, 2016 stating that employees are required to disclose their financial interests. Awareness campaigns were conducted by the Risk Management Unit to ensure that all SMS submit their financial disclosures before the end of April 2022 and workshops were conducted by DPSA in terms of possible new developments in terms of disclosures going forward. It is however the responsibility of all employees to ensure compliance with applicable internal controls, laws and legislation and to adherence to the prescribed ethics of practice.

Budget Vote 8: 2022-23

Resolutions	Progress by January 2023
1. The department must ensure that there are resources from within the current baseline or create provision for the updated feasibility study on the Moloto Rail when budgeting for the 2023/2024 through reprioritisation.	<ul style="list-style-type: none"> The Department endeavours to allocate the required budget for updating of the feasibility study. However, the budget is dependent on the allocated budget received from Treasury for the 2023/24 financial year. A budget pressure was registered with Provincial Treasury to this regard.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The staff and those who deliver services on the Department's behalf are required to prioritise health and safety of people as well as protect the environment where they work. Safety is at the core of all the Department's operations and this is articulated in the Safety, Health, Environment, Risk and Quality Policy. The policy is aligned to the Occupational Health and Safety Act (85 of 1993) and related regulations. In last 4 years, the Department focused efforts on high risk areas of operation, to ensure physical and psychological wellbeing of all employees. As a result, the number of Injury on Duty (IOD) cases reported reduced annually from 2017/18 from 25 to 6 in the 2020/21 financial year. In the previous financial year, 2021/22, the Department had 8 IOD cases that required only basic medical attention. In 2022/23, the Department had a total of 18 IOD cases which indicate an increase from the last 3 financial years. This was mainly due to Transport Inspectorate vehicle accidents where more than one official was involved.

7. PORTFOLIO COMMITTEES

Portfolio Committees have a mandate to oversee the performance of the Department and hold it accountable through various measures in terms of section 114(2) of the Constitution of the Republic of South Africa, 1996 read with rule 124(b) of the Rules and Orders of the Mpumalanga Provincial Legislature. As part of its oversight function, the Portfolio Committee on Public Works, Roads and Transport; Community Safety, Security and Liaison met the Department on several occasions during the year of reporting. The focus of these meetings was the Departmental plans, budget, annual report and quarterly performance. The information below outlines key matters raised by the Committee and progress on implementation of resolutions emanating from related findings.

Portfolio Committee meetings held with the DPWRT: 01 April 2022 – 31 March 2023:

Name of Report	Date of Meeting
2022/23 Budget Vote and Annual Performance Plan	26 May 2022
Annual Report: 2021/22	24 November 2022
Quarterly Performance Report: 1 st Quarter: 2022/23	01 September 2022
Quarterly Performance Report: 2 nd Quarter: 2022/23	24 November 2022
Quarterly Performance Report: 3 rd Quarter: 2022/23	07 March 2023

Resolutions	Progress by January 2023
2. The Accounting Officer must prioritise the recruitment processes considering the identified and reported number of critical vacant positions within the department.	<ul style="list-style-type: none"> The Department has advertised and filled 180 posts in the 2021/22 financial year. A total of 202 posts were filled by the end of October 2022. A further 48 replacement posts have been advertised in August 2022 for officials who have left the Department between 1 April 2022 and 30 June 2022. Interviews for 38 of the 48 posts has been completed. The Department has advertised an additional 583 critical posts in October 2022.
3. The department must submit a report that consists the revised completion dates for both projects and furthermore ensure that there are no variation orders and / or negative financial implications.	<ul style="list-style-type: none"> The Mpumalanga International Fresh Produce Market is currently 85% complete. Attached Annexure A for a detailed report. Mkhondo Boarding School is 87% complete and planned for completion in May 2023. Attached Annexure B for the detailed report. There are currently no new variation orders.
4. The department must provide an updated detailed report regarding the construction of the Parliamentary Village, including the breakdown of the outstanding scope of work that needs the estimated amount of R145 000 000.00 that will be requested.	<ul style="list-style-type: none"> The Parliamentary Village is currently 80% complete. The completion of the 4 phases are planned for completion in the 2023/24 financial year. Attached Annexure C for the detailed report.
5. The department must ensure that the verification process of service providers regarding their registration and credentials, is enforced to avoid recurrence of variation orders on infrastructure projects. Furthermore, submit a list of all service providers that performed the Geo-tech studies on infrastructure projects that had variation orders. The list must be accompanied by supporting documents such as qualifications and registrations to their respective bodies etc.	<ul style="list-style-type: none"> The Department will tighten the verification of credentials for all service providers. Attached Annexure D for the list of service providers.
6. The department must provide a progress report on the actions taken to date, to address the arrears owed to municipalities. The report must include amongst others the plan to settle the backlog and timelines.	<ul style="list-style-type: none"> An amount of R59, 663 million has been paid to Bushbuckridge Local Municipality (BLM) in this financial year to date. Included in that amount is the R43, 8 million towards the historical debt. A balance of R145, 088 million historical debt is still outstanding for Bushbuckridge Local Municipality and will be repaid in line with the repayment agreement with BLM.
7. The department must provide the committee with an action plan indicating the reprioritization of the budget to cater for the maintenance of tourism roads in the 2022/23 financial year.	<ul style="list-style-type: none"> Attached Annexure E for the action plan and progress report for the 2022/23 financial year.

Annual Report: 2021-22

Resolutions	Progress by January 2023
1. The department must furnish the Committee with progress report on the implemented consequence management regarding the following projects: <ul style="list-style-type: none"> The disciplinary enquiry relating to five (05) employees (Project Managers) who allegedly committed irregularities (over payments) while managing projects of the Department of Health; Four (04) employees who allegedly committed irregularities on the procurement of goods and service by the department during the National State of Disaster (Covid-19), who are on precautionary leave; The Gert Sibande alleged misconduct by DB Mkhabela who is placed on precautionary leave noting his unavailability or traceability; The investigation of two (02) Cost Centre employees that were served with letters regarding the missing Grader and Dozer in Lydenburg and Tonga, and The investigation report on some of the panel members, regarding the Bohlabela recruitment processes for the traffic learnership programme. 	<ul style="list-style-type: none"> The implementation of consequence management on officials who committed irregularities are in progress. Attached Annexure A for the progress report.
2. The department must prioritise filling of the three (03) DDGs positions in the next financial year 2023/24 to strengthen its Internal Control.	<ul style="list-style-type: none"> The Department will prioritise the filling DDG posts in the 2023/24 financial year should funds be available.
3. The department must provide the Committee with Portfolio of Evidence report indicating companies that were penalised and those that were terminated.	<ul style="list-style-type: none"> A total of 55 companies (un-roadworthy vehicles) were penalized. A total of 23 companies without operating license were penalized. Attached Annexure B.

Resolutions	Progress by January 2023
4. The department must monitor the implemented provision of Public Finance Management Act (PFMA) Supply Chain Management (SCM) instruction no.3 in dealing with deviations and expansions of contracts.	<ul style="list-style-type: none"> The Department continues to monitor deviations and expansions in line with the Departmental Policy on Procurement of Goods and Services and also the PFMA, SCM Instruction 3 of 2021/22. All deviations and variation orders exceeding the threshold are reported to Provincial Treasury for noting.
5. The department must submit the reconciled and comprehensive report of all construction projects by 31 March 2023 and on a quarterly basis thereafter, to ensure that expenditures correspond with the progress of projects.	<ul style="list-style-type: none"> Attached Annexure C for the quarterly report on infrastructure expenditure.
6. The Accounting Officer must monitor the developed detailed Audit Action Plan, to ascertain that a strong interrogation is conducted in dealing with the real root causes that leads to irregular expenditure.	<ul style="list-style-type: none"> Attached Annexure D for the Audit Action Plan progress report.
7. The department must furnish the Committee with the Portfolio of Evidence to the Mpumalanga Legislature with the intention of the recovery of funds.	<ul style="list-style-type: none"> Several letters were written to Legislature to recover the funds. Attached Annexure E for the evidence.

First Quarter Performance Report: 2022-23

Resolutions	Progress by November 2022
1. The department must provide progress report and measures applied by the Accounting Officer on all disciplinary hearings held including: <ul style="list-style-type: none"> 13 and 14 September 2022; 28 and 29 September 2022; 10 October 2022 and; Employees that are on suspension with pay. Implementing of salary suspension for the remaining 04 employees after all other processes were followed in line with the Public Service Regulations. 	<ul style="list-style-type: none"> Attached Annexure A.1 for a progress report on disciplinary hearings and consequence management implemented to date.
2. The department must submit a detailed quarterly report on the progression of project, stating all expenditures; The Accounting Officer must ensure that variation orders are avoided, until the official hand-over.	<ul style="list-style-type: none"> Attached Annexure A.2 for progress report on Mananga Road.
3. The department must submit the feedback report on the response by Provincial Treasury regarding the Equitable Share request, expectantly after the budget adjustments period.	<ul style="list-style-type: none"> The Department has received approval on the roll-over requested for Equitable Share amounting to R51, 319 million and R1, 231 million on PRMG. Attached Annexure A.3 for the Adjustment Allocation Letter.
4. The Department must endeavour settling debts owed to Bushbuckridge Municipality within the Medium-Term Expenditure Framework (MTEF) period, as per the arranged re-payments terms.	<ul style="list-style-type: none"> The Department will endeavour to settle the debt within the MTEF period. It is worth noting that the Department has managed to pay a total amount of R400 million from the beginning of the financial year to all 17 Municipalities.
5. The department must submit a progress report on Road P29/1 at D2669 to 62.55 at D281, noting the reported slow start by the Contractor due to difficulties with acquiring the work permit and payment challenges. Furthermore, develop a succession plan regarding the three key projects: <ul style="list-style-type: none"> Road P36/1, Delmas; Road P182/1, Hendrina and; Road D3960, Rainbow. 	<ul style="list-style-type: none"> Attached Annexure A.4 for progress report on Road P29/1. The Department submitted a contract termination letter to the contractor for Road P36/1. The contractor has since requested to cede the remaining works to a sub-contractor, nominated by the Department. A letter of intention to terminate was sent to the contractor for Road P182/1. The contractor is now back on site to resume with the works. A termination letter will be issued to the contractor for Road D3960.
6. The department must constantly engage with Client Departments and emphasise the consequences of the delayed payments and the need to urgently resolve matters, noting the high number of Variation Orders (VO) and penalties on many projects.	<ul style="list-style-type: none"> DPWRT has engaged client departments through the Technical Provincial Premier's Infrastructure Committee meeting as well as through one-on-one Project Operations Management Committee (POMM) meetings. It was resolved that weekly Payment Committee Meetings will be held to address payments delays.

Second Quarter Performance Report: 2022-23

Resolutions	Progress by January 2023
1. The Accounting Officer must work closely with other key stakeholders to ensure that the project is completed as per the anticipated date (June 2023) without any further delays and cost overruns.	<ul style="list-style-type: none"> The major challenges that led to the closure of the site has been resolved. However, there are sporadic community disruptions that led to closure for a few days. The project is also experiencing slow progress due to slow performance of the Contractor for Phase 3. The realistic completion date for the project is October 2023. Referred to Annexure A for a detailed report on Parliamentary Village.
2. The department must endeavour settling the outstanding Municipal debts within the MTEF period.	<ul style="list-style-type: none"> An amount of R59, 663 million has been paid to Bushbuckridge Local Municipality (BLM) in this financial year to date. Included in that amount is the R43, 8 million towards the historical debt. The outstanding amount will be repaid in line with the repayment agreement with BLM.
3. The Accounting Officer must ensure that the appointed cession contractor completes the project within the stipulated period (March 2023), noting the anticipated operational date (January 2023).	<ul style="list-style-type: none"> The project is progressing well with the cession contractor. A major aspect of the work done to date has been remedial works due to a large extent of damage that occurred during the closure. The project is currently 89% complete. The revised realistic completion date is 30 June 2023. Attached Annexure B for the progress report.

Third Quarter Performance Report: 2022-23

The Portfolio Committee sitting to discuss the Department's 3rd quarter report was held on 7 March 2023. The resolutions emanating from the meeting was only received in April 2023 and progress is due in May 2023.

8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) met with the Department on the 10 February 2023 to deliberate on the 2021/22 Annual Report. The Department received resolutions emanating from the meeting in March 2023 and progress is due by 30 June 2023.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Progress made in clearing / resolving the matter
Annual Financial Statements - Restatement of corresponding figures	<ul style="list-style-type: none"> The Annual Financial Statements (AFS) are prepared in accordance with the reporting framework determined by National Treasury. The Department prepares Interim Financial Statements (IFS) on a quarterly basis in line with the prescripts and as a build-up to Annual Financial Statements. The Annual Report Committee has been appointed to review the Annual financial statements, AFS are reviewed by the following structures; Provincial Treasury, Audit Committee, Quality Assurer and Internal Audit before submission to the Auditor General on the 31st May 2023. These interventions are aimed at enhancing the quality of the AFS. A Training on Case Ware has been conducted to the compilers of the Financial Statement. The Internal Audit is assisting in reviewing the Annual Financial Statements.
Expenditure Management	<ul style="list-style-type: none"> Investigations on Irregular Expenditure has been concluded. Request for condonation will be submitted to Provincial Treasury in the 2023/24 financial year. Where an official is found liable in law (after investigation), consequence management will be duly applied. Follow ups are continuously made with Treasury on previously submitted requests for condonations. An amount of R352,438 million relating to the historical irregular expenditure was condoned/written off during the period under review.
Consequence Management	<ul style="list-style-type: none"> The Department appointed an Initiator and a Presiding Officer to assist with the investigations. The 4 officials that were implicated in terms of the SIU report were suspended whilst investigations are ongoing. Disciplinary hearings are ongoing.
Procurement and contract management	<ul style="list-style-type: none"> The SCM Policy has been reviewed in line with applicable prescripts. The Bid Adjudication Committee has been reconstituted in order to enhance compliance to SCM prescripts. Contract register is in place and monitored regularly. Various governance structures i.e. Risk Management Committee, Audit Committee, Budget and Programme Managers Forum etc. are in place to oversee compliance with existing prescripts. An Audit Action Plan was developed and is monitored on a monthly basis.

10. INTERNAL CONTROL UNIT

The Internal Audit Unit provides an independent voice across governance, business processes and internal controls and is responsible for assessing the adequacy of the Department's internal controls. It also has a central role in improving operational processes and financial practices by reviewing and evaluating the adequacy and effectiveness of internal controls during the various audits conducted as per the risk based annual operational plan. Par was not updated but report below was slightly revised.

improvement of risk management, internal controls and governance processes and systems. This process includes the evaluation of;

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

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function operates under an internal audit charter consistent with the Institute of Internal Auditors' standards. The charter is approved by the Audit Committee and accepted by the Accounting Officer.

In the past 12 months, the internal audit unit planned 11 audits and 11 audit reports were completed.

Audit Committee

The Audit Committee assists the Accounting Officer in carrying out his oversight of the Department's by reviewing amongst others; Financial, management and other reporting practices; Compliance with laws, regulations and ethics; and Internal controls and Management of risks.

Internal Audit

The Internal Audit unit evaluates and contributes to the

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

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
JN Mpjane	<ul style="list-style-type: none"> CA (SA) B. Honors (CTA) B. Com Degree 	External	None.	01-Dec-17	N/A	11
G Khoza	<ul style="list-style-type: none"> B. Proc Degree LLB Degree Higher Diploma in Tax Law Introduction to safety management Accredited Arbitrator/ Mediator/ Facilitator/ Trainer 	External	None.	01-Dec-17	N/A	9
K Mhlongo	<ul style="list-style-type: none"> Baccalaurei Artium (B.A.) Diploma in Bookkeeping Diploma in Practical Accounting Master of Business Administration (MBA) 	External	None.	01-Nov-19	N/A	9
BK Moeng	<ul style="list-style-type: none"> B. Com (Accounting) B. Compt (Hons) CTA 	External	None.	01-Nov-19	N/A	6
FM Mkhabela	<ul style="list-style-type: none"> Certified Internal Auditor (CIA) B. Commerce Honours (Auditing) B. Commerce specializing in Accounting Certificate in Advanced Performance Auditing in Public Sector Master of Business Administration (MBA) (Currently registered) 	External	None.	01-Nov-19	N/A	9

12. AUDIT COMMITTEE REPORT

We are pleased to present the report of the Audit Committee for the financial year ended 31 March 2023.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department revealed certain weaknesses, which were then raised with the Department.

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

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

- Annual Financial Statements review;
- Employee Health and Wellness (OHS Act) follow-up audit;
- Security Management audit;
- Immovable Assets Management audit – Property and Facility

- Public Works Infrastructure audit;
- Supply Chain Management – Procurement processes audit;
- Interim Financial Statements;
- Revenue Management – Division Of Revenue Act;
- AG management letter – Audit action plan review;
- Information and Communication Technology audit;
- Audit of Pre-determined objectives – 9 months performance review

The following were areas of concern:

- The amount in the irregular expenditure reported in the current and previous financial year even though in the current year it has decreased.
- The delay in the implementation of the audit action plan to improve the internal controls of the Department as raised by both Internal Auditors and the External Auditors.

In-Year Management and Monthly/Quarterly Report

The Department has reported monthly and quarterly to the Treasury as is required by the PFMA.

Evaluation of the Annual Financial Statements

We have reviewed the annual financial statements and annual performance report prepared by the Department.

Auditor-General's Report

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements, annual performance report and compliance with legislations and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

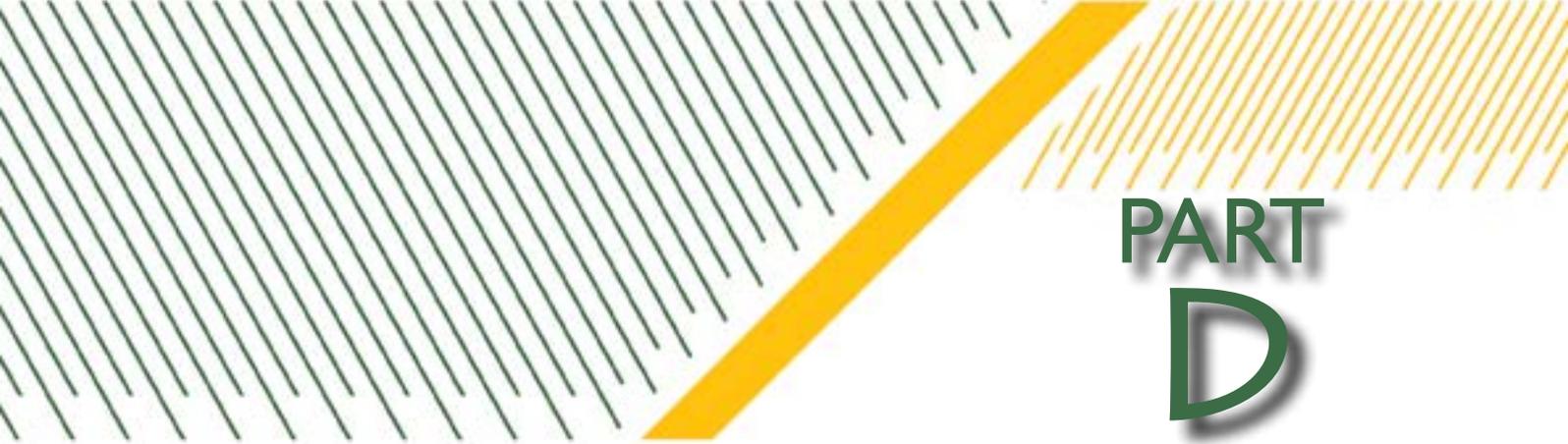
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Alignment to BBBEE requirements are in progress.
Developing and implementing a preferential procurement policy?	Yes	The Department developed a Policy on the Procurement of Goods and Services which is aligned to the Preferential Procurement Regulations in terms of section 5 of the PPPFA, 2000 (Act No.5 of 2000).
Determining qualification criteria for the sale of state-owned enterprises?	No	Compliance will be adhered to in future sales.
Developing criteria for entering into partnerships with the private sector?	No	Compliance will be adhered to in future partnerships.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Compliance will be adhered to in future awards.



Mr. JN Mpjane CA (SA) RA
Chairperson of the Audit Committee
Department of Public Works, Roads and Transport
31 July 2023



PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

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

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The objective of the Human Resource Management function is to enable continuous improvements in service delivery by supporting, equipping and developing the organisational workforce. In other words, it focuses on human capital development – interventions to make employees more productive. As at 01 April 2022, the Department had 2 482 employees who were tasked with ensuring execution of its mandate(s). This group comprises of professionals, technical personnel and practitioners from various disciplines who collectively are the backbone of the institution. However, this is inadequate and more personnel is required to fulfil the evolving mandate and to address the impact of the past moratorium on filling of posts.

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

The filling of posts are in progress with 47 posts filled during the 2022/23 financial year. Employment Equity (EE) targets set out by the Department for the year was to attain at least 50% women in SMS level, 2% Persons with disabilities (PWD) across all occupational categories and Economic Active Population (EAP) as per Departmental Employment Equity Plan. Minimal sessions were held to appraise employees on Code of Conduct and other internal controls. The E-leave system was implemented in the financial year despite the infrastructure challenges and help in reducing audit findings. A total of 98 Law Enforcement learners graduated. The review of the organogram and post establishment structure has commenced and will be finalised in the 2023/24 financial year.

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

The HR Strategic Interventions are aimed at improving service delivery through HR Planning objectives that will assist in reaching Departmental mandate. The Department's approach to strategic workforce planning is multi-faceted and includes the consideration of a number of internal (e.g. ageing workforce, employment equity, etc.) and

external environmental factors (4th industrial revolution, budget structure, etc.) We aim to attract, recruit and retain an inclusive, diverse and capable workforce that is fit for purpose. However, is fierce competition in the marketplace especially when it comes to technical skilled individuals and thus the public service is forced to offer competitive remuneration and benefits to potential employees.

Employee performance management

A duly agreed upon and signed performance agreement is the bedrock of performance management will assist in the improvement of performance and the delivery of services as well as facilitate proper performance assessments. Continuous management of performance enables a culture of identifying targeted development to build the capacity of the State and deliver on the mandate. Two formal reviews/assessments are prescribed by the PMDS policies and are compulsory, namely mid-year reviews (for period 1 April to 30 September) and annual performance assessments (for period 1 April to 31 March). The annual performance assessment are then subjected to a moderation process.

Employee wellness programmes.

One of the HRM priorities in the Department's Human Resource Plan: 2021 – 2024 is workforce wellbeing to provide programmes that can develop and maintain healthy, dedicated, responsive and productive employees within the Department. These include Implementation of HIV&AIDS, STI and TB Management, Health and Productivity Management; Safety, Health & Quality Management and Wellness Management in the Department. The Department is committed to ensuring the safety and well-being of its employees by maintaining a safe place of work and by complying with the Occupational Health and Safety Act

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The following section provides key information on the Department's human resources.

3.1 Personnel related expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2022 and 31 March 2023

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	367,642	202,254	2,293	13,754	55,01	715
Public Works Infrastructure	1,209,120	311,037	30	9,703	25,72	461
Transport Infrastructure	1,917,587	418,971	57	105,700	21,85	346
Transport Operations	1,358,393	88,080	-	4,021	6,48	537
Community Based Programmes	74,231	47,767	15,895	-	64,35	1 257
Total	4,926,973	1,068,109	18,275	133,178	21,68	450

Table 3.1.2 Personnel costs by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	18 263	1,5	20	913 150
Skilled (Levels 3-5)	368 815	30,3	1 355	269 405
Highly skilled production (Levels 6-8)	305 582	25,1	607	503 430
Highly skilled supervision (Levels 9-12)	292 637	24,1	329	889 474
Senior management (Levels >= 13)	49 379	4,1	36	1 371 639
Contract (Levels 1-2)	181	0	1	181 000
Contract (Levels 3-5)	1 074	0,1	5	214 800
Contract (Levels 6-8)	1 880	0,2	5	376 000
Contract (Levels 9-12)	10 178	0,8	10	1 017 800
Contract (Levels >= 13)	3 754	0,3	4	938 500
Total	1 051 744	86,5	2 372	51 265

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 and 31 March 2023

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	121,840	60,24	8,531	4,22	7,187	3,55	9,816	4,85
Public Works Infrastructure	194,341	62,48	13,253	4,26	13,744	4,42	25,201	8,10
Transport Infrastructure	253,977	60,62	14,855	3,55	22,650	5,41	41,317	9,86
Transport Operations	51,953	58,98	7,241	8,22	3,596	4,08	7,393	8,39
Community Based Programmes	37,651	78,82	342	0,72	824	1,73	1,452	3,04
Total	659,762	61,77	44,222	4,14	48,001	4,49	85,179	7,97

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	11 962	65,2	1 217	6,60	1 367	7,5	2 448	13,3
Skilled (Levels 3-5)	252 797	68,2	16 207	4,4	24 691	6,7	41 879	11,3
Highly skilled production (Levels 6-8)	221 426	66,6	18 355	5,5	10 842	3,3	22 431	6,8
Highly skilled supervision (Levels 9-12)	237 581	68,9	7 779	2,3	7 063	2,0	10 955	3,2
Senior management (Level 13-16)	39 594	69,6	0	0,0	4 008	7,1	1 035	1,8
Contract (Levels 1-2)	141	77,5	1	0,5	12	6,6	8	4,4
Contract (Levels 3-5)	868	80,0	12	1,1	22	2,0	49	4,5
Contract (Levels 6-8)	1 736	68,5	0	0,0	0	0,0	29	1,1

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Contract (Levels 9-12)	9 486	79,3	1,0	0,0	0,0	0,0	0,0	0,0
Contract (Levels >= 13)	3 391	72,3	0,0	0,0	0,0	0,0	0,0	0,0
Total	807 194	66,40	44 150	3,60	48 004	3,90	78 834	6,5

3.2 Employment and Vacancies

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

- programme

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

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

Table 3.2.1 Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration, Permanent	425	262	38,4	9
Administration, Permanent	134	21	84,3	0
Public Works Infrastructure	730	675	7,5	0
Transport Infrastructure	1 303	1 212	7,0	1
Transport Operations	345	164	52,5	9
Community Based Programmes	60	38	36,7	0
Total	2 997	2 372	20,9	19

*Additional to establishment are YP's (Young Professionals) and Contract employees.

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2023

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower Skilled (Levels 1-2)	38	20	47,4	0
Skilled (Levels 3-5)	1 884	1 355	28,1	0
Highly Skilled Production (Levels 6-8)	639	607	5	0
Highly Skilled Supervision (Levels 9-12)	357	329	7,8	0
Senior Management (Levels 13-16)	54	36	33,3	0
Contract (Levels 1-2)	1	1	0	0
Contract (Levels 3-5)	5	5	0	0
Contract (Levels 6-8)	5	5	0	5
Contract (Levels 9-12)	10	10	0	13
Contract (Levels >= 13)	4	4	0	1
Total	2 997	2 372	20,9	19

*Additional to establishment are YP's (Young Professionals) and Contract employees

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2023

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, permanent	194	177	8,8	0
Agriculture related, permanent	2	2	0	0
All artisans in the building metal machinery etc., permanent	187	165	11,8	1
Architects town and traffic planners, permanent	7	6	14,3	0
Artisan project and related superintendents, permanent	12	12	0	0
Auxiliary and related workers, permanent	9	7	22,2	0
Boiler and related operators, permanent	50	46	8	0
Building and other property caretakers, permanent	4	4	0	0
Bus and heavy vehicle drivers, permanent	9	8	11,1	0
Cartographers and surveyors, permanent	1	1	0	0
Cartographic surveying and related technicians, permanent	7	7	0	0
Chemical and physical science technicians, permanent	1	0	100	0
Civil engineering technicians, permanent	11	11	0	0
Cleaners in offices workshops hospitals etc., permanent	79	73	7,6	0
Client inform clerks (switchboard reception clerks), permanent	2	2	0	0
Communication and information related, permanent	5	5	0	0
Community development workers, permanent	301	301	0	0
Electrical and electronics engineering technicians, permanent	1	1	0	0
Engineering sciences related, permanent	46	41	10,9	4
Engineers and related professionals, permanent	37	31	16,2	5
Farm hands and labourers, permanent	25	24	4	0
Finance and economics related, permanent	31	24	22,6	0
Financial and related professionals, permanent	30	28	6,7	0
Financial clerks and credit controllers, permanent	119	117	1,7	0
Food services aids and waiters, permanent	1	1	0	0
Head of department/chief executive officer, permanent	1	1	0	0
Human resources & organisat developm & relate prof, permanent	4	4	0	0
Human resources clerks, permanent	51	50	2	0
Human resources related, permanent	197	181	8,1	7
Information technology related, permanent	6	6	0	0
Inspectors of apprentices works and vehicles, permanent	10	10	0	1
Legal related, permanent	4	4	0	0
Library mail and related clerks, permanent	25	24	4	0
Light vehicle drivers, permanent	8	7	12,5	0
Logistical support personnel, permanent	3	3	0	0
Material-recording and transport clerks, permanent	6	6	0	0
Mechanical engineering technicians, permanent	5	4	20	0
Motor vehicle drivers, permanent	13	11	15,4	0
Natural sciences related, permanent	2	2	0	0
Other administrat & related clerks and organisers, permanent	105	103	1,9	0
Other administrative policy and related officers, permanent	2	2	0	0
Other occupations, permanent	14	12	14,3	0
Quantity surveyors & rela prof not class elsewhere, permanent	7	7	0	0
Regulatory inspectors, permanent	126	124	1,6	0
Road superintendents, permanent	34	27	20,6	0
Road trade workers., permanent	5	5	0	0
Road workers, permanent	905	425	53	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Secretaries & other keyboard operating clerks, permanent	68	66	2,9	0
Senior managers, permanent	46	32	30,4	1
Trade labourers, permanent	147	130	11,6	0
Trade quality controllers, permanent	6	6	0	0
Trade related, permanent	2	2	0	0
Trade/industry advisers & other related profession, permanent	1	1	0	0
Water plant and related operators, permanent	23	23	0	0
Total	2 997	2 372	20,9	19

*Additional to establishment are YP's (Young Professionals) and contract employees

3.3 Filling of SMS Posts

The tables in this section provide information on employment steps taken.

and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary

Table 3.3.1 SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	3	0	0	3	100
Salary Level 14	9	8	88.89	1	11.11
Salary Level 13	34	30	88.24	4	11.76
Total	48	40	83.34	8	16.66

Table 3.3.2 SMS post information as on 30 September 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	3	0	0	3	100
Salary Level 14	9	7	77.77	2	22.23
Salary Level 13	34	26	76.47	8	23.53
Total	48	35	72.91	13	27.09

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2022 and 31 March 2023

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

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
None.

Reasons for vacancies not filled within twelve months
None.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 and 31 March 2023

Reasons for vacancies not advertised within six months
Not applicable.

Reason for vacancies not filled within six months
Not applicable.

3.4 Job Evaluation

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	38	0	0	0	0	0	0
Skilled (Levels 3-5)	1 884	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	639	32	5,01	30	4,7	2	0,32
Highly Skilled Supervision (Levels 9-12)	357	6	1,68	6	1,68	0	0
Senior Management Service Band A	40	0	0	0	0	0	0
Senior Management Service Band B	9	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	4	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Contract (Levels 1-2)	1	0	0	0	0	0	0
Contract (Levels 3-5)	5	0	0	0	0	0	0
Contract (Levels 6-8)	5	0	0	0	0	0	0
Contract (Levels 9-12)	10	0	0	0	0	0	0
Contract Band A	4	0	0	0	0	0	0
Total	2 997	38	1,27	36	1,21	2	0,07

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 2021 and 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	7	0	0	0	0
Male	7	0	0	0	0
Total	14	0	0	0	0

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period April 2022 and 31 March 2023

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0	0	0	Not applicable
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 and 31 March 2023

Total number of Employees whose salaries exceeded the grades determine by job evaluation	0
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3.5 Employment Changes

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

of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2022 and 31 March 2023

Salary band	Number of employees at beginning of period 1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower Skilled (Levels 1-2) Permanent	94	12	0	0
Skilled (Levels 3-5) Permanent	1 387	19	85	6,1
Highly Skilled Production (Levels 6-8) Permanent	612	1	34	5,6
Highly Skilled Supervision (Levels 9-12) Permanent	326	3	6	1,8
Senior Management Service Band A Permanent	25	1	2	8
Senior Management Service Band B Permanent	7	0	1	14,3
Senior Management Service Band C Permanent	2	0	1	50
Senior Management Service Band D Permanent	94	12	0	0
Contract (Levels 1-2) Permanent	1	1	1	100
Contract (Levels 3-5) Permanent	4	5	5	125
Contract (Levels 6-8) Permanent	6	5	6	100
Contract (Levels 9-12) Permanent	15	15	7	46,7
Contract Band A Permanent	3	4	3	100
Total	2 482	66	151	6,1

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related permanent	180	13	14	7,8
Agriculture related permanent	2	0	0	0
All artisans in the building metal machinery etc. Permanent	177	2	9	5,1
Architects town and traffic planners permanent	7	0	1	14,3
Artisan project and related superintendents permanent	13	0	1	7,7
Auxiliary and related workers permanent	9	0	2	22,2
Boiler and related operators permanent	46	1	2	4,3
Building and other property caretakers permanent	4	0	0	0
Bus and heavy vehicle drivers permanent	8	1	0	0
Cartographers and surveyors permanent	1	0	0	0

Critical occupation	Number of employees at beginning of period-April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Cartographic surveying and related technicians permanent	7	0	0	0
Civil engineering technicians permanent	11	0	0	0
Cleaners in offices workshops hospitals etc. Permanent	77	11	8	10,4
Client inform clerks(switchb receipt inform clerks) permanent	2	0	0	0
Communication and information related permanent	5	0	0	0
Community development workers permanent	42	0	0	0
Electrical and electronics engineering technicians permanent	1	0	0	0
Engineering sciences related permanent	44	4	5	11,4
Engineers and related professionals permanent	30	9	8	26,7
Farm hands and labourers permanent	25	0	1	4
Finance and economics related permanent	20	10	0	0
Financial and related professionals permanent	31	0	2	6,5
Financial clerks and credit controllers permanent	123	0	6	4,9
Food services aids and waiters permanent	1	1	0	0
Head of department/chief executive officer permanent	1	0	0	0
Human resources & organisat developm & relate prof permanent	4	0	0	0
Human resources clerks permanent	52	0	2	3,8
Human resources related permanent	0	0	0	0
Information technology related permanent	6	0	0	0
Inspectors of apprentices works and vehicles permanent	13	1	1	7,7
Legal related permanent	4	0	0	0
Library mail and related clerks permanent	23	10	0	0
Light vehicle drivers permanent	8	0	1	12,5
Logistical support personnel permanent	3	0	0	0
Material-recording and transport clerks permanent	6	0	0	0
Mechanical engineering technicians permanent	4	0	0	0
Motor vehicle drivers permanent	13	1	3	23,1
Motorized farm and forestry plant operators permanent	1	0	1	100
Natural sciences related permanent	2	0	0	0
Other administrat & related clerks and organizers permanent	107	0	3	2,8
Other administrative policy and related officers permanent	3	0	1	33,3
Other occupations permanent	12	0	1	8,3
Quantity surveyors & rela prof not class elsewhere permanent	7	0	0	0
Regulatory inspectors permanent	128	0	0	0
Road superintendents permanent	32	0	3	9,4
Road trade workers. Permanent	5	0	0	0
Road workers permanent	910	9	51	5,6
Secretaries & other keyboard operating clerks permanent	70	2	5	7,1
Senior managers permanent	27	5	5	18,5
Trade labourers permanent	141	4	13	9,2
Trade quality controllers permanent	6	0	0	0
Trade related permanent	2	0	0	0
Trade/industry advisers & other related profession permanent	1	0	0	0
Water plant and related operators permanent	25	0	2	8
Total	2 482	66	151	6,1

The table below identifies the major reasons why staff left the Department:

Table 3.5.3 Reasons why staff left the department for the period 1 April 2022 and 31 March 2023

Termination Type	Number	% of Total Resignations
Death	24	15,79%
Resignation	13	8,55%
Expiry of contract	14	9,21%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	3	1,97%
Retirement	97	63,82%
Transfer to other Public Service Departments	1	0,66%
Other	0	0%
Total	152	100
Total number of employees who left as a % of total employment		6,12%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2022 and 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	180	8	4,4	110	61,1
Agriculture Related	2	0	0	1	50
All Artisans in the Building Metal Machinery Etc.	177	0	0	107	60,5
Architects Town and Traffic Planners	7	0	0	4	57,1
Artisan Project and Related Superintendents	13	0	0	10	76,9
Auxiliary and Related Workers	9	0	0	7	77,8
Boiler and Related Operators	46	2	4,3	17	37
Building and Other Property Caretakers	4	0	0	3	75
Bus And Heavy Vehicle Drivers	8	0	0	4	50
Cartographers And Surveyors	1	0	0	1	100
Cartographic Surveying And Related Technicians	7	0	0	3	42,9
Civil Engineering Technicians	11	0	0	9	81,8
Cleaners in Offices Workshops Hospitals Etc.	77	0	0	27	35,1
Client Inform Clerks (Switchb Recept Inform Clerks)	2	0	0	1	50
Communication and Information Related	5	0	0	5	100
Community Development Workers	42	0	0	15	35,7
Electrical and Electronics Engineering Technicians	1	0	0	1	100
Engineering Sciences Related	44	0	0	24	54,5
Engineers and Related Professionals	30	0	0	20	66,7
Farm Hands and Labourers	25	0	0	5	20
Finance and Economics Related	20	3	15	12	60
Financial and Related Professionals	31	1	3,2	18	58,1
Financial Clerks And Credit Controllers	123	2	1,6	68	55,3
Food Services Aids And Waiters	1	0	0	0	0
Head of Department/Chief Executive Officer	1	0	0	1	100
Human Resources & Organisat Developm & Relate Prof	4	0	0	2	50
Human Resources Clerks	52	3	5,8	33	63,5
Human Resources Related	0	0	0	0	0
Information Technology Related	6	0	0	4	66,7

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Inspectors Of Apprentices Works And Vehicles	13	0	0	3	23,1
Legal Related	4	0	0	2	50
Library Mail and Related Clerks	23	1	4,3	9	39,1
Light Vehicle Drivers	8	0	0	3	37,5
Logistical Support Personnel	3	0	0	2	66,7
Material-Recording and Transport Clerks	6	0	0	5	83,3
Mechanical Engineering Technicians	4	0	0	4	100
Motor Vehicle Drivers	13	0	0	7	53,8
Motorised Farm And Forestry Plant Operators	1	0	0	0	0
Natural Sciences Related	2	0	0	1	50
Other Administrat & Related Clerks And Organisers	107	2	1,9	100	93,5
Other Administrative Policy And Related Officers	3	0	0	1	33,3
Other Occupations	12	0	0	7	58,3
Quantity Surveyors & Rela Prof Not Class Elsewhere	7	0	0	4	57,1
Regulatory Inspectors	128	2	1,6	81	63,3
Road Superintendents	32	0	0	14	43,8
Road Trade Workers.	5	0	0	4	80
Road Workers	910	0	0	620	68,1
Secretaries & Other Keyboard Operating Clerks	70	1	1,4	31	44,3
Senior Managers	27	4	14,8	13	48,1
Trade Labourers	141	0	0	74	52,5
Trade Quality Controllers	6	0	0	0	0
Trade Related	2	0	0	2	100
Trade/Industry Advisers & Other Related Profession	1	0	0	1	100
Water Plant And Related Operators	25	0	0	18	72
Total	2 482	29	1,2	1 518	61,2

Table 3.5.5 Promotions by salary band for the period 1 April 2022 and 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	94	0	0	16	17
Skilled (Levels3-5)	1 387,00	3	0,2	883	63,7
Highly skilled production (Levels 6-8)	612	5	0,8	389	63,6
Highly skilled supervision (Levels 9-12)	326	15	4,6	213	65,3
Senior Management (Level 13-16)	34	6	17,6	16	47,1
Other, Permanent	0	0	0	0	0
Contract (Levels 1-2), Permanent	1	0	0	0	0
Contract (Levels 3-5), Permanent	4	0	0	0	0
Contract (Levels 6-8), Permanent	6	0	0	0	0
Contract (Levels 9-12), Permanent	15	0	0	1	6,7
Contract (Levels >=13), Permanent	3	0	0	0	0
Total	2 482	29	1,2	1 518,00	61,2

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior officials and managers	24	0	0	0	8	0	1	1	34
Professionals	161	0	0	9	168	1	0	2	341
Technicians and associate professionals	92	0	2	3	115	1	0	1	214
Clerks	118	0	0	2	236	2	0	10	368
Service shop and market sales workers	73	0	0	0	51	0	0	0	124
Craft and related trade workers	168	0	0	11	48	0	0	0	227
Plant and machine operators and assemblers	64	0	0	3	28	0	0	0	95
Labourers and related workers	486	1	0	6	476	0	0	0	969
Total	1 186	1	2	34	1 130	4	1	14	2 372
Employees with disabilities	29	0	0	2	25	0	0	1	57

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	22	0	0	1	13	0	1	1	38
Professionally qualified and experienced specialists and mid-management	98	0	2	11	57	1	0	2	171
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	222	0	0	9	205	0	2	4	442
Semi-skilled and discretionary decision making	345	0	0	12	301	1	0	7	666
Unskilled and defined decision making	584	1	0	0	468	0	0	0	1 053
Total	1 270	1	2	33	1 044	4	1	14	2 372

Table 3.6.3 Recruitment for the period 1 April 2022 and 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	2	0	0	1	0	0	0	0	3

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	8	0	0	0	11	0	0	0	19
Unskilled and defined decision making	4	0	0	0	8	0	0	0	12
Total	16	0	0	1	19	0	0	0	36
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.4 Promotions for the period 1 April 2022 and 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	3	0	0	0	2	0	0	1	6
Professionally qualified and experienced specialists and mid-management	0	0	0	0	3	0	0	1	4
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	17	0	0	0	16	0	0	0	33
Semi-skilled and discretionary decision making	2	0	0	0	4	0	0	0	6
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	22	0	0	0	25	0	0	2	49
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2022 and 31 March 2023

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	1	0	1
Senior Management	2	0	0	0	1	0	0	0	3
Professionally qualified and experienced specialists and mid-management	3	2	0	3	4	0	0	0	12
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	0	0	4	4	0	0	0	17

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semi-skilled and discretionary decision making	37	0	0	0	7	0	0	0	44
Unskilled and defined decision making	41	0	0	0	34	0	0	0	75
Total	92	2	0	7	50	0	1	0	152
Employees with Disabilities	1	0	0	1	0	0	0	0	2

Table 3.6.6 Disciplinary action for the period 1 April 2022 and 31 March 2023

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written Warning	5	0	0	0	2	0	0	0	7
Written Warning	0	0	0	0	0	0	0	0	0
Verbal Warning	0	0	0	0	0	0	0	0	0
Suspension Without Pay	0	0	0	0	0	0	0	0	0
Counselling	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2022 and 31 March 2023

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	34	0	2	2	24	0	0	0	62
Professionals	7	0	0	1	6	0	0	0	14
Technicians and associate professionals	75	0	1	0	99	0	0	0	175
Clerks	51	0	0	0	63	0	0	0	114
Service and sales workers	57	0	0	4	37	0	0	0	98
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	69	0	0	0	14	0	0	0	83
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	509	0	0	1	663	0	0	0	1173
Total	631	0	3	8	714	0	0	0	1719
Employees with disabilities	3	0	0	0	2	0	0	0	5

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the

prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	1	1	1	100%

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Salary Level 15	0	0	0	0%
Salary Level 14	8	8	8	100%
Salary Level 13	29	29	29	100%
Total	39	39	39	100%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
Not applicable.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2023

Reasons
Not applicable.

3.8 Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations.

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2022 and 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	1 348	54.31	0,00	0,00
Female	0	1 071	43.15	0,00	0,00
Asian					
Male	0	1	0.04	0,00	0,00
Female	0	3	0.12	0,00	0,00
Coloured					
Male	0	4	0.16	0,00	0,00
Female	0	3	0.12	0,00	0,00
White					
Male	0	40	1.61	0,00	0,00
Female	0	14	0.56	0,00	0,00
Persons with Disability	0	57	2.3	0,00	0,00
Total	0	2 482	100	0,00	0,00

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2022 and 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2), Permanent	0	94	0	0,00	0,00	0,00
Skilled (Levels 3-5), Permanent	0	1 387	0	0,00	0,00	0,00
Highly Skilled Production (Levels 6-8), Permanent	0	612	0	0,00	0,00	0,00
Highly Skilled Supervision (Levels 9-12), Permanent	0	326	0	0,00	0,00	0,00
Senior Management (Levels >= 13), Permanent	0	34	0	0,00	0,00	0,00

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Other, Permanent	0	0	0	0,00	0,00	0,00
Contract (Levels 1-2), Permanent	0	1	0	0,00	0,00	0,00
Contract (Levels 3-5), Permanent	0	4	0	0,00	0,00	0,00
Contract (Levels 6-8), Permanent	0	6	0	0,00	0,00	0,00
Contract (Levels 9-12), Permanent	0	15	0	0,00	0,00	0,00
Contract (Levels >=13), Permanent	0	3	0	0,00	0,00	0,00
Total	0	2 482	0	0,00	0,00	0,00

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2022 and 31 March 2023

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	0	180	0	0.00	0.00
Agriculture Related	0	2	0	0.00	0.00
All Artisans In The Building Metal Machinery Etc.	0	177	0	0.00	0.00
Architects Town And Traffic Planners	0	7	0	0.00	0.00
Artisan Project And Related Superintendents	0	13	0	0.00	0.00
Auxiliary And Related Workers	0	9	0	0.00	0.00
Boiler And Related Operators	0	46	0	0.00	0.00
Building And Other Property Caretakers	0	4	0	0.00	0.00
Bus And Heavy Vehicle Drivers	0	8	0	0.00	0.00
Cartographers And Surveyors	0	1	0	0.00	0.00
Cartographic Surveying And Related Technicians	0	7	0	0.00	0.00
Civil Engineering Technicians	0	11	0	0.00	0.00
Cleaners In Offices Workshops Hospitals Etc.	0	77	0	0.00	0.00
Client Inform Clerks(Switchb Recept Inform Clerks)	0	2	0	0.00	0.00
Communication And Information Related	0	5	0	0.00	0.00
Community Development Workers	0	42	0	0.00	0.00
Electrical And Electronics Engineering Technicians	0	1	0	0.00	0.00
Engineering Sciences Related	0	44	0	0.00	0.00
Engineers And Related Professionals	0	30	0	0.00	0.00
Farm Hands And Labourers	0	25	0	0.00	0.00
Finance And Economics Related	0	20	0	0.00	0.00
Financial And Related Professionals	0	31	0	0.00	0.00
Financial Clerks And Credit Controllers	0	123	0	0.00	0.00
Food Services Aids And Waiters	0	1	0	0.00	0.00
Head Of Department/Chief Executive Officer	0	1	0	0.00	0.00
Human Resources & Organisat Developm & Relate Prof	0	4	0	0.00	0.00
Human Resources Clerks	0	52	0	0.00	0.00
Human Resources Related	0	0	0	0.00	0.00
Information Technology Related	0	6	0	0.00	0.00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Inspectors Of Apprentices Works And Vehicles	0	13	0	0.00	0.00
Legal Related	0	4	0	0.00	0.00
Library Mail And Related Clerks	0	23	0	0.00	0.00
Light Vehicle Drivers	0	8	0	0.00	0.00
Logistical Support Personnel	0	3	0	0.00	0.00
Material-Recording And Transport Clerks	0	6	0	0.00	0.00
Mechanical Engineering Technicians	0	4	0	0.00	0.00
Motor Vehicle Drivers	0	13	0	0.00	0.00
Motorised Farm And Forestry Plant Operators	0	1	0	0.00	0.00
Natural Sciences Related	0	2	0	0.00	0.00
Other Administrat & Related Clerks And Organisers	0	107	0	0.00	0.00
Other Administrative Policy And Related Officers	0	3	0	0.00	0.00
Other Occupations	0	12	0	0.00	0.00
Quantity Surveyors & Rela Prof Not Class Elsewhere	0	7	0	0.00	0.00
Regulatory Inspectors	0	128	0	0.00	0.00
Road Superintendents	0	32	0	0.00	0.00
Road Trade Workers.	0	5	0	0.00	0.00
Road Workers	0	910	0	0.00	0.00
Secretaries & Other Keyboard Operating Clerks	0	70	0	0.00	0.00
Senior Managers	0	27	0	0.00	0.00
Trade Labourers	0	141	0	0.00	0.00
Trade Quality Controllers	0	6	0	0.00	0.00
Trade Related	0	2	0	0.00	0.00
Trade/Industry Advisers & Other Related Profession	0	1	0	0.00	0.00
Water Plant and Related Operators	0	25	0	0.00	0.00
TOTAL	0	2 482	0	0.00	0.00

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2022 and 31 March 2023

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	32	0	0.00	0.00	0.00
Band B	0	6	0	0.00	0.00	0.00
Band C	0	0	0	0.00	0.00	0.00
Band D	0	2	0	0.00	0.00	0.00
Total	0	40	0	0.00	0.00	0.00

3.9 Foreign Workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2022 and 31 March 2023

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Contract (Level 9-12)	2	40	0	0	2	100

Salary band	01 April 2022		31 March 2023		Change	
	Number	% of total	Number	% of total	Number	% Change
Contract (level 13-16)	3	60	3	100	0	0
Total	5	100	3	100	2	40

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2022 and 31 March 2023

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Senior Management	3	60	3	100	0	0
Professionals and managers	2	40	0	0	2	100
Total	5	100	3	100	2	40

3.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	4	100	1	0,1	4	17
Contract (Levels 9-12)	6	100	1	0,1	6	20
Contract Other	83,5	64,7	21	2,3	4	33
Highly skilled production (Levels 6-8)	1 379	80,6	214	23,2	6	2 093,00
Highly skilled supervision (Levels 9-12)	528	89	76	8,2	7	1 714,00
Lower skilled (Levels 1-2)	196	84,7	27	2,9	7	126
Senior management (Levels 13-16)	74	91,9	15	1,6	5	366
Skilled (Levels 3-5)	4 299	84,1	569	61,6	8	3 255,00
Total	6 569	83,7	924	100	7	7 624,00

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2022 to 31 December 2022

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Skilled (Levels 3-5)	12	100	1	100	12	9
TOTAL	12	100	1	100	12	9

Table 3.10.3 Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	15	15	1
Contract (Levels 13-16)	54	18	3
Contract (Levels 3-5)	43	11	4
Contract (Levels 6-8)	15	15	1
Contract (Levels 9-12)	77	10	8
Contract Other	2 386,76	17	140
Highly skilled production (Levels 6-8)	13 244	23	572

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Highly skilled supervision (Levels 9-12)	6 478	21	304
Lower skilled (Levels 1-2)	1 938	22	87
Senior management (Levels 13-16)	841	25	34
Skilled (Levels 3-5)	35 139,25	27	1 298
Total	60 231,01	25	2 452

Table 3.10.4 Capped leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2022
Contract (Levels 1-2)	0	0	0	0
Contract (Levels 13-16)	0	0	0	0
Contract (Levels 3-5)	0	0	0	0
Contract (Levels 6-8)	0	0	0	0
Contract (Levels 9-12)	0	0	0	0
Contract Other	0	0	0	0
Highly skilled production (Levels 6-8)	24	4	6	75
Highly skilled supervision (Levels 9-12)	0	0	0	63
Lower skilled (Levels 1-2)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	52
Skilled (Levels 3-5)	4	1	4	69
Total	28	5	6	69

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

Table 3.10.5 Leave payouts for the period 1 April 2022 and 31 March 2023

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/23 due to non-utilisation of leave for the previous cycle	10,883	150	72,55
Capped leave payouts on termination of service for 2022/23	7,440	99	75 152,00
Current leave payout on termination of service for 2022/23	3,946	148	47405,00
Total	22,269	397	56,09

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Field workers	Awareness/Information sharing sessions Condom distribution, Health screening and commemoration of calendar events

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		The Employee Health and Wellness has been allocated a cater taker at the level of a Director.

Question	Yes	No	Details, if yes
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		There are 5 Employee Health and Wellness practitioners and 3 Administration officers. The annual budget provided is R350 000.00.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		Yes. The key elements are: <ul style="list-style-type: none"> Physical wellness Psychosocial wellness Organizational wellness Work life balance Health and productivity management
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		1. Mr T Ngwenya (Bohlabela), Chairperson of the EHWP committee 2. Mr V Mahlangu (Nkangala) 3. Ms T.D Khoza (Ehlanzeni) 4. Mr M Nkosi.(Gert Sibande)
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The HIV/AIDS Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The HIV/AIDS Policy protects employees from being discriminated based on their status.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		All employees attending the Wellness management sessions and events are encouraged to go for VCT. Those who attended know their status and receive the necessary support.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Reporting on monthly and quarterly to the relevant structures

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2022 and 31 March 2023

Total number of Collective agreements	None.

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2022 and 31 March 2023

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	0	0%
Final written warning	7	70%
Suspended without pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	0	0%
Not guilty	1	10%
Cases withdrawn	2	20%
Total	10	100%

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 and 31 March 2023

Type of misconduct	Number	% of total
Theft	2	66.6%
Intimidation	1	33.4%
Total	3	100%

Table 3.12.4 Grievances logged for the period 1 April 2022 and 31 March 2023

Grievances	Number	% of Total
Number of grievances resolved	6	54.6%
Number of grievances not resolved	5	45.4%
Total number of grievances lodged	11	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2022 and 31 March 2023

Disputes	Number	% of Total
Number of disputes upheld	2	22.2%
Number of disputes dismissed	4	44.43%
Total number of disputes lodged	6	100%

Table 3.12.6 Strike actions for the period 1 April 2022 and 31 March 2023

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

Table 3.12.7 Precautionary suspensions for the period 1 April 2022 and 31 March 2023

Number of people suspended	5
Number of people whose suspension exceeded 30 days	5
Average number of days suspended	8 months
Cost of suspension (R'000)	R4 067 911.42

3.13 Skills Development

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

Table 3.13.1 Training needs identified for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	85	0	14	0	14
	Male	75	0	12	0	12
Professionals	Female	45	0	7	0	7
	Male	46	0	9	0	9
Technicians and associate professionals	Female	182	31	72	0	103
	Male	163	19	56	0	75
Clerks	Female	203	41	54	0	95
	Male	255	35	37	0	72
Service and sales workers	Female	88	17	41	0	58
	Male	98	19	38	0	57
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	3	0	2	0	2
	Male	168	0	38	51	89
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	485	0	203	35	238
	Male	586	0	117	112	229
Sub Total	Female	1 091	89	393	35	517
	Male	1 391	73	307	163	543
Total		2 482	162	700	198	1060

Table 3.13.2 Training provided for the period 1 April 2022 and 31 March 2023

Occupational category	Gender	Number of employees as at 1 April 2022	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	85	0	24	0	24
	Male	75	0	38	0	38
Professionals	Female	45	0	6	0	6
	Male	46	0	8	0	8
Technicians and associate professionals	Female	182	0	99	0	99
	Male	163	0	76	0	76
Clerks	Female	203	0	63	0	63
	Male	255	0	51	0	51
Service and sales workers	Female	88	0	57	0	57
	Male	98	0	61	0	61
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	3	0	0	14	14
	Male	168	0	0	69	69
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	485	0	471	0	471
	Male	586	0	339	0	339
Sub Total	Female	1 091	0	700	14	714
	Male	1 391	0	573	69	642
Total		2 482	0	1 273	83	1 356

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2022 and 31 March 2023

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	18	100
Permanent Disablement	0	0
Fatal	0	0
Total	18	100%

3.15 Utilisation of Consultants

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

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

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2022 and 31 March 2023

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
PMU - Adding Technical capacity & support to internal staff to ensure adequate Programme Management	1	365	31 405 133.53
Develop and Implement Maintenance Management System (MMS)	1	230	7 524 665.83
Professional Engineering services for the Visual Assessments of Paved and Unpaved Roads	1	60	8 020 421.41

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Design: Repair of Slip Failures/Sinkholes on, Badplaas to Machadodorp (Road P180/1), Graskop to Old Mapulaneng Hospital (Road P57/3), Sabie to Hazyview (Road P33/4), Hazyview to Mkhuhlu (Road P33/5), Road P33/4 to Kiepersol, Nelspruit to Ngodwana (via Old Airport Road D799), Barberton to Swaziland Border (Road P77/1) And Bridge at Thembisile Hani Near Kwamhlanga Government Complex.	2	255	8 887 943.59
Design: Rehabilitation of Coal Haul Road P120-2 (Junction With P120/1 near Van Dyksdrift) to the junction with Road P52/3 towards Kriel (12.6 km)	1	15	235 060.00
Design Review: Upgrading and Rehabilitation of Road D2950 (Phase 1) In Mananga	2	156	4 946 913.74
Design: Rehabilitation of Road D526 from Road D395 near Mkhondo to Road D518 near Mahlathini Boarder Post (17.80 km) + Road D518 (4.1 km) (21.9 km)	1	24	777 505.70
Design: Upgrading of Road D2571 from Road R37 to Road P171/1 Lydenburg Pass (13.40 km)	5	216	5 877 842.92
Design: Rehabilitation of Road D1723 from Road D636 to Road P258/1 Emoyeni (6.82 km)	5	185	1 736 659.88
Design: Rehabilitation of Road P216/1 from Road D2796 in Embalenhle to Secunda (9.67 km)	4	115	528 628.05
Design: Rehabilitation of Road D533 from Mjejane to Hectorspruit Part A (7.00 km)	2	34	1 252 220.24
Design: Upgrading of Gedlembane Road in Pienaar (8 km)	1	196	2 735 428.65
Road Safety Appraisals and Improvements	1	259	9 271 132.21
Rehabilitation of Coal Haul Road P36/1 (R50) from km 62.6 to km 71.7 between Delmas and the N12 (9.1 km)	5	8 960	12 735 667.01
Rehabilitation of Coal Haul Road P29/1 (R555) from km 50 at D2669 to km 62.55 at D2821 (Kendal towards Delmas) (12.55km)	5	8 832	14 193 916.00
Rehabilitation of Coal Haul Road P141/1 from km 12.8 (D455) South of Clewer to km 22.42 at D1651 (North of Kriel) (9.6 km)	1	320	515 560.50
Rehabilitation of Coal Haul Road P182/1 (R542) from km 26.25 to R38 between Van Dyksdrift and Hendrina - Phase 3 (13 km)	4	4 704	4 446 421.30
Repair and maintenance of Kornwyn pass-rock surface on Road P57/2, pavement and drainage facilities (7.8 km)	4	6 080	14 191 589.33
Replacement of flood damaged culvert on Road D2296 (Tekwane bridge)	4	3 328	5 479 867.89
Reconstruction of Kumani Bridge on Road D4422 near Thulamahashe (incl 5 km of road)	5	8 832	11 887 733.36
Upgrading of Bridge on Road D4400 over Sand River near Rolle Village (Widening)	5	3 312	3 657 948.50
Upgrading of Coal Haul Road D2274 from N11 at km 18.7 to D1398 at km 31.7 North of Hendrina (13.0 km)	5	8 544	17 442 666.60
Upgrading of Road D481 Ebhuhleni to Maanaar between Mooiplaas and Ekulindeni (7.2 km)	5	10 752	13 213 819.37
Upgrading from Gravel to Paving of access Road D2091 from Marapyane to Limpopo Border (towards Settlers) (3.2 km) Phase 2	1	80	283 849.00
Upgrading of Road D3960 (9.2 km) and D4442 (3.6 km) Ga-Motibidi to Rainbow (12.7 km)	5	1 536	2 571 246.75
Upgrading of Road D281 between Volksrust and Daggakraal (12.5 km)	5	3 680	2 451 925.00
Upgrading of Road D4407, D4409 and a section of D4416 between Hluvukani and Road P194/1 near Welverdiend (15.6 km) (5 km)	5	4 416	4 426 029.81
Upgrading of Road D3973 between Hoxani and R40 (at Marite) (11.4 km) plus repairs on Goromane bridge and Road D4400	5	512	1 602 198.73
Rehabilitation of Road P33/4 between Hazyview and Sabie from km 36.0 to km 43.7 (Phase 1) Part B (7.7 km)	1	288	715 765.76
Rehabilitation of Sections of Road P8/1 (R36) between Mashishing and Bambi (Phase 3) (9 km)	5	9 792	13 694 437.30
Special Maintenance of Road P170/1 from km 56.0 to km 72.5 between Matibidi and Graskop (16.5 km)	5	9 568	13 109 815.37
Rehabilitation of Road D2950 from R571 (km 0.0) past Mananga (6 km - River Crossing)	5	10 752	10 170 919.64
Rehabilitation of Road P95/1 between Verena and Gauteng boundary Phase 2 (13.5 km)	5	768	1 962 656.15

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Rehabilitation of Road D3930 from Acornhoek (km 0.0) to D3932 at Hluvhukani (km 11.80) Phase 1 (11.80 km)	2	2 944	4 351 796.39
Review of the Mpumalanga Infrastructure Master Plan	1	251	16 000 000.00
Parliamentary Village	5	251	121 059.00
Mkhondo Boarding School	5	251	67 000.00
Maintenance consultants for assisting the department with management of maintenance projects	2	365	46 411 574.90
Provision of monitoring and supervision services for scholar transport operations in Bohlabela and Ehlanzeni Regions	1	207	3 300 000.00
Couching and mentoring for National Youth Services	1	230	7 038 000.00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
40	129	111 665	254 811 758

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
PMU - Adding Technical capacity & support to internal staff to ensure adequate Programme Management	100%	100%	1
Develop and Implement Maintenance Management System (MMS)	21.28%	21.28%	1
Professional Engineering services for the Visual Assessments of Paved and Unpaved Roads	100%	100%	1
Design: Repair of Slip Failures/Sinkholes on, Badplaas to Machadodorp (Road P180/1), Graskop to Old Mapulaneng Hospital (Road P57/3), Sabie to Hazyview (Road P33/4), Hazyview to Mkhuhlu (Road P33/5), Road P33/4 to Kiepersol, Nelspruit to Ngodwana (via Old Airport Road D799), Barberton to Swaziland Border (Road P77/1) And Bridge at Thembisile Hani Near Kwamhlanga Government Complex.	100%	100%	2
Design: Rehabilitation of Coal Haul Road P120-2 (Junction With P120/1 near Van Dyksdrift) to the junction with Road P52/3 towards Kriel (12.6 km)	100%	100%	1
Design Review: Upgrading and Rehabilitation of Road D2950 (Phase 1) In Mananga	100%	100%	2
Design: Rehabilitation of Road D526 from Road D395 near Mkhondo to Road D518 near Mahlathini Boarder Post (17.80 km) + Road D518 (4.1 km) (21.9 km)	100%	100%	1
Design: Upgrading of Road D2571 from Road R37 to Road P171/1 Lydenburg Pass (13.40 km)	100%	100%	5
Design: Rehabilitation of Road D1723 from Road D636 to Road P258/1 Emoyeni (6.82 km)	100%	100%	5
Design: Rehabilitation of Road P216/1 from Road D2796 in Embalenhle to Secunda (9.67 km)	100%	100%	4
Design: Rehabilitation of Road D636 (Airport Road) between Road D812 and Road D2278 (12.23 km)	100%	100%	3
Design: Rehabilitation of Road D533 from Mjejane to Hectorspruit Part A (7.00 km)	100%	100%	2
Design: Upgrading of Gedlembane Road in Pienaar (8 km)	100%	100%	1
Road Safety Appraisals and Improvements	100%	100%	1
Rehabilitation of Coal Haul Road P36/1 (R50) from km 62.6 to km 71.7 between Delmas and the N12 (9.1 km)	100%	100%	5
Rehabilitation of Coal Haul Road P29/1 (R555) from km 50 at D2669 to km 62.55 at D2821 (Kendal towards Delmas) (12.55 km)	100%	100%	5
Rehabilitation of Coal Haul Road P141/1 from km 12.8 (D455) South of Clewer to km 22.42 at D1651 (North of Kriel) (9.6 km)	100%	100%	1
Rehabilitation of Coal Haul Road P182/1 (R542) from km 26.25 to R38 between Van Dyksdrift and Hendrina - Phase 3 (13 km)	100%	100%	4

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Repair and maintenance of Kornwyn pass-rock surface on Road P57/2, pavement and drainage facilities (7.8 km)	100%	100%	4
Replacement of flood damaged culvert on Road D2296 (Tekwane bridge)	100%	100%	4
Reconstruction of Kumani Bridge on Road D4422 near Thulamahashe (incl 5 km of road)	100%	100%	5
Upgrading of Bridge on Road D4400 over Sand River near Rolle Village (Widening)	100%	100%	5
Upgrading of Coal Haul Road D2274 from N11 at km 18.7 to D1398 at km 31.7 North of Hendrina (13.0 km)	100%	100%	5
Upgrading of Road D481 Ebhuhleni to Maanaar between Mooiplaas and Ekulindeni (7.2 km)	100%	100%	5
Upgrading from Gravel to Paving of access Road D2091 from Marapyane to Limpopo Border (towards Settlers) (3.2 km) Phase 2	100%	100%	1
Upgrading of Road D3960 (9.2 km) and D4442 (3.6 km) Ga-Motibidi to Rainbow (12.7 km)	100%	100%	5
Upgrading of Road D281 between Volksrust and Daggakraal (12.5 km)	97.50%	97.50%	5
Upgrading of Road D4407, D4409 and a section of D4416 between Hluvhukani and Road P194/1 near Welverdiend (15.6 km) (5 km)	97.50%	97.50%	5
Upgrading of Road D3973 between Hoxani and R40 (at Marite) (11.4 km) plus repairs on Goromane bridge and Road D4400	100%	100%	5
Rehabilitation of Road P33/4 between Hazyview and Sabie from km 36.0 to km 43.7 (Phase 1) Part B (7.7 km)	100%	100%	1
Rehabilitation of Sections of Road P8/1 (R36) between Mashishing and Bambi (Phase 3) (9 km)	100%	100%	5
Special maintenance of Road P170/1 from km 56.0 to km 72.5 between Matibidi and Graskop (16.5 km)	100%	100%	5
Rehabilitation of Road D2950 from R571 (km 0.0) past Mananga (6 km - River Crossing)	100%	100%	5
Rehabilitation of Road P95/1 between Verena and Gauteng boundary Phase 2 (13.5 km)	100%	100%	5
Rehabilitation of Road D3930 from Acornhoek (km 0.0) to D3932 at Hluvhukani (km 11.80) Phase 1 (11.80 km)	100%	100%	2
Provision of monitoring and supervision services for scholar transport operations in Bohlabela and Ehlanzeni Regions (Vlakbult)	100%	100%	2
Parliamentary Village	100%	100%	5
Mkhondo Boarding School	100%	100%	5
Maintenance consultants for assisting the department with management of maintenance projects	100%	100%	2
Provision of monitoring and supervision services for scholar transport operations in Bohlabela and Ehlanzeni Regions	100%	100%	1
Couching and mentoring for National Youth Services	100%	100%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2022 and 31 March 2023

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
Not applicable.			

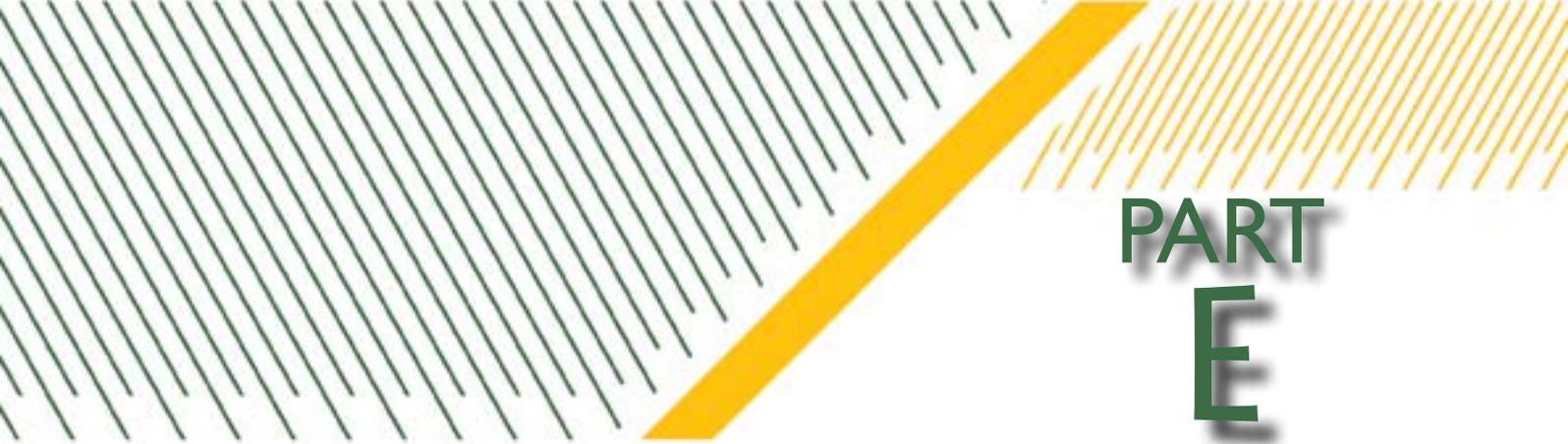
Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2022 and 31 March 2023

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Not applicable.			

3.16 Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2022 and 31 March 2023

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



PART E

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES**a) Reconciliation of irregular expenditure**

Description	2022/23	2021/22
	R'000	R'000
Opening balance	863,957	479,064
Add: Irregular expenditure confirmed	591,272	1,023,111
Less: Irregular expenditure condoned	(18,817)	(25,956)
Less: Irregular expenditure not condoned and removed	(333,621)	(612,262)
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	1,102,791	863,957

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	511,519	407,019
Irregular expenditure that relates to 2021/22/ and identified in 2022/23	-	-
Irregular expenditure for the current year	591,272	456,938
Total	1,102,791	863,957

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description ¹	2022/23	2021/22
	R'000	R'000
Irregular expenditure under assessment	511,519	407,019
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total 2	511,519	407,019

c) Details of current and previous year irregular expenditure condoned

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure condoned	18,817	25,956
Total	18,817	25,956

d) Details of current and previous year irregular expenditure removed - (not condoned)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure NOT condoned and removed	333,621	612,261
Total	333,621	612,261

e) Details of current and previous year irregular expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2022/23	2021/22
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
Not applicable

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2022/23	2021/22
	R'000	R'000
Not applicable	-	-

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
Not applicable

1.1. Fruitless and wasteful expenditure**a) Reconciliation of fruitless and wasteful expenditure**

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Closing balance	-	-

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description ³	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total⁴	-	-

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	-
Total	-	-

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2022/23	2021/22
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
Total

1.2. Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/23	2021/22
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off ⁵	-	-
Closing balance	-	-

Reconciling notes

Description	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure that was under assessment in 20XX/YY	-	-
Unauthorised expenditure that relates to 20XX/YY and identified in 20YY/ZZ	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description ⁶	2022/23	2021/22
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total⁷	-	-

1.3. Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2022/23	2021/22
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2022/23	2021/22
	R'000	R'000
Not applicable	-	-

c) Other material losses recovered

Nature of losses	2022/23	2021/22
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
Total	-	-

d) Other material losses written off

Nature of losses	2022/23	2021/22
	R'000	R'000
Not applicable.	-	-

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	9 070	3 709 997
Invoices paid within 30 days or agreed period	9 070	3 709 997
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period <i>(unpaid and without dispute)</i>	-	-
Invoices older than 30 days or agreed period <i>(unpaid and in dispute)</i>	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Not applicable				

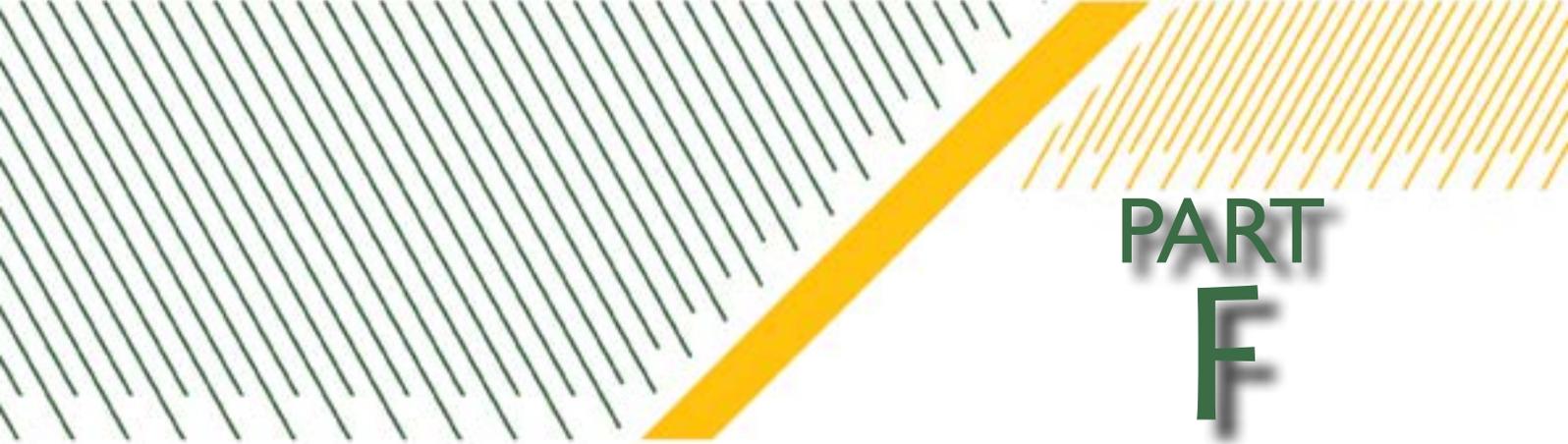
3.2. Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Not Applicable						

a) Footnotes

- Group similar items
- Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)
- Group similar items
- Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

- This amount may only be written off against available savings
- Group similar items
- Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)



PART F

FINANCIAL INFORMATION

REPORT OF THE AUDITOR-GENERAL TO MPUMALANGA PROVINCIAL LEGISLATURE ON VOTE NO. 08: DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Report on the audit of the financial statements

Opinion

- I have audited the financial statements of the Department of Public Works, Roads and Transport set out on pages 117 to 160, which comprise the appropriation statement, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
- In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works, Roads and Transport as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) as prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

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

Emphasis of matters

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

Payables

- As disclosed in note 19.2 to the financial statements, payables of R14 978 000 exceeded the payment term of 30 days, as required by Treasury regulation 8.2.3. This amount, in turn, exceeded the R5 879 000 of voted funds to be surrendered by R9 099 000 as per the statement of financial performance. The amount of R9 099 000 would therefore have constituted unauthorised expenditure had the amounts due been paid in time.

Other matters

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

- On 23 December 2022, the National Treasury issued Instruction Note 4 of 2022-23, which came into effect on 3 January 2023, in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA. The instruction note deals with the PFMA compliance and reporting framework and addresses, among others, the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Irregular expenditure and fruitless and wasteful expenditure incurred in prior financial years and not yet addressed no longer need to be disclosed in the disclosure notes to the annual financial statements. Only the current year and prior year figures are disclosed in note 22 to the financial statements of the Department. Movements in respect of irregular expenditure and fruitless and wasteful expenditure also no longer need to be disclosed in the notes to the annual financial statements. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) is now included as part of the other information in the annual report of the department. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited supplementary schedules

- The supplementary information set out on pages 155 to 160 does not form part of the financial statements and is presented as additional information. I have not audited these schedules accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

- The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

- In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
- I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page No.	Purpose
Programme 2: Public Works Infrastructure	27-29	The purpose of the programme is to provide a balanced and equitable provincial government building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive which supports economic development and social empowerment.
Programme 3: Transport Infrastructure	30-33	The purpose of the programme is to promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.
Programme 5: Community-Based Programme	37-39	The purpose of the programme is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme (EPWP).

- I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.
- I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
- I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
 - I did not identify any material findings on the reported performance information for the selected programmes.

- I did not identify any material findings on the reported performance information for the selected programme.

Other matters

- I draw attention to the matters below. Achievement of planned targets
- The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.
- The department plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

Key service delivery indicators not achieved	Planned target	Reported achievement
Programme 2: Public Works Infrastructure		
Targets achieved: 86%		
Budget spent: 100%		
Number of capital infrastructure projects completed	198	149
Programme 3: Transport Infrastructure		
Targets achieved: 67%		
Budget spent: 99.9%		
Number of kilometres of gravel roads upgraded to surfaced roads	15	7
Number of square metres of surfaced roads rehabilitated	282 080	141 000
Number of square metres of surfaced roads resealed	987 864	574 360
Number of kilometres of gravel roads bladed	34 467	16 792
Programme 5: Community Based Programme		
Targets achieved: 57%		
Budget spent: 100%		
Number of work opportunities created by provincial PWRT	9 226	8 310
Number of youths employed (18-35)	5 040	3 499
Number of persons with disabilities employed	186	3

- Reasons for the underachievement of targets are included in the annual performance report on pages 27 to 39.

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3: transport infrastructure and Programme 5: community-based programme. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual Financial Statements

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

Procurement and contract management

31. Some of the goods and services of a transaction value of R2 000 but not exceeding R1 000 000 were procured without following quotation process, as required by Treasury Regulation 16A6.1, paragraph 3.2.1 of NTI 02 of 2021/22

32. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids, as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. Similar non-compliance was also reported in the prior year.

33. Tender requirements for some of the contracts above R30 million did not include a condition for mandatory subcontracting to advance designated groups, as required by the 2017 Preferential Procurement Regulation 9(1).

34. Bid documentation/ invitation to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2). This non-compliance was identified in the procurement processes for the upgrades of road D4407 between Hluvukani and Timbavati.

35. Some of the contracts were extended or modified without the approval of a properly delegated official as required by section 44 of the PFMA and Treasury Regulations 8.2.1 and 8.2.2. Similar non-compliance was also reported in the prior year.

Expenditure management

36. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by deviations from procurement process.

Utilisation of Conditional grants

37. The Public Transport Operations Grant was not spent for the purposes stipulated in the Schedule concerned, as required by section 16(1) of Dora.

Other information in the annual report

38. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

39. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

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

41. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

42. I have nothing to report in this regard. Internal control deficiencies

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

44. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

45. Management did not adequately implement controls over daily and monthly processing and reconciling transactions.

46. Management did not adequately prepare and review regular, accurate and complete financial statements and performance reports that are supported and evidenced by reliable information.

47. Management did not adequately monitor the implementation of action plans to address internal control deficiencies as similar misstatements occurred in the current year.

48. Management did not implement adequately controls to review and monitor compliance with applicable legislation.

Material irregularities

49. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Material irregularities in progress

50. I identified material irregularities during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the responses from the accounting officer. These material irregularities will be included in next year's auditor's report.

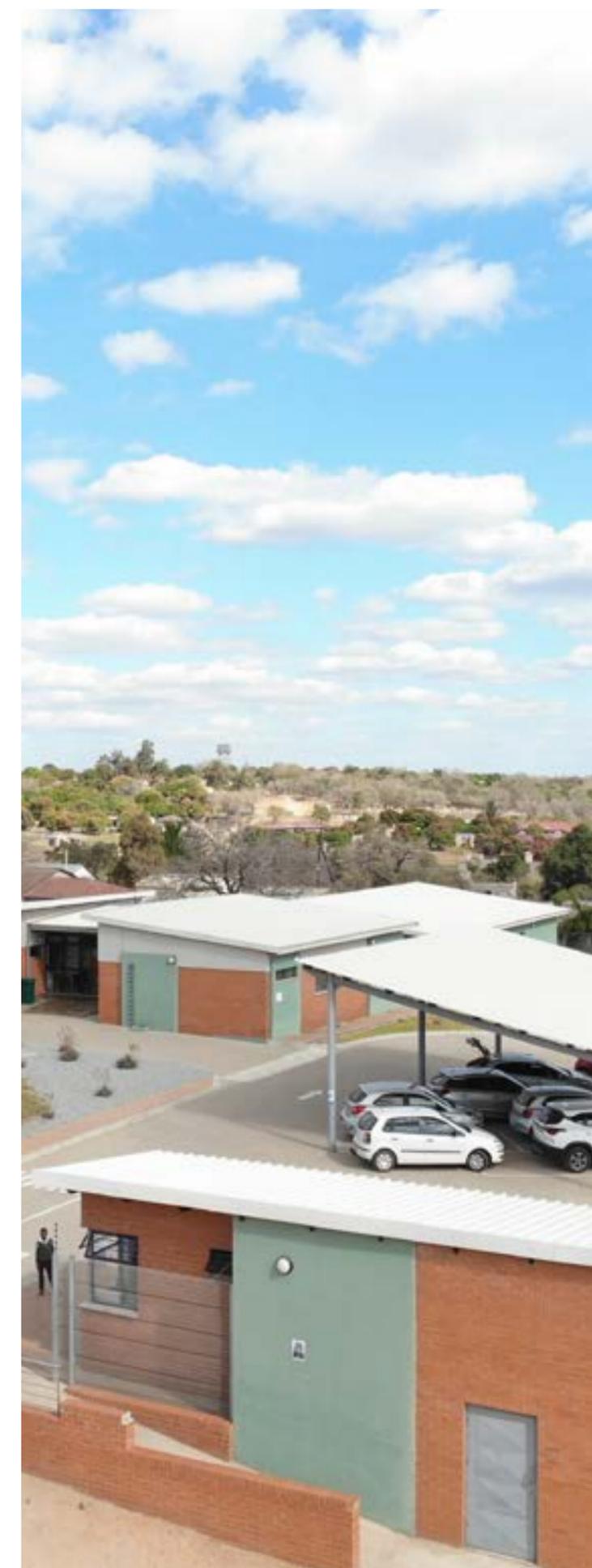
Other reports

51. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

52. The Special Investigation Unit investigated the procurement process for contracts relating to covid-19 PPE awarded in 2020-21 and improper certification of infrastructure projects as complete while in progress. Investigation was finalised on contracts relating to covid-19 PPE and communicated to the accounting officer for action. The accounting officer instituted internal disciplinary processes on the implicated officials which is still in progress. The investigation relating to the improper certification of projects as complete is still in progress.



Mbombela
31 July 2023



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the [consolidated and separate] financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Act No.1 of 1999 (PFMA)	Section 1 Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i);38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) , (b) & (e) ; 16A 6.3(a); 16A 6.3(a) (i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Division of Revenue Act No. 5 of 2022	DoRA 11(6)(a) DoRA 12(5) DoRA 16(1) DoRA 16(3) DoRA 16(3)(a)(i) DoRA 16(3)(a)(ii)(bb)
Public service regulation	Public service regulation 13(c);18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29 Section 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)

PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 10.1; 10.2 Paragraph 11.1; 11.2 Paragraph 12.1 and 12.2
PPR 2022	Section 7(3) Section 7(6)(b) Section 20(1)(a)(l)
SITA regulations	Regulation 8.1.1 (b); 8.1.4; 8.1.7 Regulation 9.6; 9.4 Regulation 12.3 Regulation 13.1 (a) Regulation 14.1; 14.2
PFMA SCM Instruction no. 09 of 2022/2023	Paragraph 3.1; 3.3 (b); 3.3 (c) ; 3.3 (e) ; 3.6
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a);4.4 (c) -(d); 4.6 Paragraph 5.4 Paragraph 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Par 5.5.1(vi); Paragraph 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraph 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.2; 3.2.4(a) and (b) ; 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraph 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23 Paragraph 3.2	Paragraph 4.3.2 and 4.3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
NT instruction 3 of 2019/20 - Annexure A	Section 5.5.1 (iv) and (x)
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Erratum NTI 5 of 202/21	Paragraph 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/9	Paragraph 3.1 Paragraph 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1
Public Service Act	Section 30 (1)





MPUMALANGA PROVINCIAL GOVERNMENT
Department of Public Works, Roads and Transport

VOTE NO. 08

ANNUAL FINANCIAL STATEMENTS
2022/23 FINANCIAL YEAR

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DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023					2021/2022			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Appropriation per programme									
Programme 1 ADMINISTRATION	359,479	-	8,163	367,642	367,642	-	100.00 %	333,520	333,194
Programme 2 PUBLIC WORKS INFRASTRUCTURE	1,169,095	-	40,025	1,209,120	1,209,120	-	100.00 %	956,376	950,988
Programme 3 TRANSPORT INFRASTRUCTURE	2,005,965	-	(86,498)	1,919,467	1,917,587	1,880	99.90 %	2,173,257	2,093,628
Programme 4 TRANSPORT OPERATIONS	1,321,433	-	40,958	1,362,391	1,358,393	3,998	99.71 %	1,342,504	1,336,998
Programme 5 COMMUNITY BASED PROGRAMMES	76,879	-	(2,648)	74,231	74,231	-	100.00 %	80,738	79,533
Programme subtotal	4,932,851	-	-	4,932,851	4,926,973	5,878	99.88 %	4,886,395	4,794,341
Total	4,932,851	-	-	4,932,851	4,926,973	5,878	99.88 %	4,886,395	4,794,341

Reconciliation with statement of financial performance

Add		
Departmental Revenue	31,983	25,168
Actual amounts per statement of financial performance	4,964,834	4,911,56
Add		
Actual amounts per statement of financial performance (total expenditure)	4,926,973	4,794,341

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	920,788	(14,760)	(5,830)	900,198	900,196	2	100.00 %	890,574	890,361
Social contributions	153,228	14,759	(74)	167,913	167,913	-	100.00 %	164,604	164,597
	1,074,016	(1)	(5,904)	1,068,111	1,068,109	2	100.00 %	1,055,178	1,054,958
Goods and services									
Administrative fees	1,900	(222)	(9)	1,669	1,669	-	100.00 %	1,018	1,002
Advertising	2,400	60	(121)	2,339	2,339	-	100.00 %	1,157	1,018
Minor assets	1,565	(413)	(767)	385	385	-	100.00 %	853	718
Audit costs: External	13,500	(2,594)	-	10,906	10,906	-	100.00 %	12,481	12,481
Catering: Departmental activities	1,569	893	(207)	2,255	2,255	-	100.00 %	1,308	1,294
Communication	13,035	3,143	(10)	16,168	16,168	-	100.00 %	11,755	11,757
Computer services	1,620	(377)	-	1,243	643	600	51.73 %	770	770
Consultants: Business and advisory service	32,187	(7,033)	(10,508)	14,646	14,646	-	100.00 %	8,221	7,691
Infrastructure and planning services	89,803	18,265	(4,259)	103,809	104,288	(479)	100.46 %	105,274	105,274
Legal services	16,686	1,302	(3,265)	14,723	14,723	-	100.00 %	8,553	8,553
Contractors	28,799	(353)	(897)	27,549	27,549	-	100.00 %	31,640	32,334
Agency and support / outsourced service	46,638	(1,956)	-	44,682	44,682	-	100.00 %	42,337	42,337
Fleet services	72,789	(4,278)	5,521	74,032	74,032	-	100.00 %	58,286	58,286
Inventory: Clothing material and supplies	13,213	2,701	-	15,914	15,914	-	100.00 %	10,813	10,800
Inventory: Fuel, oil and gas	9,656	13,344	-	23,000	23,000	-	100.00 %	13,019	13,022
Inventory: Materials and supplies	88,419	(5,935)	(25)	82,459	82,459	-	100.00 %	76,382	76,382
Inventory: Other supplies	1,297	(1,297)	-	-	-	-	- %	-	-
Consumable supplies	5,804	2,873	(18)	8,659	8,659	-	100.00 %	12,295	12,311
Consumable: Stationery, printing and office supplies	10,989	(1,174)	(55)	9,760	9,760	-	100.00 %	11,193	11,189
Operating leases	36,558	(3,795)	(1,254)	31,509	31,509	-	100.00 %	31,475	31,475

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

VOTE 8

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Property payments	762,733	(50,419)	(112,355)	599,959	587,032	12,927	97.85 %	592,535	556,711
Transport provided: Departmental activity	452,035	6,504	44,549	503,088	503,088	-	100.00 %	481,669	481,669
Travel and subsistence	76,277	32,376	(2,445)	106,208	106,124	84	99.92 %	86,126	85,976
Training and development	19,900	(1,162)	(463)	18,275	18,275	-	100.00 %	18,065	18,065
Operating payments	3,218	(1,028)	(983)	1,207	1,207	-	100.00 %	1,238	1,237
Venues and facilities	295	577	-	872	955	(83)	109.52 %	738	738
Total current payments	1,802,885	2	(87,571)	1,715,316	1,702,267	13,049	99.24 %	1,619,201	1,583,090
Transfers and subsidies									
Provinces and municipalities									
Provinces									
Provincial Revenue Funds	2,000	(432)	(413)	1,155	1,155	-	100.00 %	2,541	2,541
Municipalities									
Municipal bank accounts	346,843	-	74,363	421,206	421,208	(2)	100.00 %	303,544	302,049
Provinces and municipalities subtotal	348,843	(432)	73,950	422,361	422,363	(2)	100.00 %	306,085	304,590
Departmental agencies and accounts									
Departmental agencies (non-business entities)	57	-	44	101	101	-	100.00 %	66	66
Public corporations and private enterprises									
Private enterprises									
Other transfers to private enterprises	754,626	-	(111)	754,515	750,517	3,998	99.47 %	754,855	751,141
Households									
Social benefits	20,426	431	1,867	22,724	22,724	-	100.00 %	26,297	26,097
Total transfers and subsidies	1,123,952	(1)	75,750	1,199,701	1,195,705	3,996	99.67 %	1,087,303	1,081,894

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Payments for capital assets									
Buildings and other fixed structures									
Buildings	905,361	-	30,990	936,351	941,907	(5,556)	100.59 %	1,086,647	1,041,125
Machinery and equipment									
Transport equipment	7,518	-	(2,085)	5,433	5,433	-	100.00 %	24,585	23,229
Other machinery and equipment	19,119	-	(11,180)	7,939	12,952	(5,013)	163.14 %	11,566	8,138
	26,637	-	(13,265)	13,372	18,385	(5,013)	137.49 %	36,151	31,367
Software and other intangible assets	-	-	-	-	600	(600)	- %	630	622
Total payments for capital assets	931,998	-	17,725	949,723	960,892	(11,169)	101.18 %	1,123,428	1,073,114
Payments for financial assets	-	-	-	-	-	-	- %	1,285	1,285
Total	4,932,851	-	-	4,932,851	4,926,973	5,878	99.88 %	4,886,395	4,794,341

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
1. ADMINISTRATION									
Sub programme									
OFFICE OF THE MEC	9,549	1,267	(75)	10,741	10,741	-	100.00 %	9,685	9,628
MANAGEMENT OF THE DEPARTMENT	4,998	(125)	-	4,873	4,873	-	100.00 %	3,585	3,521
CORPORATE SUPPORT	319,323	3,244	8,332	330,899	330,899	-	100.00 %	297,594	297,468
DEPARTMENTAL STRATEGY	25,609	(4,386)	(94)	21,129	21,129	-	100.00 %	22,656	22,577
Subtotal	359,479	-	8,163	367,642	367,642	-	100.00 %	333,520	333,194
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	172,175	2,025	1,407	175,607	175,607	-	100.00 %	172,314	172,314
Social contributions	28,424	(2,025)	248	26,647	26,647	-	100.00 %	26,385	26,385
	200,599	-	1,655	202,254	202,254	-	100.00 %	198,699	198,699
Goods and services									
Administrative fees	1,355	(332)	-	1,023	1,023	-	100.00 %	708	708
Advertising	2,141	151	-	2,292	2,292	-	100.00 %	748	748
Minor assets	52	15	-	67	67	-	100.00 %	-	-
Audit costs: External	13,500	(2,594)	-	10,906	10,906	-	100.00 %	12,481	12,481
Catering: Departmental activities	565	301	-	866	866	-	100.00 %	560	560
Communication	4,109	(1,066)	-	3,043	3,043	-	100.00 %	3,358	3,358
Computer services	1,620	(977)	-	643	643	-	100.00 %	770	770
Consultants: Business and advisory services	2,398	(1,135)	-	1,263	1,263	-	100.00 %	1,434	1,434
Legal services	13,333	(842)	-	12,491	12,491	-	100.00 %	7,722	7,722
Contractors	1,277	824	-	2,101	2,101	-	100.00 %	832	832
Agency and support / outsourced services	16	(5)	-	11	11	-	100.00 %	8	8
Fleet services	64,926	-	5,529	70,455	70,455	-	100.00 %	53,155	53,155

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023					2021/2022			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Inventory: Clothing material and supplies	200	373	-	573	573	-	100.00 %	212	212
Inventory: Fuel, oil and gas	313	(313)	-	-	-	-	- %	-	-
Inventory: Materials and supplies	539	(539)	-	-	-	-	- %	343	343
Consumable supplies	2,042	(836)	(17)	1,189	1,189	-	100.00 %	2,050	2,053
Consumable: Stationery, printing and office supplies	10,409	(877)	17	9,549	9,549	-	100.00 %	10,764	10,761
Operating leases	2,628	(730)	-	1,898	1,898	-	100.00 %	1,736	1,736
Travel and subsistence	16,992	14,528	1,962	33,482	33,482	-	100.00 %	25,399	25,399
Training and development	7,991	(5,698)	-	2,293	2,293	-	100.00 %	3,804	3,804
Operating payments	1,241	(477)	-	764	764	-	100.00 %	897	897
Venues and facilities	295	229	-	524	524	-	100.00 %	110	110
Total	147,942	-	7,491	155,433	155,433	-	100.00 %	127,091	127,091
Total current payments	348,541	-	9,146	357,687	357,687	-	100.00 %	325,790	325,790
Transfers and subsidies Provinces and municipalities	2,000	(432)	(413)	1,155	1,155	-	100.00 %	2,541	2,541
Households	1,683	432	-	2,115	2,115	-	100.00 %	3,510	3,510
Total transfers and subsidies	3,683	-	(413)	3,270	3,270	-	100.00 %	6,051	6,051
Payments for capital assets									
Machinery and equipment	4,780	-	(15)	4,765	4,765	-	100.00 %	120	119
Transport equipment	2,475	-	(555)	1,920	1,920	-	100.00 %	1,559	1,234
Other machinery and equipment	7,255	-	(570)	6,685	6,685	-	100.00 %	1,679	1,353
Total	359,479	-	8,163	367,642	367,642	-	100.00 %	333,520	333,194

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023					2021/2022			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Sub programme	3,436	202	-	3,638	3,638	-	100.00 %	4,121	4,056
PROGRAMME SUPPORT	26,321	(1,020)	(8,109)	17,192	17,190	2	99.99 %	8,596	8,558
PLANNING	19,279	(991)	(172)	18,116	18,115	1	99.99 %	17,454	17,460
DESIGN	180,045	(2,520)	6,641	184,166	190,034	(5,868)	103.19 %	61,650	60,483
CONSTRUCTION	364,568	(6,446)	(17,930)	340,192	334,361	5,831	98.29 %	323,810	322,050
MAINTENANCE	464,415	(886)	61,986	525,515	525,517	(2)	100.00 %	426,568	424,756
IMMOVABLE ASSETS MANAGEMENT	111,031	11,661	(2,391)	120,301	120,265	36	99.97 %	114,177	113,625
FACILITY OPERATIONS	1,169,095	-	40,025	1,209,120	1,209,120	-	100.00 %	956,376	950,988
Subtotal	1,169,095	-	40,025	1,209,120	1,209,120	-	100.00 %	956,376	950,988
Economic classification									
Current payments									
Compensation of employees	277,464	(10,379)	(2,075)	265,010	265,009	1	100.00 %	260,580	260,320
Salaries and wages	35,904	10,379	(255)	46,028	46,028	-	100.00 %	44,554	44,813
Social contributions	313,368	-	(2,330)	311,038	311,037	1	100.00 %	305,134	305,133
Goods and services									
Administrative fees	124	45	(9)	160	160	-	100.00 %	81	83
Minor assets	747	(10)	(447)	290	290	-	100.00 %	548	548
Catering: Departmental activities	6	20	-	26	26	-	100.00 %	105	105
Communication	8,058	3,699	-	11,757	11,757	-	100.00 %	7,292	7,292
Computer services	-	600	-	600	-	600	- %	-	-
Consultants: Business and advisory services	19,870	-	(10,508)	9,362	9,362	-	100.00 %	2,957	2,957
Infrastructure and planning services	3,654	-	(3,401)	253	3,190	(2,937)	1,260.87 %	1,048	1,048
Legal services	3,353	-	(3,265)	88	88	-	100.00 %	287	287
Contractors	12,394	761	(897)	12,258	12,258	-	100.00 %	14,554	15,055

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023					2021/2022			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Agency and support / outsourced services	-	2,303	-	2,303	2,303	-	100.00 %	2,281	2,281
Fleet services	126	-	(8)	118	118	-	100.00 %	-	-
Inventory: Clothing material and supplies	609	1,161	-	1,770	1,770	-	100.00 %	940	940
Inventory: Fuel, oil and gas	163	6,142	-	6,305	6,305	-	100.00 %	2,182	2,184
Inventory: Materials and supplies	6,199	4,398	(25)	10,572	10,572	-	100.00 %	9,162	9,162
Consumable supplies	863	4,569	(1)	5,431	5,431	-	100.00 %	5,801	5,800
Consumable: Stationery, printing and office supplies	-	1	-	1	1	-	100.00 %	29	29
Operating leases	33,930	(3,065)	(1,254)	29,611	29,611	-	100.00 %	29,739	29,739
Property payments	222,354	(36,873)	(14,661)	170,820	159,772	11,048	93.53 %	190,890	190,388
Travel and subsistence	22,771	15,981	(4,406)	34,346	34,262	84	99.76 %	28,332	28,333
Training and development	493	-	(463)	30	30	-	100.00 %	44	44
Operating payments	1,127	171	(983)	315	315	-	100.00 %	297	296
Venues and facilities	-	97	-	97	180	(83)	185.57 %	66	66
Total current payments	336,841	-	(40,328)	296,513	287,801	8,712	97.06 %	296,635	296,637

Total current payments	650,209	-	(42,658)	607,551	598,838	8,713	98.57 %	601,769	601,770
Transfers and subsidies									
Provinces and municipalities									
Municipalities									
Municipal bank accounts	346,843	-	74,363	421,206	421,208	(2)	100.00 %	303,544	302,049
Departmental agencies and accounts	57	-	44	101	101	-	100.00 %	66	66
Households	3,780	-	(152)	3,628	3,628	-	100.00 %	4,397	4,268
Total transfers and subsidies	350,680	-	74,255	424,935	424,937	(2)	100.00 %	308,007	306,383
Payments for capital assets									
Buildings and other fixed structures									
Buildings	165,137	-	9,336	174,473	177,571	(3,098)	101.78	39,930	38,871

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023					2021/2022			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Machinery and equipment									
Transport equipment	-	-	-	-	-	-	- %	626	546
Other machinery and equipment	3,069	(908)	(908)	2,161	7,174	(5,013)	331.98 %	4,129	1,511
	3,069	-	(908)	2,161	7,174	(5,013)	331.98 %	4,755	2,057
Software and other intangible assets	-	-	-	-	600	(600)	- %	630	622
Total payments for capital assets	168,206	-	8,428	176,634	185,345	(8,711)	104.93 %	45,315	41,550
Payments for financial assets	-	-	-	-	-	-	- %	1,285	1,285
Total	1,169,095	-	40,025	1,209,120	1,209,120	-	100.00 %	95 6,376	950,988

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
3. TRANSPORT INFRASTRUCTURE									
Sub programme									
PROGRAMME SUPPORT	2,382	(16)	(65)	2,301	2,301	-	100.00 %	2,352	2,352
INFRASTRUCTURE PLANNING	65,905	(2,922)	(1,165)	61,818	61,818	-	100.00 %	48,457	48,457
DESIGN	39,264	115	(744)	38,635	38,635	-	100.00 %	70,045	70,045
CONSTRUCTION	720,403	37	20,703	741,143	743,601	(2,458)	100.33 %	1,008,930	964,483
MAINTENANCE	1,178,011	2,786	(105,227)	1,075,570	1,071,232	4,338	99.60 %	1,043,473	1,008,291
Subtotal	2,005,965	-	(86,498)	1,919,467	1,917,587	1,880	99.90 %	2,173,257	2,093,628

Economic classification

Current payments									
Compensation of employees									
Salaries and wages	351,439	(6,419)	(2,043)	342,977	342,976	1	100.00 %	335,558	335,557
Social contributions	69,592	6,419	(16)	75,995	75,995	-	100.00 %	75,271	75,271
	421,031	-	(2,059)	418,972	418,971	1	100.00 %	410,829	410,828
Goods and services									
Administrative fees	291	(69)	-	222	222	-	100.00 %	33	33
Advertising	-	-	-	-	-	-	- %	116	116
Minor assets	353	(325)	-	28	28	-	100.00 %	32	32
Catering: Departmental activities	391	530	-	921	921	-	100.00 %	40	40
Communication	641	275	-	916	916	-	100.00 %	722	722
Infrastructure and planning services	86,149	18,265	(858)	103,556	101,098	2,458	97.63 %	104,226	104,226
Legal services	-	2,144	-	2,144	2,144	-	100.00 %	544	544
Contractors	13,267	(1,178)	-	12,089	12,089	-	100.00 %	14,883	15,076
Agency and support / outsourced services	46,622	(4,257)	-	42,365	42,365	-	100.00 %	40,048	40,048
Fleet services	7,737	(4,278)	-	3,459	3,459	-	100.00 %	5,131	5,131

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Inventory: Clothing material and supplies	11,878	297	-	12,175	12,175	-	100.00 %	7,129	7,129
Inventory: Fuel, oil and gas	9,180	7,515	-	16,695	16,695	-	100.00 %	10,837	10,838
Inventory: Materials and supplies	81,681	(9,794)	-	71,887	71,887	-	100.00 %	66,753	66,753
Consumable supplies	1,385	255	-	1,640	1,640	-	100.00 %	3,617	3,617
Consumable: Stationery, printing and office supplies	152	(152)	-	-	-	-	- %	225	225
Property payments	540,379	(13,546)	(97,694)	429,139	427,260	1,879	99.56 %	401,645	366,323
Travel and subsistence	17,087	4,384	(1)	21,470	21,470	-	100.00 %	17,709	17,709
Training and development	100	(43)	-	57	57	-	100.00 %	517	517
Operating payments	143	(23)	-	120	120	-	100.00 %	44	44
	817,436	-	(98,553)	718,883	714,546	4,337	99.40 %	674,251	639,123
Total current payments	1,238,467	-	(100,612)	1,137,855	1,133,517	4,338	99.62 %	1,085,080	1,049,951
Transfers and subsidies									
Households	14,660	-	2,123	16,783	16,783	-	100.00 %	15,133	15,133
Payments for capital assets									
Buildings and other fixed structures	740,224	-	21,654	761,878	764,336	(2,458)	100.32 %	1,045,807	1,001,361
Machinery and equipment	12,614	-	(9,663)	2,951	2,951	-	100.00 %	27,237	27,183
Total payments for capital assets	752,838	-	11,991	764,829	767,287	(2,458)	100.32 %	1,073,044	1,028,544
Total	2,005,965	-	(86,498)	1,919,467	1,917,587	1,880	99.90 %	2,173,257	2,093,628

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
4. TRANSPORT OPERATIONS									
Sub programme									
PROGRAMME SUPPORT	3,135	(1,051)	(1,047)	1,037	1,037	-	100.00 %	1,159	1,159
PUBLIC TRANSPORT SERVICES	1,228,441	2,827	44,075	1,275,343	1,271,345	3,998	99.69 %	1,252,565	1,247,934
TRANSPORT SAFETY AND COMPLIANCE	62,028	5,846	(2,070)	65,804	65,804	-	100.00 %	61,106	59,837
TRANSPORT SYSTEMS	18,038	(3,416)	-	14,622	14,622	-	100.00 %	19,450	19,681
INFRASTRUCTURE OPERATIONS	9,791	(4,206)	-	5,585	5,585	-	100.00 %	8,224	8,387
Subtotal	1,321,433	-	40,958	1,362,391	1,358,393	3,998	99.71 %	1,342,504	1,336,998

Economic classification

Current payments									
Compensation of employees									
Salaries and wages	74,409	22	(1,050)	73,381	73,381	-	100.00 %	71,047	71,095
Social contributions	14,721	(22)	-	14,699	14,699	-	100.00 %	13,698	13,649
	89,130	-	(1,050)	88,080	88,080	-	100.00 %	84,745	84,744
Goods and services									
Administrative fees	76	79	-	155	155	-	100.00 %	75	76
Minor assets	92	(92)	-	-	-	-	- %	138	138
Catering: Departmental activities	262	(116)	-	146	146	-	100.00 %	466	466
Communication	-	231	-	231	231	-	100.00 %	173	173
Consultants: Business and advisory services	2,371	1,650	-	4,021	4,021	-	100.00 %	3,300	3,300
Contractors	924	(510)	-	414	414	-	100.00 %	548	548
Agency and support / outsourced services	-	3	-	3	3	-	100.00 %	-	-
Inventory: Clothing material and supplies	-	482	-	482	482	-	100.00 %	843	829
Inventory: Materials and supplies	-	-	-	-	-	-	-	124	124

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Inventory: Other supplies	1,297	(1,297)	-	-	-	-	- %	-	-
Consumable supplies	1,512	(1,512)	-	-	-	-	- %	1	15
Consumable: Stationery, printing and office supplies	180	30	-	210	210	-	100.00 %	99	98
Transport provided: Departmental activity	452,035	6,504	44,549	503,088	503,088	-	100.00 %	481,669	481,669
Travel and subsistence	15,112	(5,188)	-	9,924	9,924	-	100.00 %	8,899	8,900
Training and development	215	(215)	-	-	-	-	- %	-	-
Operating payments	304	(299)	-	5	5	-	100.00 %	-	-
Venues and facilities	-	251	-	251	251	-	100.00 %	562	562
	474,380	1	44,549	518,930	518,930	-	100.00 %	496,897	496,898

Total current payments	563,510	1	43,499	607,010	607,010	-	100.00 %	581,642	581,642
Transfers and subsidies									
Public corporations and private enterprises	754,626	-	(111)	754,515	750,517	3,998	99.47 %	754,855	751,141
Households	186	(1)	13	198	198	-	100.00 %	2,932	2,863
Total transfers and subsidies	754,812	(1)	(98)	754,713	750,715	3,998	99.47 %	757,787	754,004

Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment	2,738	-	(2,070)	668	668	-	100.00 %	1,275	-
Transport equipment	373	-	(373)	-	-	-	- %	890	459
Other machinery and equipment	3,111	-	(2,443)	668	668	-	100.00 %	2,165	459
Total payments for capital assets	3,111	-	(2,443)	668	668	-	100.00 %	3,075	1,352
Total	1,321,433	-	40,958	1,362,391	1,358,393	3,998	99.71 %	1,342,504	1,336,998

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
5. COMMUNITY BASED PROGRAMMES									
Sub programme									
PROGRAMME SUPPORT	2,180	(559)	(434)	1,187	1,187	-	100.00 %	925	925
COMMUNITY DEVELOPMENT	43,671	5,535	(1,394)	47,812	47,812	-	100.00 %	55,893	55,676
INNOVATION AND EMPOWERMENT	14,957	(4,600)	(228)	10,129	10,129	-	100.00 %	9,050	8,382
EPWP CO-ORDINATION AND MONITORING	16,071	(376)	(592)	15,103	10,129	-	100.00 %	14,870	14,550
Subtotal	76,879	-	(2,648)	74,231	74,231	-	100.00 %	80,738	79,533
Economic classification									
Current payment of employees									
Salaries and wages	45,301	(9)	(2,069)	43,223	43,223	-	100.00 %	51,075	51,075
Social contributions	4,587	8	(51)	4,544	4,544	-	100.00 %	4,696	4,479
	49,888	(1)	(2,120)	47,767	47,767	-	100.00 %	55,771	55,554
Goods and services									
Administrative fees	54	55	-	109	109	-	100.00 %	121	102
Advertising	259	(91)	(121)	47	47	-	100.00 %	293	154
Minor assets	321	(1)	(320)	-	-	-	- %	135	-
Catering: Departmental activities	345	158	(207)	296	296	-	100.00 %	137	123
Communication	227	4	(10)	221	221	-	100.00 %	210	212
Consultants: Business and advisory services	7,548	(7,548)	-	-	-	-	- %	530	-
Contractors	937	(250)	-	687	687	-	100.00 %	823	823
Inventory: Clothing material and supplies	526	388	-	914	914	-	100.00 %	1,689	1,690
Consumable supplies	2	397	-	399	399	-	100.00 %	826	826

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

APPROPRIATION STATEMENT

Figures in Rand thousand	2022/2023				2021/2022				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
Consumable: Stationery, printing and office supplies	248	(176)	(72)	-	-	-	- %	76	76
Travel and subsistence	4,315	2,671	-	6,986	6,986	-	100.00 %	5,787	5,635
Training and development	11,101	4,794	-	15,895	15,895	-	100.00 %	13,700	13,700
Operating payments	403	(400)	-	3	3	-	100.00 %	-	-
	26,286	1	(730)	25,557	25,557	-	100.00 %	24,327	23,341
Total current payments	76,174	-	(2,850)	73,324	73,324	-	100.00 %	80,098	78,895
Transfers and subsidies									
Households	117	-	(117)	-	-	-	- %	325	323
Payments for capital assets									
Machinery and equipment	588	-	319	907	907	-	100.00 %	315	315
Total	76,879	-	(2,648)	74,231	74,231	-	100.00 %	80,738	79,533

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE APPROPRIATION STATEMENT**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-H) 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

Details 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**

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
ADMINISTRATION	367,642	367,642	-	- %
PUBLIC WORKS INFRASTRUCTURE	1,209,120	1,209,120	-	- %
TRANSPORT INFRASTRUCTURE	1,919,467	1,917,587	1,880	0.1 %
TRANSPORT OPERATIONS	1,362,391	1,358,393	3,998	0.3 %
COMMUNITY BASED PROGRAMMES	74,231	74,231	-	- %

Programme 1, 2 and 5: No variance.

Programme 3: The variance results from savings on day to day operational and administrative costs.

Programme 4: The variance results from savings realised on Public Transport Operations Grant as trips could not be taken due to community protests and blockade of buses by taxi operators during the financial year.

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments				
Compensation of employees	1,068,111	1,068,109	2	- %
Goods and services	1,715,316	1,702,267	13,049	1 %
Transfers and subsidies				
Provinces and municipalities	422,361	422,363	(2)	- %
Departmental agencies and accounts	101	101	-	- %
Public corporations and private enterprises	754,515	750,517	3,998	1 %
Households	22,293	22,724	(431)	(2)%
Payments for capital assets				
Buildings and other fixed structures	936,351	941,907	(5,556)	(1)%
Machinery and equipment	13,372	18,385	(5,013)	(37)%
Intangible assets	-	600	(600)	- %

Goods and services: The variance results from savings on day to day operational and administrative costs.

Transfers and subsidies: The variance results from savings realised on Public Transport Operations Grant as trips could not be taken due to community protests and blockade of buses by taxi operators during the financial year.

4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Provincial Roads Maintenance Grant	907,146	907,143	3	- %
Public Transport Operations Grant	711,126	707,128	3,998	1 %
Expanded Public Works Programme Incentive grant	7,038	7,038	-	- %

Public Transport Operations Grant: The variance results from savings realised as trips could not be taken due to community protests and blockade of buses by taxi operators during the financial year.

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
VOTE 8
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2022/2023	2021/2022 Restated*
Revenue			
Annual appropriation	1	4,932,851	4,886,395
Expenditure			
Current expenditure			
Compensation of employees	3	1,068,109	1,054,958
Goods and services	4	1,702,267	1,583,090
Total current expenditure		2,770,376	2,638,048
Transfers and subsidies			
Transfers and subsidies	6	1,195,704	1,081,893
Expenditure for capital assets			
Tangible assets	7	960,292	1,072,492
Intangible assets	7	600	622
Total expenditure for capital assets		960,892	1,073,114
Payments for financial assets	5	-	1,285
Total expenditure		4,926,972	4,794,340
Surplus for the year		5,879	92,055
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		1,978	57,842
Conditional grants		3,901	34,213
		5,879	92,055

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF FINANCIAL POSITION

	Note(s)	2022/2023	2021/2022 Restated*
Assets			
Current Assets			
Cash and cash equivalents	8	-	3,949
Prepayments and advances	9	-	29,241
Receivables	10	72,329	69,319
		72,329	102,509
Non-Current Assets			
Receivables	10	-	736
Total Assets		72,329	103,245
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	11	5,879	92,055
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	4,968	5,535
Bank overdraft	13	52,907	-
Payables	14	7,516	4,796
		71,270	102,386
Total Liabilities		71,270	102,386
		1,059	859
Represented by:			
Recoverable revenue		1,059	861

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF CHANGES IN THE ASSETS

	Note(s)	2022/2023	2021/2022 Restated*
Recoverable revenue			
Opening balance		860	2,225
Transfers:			
Debts revised		-	70
Debts recovered (incl in dept receipts)		(272)	(1,435)
Debts raised		471	-
Closing balance		1,059	860
Total		1,059	861

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CASH FLOW STATEMENT

	Note(s)	2022/2023	2021/2022 Restated*
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	4,932,851	4,886,395
Departmental revenue received	2	22,774	21,068
Interest received	2.3	3,948	2,578
		4,959,573	4,910,041
Net (increase)/ decrease in working capital		28,951	(34,260)
Surrendered to Revenue Fund		(124,605)	(38,044)
Current payments		(2,770,376)	(2,638,048)
Payments for financial assets		-	(1,285)
Transfers and subsidies paid		(1,195,704)	(1,081,893)
Net cash flow available from operating activities	15	897,839	1,116,511
Cash flows from investing activities			
Payments for capital assets	7	(960,892)	(1,073,114)
Proceeds from sale of capital assets	2.4	5,261	1,522
(Increase)/ decrease in non-current receivables	10	736	(53)
Net cash flows from investing activities		(954,895)	(1,071,645)
Cash flows from financing activities			
Increase/ (decrease) in net assets		198	(1,366)
Net increase/ (decrease) in cash and cash equivalents		(56,858)	43,500
Cash and cash equivalents at beginning of year		3,949	(39,553)
Cash and cash equivalents at the end of the year	16	(52,907)	3,949

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES**Summary of significant accounting policies**

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

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

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

1. Basis of preparation

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

2. Going concern

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

3. Presentation currency

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

4. Rounding

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

5. Comparative information**5.1 Prior period comparative information**

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual 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 annual financial statements.

5.2 Current year comparison with budget

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

6. Revenue**6.1 Appropriated funds**

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

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

6.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7. Expenditure**7.1 Compensation of employees****7.1.1 Salaries and wages**

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

7.1.2 Social contributions

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

7.2 Other expenditure

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

7.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the annual financial statements at cost at the reporting date

7.4 Leases**7.4.1 Operating leases**

Operating lease payments made during the reporting date are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the annual financial statements.

7.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the annual financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

8. **Cash and cash equivalents**
Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other shortterm highly liquid investments and bank overdrafts
9. **Prepayments and advances**
Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost
10. **Loans and receivables**
Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
11. **Financial assets**
- 11.1 **11.1 Financial assets (not covered elsewhere)**
A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
- 11.2 **11.2 Impairment of financial assets**
Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the annual financial statements
12. **Payables**
Payables recognised in the statement of financial position are recognised at cost.
13. **Capital assets**
- 13.1 **Immovable capital assets**
Immovable assets reflected in the asset register of the department are recorded in the notes to the annual financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to annual financial statements.
- 13.2 **Movable capital assets**
Movable capital assets are initially recorded in the notes to the annual financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R -. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
- 13.3 **Intangible assets**
Intangible assets are initially recorded in the notes to the annual financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the annual financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R -. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R -. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. **13.4 Project costs: Work-in-progress**
Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
14. **Provisions and contingents**
- 14.1 **Provisions**
Provisions are recorded in the notes to the annual financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

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ACCOUNTING POLICIES

- 14.2 **Contingent liabilities**
Contingent liabilities are recorded in the notes to the annual financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
- 14.3 **Contingent assets**
Contingent assets are recorded in the notes to the annual financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
- 14.4 **Capital commitments**
Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the annual financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.
15. **Fruitless and wasteful expenditure**
Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the annual financial statements when it is resolved or transferred to receivables for recovery. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are derecognised when settled or subsequently written-off as irrecoverable.
16. **Irregular expenditure**
Irregular expenditure is recorded in the notes to the annual financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
17. **Changes in accounting policies, accounting estimates and errors**
Changes in accounting policies that are affected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
18. **Events after the reporting date**
Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statements.
19. **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.
20. **Related party transactions**
Related party transactions within the MEC's portfolio are recorded in the notes to the annual financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the annual financial statements.
21. **Inventories**
At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
22. **Employee benefits**
The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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1. Annual appropriation**1.1 Annual appropriation**

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

Figures in Rand thousand	2022/2023		2021/2022	
	Final budget	Actual funds received	Final budget	Appropriation received
Programmes				
ADMINISTRATION	367,642	367,642	333,520	333,520
PUBLIC WORKS INFRASTRUCTURE	1,209,120	1,209,120	956,376	956,376
TRANSPORT INFRASTRUCTURE	1,919,467	1,919,467	2,173,257	2,173,257
TRANSPORT OPERATIONS	1,362,391	1,362,391	1,342,504	1,342,504
COMMUNITY BASED PROGRAMMES	74,231	74,231	80,738	80,738
Total	4,932,851	4,932,851	4,886,395	4,886,395

1.2 Conditional grants

Total grants received	30	1,625,310	1,837,431
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2. Departmental revenue

Sales of goods and services other than capital assets	2.1	9,384	9,589
Fines, penalties and forfeits	2.2	12,175	8,694
Interest, dividends and rent on land	2.3	3,948	2,578
Sales of capital assets	2.4	5,261	1,522
Transactions in financial assets and liabilities	2.5	1,215	2,785
Total revenue collected		31,983	25,168
Less: Own revenue included in appropriation	12	31,983	25,168
Departmental revenue collected		-	-

2.1 Sales of goods and services other than capital assets

Sales by market establishment		3,885	4,418
Administrative fees		2,178	1,829
Other sales		3,270	3,279
Sales of goods and services produced by the department		9,333	9,526
Sales of scrap, waste and other used current goods		51	63
Total		9,384	9,589

The other sales item comprises of services rendered for the following: boarding services, commission for insurance and garnishee, domestic services, rental for capital assets and sales for scrap and waste.

2.2 Fines, penalties and forfeits

Fines		12,175	8,694
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2.3 Interest, dividends and rent on land

Interest		3,948	2,578
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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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2.4 Sales of capital assets**Tangible assets**

Machinery and equipment		5,261	1,522
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2.5 Transactions in financial assets and liabilities

Receivables		396	1,568
Other receipts including recoverable revenue		819	1,217
Total	2	1,215	2,785

3. Compensation of employees**3.1 Salaries and wages**

Basic salary		659,761	655,896
Performance award		7	4,998
Service based		3,564	2,455
Compensative/circumstantial		62,486	54,958
Other non-pensionable allowances		174,378	172,054
Total		900,196	890,361

The other non-pensionable allowances item comprises of capital remuneration, housing allowance and non-pensionable allowance.

3.2 Social contributions**Employer contributions**

Pension		83,213	81,917
Medical		79,045	77,336
Bargaining council		277	274
Insurance		5,378	5,070
Total		167,913	164,597
Total compensation of employees		1,068,109	1,054,958
Average number of employees		2,372	2,482

The total compensation of employees includes expenditure for internships, learnerships and temporary employees.

4. Goods and services

Administrative fees		1,669	1,002
Advertising		2,339	1,018
Minor assets	4.1	385	718
Catering		2,255	1,294
Communication		16,168	11,757
Computer services	4.2	643	770
Consultants: Business and advisory services		14,646	7,691
Infrastructure and planning services		104,288	105,274
Legal services		14,723	8,553
Contractors		27,549	32,334
Agency and support / outsourced services		44,682	42,337
Audit cost - external	4.3	10,906	12,481
Fleet services		74,032	58,286
Inventory	4.4	121,373	100,204
Consumables	4.5	18,419	23,500

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
Operating leases		31,509	31,475
Property payments	4.6	587,032	556,711
Transport provided as part of the departmental activities		503,088	481,669
Travel and subsistence	4.7	106,124	85,976
Venues and facilities		955	738
Training and development		18,275	18,065
Other operating expenditure	4.8	1,207	1,237
Total		1,702,267	1,583,090

The other operating expenditure item comprises of competency certificate licences, laundry services, non-life insurance premium, printing and publication services, membership for professional bodies and resettlement cost.

4.1 Minor assets**Tangible assets**

Machinery and equipment		385	718
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4.2 Computer services

SITA computer services		463	506
External computer service providers		180	264
Total	4	643	770

4.3 Audit cost - external

Regularity audits		10,906	12,481
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4.4 Inventory

Clothing material and accessories		15,915	10,800
Fuel, oil and gas		22,999	13,021
Materials and supplies		82,459	76,383
Total	4	121,373	100,204

4.5 Consumables

Uniform and clothing		4,568	6,788
Household supplies		4,003	4,787
IT consumables		88	16
Other consumables		-	720

Consumable supplies

Stationery, printing and office supplies		9,760	11,189
Total	4	18,419	23,500

The other consumables item comprises of medical supplies, gifts and awards and medical kit.

4.6 Property payments

Municipal services		51,530	55,195
Property management fees		483	352
Property maintenance and repairs		521,003	483,176
Other		14,016	17,988
Total	4	587,032	556,711

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Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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The other item comprises of gardening services, cleaning services, deeds, firefighting, gas, pest control / fumigation, contracted maintenance of property, water, electricity and waste / refuse removal.

4.7 Travel and subsistence

Local		106,124	85,976
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4.8 Other operating expenditure

Professional bodies, membership and subscription fees		375	232
Resettlement costs		75	107
Other		757	898
Total	4	1,207	1,237

The other operating expenditure items comprises of competency certificate licences, laundry services, non-life insurance premium, printing and publication services, membership for professional bodies and resettlement cost.

5. Payments for financial assets

Theft	5.1	-	1,285
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5.1 Details of theft**Nature of theft**

Debts written-off		-	1,285
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6. Transfers and subsidies

Provinces and municipalities	31, 32	422,362	304,590
Departmental agencies and accounts	Annexure 1B	101	66
Public corporations and private enterprises	Annexure 1D	750,517	751,141
Households	Annexure 1G	22,724	26,096
Total		1,195,704	1,081,893

7. Expenditure for capital assets**Tangible assets**

Buildings and other fixed structures	28	941,907	1,041,125
Machinery and equipment	26	18,385	31,367
Total		960,292	1,072,492

Intangible assets

Software	27	600	622
Total		960,892	1,073,114

7.1 Analysis of funds utilised to acquire capital assets - 2022/2023

Figures in Rand thousand	Voted funds	Total
Tangible assets		
Buildings and other fixed structures	941,907	941,905
Machinery and equipment	18,385	18,385
Total	960,292	960,290
Intangible assets		
Software	600	600
Total	960,892	960,890

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NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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7.2 Analysis of funds utilised to acquire capital assets - 2021/2022

Figures in Rand thousand		Voted funds	Total
Tangible assets			
Buildings and other fixed structures		1,041,125	1,041,125
Machinery and equipment		31,367	31,367
		1,072,492	1,072,492
Intangible assets			
Software		622	622
Total		1,073,114	1,073,114

8. Cash and cash equivalents

Consolidated paymaster general account		-	3,949
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9. Prepayments and advances

Prepayments (Not expensed)	9.1	-	29,241
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Analysis of total prepayments and advances

Current prepayments and advances		-	29,241
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9.1 Prepayments (Not expensed)

Figures in Rand thousand	Note	Balance as at April 1, 2022	Less: Amount expensed in current year
Listed by economic classification			
Capital assets		29,241	(29,241)
Total	9	29,241	(29,241)

Figures in Rand thousand	Note	Balance as at April 1, 2021	Balance as at March 31, 2022
Listed by economic classification			
Capital assets		29,241	29,241

10. Receivables

Figures in Rand thousand	Note	2022/2023		2021/2022		
		Current	Total	Current	Non-current	Total
Claims recoverable	10.1	23,261	23,261	21,059	-	21,059
Staff debt	10.2	125	125	103	-	103
Other receivables	10.3	48,943	48,943	48,157	736	48,893
Total		72,329	72,329	69,319	736	70,055

Other receivables comprises of Suppliers, Rental (Business and Housing), Ex-Employees, Salary Tax Debt, Salary Reversal Control Salary Deduction Disallowance.

10.1 Claims recoverable

Provincial departments		23,261	21,059
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DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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10.2 Staff debt

Employees		125	103
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10.3 Other receivables

Suppliers		46,844	46,780
Rental (Business and Housing)		839	862
Ex-Employees		156	129
Sal: Tax Debt:CA		41	39
Sal: Reversal Control:CA		1,059	1,075
Sal: Deduction Disallowance:CA		4	8
Total	10	48,943	48,893

11. Voted funds to be surrendered to the Revenue Fund

Opening balance		92,055	16,266
Transferred from statement of financial performance (as restated)		5,879	92,055
Paid during the year		(92,055)	(16,266)
Closing balance		5,879	92,055

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

Opening balance		5,535	2,145
Own revenue included in appropriation	2	31,983	25,168
Paid during the year		(32,550)	(21,778)
Closing balance		4,968	5,535

13. Bank overdraft

Consolidated paymaster general account		52,907	-
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14. Payables - current

Amounts owing to other entities			
Clearing accounts	14.1	1,969	2,037
Other payables	14.2	5,546	2,759
Total		7,516	4,796

14.1 Clearing accounts

Sal:ACB Recall:CA		448	130
Sal:Income Tax:CL		1,441	1,661
Sal:GEHS Refund Control:CL		79	208
Sal:Pension Fund:CL		1	37
Sal:Bargain Council:CL		-	1
Total	14	1,969	2,037

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NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
14.2 Other payables			
Public Service Sector Education and Training Authority		-	600
Transport Education and Training		-	1,040
Auctions Payable to Departments		5,546	21
Provincial Legislature		-	559
Department of Community Safety and Security Liaison		-	83
Office of the Premier		-	445
Department of Human Settlement		-	11
Total	14	5,546	2,759

15. Net cash flow available from operating activities

Net surplus as per Statement of Financial Performance		5,879	92,055
Add back non cash/ cash movements not deemed operating activities			
(Increase)/ decrease in receivables		(3,010)	(5,660)
(Increase)/ decrease in prepayments and advances		29,241	(29,241)
Increase/ (decrease) in payables – current		2,720	641
Proceeds from sale of capital assets		(5,261)	(1,522)
Expenditure on capital assets		960,892	1,073,114
Surrenders to Revenue Fund		(124,605)	(38,044)
Own revenue included in appropriation		31,983	25,168
Net cash flow generated by operating activities		897,839	1,116,511

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

Consolidated paymaster general account		(52,907)	3,949
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17. Contingent liabilities and contingent assets**17.1 Contingent liabilities**

Liable to	Nature			
Claims against the department		Annexure 3B	350,722	329,990

The contingent liabilities are recorded at an amount as per the claims due to lack of expertise to assess the high volume of cases and their merits. The court is yet to confirm actual amounts payable and the timing thereof.

18. Capital commitments

Buildings and other fixed structures		1,228,350	801,509
Intangible assets		2,149	2,149
Total		1,230,499	803,658

19. Accruals and payables not recognised**19.1 Accruals**

Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	62,677	13,362	76,039	37,248
Transfers and subsidies	16,806	29	16,835	-
Capital assets	5,043	151	5,194	80,671
Other	1,461	35	1,496	1,805
Total	85,987	13,577	99,564	119,724

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
Listed by programme level			
Administration		16,413	12,368
Public Works Infrastructure		32,381	37,213
Transport Infrastructure		3,974	69,320
Transport Operations		45,196	523
Community Based Programmes		1,600	300
Total		99,564	119,724

19.2 Payables not recognised

Figures in Rand thousand		2022/2023	2021/2022
Listed by economic classification			
Goods and services	30+ Days	6,979	3,819
Capital assets	Total	7,999	14,907
Total		14,978	18,726

Listed by programme level

Administration		-	502
Public Works Infrastructure		-	3,259
Transport Infrastructure		13,424	14,907
Transport Operations		1,554	58
Total		14,978	18,726

20. Employee benefits

Leave entitlement		80,975	80,469
Service bonus		27,881	27,661
Capped leave commitments		59,552	64,840
Other		3,328	4,011
Total		171,736	176,981

At this stage the department is not able to reliably measure the long term portion of the long service awards. Leave entitlement disclosed is inclusive of negative leave credits arising from officials utilising more than allocated leave credits for the cycle. The other item represents cash awards for long service recognition, i.e. 20, 30 and 40 years of continued service respectively for the next twelve month.

21. Lease commitments**21.1 Operating leases****2022/2023**

Figures in Rand thousand	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	30,786	1,443	32,229
Later than 1 year and not later than 5 years	114,171	589	114,760
Later than five years	5,354	-	5,354
Total lease commitments	150,311	2,032	152,343

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
2021/2022			
Figures in Rand thousand			
	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	23,410	1,312	24,722
Later than 1 year and not later than 5 years	115,709	1,479	117,188
Later than five years	26,305	-	26,305
Total lease commitments	165,424	2,791	168,215

The operating leases are for office accommodation, members of parliament residences and photocopier machine. There are no sub-leased assets. There are no reductions granted in the lease payments.

22. Unauthorised, Irregular and Fruitless and wasteful expenditure

Irregular expenditure	591,272	971,006
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23. Related party transactions

Additional Disclosure:

During the financial year under review, the following activities were undertaken: The Department provided free accommodation to Provincial Departments at the Riverside Government Complex.

Relationships	Related party
Provincial Department	Vote 01: Office of the Premier
Provincial Department	Vote 02: Provincial Legislature
Provincial Department	Vote 03: Provincial Treasury
Provincial Department	Vote 04: Co-Operative Governance and Traditional Affairs
Provincial Department	Vote 05: Agriculture, Rural Development, Land and Environmental Affairs
Provincial Department	Vote 06: Economic Development and Tourism
Provincial Department	Vote 07: Education
Provincial Department	Vote 09: Community Safety, Security and Liaison
Provincial Department	Vote 10: Health
Provincial Department	Vote 11: Culture, Sport and Recreation
Provincial Department	Vote 12: Social Development
Provincial Department	Vote 13: Human Settlement

Provincial Treasury provided free network infrastructure to the department.
Department of Community Safety, Security and Liaison provided free security services to the department

24. Key management personnel

Political office bearers (provide detail below)	2,286	1,949
Level 15 to 16	2,295	2,245
Level 14 (incl. CFO if at a lower level)	11,667	11,749
Total	16,248	15,943

25. Provisions

Retention	181,097	197,824
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Figures in Rand thousand	Note(s)	2022/2023	2021/2022
25.1 Reconciliation of movement in provisions - 2022/2023			
Figures in Rand thousand		Retention	Total provisions
Opening balance		197,824	197,824
Increase in provision		23,498	23,498
Settlement of provision		(40,225)	(40,225)
Closing balance		181,097	181,097

25.2 Reconciliation of movement in provisions - 2021/2022

Figures in Rand thousand	Retention	Total provisions
Opening balance	183,836	183,836
Increase in provision	51,593	51,593
Settlement of provision	(37,605)	(37,605)
Closing balance	197,824	197,824

The provision amounts are for retention held on all contactors payments which will be released after the defects liability period. At this stage the department is not able to reliable measure the provision for rehabilitation of borrow pits.

26. Movable tangible capital assets**Movement in movable tangible capital assets per asset register for the year ended March 31, 2023**

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	540,081	7,157	7,552	539,686
Computer equipment	25,330	4,017	2,641	26,706
Furniture and office equipment	24,062	1,177	1,158	24,081
Other machinery and equipment	234,894	7,962	5,174	237,682
	824,367	20,313	16,525	828,155
Specialised military assets				
Specialised military assets	4,439	-	-	4,439
Total movable tangible capital assets	828,806	20,313	16,525	832,594

26.1 Movement for 2021/2022**Movement in movable tangible capital assets per asset register for the year ended March 31, 2022**

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	408,952	137,384	6,255	540,081
Computer equipment	27,064	2,640	4,374	25,330
Furniture and office equipment	23,888	1,355	1,181	24,062
Other machinery and equipment	235,521	4,363	4,990	234,894
	695,425	145,742	16,800	824,367
Specialised military assets				
Specialised military assets	4,439	-	-	4,439
Total movable tangible capital assets	699,864	145,742	16,800	828,806

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Figures in Rand thousand	Note(s)	2022/2023	2021/2022
26.2 Minor assets			
Movement in minor capital assets per the asset register for the year ended as at March 31, 2023			
Figures in Rand thousand		Machinery and equipment	Total
Opening balance		29,029	29,029
Additions		386	386
Disposals		1,413	1,413
Total minor capital assets		28,002	28,002
Figures in Rand thousand		Machinery and equipment	Total
Number of R1 minor assets		2,732	2,732
Number of minor assets at cost		21,362	21,362
Total number of minor assets		24,094	24,094
Movement in minor capital assets per the asset register for the year ended as at March 31, 2022			
Figures in Rand thousand		Other machinery and equipment	Total
Opening balance		30,825	30,825
Additions		717	717
Disposals		2,513	2,513
Total minor capital assets		29,029	29,029
Figures in Rand thousand		Other machinery and equipment	Total
Number of R1 minor assets		2,935	2,935
Number of minor assets at cost		22,239	22,239
Total number of minor assets		25,174	25,174

26.3 Movable tangible capital assets: Capital work-in-progress**Capital work-in-process for the year ended as at March 31, 2022**

Figures in Rand thousand	Note	Opening balance April 1, 2021	Ready for use (Assets to the AR) / Contracts terminated
Machinery and equipment		114,155	114,155

27. Intangible capital assets**Movement in intangible capital assets per asset register for the year ended March 31, 2023**

Figures in Rand thousand	Opening balance	Closing balance
Software	2,169	2,169

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Figures in Rand thousand	Note(s)	2022/2023	2021/2022			
27.1 Movement for 2021/2022						
Movement in intangible capital assets per asset register for the year ended March 31, 2022						
Figures in Rand thousand		Opening balance	Closing balance			
Software		2,169	2,169			
27.2 Intangible capital assets: Capital work-in-progress						
Capital work-in-process for the year ended as at March 31, 2023						
Figures in Rand thousand	Note	Opening balance April 1, 2022	Current year capital WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2023	
Intangible assets		1,387	600	-	1,987	
Capital work-in-process for the year ended as at March 31, 2022						
Figure Rand thousand	Note	Opening balance April 1, 2022	Prior period errors	Current year capital WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2023
Intangible assets	765	-	622	-	1,387	
28. Immovable Tangible Capital Assets						
Movement in immovable tangible capital assets per asset register for the year ended March 31, 2023						
Figures in Rand thousand		Opening balance	Additions	Disposals	Closing balance	
Buildings and other fixed structures						
Dwellings		430,395	721	(1,030)	430,086	
Non-residential buildings		6,519,034	20,261	-	6,539,295	
Other fixed structures		51,924,902	966,423	-	52,891,325	
		58,874,331	987,405	(1,030)	59,860,706	
Land and subsoil assets						
Land		245,542	-	(1,100)	244,442	
Total immovable tangible capital assets		59,119,873	987,405	(2,130)	60,105,148	
28.1 Movement for 2021/2022						
Movement in immovable tangible capital assets per asset register for the year ended March 31, 2022						
Figures in Rand thousand		Opening balance	Additions	Closing balance		
Buildings and other fixed structures						
Dwellings		430,357	38	430,395		
Non-residential buildings		6,431,943	87,091	6,519,034		
Other fixed structures		51,444,447	480,455	51,924,902		
		58,306,747	567,584	58,874,331		

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Figures in Rand thousand	Note(s)	2022/2023	2021/2022
Land and subsoil assets			
Land	245,542	-	245,542
Total immovable tangible capital assets	58,552,289	567,584	59,119,873

28.2 Capital Work-in-progress**Capital Work-in-progress as at March 31, 2023**

Figures in Rand thousand	Note	Opening balance April 1, 2022	Current Year WIP	Ready for use (Assets to the AR) / ontracts terminated	Closing balance March 31, 2023
Buildings and other fixed structures		2,610,527	941,907	(976,796)	2,575,638
Intangible assets		1,387	600	-	1,987
Total	Annexure 7	2,611,914	942,507	(976,796)	2,577,625

Capital Work-in-progress as at March 31, 2022

Figures in Rand thousand	Note	Opening balance April 1, 2021	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance March 31, 2022
Buildings and other fixed structures		2,057,848	1,041,126	(488,447)	2,610,527
Machinery and equipment		114,155	-	(114,155)	-
Intangible assets		765	622	-	1,387
Total	Annexure 7	2,172,768	1,041,748	(602,602)	2,611,914

28.3 Immovable assets (additional information)**a) Unsurveyed land**

	Estimated completion date	Annexure 9	Area	Area
Mpumalanga	2025-2026			

b) Properties deemed vested

Facilities	Annexure 9	Number	Number
Other		8,420	8,420

c) Facilities on unsurveyed land

	Duration of use	Annexure 9	Number	Number
Schools			800	800
Clinics			164	164
Hospitals			8	8
Office buildings			99	99
Dwellings			137	137
Other			20	20

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NOTES TO THE ANNUAL FINANCIAL STATEMENT

Figures in Rand thousand	Note(s)	2022/2023	2021/2022
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d) Facilities on right to use land

	Duration of use	Annexure 9	Number	Number
Schools			402	402
Clinics			22	22
Hospitals			2	2
Office buildings			10	10
Dwellings			23	23
Other			1	1

29. Prior period errors

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Figures in Rand thousand

Name of grant	Grant allocation			Spent		2021/2022		
	Division of Revenue Act/ Provincial Grants	Total Available	Amount received by department	Amount spent by department (O)	Under / verspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
Provincial Roads Maintenance Grant	907,146	907,146	907,146	907,143	3	100 %	1,116,337	1,085,865
Public Transport Operations Grant	711,126	711,126	711,126	707,128	3,998	99 %	714,173	710,460
Expanded Public Works Programme Incentive Grant	7,038	7,038	7,038	7,038	-	- %	6,921	6,892
	1,625,310	1,625,310	1,625,310	1,621,309	4,001		1,837,431	1,803,217

31. Division of Revenue Act

Name of Grant	Grant allocation		Transfer		2021/2022	
	Division of Revenue Act	Roll Overs Adjustments	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
Summary by province						
Mpumalanga	2,000	(432)	1,555	1,155	3,048	2,541
Summary by grant						
Department of Safety, Security and Liaison	2,000	(432)	1,555	1,155	3,048	2,541
1. Department of Safety, Security and Liaison						
Mpumalanga (PD:Vehicle Licences)	2,000	(432)	1,555	1,155	3,048	2,541

32. Statement of conditional grants and other transfers to municipalities

33. COVID 19 Response Expenditure	-	5,524
Goods services		

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT

Annexure 1A

Statement of other transfers to municipalities

Name of municipality	Grant allocation		Transfer		2021/2022	
	DoRA and other transfers	Adjustments	Total available	Actual transfer	DoRA and other transfers	Actual transfer
Albert Luthuli	25,750	10,590	36,340	36,340	31,000	33,511
Msakaligwa	11,125	11,131	22,256	22,256	6,500	14,000
Mkhondo	6,685	500	7,185	7,183	8,500	5,215
Pixley Ka-Seme	4,105	1,153	5,258	5,258	2,900	731
Lekwa	20,035	19,607	39,642	39,642	13,500	21,265
Dipaleseng	2,498	58	2,556	2,552	2,500	1,803
Govan Mbeki	8,715	9,712	18,427	18,427	9,500	2,529
Victor Khanye	8,300	(700)	7,600	7,600	9,000	6,408
Emalaheni	12,035	9,761	21,796	21,796	13,500	15,460
Steve Tshwete	11,695	1,779	13,474	13,473	15,500	12,788
Emakhazeni	6,225	341	6,566	6,566	6,500	10,820
Thembisile Hani	8,300	5,157	13,457	13,457	10,000	11,600
Dr JS Moroka	19,306	7,447	26,753	26,753	24,175	24,425
Thaba Chweu	14,960	6,253	21,213	21,213	9,000	18,581
Nkomazi	14,857	4,928	19,785	19,785	15,900	18,104
Bushbuckridge	90,002	(34,931)	55,071	55,071	62,454	41,925
City of Mbombela	82,250	21,586	103,836	103,835	64,400	62,884
Total	346,843	74,372	421,215	421,207	304,829	302,049

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT**Annexure 1B****Statement of transfers to Departmental Agencies and Accounts**

Figures in Rand thousand	Transfer allocation		Transfer		2021/2022	
	Adjusted budget	Adjustments	Total available	Actual transfer	Final budget	Actual Transfer
Departmental Agency/ Account						
Independent Communications Authority of South Africa	57	44	101	101	66	66
					100%	

Annexure 1D**Statement of transfers/ subsidies to public corporations and private enterprises**

Name of public corporations/ private enterprise	Transfer allocation		Expenditure		2021/2022	
	Adjusted budget	Adjustments	Total available	Actual transfer	Current	Actual transfer
Private enterprises						
Subsidies						
Buscor	584,394	-	584,394	581,002	587,643	585,125
Great North Transport	29,327	-	29,327	29,134	28,000	29,240
Megabus T/A Unitrans	74,838	-	74,838	74,640	72,500	74,989
Putco	3,554	-	3,554	3,446	5,000	4,046
Taxi Association	11,000	-	11,000	11,000	10,500	10,500
Thembaletu Bus Service	8,656	-	8,656	8,575	10,500	6,658
Tilly's Bus Service	10,358	-	10,358	10,331	11,040	10,402
Provincial Bus Subsidies	32,499	(111)	32,388	32,389	29,672	30,182
	754,626	(111)	754,515	750,517	754,855	751,142

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT**Annexure 1G****Statement of transfers to households**

Figures in Rand thousand	Transfer allocation		Expenditure		2021/2022	
	Adjusted budget	Adjustments	Total available	Actual transfer	Final budget	Actual transfer
Households						
Employee Social Benefits: Injury on duty	1,422	(1,074)	348	348	951	953
Employee Social Benefits: Leave gratuity	6,603	4,884	11,487	11,487	12,929	12,726
Claims against state (cash)	12,801	(1,912)	10,889	10,889	12,417	12,417
	20,826	1,898	22,724	22,724	26,297	26,096

Transfers**Annexure 3B****Statement of contingent liabilities as at March 31, 2023**

Nature of liabilities	Opening balance April 1, 2022		Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Closing balance March 31, 2023
	balance April 1, 2022	balance April 1, 2022			
Claims against the department					
Road matters	136,094	39,361	89,482	85,973	
General matters	34,583	-	-	34,583	
Government motor vehicle	392	431	118	705	
Pothole claims	26,359	5,818	7,686	24,491	
Departmental matters	74,907	98,184	-	173,091	
Labour matters	61	1,400	-	1,461	
Transport matters	57,594	-	27,176	30,418	
Subtotal	329,990	145,194	124,462	350,722	

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT

Annexure 4

Claims recoverable Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total
	2022/2023	2021/2022	2022/2023	2021/2022	
Figures in Rand thousand					
Department					
Agriculture and Rural Development	1,516	-	963	1,031	2,479
Community Safety, Security and Liaison (Mpumalanga)	221	-	1,149	58	1,370
Economic Development and Tourism	-	559	672	-	672
Education	-	3,607	4,067	-	4,067
Human Settlement	2,078	1,195	523	-	2,601
Co-Operative Governance and Traditional Affairs	-	-	407	62	407
Mpumalanga Provincial Legislature	-	-	216	216	216
Health (Mpumalanga)	-	-	4,897	12,526	4,897
Office of the Premier	1,226	33	-	-	1,226
Social Development	-	-	3,707	1,583	3,707
South African Police Services	-	-	50	50	50
Culture, Sport and Recreation	1,471	-	-	96	1,471
Mpumalanga Provincial Treasury	98	40	-	-	98
Mpumalanga Tourism and Parks Agency	-	-	-	2	-
Subtotal	6,610	5,434	16,651	15,624	23,261

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Annexure 6

Inventories

Inventory for the year ended March 31, 2023

Figures in Rand thousand	Note	Construction and Maintenance Inventory	Total
Add: Additions/Purchases - Cash		231,638	231,638
(Less): Issues		(231,426)	(231,426)
Add/(Less): Adjustments	4	4	4
Closing balance		216	216
Opening balance		36	36
Add: Additions/Purchases - Cash		82,854	82,854
(Less): Issues		(82,859)	(82,859)
Add/(Less): Adjustments		(31)	(31)
Closing balance		-	-

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENT**Annexure 7****Movement in capital-work-in progress****Movement in capital-work-in progress for the year ended March 31, 2023**

Figures in Rand thousand	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
Buildings and other fixed structures				
Dwellings	258,659	82,392	721	340,330
Non-residential buildings	369,254	92,646	9,652	452,248
Other fixed structures	1,982,614	766,869	966,423	1,783,060
	2,610,527	941,907	976,796	2,575,638
Computer software				
Computer Software	1,387	600	-	1,987
Total	2,611,914	942,507	976,796	2,577,625

Machinery and equipment

Transport assets	114,155	-	114,155	-
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Buildings and other fixed structures

Dwellings	258,659	38	38	258,659
Non-residential buildings	369,254	7,954	7,954	369,254
Other fixed structures	1,429,935	1,033,134	480,455	1,982,614
	2,057,848	1,041,126	488,447	2,610,527

Computer software

Computer software	765	622	-	1,387
Total	2,172,768	1,041,748	602,602	2,611,914

Annexure 11**COVID 19 response expenditure****Per quarter and in total**

Figures in Rand thousand	2021/2022
Expenditure per economic classification	Total

Goods services

Consumables supplies	391
Property payments	5,133
	5,524