



**MPUMALANGA PROVINCIAL GOVERNMENT**  
Department of Public Works, Roads and Transport

VOTE NO. 08

**ANNUAL REPORT**  
**2025/2026 FINANCIAL YEAR**

|                                                                                                   |            |
|---------------------------------------------------------------------------------------------------|------------|
| <b>PART A: GENERAL INFORMATION</b>                                                                | <b>3</b>   |
| 1. DEPARTMENT'S GENERAL INFORMATION                                                               | 4          |
| 2. LIST OF ABBREVIATIONS/ACRONYMS                                                                 | 5          |
| 3. FOREWORD BY THE MEC OF THE DEPARTMENT                                                          | 7          |
| 4. REPORT OF THE ACCOUNTING OFFICER                                                               | 9          |
| 5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY                                   | 14         |
| 6. STRATEGIC OVERVIEW                                                                             | 15         |
| 6.1. Vision                                                                                       | 15         |
| 6.2. Mission                                                                                      | 15         |
| 6.3. Values                                                                                       | 15         |
| 7. LEGISLATIVE AND OTHER MANDATES                                                                 | 16         |
| 8. ORGANISATIONAL STRUCTURE                                                                       | 20         |
| <b>PART B: PERFORMANCE INFORMATION</b>                                                            | <b>21</b>  |
| 1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES                                             | 22         |
| 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE                                                           | 22         |
| 2.1 Service Delivery Environment                                                                  | 22         |
| 2.2 Service Delivery Improvement Plan                                                             | 24         |
| 2.3 Organisational environment                                                                    | 25         |
| 2.4 Key policy developments and legislative changes                                               | 27         |
| 3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES                             | 28         |
| 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION                                                | 29         |
| 4.1 Programme 1: Administration                                                                   | 30         |
| 4.2 Programme 2: Public Works Infrastructure                                                      | 33         |
| 4.3 Programme 3: Transport Infrastructure                                                         | 37         |
| 4.4 Programme 4: Transport Operations                                                             | 41         |
| 4.5 Programme 5: Community Based Programme                                                        | 44         |
| 5. TRANSFER PAYMENTS                                                                              | 47         |
| 5.1. Transfer payments to all organisations other than public entities                            | 47         |
| 6. CONDITIONAL GRANTS                                                                             | 47         |
| 6.1. Conditional grants and earmarked funds paid                                                  | 47         |
| 6.2. Conditional grants and earmarked funds received                                              | 47         |
| 7. DONOR FUNDS                                                                                    | 48         |
| 8. CAPITAL INVESTMENT                                                                             | 49         |
| 8.1. Capital investment, maintenance and asset management plan                                    | 49         |
| <b>PART C: GOVERNANCE</b>                                                                         | <b>69</b>  |
| 1. INTRODUCTION                                                                                   | 70         |
| 2. RISK MANAGEMENT                                                                                | 70         |
| 3. FRAUD AND CORRUPTION                                                                           | 70         |
| 4. MINIMISING CONFLICT OF INTEREST                                                                | 71         |
| 5. CODE OF CONDUCT                                                                                | 71         |
| 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES                                                         | 71         |
| 7. PORTFOLIO COMMITTEES                                                                           | 71         |
| 8. SCOPA RESOLUTIONS                                                                              | 79         |
| 9. PRIOR MODIFICATIONS TO AUDIT REPORTS                                                           | 92         |
| 10. INTERNAL CONTROL UNIT                                                                         | 93         |
| 11. INTERNAL AUDIT                                                                                | 93         |
| 12. AUDIT COMMITTEE                                                                               | 94         |
| 13. AUDIT COMMITTEE REPORT                                                                        | 99         |
| 14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION                                                     | 101        |
| <b>PART D: HUMAN RESOURCE MANAGEMENT</b>                                                          | <b>103</b> |
| 1. INTRODUCTION                                                                                   | 104        |
| 2. OVERVIEW OF HUMAN RESOURCES                                                                    | 104        |
| 3. HUMAN RESOURCES OVERSIGHT STATISTICS                                                           | 104        |
| <b>PART E: PFMA COMPLIANCE REPORT</b>                                                             | <b>129</b> |
| 1. INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES | 130        |
| 1.1. Irregular expenditure                                                                        | 130        |
| 1.2. Fruitless and wasteful expenditure                                                           | 131        |
| 1.3. Unauthorised expenditure                                                                     | 132        |
| 1.4. Additional disclosure relating to material losses in terms of PFMA Section 40                | 132        |
| 2. INFORMATION ON LATE AND/OR NON-PAYMENT OF SUPPLIERS                                            | 133        |
| 3. INFORMATION ON SUPPLY CHAIN MANAGEMENT                                                         | 134        |
| 3.1. Procurement by other means                                                                   | 134        |
| 3.2. Contract variations and expansions                                                           | 145        |
| <b>PART F: FINANCIAL INFORMATION</b>                                                              | <b>149</b> |
| 1. REPORT OF THE AUDITOR-GENERAL                                                                  | 150        |
| 2. ANNUAL FINANCIAL STATEMENTS                                                                    | 155        |



## **PART A**

# **General Information**

# 1. Departmental General Information

|                  |   |                                                                                                                                                                                                       |
|------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Physical Address | : | Department of Public Works, Roads and Transport<br>Rhino Building (Building No. 7)<br>Riverside Government Complex<br>No. 7 Government Boulevard<br>Riverside Park<br>Extension 2<br>Mbombela<br>1200 |
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| Facebook         | : | Mpumalanga Department of Public Works, Roads and Transport                                                                                                                                            |
| Instagram        | : | mpumalangadpwrt                                                                                                                                                                                       |
| X                | : | @DpwrtMpumalanga                                                                                                                                                                                      |
| Youtube          | : | DPWRT Mpumalanga                                                                                                                                                                                      |

## 2. List Of Abbreviations/Acronyms

|          |                                                                    |
|----------|--------------------------------------------------------------------|
| AFS      | Annual Financial Statements                                        |
| AGSA     | Auditor General of South Africa                                    |
| ANC      | African National Congress                                          |
| AO       | Accounting Officer                                                 |
| APP      | Annual Performance Plan                                            |
| BA       | Baccalaurei Artium                                                 |
| BAS      | Basic Accounting System                                            |
| BEE      | Black Economic Empowerment                                         |
| BFI      | Budget Facility for Infrastructure                                 |
| 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                                          |
| CPA      | Contract Price Adjustment                                          |
| CTA      | Cumulative Translation Adjustment                                  |
| COE      | Compensation of Employees                                          |
| CSIR     | Council for Scientific and Industrial Research                     |
| 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                                                    |
| DOE      | Department of Education                                            |
| DOH      | Department of Health                                               |
| DORA     | Division of Revenue Act                                            |
| DPISA    | Department of Public Service and Administration                    |
| DPWRT    | Department of Public Works, Roads and Transport                    |
| DSD      | Department of Social Development                                   |
| EE       | Employment Equity                                                  |
| EIA      | Environmental Impact Assessment                                    |
| EMS      | Emergency Medical Services                                         |
| EOT      | Extension of Time                                                  |
| EPWP     | Expanded Public Works Programme                                    |
| EWP      | Employee Wellness Programme                                        |
| EXCO     | Executive Council                                                  |
| GCCN     | Government Common Core Network                                     |
| GIAMA    | Government Immovable Asset Management Act                          |
| HATC     | High Altitude Training Centre                                      |
| 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                                                     |
| ITP      | Integrated Transport Plan                                          |
| 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                              |
| MINMEC   | Ministers and Members of Executive Council                         |
| MMS      | Maintenance Management System                                      |
| MOA      | Memorandum of Agreement                                            |
| MP       | Member of Parliament                                               |
| MPL      | Mpumalanga Provincial Legislature                                  |
| MTEC     | Medium Term Expenditure Committee                                  |
| 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                      |
| PSA    | Public Service Act                                     |
| PSCBC  | Public Service Coordinating Bargaining Council         |
| PSR    | Public Service Regulations                             |
| PWD    | Persons with Disabilities                              |
| RAMS   | Road Asset Management System                           |
| SANDF  | South African National Defence Force                   |
| 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                      |
| S&T    | Subsistence and Travel                                 |
| SETA   | Sector Education and Training Authority                |
| 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                         |
| TVET   | Technical and Vocational Education and Training        |
| UAMP   | User Asset Management Plans                            |
| VAT    | Value Added Tax                                        |
| VCI    | Visual Condition Index                                 |
| VO     | Variation Order                                        |
| VCT    | Voluntary Counselling and Testing                      |
| VIP    | Very Important Person                                  |
| VPN    | Virtual Private Network                                |
| WC     | Water Closet                                           |
| WHB    | Wash Hand Basin                                        |
| YDC    | Youth Development Centre                               |
| YP     | Young Professionals                                    |

### 3. Foreword by the MEC



**Mr TS Thomo (MPL)**  
**MEC: Public Works, Roads and Transport**

The journey towards the ideals expressed in the National Development Plan (NDP) continues, with the last financial year (2025/2026) characterised by a renewed emphasis on (i) economic transformation & creating jobs, (ii) reducing the cost of living and (iii) building a capable, ethical state. The strategic shift towards the Medium-Term Development Plan (MTDP) 2024–2029 has integrated the NDP's long-term vision into the 7th Administration. This annual report acts as a critical accountability tool, enabling Legislature and the public to assess the Department's performance, achievements and financial stewardship against planned targets and strategic priorities.

Infrastructure has been identified as the primary “flywheel of economic growth” in the MTDP period, serving as the foundational enabler for all three strategic priorities. Therefore, this places the Department of Public Works, Roads and Transport at the centre the 7th Administration's efforts to drive inclusive growth, create jobs, tackling high costs of living and improve public services. In the 2025/26 financial year, the Department oversaw 230 public infrastructure projects (50 transport and 180 building) with a combined value of approximately R5,028 billion. These projects are aimed at addressing infrastructure backlogs and boosting economic growth.

The above-mentioned public infrastructure investment aligns with government's priority to drive job creation, with a primary focus on the Expanded Public Works Programme (EPWP). Instead of solely relying on machinery, construction and maintenance projects are mandated to use labour-intensive methods to maximise job opportunities for women, youth, and persons with disabilities. By providing temporary income and

skills, the EPWP offers a bridge to employability and supports community development, acting as a crucial intervention for the unemployed. More importantly, this programme serves as a crucial social protection tool, transferring millions in income support to participants.

A massive share of last year's investment was dedicated on making transport safer, more reliable, and more affordable. Several public transport corridors were upgraded, which included the construction of 7 Welisizwe Rural Bridges, 6 corrugated culverts that were replaced and 6 Integrated Rural Mobility and Access (IRMA) projects to improve safe access for rural communities. In addition, the Public Transport Operations Grant supported 140 000 commuters who use road-based public transport services. Other beneficiaries from such investment are 67 220 learners from 356 schools who are traveling more than 5 kilometres to school. Law enforcement officers have been deployed across the province to ensure compliance and safety in public transport corridors.

The Department has made significant strides in building a capable and ethical state, focusing on creating an environment where economic growth can occur. A stronger economy generates the resources needed to create jobs, expand social wages and protect vulnerable households. It is against this understanding that both technical and administrative roles continue to be prioritised during the filling of critical posts. Through the Graduate Recruitment Scheme, there are notable efforts to address high youth unemployment and technical capacity gaps in the public service. Meritocratic principles have been adopted to ensure availability of professional and responsive public servants to facilitate service delivery.

Corruption acts as a barrier to developing state capacity by diverting critical resources intended for development and eroding public trust. To combat this, a robust governance regime and stringent internal controls have been developed to protect public assets and ensure efficient service delivery. Additionally, a zero-tolerance culture on fraud and corruption is being implemented through various initiatives, which focus on enhancing reporting mechanisms and encouraging whistleblowing. Effective consequence management serves to prevent future corruption and recover losses, acting as a deterrent to officials. These measures are crucial for ensuring compliance to laws and regulations and building an ethical state.

As circumstances change over the five-year period, the Department remains focused on the delivery of NDP and MTDP priorities. The Public Works Sector's strategic focus is centred on transforming the Department into an economic delivery unit that stabilises and modernises public infrastructure. This direction is formally guided by the South African Construction Action Plan (SACAP), approved in October 2025, which aims to resolve chronic project delays, financial mismanagement and construction mafias. On the other hand, the Transport Sector draws its strategic focus from the National Transport Master Plan (NATMAP 2050). Here below is a summary of the focus areas going forward:

| Public Works                               | Transport                                   |
|--------------------------------------------|---------------------------------------------|
| Accountability and contractor blacklisting | Logistics and freight reforms               |
| Fixing cash-flow constraints               | Infrastructure investment and modernisation |
| Digital infrastructure tracking            | Public transport development                |
| Procurement reforms                        | Transformation and governance               |
| Strengthening audit and governance         | Safety and digitalisation                   |
| Professionalising the built environment    | Energy efficient transport                  |
| Property optimisation                      | Climate resilience                          |
| Job creation                               | Support emerging businesses                 |

The end of the financial year allows the Department another opportunity to reflect on its five-year journey which is marked by shifting global and domestic circumstances. Despite these challenges, our commitment to the NDP and MTDP priorities remains the guiding star towards sustainable service delivery. The achievements detailed in this report would not be possible without the collaborative efforts of our diverse stakeholders. We extend our deepest gratitude to the Government of National Unity (GNU), Oversight Institutions, Client Departments, State Entities, Contactors, Consultants, Academia and Staff for providing the insight and support necessary for the successful execution of our mandate.

As we present this annual report, I want to take a moment to extend my deepest, most heartfelt gratitude to our outgoing Head of Department, Mr Morake Charles Morolo, as his tenure came to a close on 31 May 2026. Since taking the helm in 2020, Mr. Morolo has guided this Department with

steady leadership, unwavering integrity, and a profound commitment to public service. I wish Mr Morolo the very best in his future endeavours. His impact will be felt here for years to come! I would also like to congratulate Mr MR Rikhotso on his appointment as the new HOD for the Department.

**TS Thomo (MPL)**  
**Executive Authority: Public Works, Roads and Transport**  
**31 August 2026**

## 4. Report of the Accounting Officer



**Mr MR Rikhotso, Pr.Eng**  
Head: Public Works, Roads and Transport

### ▪ Overview of the operations of the Department

#### Summary Financial and Non-Financial Performance

The Mpumalanga Department of Public Works, Roads and Transport (DPWRT) has structured its operations and fiscal planning around five core budget programmes: Administration; Public Works Infrastructure, Transport Infrastructure, Transport Operations and Community-Based Programmes. This strategic alignment ensures optimal resource allocation, operational compliance and robust institutional oversight to achieve an integrated transport system and infrastructure network that drives provincial socio-economic development. This vision is supported by a strong governance framework designed to enforce transparency, accountability and the efficient utilization of public funds.

During the 2025/26 financial year, the Department was allocated a total annual budget of R5,9 billion, which was subsequently adjusted to R6,4 billion. Demonstrating strong financial prudence and fiscal discipline, the Department recorded an overall expenditure rate of 97,5%. In terms of service delivery, 41 annual performance indicators were set for the period under review. The Department successfully achieved 33 of these targets, representing an overall achievement rate of 80%. This performance marks a steady improvement from the 79% recorded in the previous financial year. Management remains committed to achieve all outstanding targets and secure a clean audit in the upcoming financial year.

### ▪ Overview of the results and challenges of the Department, briefly commenting on significant events and projects for the year:

#### Infrastructure Development

The Department manages a diverse portfolio spanning critical public infrastructure. This includes the planning, construction and upgrading of roads, bridges, school facilities, community libraries, public hospitals and clinics. Consequently, strategic infrastructure investment remained a cornerstone of the Department's budget and performance metrics during the 2025/26 financial year. The past 12 months yielded significant progress, with the Department successfully delivering a substantial portion of its transport infrastructure portfolio. Notably, the Department completed 07 major capital road projects, substantially improving accessibility for both rural and urban communities.

To ensure equity across the province, road maintenance resources were distributed proportionally across all districts. Through the flagship Khubunya Lutfuli initiative, essential maintenance works, specifically pothole patching, road blading, and re-gravelling were prioritised to revitalise the provincial road network. Parallel to these special interventions, the Department sustained its routine maintenance schedule, successfully executing critical tasks such as grass cutting, drain unblocking and road marking. Despite a highly constrained fiscal environment, the Department exceeded the majority of its maintenance targets by the end of March 2026.

In addition to implementing transport infrastructure, the Department expedited the delivery of other strategic public facilities, completing several landmark social infrastructure projects. These emergency interventions included rapid structural repairs for 28 schools that were severely damaged or left inaccessible by catastrophic flash floods in December 2025. This ensured safe learning environments could resume with minimal delays. Overall, the Department successfully finalised 143 social infrastructure projects during the 2025/26 financial year. These completions represent a decisive step toward eliminating historic infrastructure backlogs and expanding access to public amenities.

The 2025/26 financial year presented severe external challenges, ranging from extreme weather events to systemic site disruptions that repeatedly threatened project timelines. In response, the Department demonstrated exceptional institutional agility by deploying proactive acceleration plans equipped with precise instructions, clear pricing structures and rigorous evaluation criteria. By dynamically adjusting project schedules, strategically reallocating heavy maintenance machinery to high-risk zones and fast-tracking critical procurement, the Department successfully neutralised these compounding risks. Moving forward, project management practices continue to be systematically enhanced across the portfolio.

To guarantee uninterrupted progress, operations remained strictly aligned with the landmark Durban Declaration on Crime-Free Construction Sites, adopted on 19 November 2024. This framework tackles the root causes of extortion and disruption through swift court interdicts and close collaboration with law enforcement and industry stakeholders. The operational stability achieved last year is the direct result of these deliberate, unyielding interventions designed to aggressively dismantle unlawful disruptions by "construction mafias." The Department remains resolute in safeguarding its sites, protecting workers and improving security on strategic investment.

## Safe and Reliable Public Transport

Investing in transport infrastructure has directly enhanced public transport across Mpumalanga by lowering vehicle operating costs, improving commuter safety and connecting rural communities to mainstream economic hubs. The construction and maintenance of roads have allowed major provincial transport providers, like buses and minibus taxis to operate highly efficient predictable services. These targeted structural projects have enabled workers and students to reach their destinations punctually. Furthermore, targeted structural projects have directly mitigated traffic incidents, substantially reducing transit fatalities across the Province.

However, public transport remains a large, highly intricate system with multiple market-driven and social variables influencing its overall performance. Within this complex environment, expanding and maintaining consistent service availability is hindered by acute operational challenges. Chief among these are intermittent disruptions to bus services caused by community strikes, localised taxi industry violence and the continued prevalence of unroadworthy public transport vehicles. Addressing these challenges continues to ensure that the improved transit corridors consistently deliver measurable improvements in commuter security and reliability.

The Welisizwe Rural Bridges Programme achieved notable milestones during the review period. This is attributable to strengthened institutional collaboration between the National Department of Public Works and Infrastructure (DPWI), the South African National Defence Force (SANDF) and provincial stakeholders. As at the end of the 2025/26 financial year, 07 modular steel bridges were successfully completed within Nkomazi Local Municipality, specifically in the areas of Skoonplaas, Buffelspruit Gap 1 and 2, Jeppes Reef, Mjejane, Schuzendal and Magogeni. These structures provide safe, climate-resilient passage to essential services, including schools and clinics, particularly in historically flood-prone areas.

Historically, this programme faced significant delays due to contractor underperformance, material shortages and flood-related disruptions. To mitigate these challenges, this Department made bold proposals towards the sector's comprehensive national recovery plan. Although not accepted, Mpumalanga is pioneering the national reforms by demanding procurement of critical construction materials directly from local suppliers. Additionally, it is seeking to augment the SANDF engineering teams by embedding local

technical skills and contractors. Through these targeted interventions, the province can successfully rehabilitate this struggling initiative and establish a high-performance delivery blueprint for nationwide replication.

## Economic Transformation and Job Creation

The 2025/26 financial year presented intense macroeconomic pressures, a challenge clearly underscored by data from Statistics South Africa's Q1 2025 Quarterly Labour Force Survey. During this period, the national unemployment rate was at 32.9%. Meanwhile, Mpumalanga's expanded unemployment rate stood at 49.3% between January and March 2025. The provincial economy relies heavily on sectors like coal mining, heavy manufacturing and agriculture, therefore any global and national shocks immediately trigger mass local retrenchments. These vulnerabilities highlight the fragile nature of localised industries and reinforce the urgent need for targeted, state-led economic interventions.

To counter these private-sector contractions, the Provincial Government accelerated high-impact infrastructure delivery to serve as an immediate macroeconomic stabilisation mechanism. The state boosted capital expenditure and prioritised labour-intensive construction to revitalise distressed local economies. These interventions directly lowered regional unemployment by absorbing displaced workers and offering temporary financial relief. By scaling the Expanded Public Works Programme (EPWP), Mpumalanga created 35 788 work opportunities, with the Department contributing 8 621 opportunities toward the provincial target.

More importantly, the above-mentioned interventions focused on shifting participants from temporary relief into sustainable commercial autonomy. Emerging Contractor Development Programmes were purposefully designed to structurally reshape the construction sector by supporting Small, Medium, and Micro Enterprises (SMMEs) from historically disadvantaged backgrounds. These initiatives deployed a highly structured progression pathway for emerging enterprises to transition from entry-level CIDB grades up to highly competitive commercial scales. This systematic approach ensured that local contractors were empowered to compete independently in the open market.

### Overview of the financial results of the Department:

This section provides an overview of the financial position of the Department for the 2025//26 financial year.

## Departmental receipts

| Departmental Receipts                                | 2025/2026     |                         |                          | 2024/2025     |                         |                          |
|------------------------------------------------------|---------------|-------------------------|--------------------------|---------------|-------------------------|--------------------------|
|                                                      | 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 | 12,336        | 12,884                  | (548)                    | 11,035        | 11,157                  | (122)                    |
| Fines, penalties and forfeits                        | 40,000        | 29,329                  | 13,671                   | 12,857        | 16,665                  | (3,808)                  |
| Interest, dividends and rent on land                 | -             | 7,782                   | (7,782)                  | -             | 7,914                   | (7,914)                  |
| Sale of capital assets                               | 2,529         | 4,639                   | (2,110)                  | 2,421         | 1,201                   | 1,220                    |
| Financial transactions in assets and liabilities     | 181           | 2,592                   | (2,411)                  | 994           | 3,477                   | (2,483)                  |
| <b>Total</b>                                         | <b>55,046</b> | <b>57,226</b>           | <b>(2,180)</b>           | <b>27,307</b> | <b>40,414</b>           | <b>(13,107)</b>          |

## Revenue collection

The Department's projected revenue for the 2025/26 financial year was R55 million. At year-end, the Department had collected R57,2 million, equivalent to 104% of the target. This reflects an over-collection of R2,2 million for the financial year ending 31 March 2026. The main revenue sources contributing to this over-collection were interest received on bank balances, the sale of capital assets and the recovery of previous years' expenditure.

## Determination of tariffs

The tariffs charged by the Department (such as hall or guesthouse rentals and scrap metal sales, etc.) are reviewed annually and approved by the Provincial Treasury. However, fees charged under the National Land Transport Act (Act No. 5 of 2009) are determined by the National Department of Transport. The "user-pays" principle applied to office accommodation provided by the Department and as such, no free services were offered during the financial year under review.

**Bad debts written off**

There were no bad debt write-offs in the 2025/26 financial year.

**Programme Expenditure**

| Programme Name              | 2025/2026           |                    |                           | 2024/2025           |                    |                           |
|-----------------------------|---------------------|--------------------|---------------------------|---------------------|--------------------|---------------------------|
|                             | 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              | 372,708             | 372,707            | 1                         | 361,650             | 361,622            | 28                        |
| Public Works Infrastructure | 1,243,501           | 1,190,153          | 53,348                    | 1,191,806           | 1,148,517          | 43,289                    |
| Transport Infrastructure    | 3,019,580           | 2,914,833          | 104,747                   | 2,681,677           | 2,516,936          | 164,741                   |
| Transport Operations        | 1,660,183           | 1,658,511          | 1,672                     | 1,493,985           | 1,493,898          | 87                        |
| Community Based Programmes  | 86,776              | 86,775             | 1                         | 70,506              | 70,395             | 111                       |
| <b>Total</b>                | <b>6,382,748</b>    | <b>6,222,979</b>   | <b>159,769</b>            | <b>5,799,624</b>    | <b>5,591,368</b>   | <b>208,256</b>            |

The Department managed to spend R6,222 billion, or 97,5%, against its final appropriation of R6.382 billion. This means that there was R159,769 million in unspent funds at the end of the financial year. Details of the under-expenditure are disclosed in Part F: Annual Financial Statements (AFS) on pages 158 - 209 of this report. The reasons for the under-expenditure per Programme are as follows:

- **Public Works Infrastructure:** Programme 2 registered an under-expenditure of R53,348 million. This was due to construction delays at the Parliamentary Village, Mkhondo Boarding School and a renewable energy

project at RGC. These projects could not be completed as planned due to late deliveries of long-lead-time items, adverse weather conditions, community unrest and site-related challenges.

- **Transport Infrastructure:** Programme 3 registered an under-expenditure of R104,747 million due to delays in the implementation of Welisizwe Rural Bridge projects.
- **Transport Operations:** Programme 4 registered an under-expenditure of R1,672 million. This was due to public transport trips that were not operated during the year under review as a result of community unrests.

**Virements/roll overs**

The following virements were made after the 2025/26 budget adjustment appropriation:

| Transfer From            | Amount R'000    | Transfer To                 | Amount R'000  |
|--------------------------|-----------------|-----------------------------|---------------|
| Administration           | (5,769)         | Public Works Infrastructure | 3,314         |
|                          |                 | Community Based Programmes  | 2,455         |
| <b>Total</b>             | <b>(5,769)</b>  | <b>Total</b>                | <b>5,769</b>  |
| Transport Infrastructure | (21,289)        | Public Works Infrastructure | 21,289        |
| <b>Total</b>             | <b>(21,289)</b> | <b>Total</b>                | <b>21,289</b> |
| Transport Operations     | (620)           | Community Based Programmes  | 620           |
| <b>Total</b>             | <b>(620)</b>    | <b>Total</b>                | <b>620</b>    |
| <b>Overall Total</b>     | <b>(27,678)</b> | <b>Overall Total</b>        | <b>27,678</b> |

**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 utilise savings from one main division to defray over-expenditure in another main division under the same vote. Specifically, virements were processed to fund goods and services within the Public Infrastructure Branch.

**Request for rollovers**

The Department has requested rollovers totalling R158.824 million and the detailed breakdown of this amount is as follows: R5,9 million for Mkhondo Boarding School, R35,2 million for Mpumalanga Parliamentary Village, R5,6 million for renewable energy at RGC and R53 million for construction of Welisizwe Bridges.

**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 expenditure, however, during the audit process fruitless or wasteful expenditure amounting to R30, 636 million was discovered in the 2025/2026 financial year.

**Strategic focus over the short to medium term period**

The Government of National Unity (GNU) has reaffirmed the National Development Plan (NDP) 2030 as the primary guiding principle for South Africa's development, formally

integrating its core objectives into the Medium-Term Development Plan (MTDP) 2024–2029. It is against this understanding that the Department has aligned its plans with this foundational blueprint. This alignment highlights a shift from policy formulation to measurable impact, with key initiatives aimed at creating jobs, reducing the cost of living and building a capable, ethical state. The overall goal is to make a final push towards addressing Mpumalanga's socio-economic challenges as the 2030 deadline approaches.

**Public Private Partnerships (PPP)**

The below-mentioned projects are funded through private sector donations rather than traditional risk-sharing models as part of their Corporate Social Investment (CSI).

- **Upgrading and rehabilitation of road P171/1 (R577)**  
The Department and the consortium of mining houses transitioned this initiative from the planning and co-funding agreement phase into active physical construction. This public-private partnership project is currently underway, active on-site and progress at 37%.

- **Upgrading of road D20 towards Olifants River Lodge**  
The partnership brings together the Department, the Nkangala District Municipality, the Steve Tshwete Local Municipality and a consortium of local businesses led by Olifants River Lodge. This public-private partnership project is currently underway, active on-site and progress at 3%.

### New strategic partnerships

The Department did not enter into Public Private Partnerships or any related strategic partnerships during the 2025/26 financial year.

### Discontinued key activities/ activities to be discontinued

This section outlines the activities that have been discontinued or are scheduled for discontinuance, the reasons for these decisions, their impact on Departmental operations and service delivery, and the associated financial implications.

- Dependency on the national grid and municipal power – installation of solar panels at the Riverside Government Complex (RGC) was stalled due to initial budgetary constraints. Although additional funds were provided during the budget adjustment period, the complex will remain dependent on the national grid and municipal power until finalisation of the project next financial year.
- Welisizwe Rural Bridges Programme - this national initiative was scheduled for implementation during the 2023/24 to 2025/26 MTEF period. However, the Department did not receive funding to continue its roll-out in the 2026/27 financial year. Consequently, it has allocated R40 million from internal resources to ensure the completion of all ongoing projects under this programme.
- Leasing of Prestige Accommodation – The upcoming completion and occupation of the newly constructed Mpumalanga Parliamentary Village will render the leased accommodation redundant. This transition will result in significant long-term cost savings by eliminating rental expenditures for accommodation of Members of the Provincial Legislature.

### New or proposed key activities

This section details the proposed new activities and their underlying justifications, while evaluating their operational impacts on the Department and their respective financial implications.

- Disposal of state houses (delayed from current year) – to generate immediate capital receipts from sales while permanently reducing ongoing state property maintenance and utility expenses.
- Fleet management services for 206 scholar transport buses - outsourcing this maintenance requires a significant upfront operational budget allocation but will yield long-term savings.
- Charging for wayleave approvals - implementing a mandatory administrative fee for processing and approving utility service access rights on state land to boost revenue generation.
- Digital tracking of infrastructure projects – the high costs of deploying specialised software, GPS tracking and digital dashboards will be offset by reduced project cost overruns and fraud.

- Implementation of the new organogram - significantly increases the permanent personnel budget due to new posts, alongside decentralisation of functions a part of building capacity of the state.

### Supply Chain Management

#### List of unsolicited bid proposals concluded for the year under review

No unsolicited bid proposals were accepted during the 2025/26 financial year.

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

- **Supplier Registration:** The Central Supplier Database (CSD) is implemented for prospective supplier registration and the verification of key supplier information, such as directorships and tax compliance amongst others.
- **Three Quotations:** The CSD is utilised to invite at least three quotations for goods and services valued below R1,000,000.
- **Prescribed Thresholds:** Procurement of goods and services is conducted in accordance with National Treasury's prescribed threshold values and the Preferential Procurement Regulations, 2022.
- **Competitive Bidding:** Competitive bids are invited for goods and services above R1,000,000 to ensure equal competition opportunities for all suppliers.
- **Procurement Deviations:** Deviations from normal procurement processes (procurement without inviting competitive bids) are justified, recorded and reported to both the Provincial Treasury and the Auditor-General.
- **SBD 4 Compliance:** The completeness of the Standard Bidding Document 4 (SBD 4) is checked to ensure full compliance with SCM prescripts.
- **Director Verification:** Identity numbers of directors are verified on both the CSD and PERSAL systems to prevent conflicts of interest and ensure that officials do not do business with the state.
- **VAT Verification:** Suppliers VAT registration is verified on the SARS website to ensure that service providers claiming VAT are duly registered and compliant.
- **CIDB Grading:** The Construction Industry Development Board (CIDB) grading status of service providers is verified on the CIDB website to ensure it is active prior to any award.
- **Records Management:** Contract records are securely managed and stored to prove that awards complied with SCM legislation and prescripts.
- **Transaction Checklists:** SCM transaction checklists are implemented and monitored to enforce strict compliance with regulatory prescripts.
- **Procurement Delegations:** 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:**

| Challenges                             | Action taken to resolve challenges experienced in SCM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Non-compliance to laws and regulations | <ul style="list-style-type: none"> <li>Compliance linked to performance contracts of All SMS and key SCM staff.</li> <li>Audit Action Plan for 2024/25 developed, implemented and monitored on monthly basis.</li> <li>Contact all current bidders immediately in writing to request a formal extension of their bid validity period before it expires</li> <li>Expired contracts were advertised, and some are already appointed.</li> <li>Programmes are continuously informed about expiring contracts.</li> <li>Completion of SBD 6.2 and Annexure C is enforced on all bids that have local and production content.</li> <li>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.</li> </ul> |
| Contract Management                    | <ul style="list-style-type: none"> <li>Monthly update of central contract register.</li> <li>Programmes are responsible for monitoring performance tracking post awards.</li> <li>that are about to expire within 12 months period.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Human Resource and Skills Deficits     | <ul style="list-style-type: none"> <li>Targeted training and development of SCM staff</li> <li>Additional staff provided through internship programme (e.g. Departmental, Provincial Treasury, MIRA and FOREK)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**Gifts and Donations received in kind from non-related parties**

An amount of R19,468,40 was received from Buscor as a donation for 5 wheelchairs and 5 pairs of crutches.

**Exemptions and deviations received from the National Treasury**

There were no exemptions and deviations received from National Treasury on the compilation of the 2025/26 financial year's Annual Financial Statements (AFS). The AFS set out on pages 158 - 209 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 wish to extend my highest appreciation to the staff of the Department of Public Works, Roads and Transport for their commitment during his time as Accounting Officer from 2021 to 2026. I am equally grateful to our oversight bodies, specifically the Portfolio Committee on Public Works, Roads and Transport, the Select Committee on Public Accounts, and the Audit and Risk Committees for their objective guidance, which significantly enhanced our governance regime over the past financial years. To our client departments, service providers and industry partners, thank you for your unwavering trust, and collaboration in

our shared mission to deliver impactful infrastructure and service excellence.

My final thanks go to the Honourable Premier: Mandla Ndlovu and MEC: TS Thomo, for their exceptional leadership, vision and steadfast support during my time with the Department. It has been a profound honour to serve the people of Mpumalanga – The Place of the Rising Sun!

**Approval and sign off**


**Mikateko Ronny Rikhotso, Pr.Eng**  
**Accounting Officer**  
**Public Works, Roads and Transport**  
**Date: 31 August 2026**

## 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 2026.

Yours faithfully,



**Mikateko Ronny Rikhotso, Pr.Eng**  
**Accounting Officer**  
**Public Works, Roads and Transport**  
**Date: 31 August 2026**

## 6. Strategic Overview

### 1. Vision

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

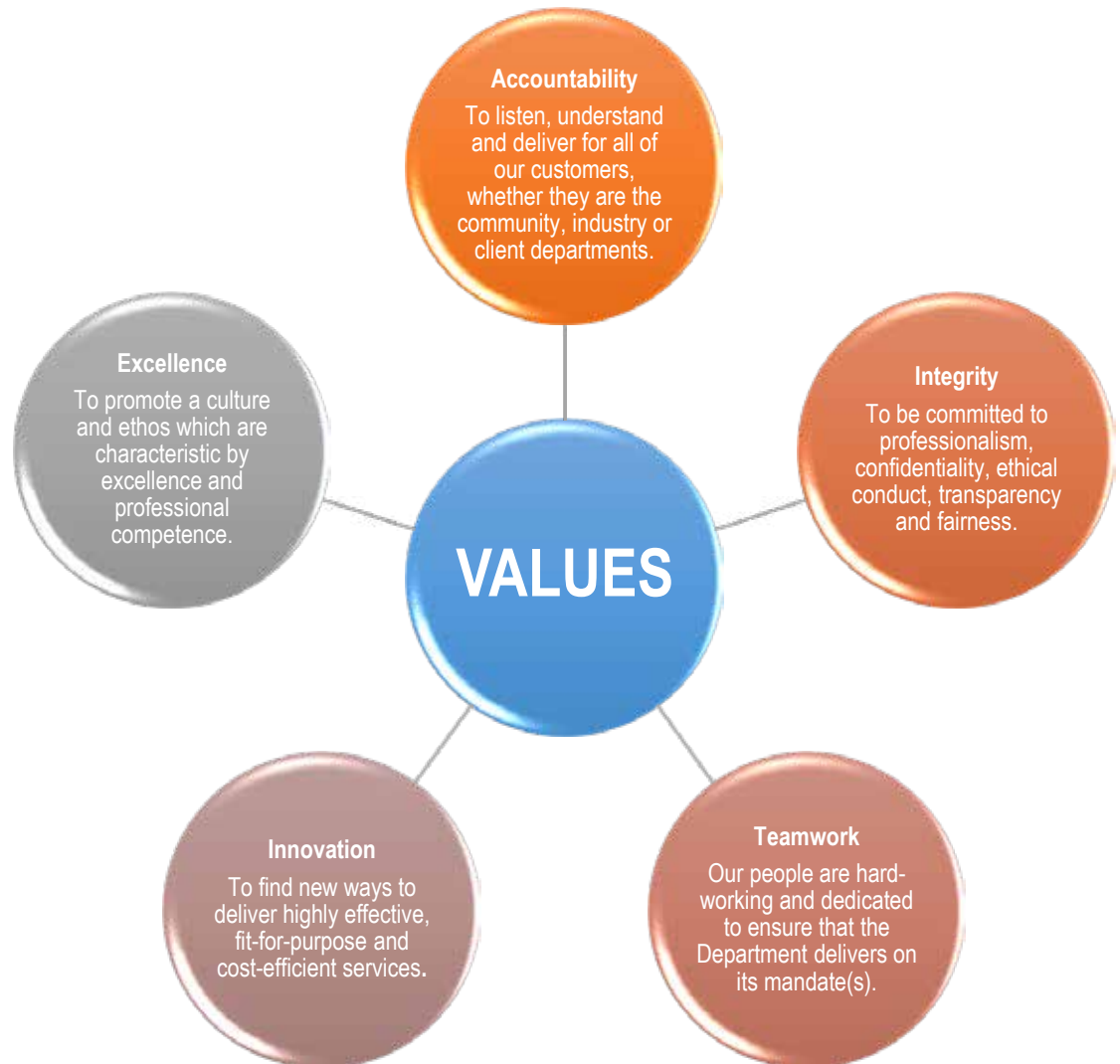
### 2. Mission

- To provide an integrated, reliable, cost-effective and sustainable transport system that meets the development needs of the Province.

- To deliver sustainable infrastructure that promotes inclusive economic development and job creation.

### 3. Values

- The below-mentioned values are essential to achieving our vision and mission of the Department:



## 7. Legislative and other Mandates

### Constitutional mandate

The Department of Public Works, Roads and Transport was established during the 2009/10 financial year. It is responsible for the functions set out in Schedules 4 and 5 of the Constitution, read with other applicable legislation enacted from time to time.

In terms of Schedule 4 of the Constitution, Public Works is a functional area of concurrent National and Provincial legislative competence, “only in respect of the needs of national/provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law”. Exercising his constitutional prerogative, the Premier established the Department of Public Works to provide and manage provincial land and buildings, as well as to contribute to provincial goals of job creation and poverty alleviation through the Expanded Public Works Programme (EPWP). The Minister of Public Works and Infrastructure (DPWI) envisions turning South Africa into a construction site. This vision is supported by infrastructure-led economic growth designed to ignite job creation across the country.

In addition, Transport is a function legislated and executed at all levels of government. In terms of the White Paper on National Transport Policy, the Department is responsible for providing safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure. These services aim to meet the needs of freight and passenger customers through improved service levels and cost-efficiency. Furthermore, they support government strategies for economic and social development while remaining economically and environmentally sustainable. The Ministry of Transport aims to stabilise the country's transport system and ensure the Department is fit to fulfil its policy-making and regulatory roles.

### Legislative and Policy Mandates

The Department is responsible for implementing, managing and overseeing the following key legislation, among others.

### 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 47 of 1937)

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

### Economic Regulation of Transport Act, 2024 (Act 6 of 2024)

Consolidates the economic regulations of transport within a single framework

### 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 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 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 the 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;

### Land Survey Act, 1997 (Act 8 of 1997)

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

### Mpumalanga Archives Act, 1998 (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, 2008 (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, 1998 (Act 4 of 1998)

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

### Municipal Property Rate Act, 2004 (Act 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.

### National Archives and Records Services Act, 1996 (Act 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 1977)

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 aspects of the administration and enforcement of other environmental management laws; and to provide for matter connected therewith.

**National Land Transport Amendment Act, 2023 (Act 23 of 2023)**

The Act aims to update the National land transport system initiated by the national land transport Act, 2009 (Act No. 9 of 2009). The Act is expected to address challenges raised in implementing the original statute, which put the 2007 Public Strategy and Action Plan into practice.

**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.

**Occupational Health and Safety Act, 1983 (Act 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.

**Promotion of Access to Information Act (PAIA), 2000 (Act 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 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.

**Property Valuers Profession Act (PVPA), 2000 (Act 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.

**Protection of Personal Information Act, 2013 (Act 4 of 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.

**Public Finance Management Act (PFMA), 1999 (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 of persons entrusted with financial management.

**Public Procurement Act, 2024 (Act 28 of 2024)**

Regulates public procurement, to prescribe a framework within which preferential procurement must be implemented, and to provide for matters connected therewith.

**Public Service Act (PSA), 1994 (Act 103 of 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.

**Rental Housing Act, 1999 (Act 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.

**Road Safety Act, 1972 (Act 9 of 1972)**

Promotes and regulates road safety.

**Sectional Titles Act, 1986 (Act 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.

**Spatial Planning and Land Use Management Act (SPLUMA), 2013 (Act 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.

**Estate Agency Affairs Agency Act, 1976 (Act 112 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.

**State Land Disposal Act, 1961 (Act 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.

## Institutional Policies and Strategies Related to the Five-Year Planning Period:

## MEDIUM TERM DEVELOPMENT PLAN (MTDP): 2024 - 2029

Key focus areas to facilitate the achievement of MTDP Priorities

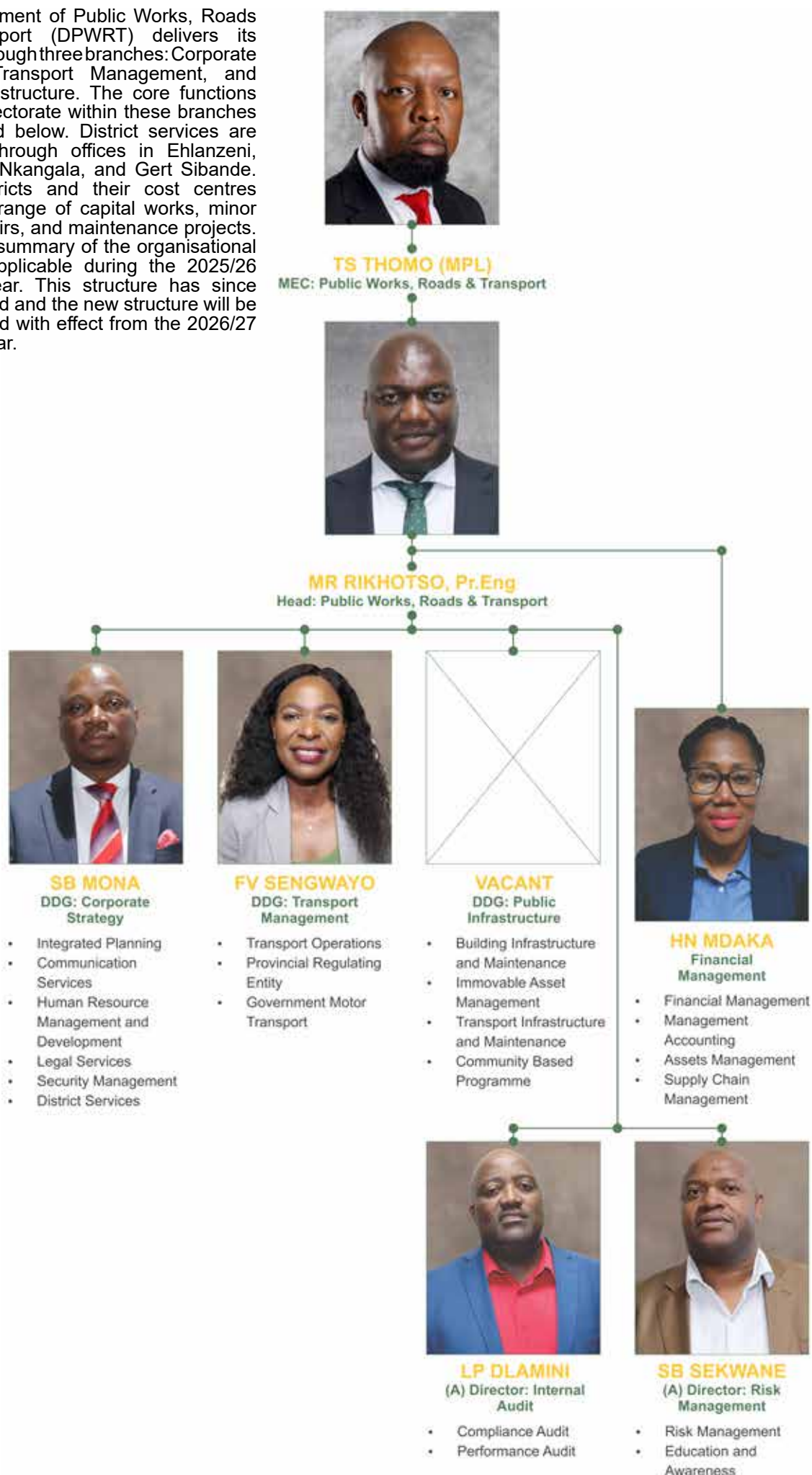
| 1. DRIVE INCLUSIVE ECONOMIC GROWTH AND JOB CREATION                                                                                                                                                                                                                                                                                                    | 2. REDUCE POVERTY AND TACKLE THE HIGH COST OF LIVING                                                                                                                                                                                                                                                                                                                     | 3. BUILD A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Innovative funding</li> <li>• Repurposing of existing infrastructure</li> <li>• Agriculture feeder roads</li> <li>• Tourism roads</li> <li>• Coal haulage roads</li> <li>• Green building agenda</li> <li>• Public Employment Programmes</li> <li>• Social Enterprise Development Programme (SEDP)</li> </ul> | <ul style="list-style-type: none"> <li>• Social infrastructure</li> <li>• Public transport subsidisation</li> <li>• Scholar transport services</li> <li>• Integrated Rural Mobility &amp; Accessibility</li> <li>• Welisizwe rural bridges programme</li> <li>• Disposal of state-owned houses</li> <li>• Release of state land</li> <li>• Skills development</li> </ul> | <ul style="list-style-type: none"> <li>• Professionalising the public service</li> <li>• Digital transformation</li> <li>• Research and innovation</li> <li>• Graduate recruitment scheme</li> <li>• Protecting social infrastructure</li> <li>• Payment of rates and taxes</li> <li>• Fighting corruption</li> <li>• Operation clean audit</li> </ul> |

| POLICIES / STRATEGIES                                     | 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.                                                                                                                           |
| Medium Term Development Plan (MTDP): 2024 -2029           | The MTDP outlines the country's strategic priorities of the 7 <sup>th</sup> administration and provides a medium-term roadmap for developing five-year institutional plans. It also serves as the implementation framework for the NDP 2030.                                                                                                          |
| Government of National Unity (GNU) Statement of Intent    | The Government of National Unity (GNU) which consist of ten political parties agreed on a statement of intent. The statement outlines ten foundational principles which governs how the political parties will co-exist to run the government of the day. The underpinning glue for the principles is the respect for the South African constitution. |
| 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.                                                                                                                                                                                                                             |
| 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                                                                                                                                                                                 |
| 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.                                                                                                                                                                       |
| Just Transition Framework for South Africa                | Is a planning tool for achieving a just transition in South Africa, setting out the actions that the government and its social partners will take to achieve a just transition on climate change.                                                                                                                                                     |
| National Infrastructure Plan 2050                         | The plan focuses on creating the foundation for achieving the national development plan vision of inclusive growth.                                                                                                                                                                                                                                   |

| POLICIES / STRATEGIES                                                   | PURPOSE                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Green Transport Strategy                                                | The strategy focuses on strides to reduce Greenhouse Gas Emissions (GHG) emissions. Its emphasis is on minimising the adverse impact of transport on the environment, while addressing current and future transport demands. This is underpinned by sustainable development principles. The strategy promotes green mobility to ensure that the transport sector supports the achievement of green economic growth targets and the protection of the environment. |
| Taxi Recapitalisation Strategy                                          | It aims to regularise and professionalise the taxi industry. Key to the strategy is improvement safety and incorporating the industry in transport planning processes.                                                                                                                                                                                                                                                                                            |
| Property Optimisation Strategy                                          | It is a strategy that seeks to repurpose and reposition the Property Management Trading Entity (MPTE) as a viable and efficient vehicle to deliver a comprehensive value creation through the state immovable asset portfolio.                                                                                                                                                                                                                                    |
| 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.                                                                                                                                                                                                                                                                                                                                                                                     |
| Departmental Disaster Management Plan                                   | It outlines the process of preventing danger or threats. Further, it provides the mitigation plan or reduction of risk of any disaster.                                                                                                                                                                                                                                                                                                                           |
| Science Technology and Innovation (STI) Decadal Plan 2032               | The intension of the plan is to optimise synergies among STI intensive and government departments through joint programming and co-funding for STI priorities.                                                                                                                                                                                                                                                                                                    |
| National Framework Towards the Professionalisation of the Public Sector | The professionalization of the public sector is geared towards changing individual's attitudes, behaviour, and performance towards serving the public. The framework's emphasis is on the need to hold Public Servants accountable for irregularities, to do away with a culture of impunity in the mismanagement and misappropriation of state resources.                                                                                                        |
| Operations Management Framework                                         | Operations Management Framework (OMF) provides structure and guidance to all managers in executing their responsibilities. By providing managers with an OMF, it is possible to provide the right services, experiences and outcomes, and subsequently a more satisfied service beneficiary.                                                                                                                                                                      |
| National Skills Development Strategy                                    | It is a policy framework that guides and coordinate skills development efforts to align with the country's evolving economic and social needs. The strategy aims to transform the racial and gender inequalities in the labour force, align skills development with the needs of the South African economy, and increase investment in training, improve its quality, and establish national standards.                                                           |

# 8. Organisational Structure

The Department of Public Works, Roads and Transport (DPWRT) delivers its services through three branches: Corporate Strategy, Transport Management, and Public Infrastructure. The core functions of each directorate within these branches are outlined below. District services are managed through offices in Ehlanzeni, Bohlabela, Nkangala, and Gert Sibande. These districts and their cost centres manage a range of capital works, minor works, repairs, and maintenance projects. Below is a summary of the organisational structure applicable during the 2025/26 financial year. This structure has since been revised and the new structure will be implemented with effect from the 2026/27 financial year.





## **PART B**

# **Performance Information**

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the Department's performance information to provide reasonable assurance in the form of an audit opinion or conclusion on the usefulness and reliability of the reported performance information. The audit conclusion on predetermined objectives is included the AGSA's management report but also included in the Report of the Auditor General under Part F: Annual Financial Statements on page 150 of this report, paragraph 13.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

Summary of the Department's Performance per Programme

The 2025/26 Annual Performance Plan (APP) contained 41 performance targets, of which 33 were achieved. This translates to an overall achievement rate of 80%, reflecting an improvement over the 79% recorded in the 2024/25 financial year. Further details on Departmental performance against each key performance indicator as of the end of March 2026 are set out on pages 30 to 47. This section includes explanations for underperformance, remedial strategies moving forward, and reasons for overachievement where applicable. A summary of performance per programme is tabulated below.

Summary of the Department's Performance per Programme

= Achieved (100% and above)     = In Progress (80% - 99%)     = Not achieved (0% - 79%)

| Programme                      | Targets in the APP | Targets Achieved | In Progress | Targets Not Achieved | % of Targets Achieved |
|--------------------------------|--------------------|------------------|-------------|----------------------|-----------------------|
| 1. Administration              | 8                  | 4                | 2           | 2                    | 50%                   |
| 2. Public Works Infrastructure | 7                  | 7                | 0           | 0                    | 100%                  |
| 3. Transport Infrastructure    | 14                 | 13               | 0           | 1                    | 93%                   |
| 4. Transport Operations        | 5                  | 4                | 1           | 0                    | 80%                   |
| 5. Community Based Programmes  | 7                  | 5                | 0           | 2                    | 71%                   |
| Total                          | 41                 | 33               | 3           | 5                    | 80.49%                |

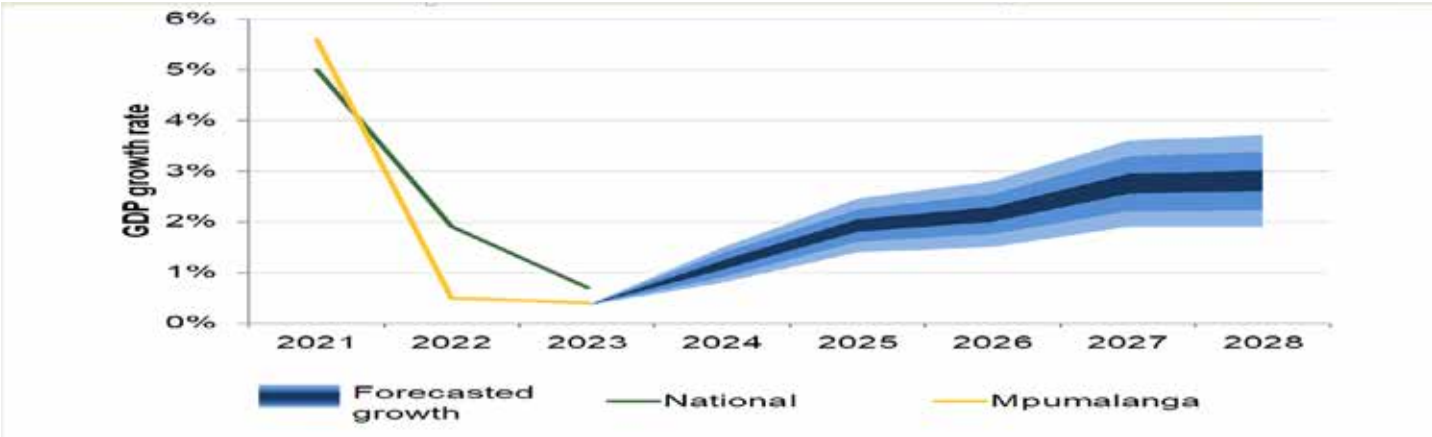
2.1 Service Delivery Environment

The Department experienced several challenges and successes within the external environment while in pursuit of its Annual Performance Plan (2025/26) and Strategic Plan (2025–2030).

Inclusive Economic Growth

The Provincial Medium-Term Development Plan (MTDP) 2024–2029 set an ambitious target of 3% to 5% annual

economic growth. However, the provincial economy grew by approximately 1,5%, aligning closely with the conservative short-term projections of 1.3% to 1.9%. To stimulate the economy, capital expenditure was increased, mandating a 30% procurement allocation for local SMMEs on major transport and civil engineering contracts. Overall spending was aligned with procurement legislation, achieving bid allocations of 44% to women-owned enterprises, 25% to youth-owned enterprises and 0,8% to enterprises owned by persons with disabilities.



Infrastructure Development

Over the past 12 months, the Department strengthened the province's infrastructure foundations by expanding the Mpumalanga Infrastructure Master Plan (MIMP) into a 30-year framework extending to 2060. Additionally, the R238 billion pledge made at the Mining Indaba is transforming the province into an active construction hub. Other key initiatives include the "Adopt-a-Road" programme which targets mining houses using the coal haulage network and blended finance that combine provincial capital budgets with concessional loans from the Development Bank of Southern Africa (DBSA). Together, these efforts mark a deliberate shift from traditional, state-funded models to collaborative financial ecosystems.

Climate Change

Annual floods in Mpumalanga are becoming a regular phenomenon driven by climate change. The catastrophic floods of December 2025 and January 2026 presented a severe test to the Department's resilience. Extensive damage to public infrastructure resulted in projected restoration costs of R2 billion. These disasters disrupted critical infrastructure while directly constraining the province's key economic drivers: tourism, mining and agriculture. In response, government mobilised significant funding and operational resources for a comprehensive recovery strategy. Moving forward, the focus is to build climate-resilient infrastructure capable of withstanding future environmental challenges.

Another key component of this resilience strategy is the rollout of clean energy and supporting infrastructure at the Riverside Government Complex (RGC). Although the initiative initially encountered severe financial and operational bottlenecks due to a lack of Provincial Treasury funding, a subsequent allocation during the budget adjustment period has successfully revived the project. As nations globally struggle with soaring energy costs, this transition offers a strategic opportunity for the custodians of government immovable asset portfolio to demonstrate decisive climate leadership. Ultimately, this initiative drives the Just Energy Transition (JET) while reducing public buildings' reliance on Eskom.

### Integrated Transport System

The Department has made targeted progress during the 2025/26 financial cycle reducing the high cost of living for poor households. Approximately, R810,6 million was disbursed via the Provincial Transport Operations Grant (PTOG) to subsidise road-based provincial bus services, shielding commuters from escalating private transport and fuel costs. However, these developmental gains face severe external risks. The escalating military conflict between the United States and Iran threatens South Africa's macroeconomic stability. This geopolitical friction drives global crude oil volatility, directly endangering local transport affordability and risking the erosion of governments' poverty-alleviation milestones.

The demand for scholar transport services continues to exceed the available budget. For the financial year under review, the Department allocated R618 million to transport learners across the province. Existing scholar transport contracts were extended by six months to allow the Department sufficient time to finalise specifications for new contracts, advertise the public tender, evaluate bids and select qualified service providers. Notably, routes were

rationalised and redesigned for the new tender to introduce operational efficiencies and optimise public funds. Moreover, a tender to manage 206 government-owned vehicles was advertised to secure additional operational efficiencies in the new financial year.

| District     | Current Learners | Total Routes |
|--------------|------------------|--------------|
| Bohlabela    | 3 512            | 28           |
| Ehlanzeni    | 6 243            | 96           |
| Gert Sibande | 43 799           | 415          |
| Nkangala     | 13 666           | 198          |
| <b>Total</b> | <b>67 220</b>    | <b>737</b>   |

### Public Employment Programmes

The Department of Public Work, Roads and Transport is uniquely positioned to fight unemployment, poverty, and inequality. As the lead coordinator of the Expanded Public Works Programme (EPWP), the Department created 8 621 work opportunities in the last financial year. While it successfully met its 60% target for women by achieving 70%, performance fell short in other categories: youth participation reached only 46% against a 55% target and representation for persons with disabilities was just 0.2% against a 2% target. This mixed performance underscores a critical gap between demographic targets and actual inclusion, highlighting an urgent need for strategic adjustment. The Department also created additional work opportunities which were not included in the 8 621 EPWP work opportunities reported. 207 Young Professionals were enrolled (but earn above the agreed stipend of EPWP), 50 learners who were sponsored by PSETA and the 59 Sakh'abakhi beneficiaries who were captured on the EPWP system in the 2024/25 financial year. In total, the Department provided work opportunities to 8 937 beneficiaries as follows:

| Programme                                            | Description of Opportunities                                                             | Opportunities Created |
|------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------|
| 1. Siyatentela Programme                             | Routine road maintenance activities                                                      | 4 977                 |
| 2. Building Works Programme                          | Construction and maintenance of social infrastructure (own funding)                      | 21                    |
| 3. Roads Works Programme                             | Construction and maintenance of roads infrastructure                                     | 2 809                 |
| 4. Roads Contractor Development                      | Training and mentorship of emerging contractors in roads related works                   | 35                    |
| 5. Sakh'abakhi Contractor Development                | Training and mentorship of women emerging contractors in building related works          | 59                    |
| 6. Maintenance of Riverside Government Complex (RGC) | Facility maintenance which involves routine upkeep and the repairs of RGC                | 75                    |
| 7. National Youth Service (NYS)                      | Work experience for young people through maintenance of state-owned buildings            | 250                   |
| 8. Scholar Transport Services                        | Driving learner transport training programmes                                            | 295                   |
| 9. Internship Programme                              | Practical work experience for graduates in various disciplines                           | 159                   |
| 10. Learnership Programme                            | Increase vocational training                                                             | 50                    |
| 11. Young Professional Programme (YPP)               | Skills development to prepare technical graduates for professional registration          | 207                   |
| 12. Artisans Development Programme                   | Resuscitation of mechanical workshops for Government Motor Transport (GMT) – In progress | 0                     |
| <b>Total</b>                                         |                                                                                          | <b>8 937</b>          |

To address these shortcomings, the Department relies on the significantly strengthened policy environment. A new national framework aimed specifically at increasing the participation of persons with disabilities in the EPWP was officially launched on 20 November 2025. Provincially, the Department is leading efforts to ensure that every public body strictly follows these new disability inclusion guidelines. Simultaneously, the National Department of Public Works and Infrastructure is developing a new operational model as part of broader EPWP reforms. This model is designed to link participants directly to sustainable economic pathways.

Alongside these policy reforms, the Department has formalised strategic partnerships through Memorandums of Understanding (MoUs) with local TVET colleges and the Mpumalanga Regional Training Trust (MRTT). Moving forward, the Department intends to leverage the provincial infrastructure budget as a powerful human development fund. These institutions will actively drive provincial job creation targets. This vision goes beyond entry-level employment to offer targeted training in critical sectors for the workforce. By empowering internal staff to earn high-value qualifications, this will significantly contribute towards building a capable state and boost service delivery.

## 2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP) In accordance with the Public

Service Regulations, Chapter 1, Part III C. The following tables highlight the services rendered by the Department as well as progress made in the implementation of the Plan.

### Main services and standards

| Main Services          | Beneficiaries                                                  | Current / Actual Standard of Service                   | Desired Standard of Service                                | Actual Achievement                                         |
|------------------------|----------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Surfaced road patching | All road users<br>Commuters<br>Public transport<br>Communities | 103 000 Square meters of blacktop patching completed.  | 111 000 square meters of blacktop patching.                | 251 251 Square meters of blacktop patching were completed. |
|                        |                                                                | 914 000 Square meters of surfaced roads resealed.      | Reseal 1 027 000 square meters of surfaced roads.          | 1 047 267 square meters of surfaced roads were resealed.   |
|                        |                                                                | 57 Kilometres of gravel roads re-gravelled             | Re-gravelling of 102 kilometres of gravel roads            | 253 Kilometres of gravel roads were re-gravelled.          |
|                        |                                                                | 25 000 Kilometres of gravel roads bladed.              | Blading of 23 000 kilometres of gravel roads.              | 24 922 Kilometres of gravel roads were bladed.             |
| Roads Rehabilitation   |                                                                | 205 000 Square meters of surfaced roads rehabilitated. | Rehabilitation of 188 950 Square meters of surfaced roads. | 191 753 Square meters of surfaced roads rehabilitated.     |

### Batho Pele arrangements with beneficiaries (consultation, access etc.)

| Current/ Arrangements                                                                                                                                                                     | Actual | Desired Arrangements                                                                                                                                                   | Actual Achievements                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Service Standards:</b><br>Implementation of the approved service standards and service delivery charter                                                                                |        | Implementation of the approved service standards and service delivery charter                                                                                          | <ul style="list-style-type: none"> <li>Service standards were implemented as per the service delivery charter.</li> </ul>                                                                                                                                                                                                                                                                                                               |
| <b>Consultation:</b><br>TLP, IDPs and Steering Committees                                                                                                                                 |        | TLP, IDPs and Steering Committees                                                                                                                                      | <ul style="list-style-type: none"> <li>All TLP, IDP and related meetings were attended to ensure integrated planning.</li> </ul>                                                                                                                                                                                                                                                                                                        |
| <b>Courtesy:</b><br>Stakeholder engagement, task teams, hotlines and Fora                                                                                                                 |        | Stakeholder engagement, task teams, hotlines and Fora                                                                                                                  | <ul style="list-style-type: none"> <li>Stakeholder engagements were conducted with DOT, NPWI, Treasury, service providers and road users.</li> <li>100% of Hotline matters were attended within 48 hours.</li> <li>Participated in various fora as and when it was requested.</li> </ul>                                                                                                                                                |
| <b>Access:</b><br>Emails, bulletins, radio talks, newsletters, website, Facebook page, X account, YouTube, open offices and phone hotlines                                                |        | Emails, bulletins, radio talks, newsletters, website, Facebook page, X account, YouTube, open offices and phone hotlines                                               | <ul style="list-style-type: none"> <li>Departmental information was accessible through emails, bulletins, radio talks, newsletters, website, Facebook, X account, YouTube, open offices and phone hotlines.</li> </ul>                                                                                                                                                                                                                  |
| <b>Information:</b><br>Plans and reports published and gazetted. Emails, bulletins, radio talks, newsletters, website, Facebook page, X account, YouTube, open offices and phone hotlines |        | Plans and reports are published and gazetted. Emails, bulletins, radio talks, newsletters, website, Facebook page, X account, YouTube, open offices and phone hotlines | <ul style="list-style-type: none"> <li>Annual plans and reports were published on the Departmental website.</li> <li>See above for role of the different information tools.</li> </ul>                                                                                                                                                                                                                                                  |
| <b>Openness and Transparency:</b><br>Departmental plans are published annually, and reports are published and gazetted monthly, quarterly and annually.                                   |        | Departmental plans are published annually, and reports are published and gazetted monthly, quarterly and annually.                                                     | <ul style="list-style-type: none"> <li>Departmental plans and annual reports were published on the Department's website.</li> <li>Performance reports were published by DPME.</li> </ul>                                                                                                                                                                                                                                                |
| <b>Redress:</b><br>Settlement of pothole claims, patching of potholes and rehabilitation of the roads.                                                                                    |        | Settlement of pothole claims, patching of potholes and rehabilitation of the roads.                                                                                    | <ul style="list-style-type: none"> <li>Pothole claims were addressed within 30 days unless they required further investigation.</li> <li>251 251 Square meters of surfaced roads were patched.</li> <li>191 753 Square meters of surfaced roads were rehabilitated.</li> </ul>                                                                                                                                                          |
| <b>Value for Money:</b><br>Do quality tests on the work done, market research, benchmark with other provinces, monitoring and evaluation reports.                                         |        | Do quality tests on the work done, market research, benchmark with other provinces, monitoring and evaluation reports.                                                 | <ul style="list-style-type: none"> <li>Tests were performed on all construction and maintenance works done prior and during implementation of projects.</li> <li>The Department continues to benchmark with other provinces and to learn best practices.</li> <li>Performance monitoring is conducted on a monthly basis.</li> <li>Evaluation study completed for the Sakh'abakhi Emerging Contractor Development Programme.</li> </ul> |

### Service delivery information tools

| Current / Actual Information Tools                          | Desired Information Tools                                   | Actual Achievements                                                                                                                                                                                                                                |
|-------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Distribution of newsletters and annual reports              | Distribution of newsletters and annual reports              | <ul style="list-style-type: none"> <li>1 Newsletter was published and distributed for April – September 2025 to all district offices and during departmental events.</li> <li>Annual reports are published on the departmental website.</li> </ul> |
| Conduct radio slots, live broadcasts and media partnerships | Conduct radio slots, live broadcasts and media partnerships | <ul style="list-style-type: none"> <li>53 Radioslots were conducted.</li> <li>4 Live broadcasts were held.</li> <li>3 Media partnerships were held.</li> </ul>                                                                                     |
| Display Service Standards and Service Charter               | Display Service Standards and Service Charter               | Service standard banners, service delivery charters and posters were displayed in all the DPWRT buildings.                                                                                                                                         |

### Complaints mechanisms

| Current / Actual Complaints Mechanism                                         | Desired Complaints Mechanism                                                  | Actual Achievements                                                                                                                                                                 |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Complaints management system through telephonic hotline and suggestion boxes. | Complaints management system through telephonic hotline and suggestion boxes. | <ul style="list-style-type: none"> <li>100% of complaints received through the hotline were attended to.</li> <li>Suggestion boxes were placed at all districts offices.</li> </ul> |

## 2.3 Organisational Environment

The Department overcame internal challenges to achieve major milestones while executing its 2025/26 Annual Performance Plan and 2025–2030 Strategic Plan.

### Transformation of the Workplace

As of 31 March 2026, the Department employed 2 447 personnel across various programmes, regions and designations to execute its mandate. This workforce

comprises professionals, technical personnel and practitioners from diverse disciplines who collectively form the backbone of the institution. Currently, women occupy 40% of Senior Management Service (SMS) positions, falling short of the 50% equity target. Furthermore, the representation of persons with disabilities was 0% at the SMS level and 2.13% department-wide, both remaining below the 3% target. To address these gaps, 271 positions have been advertised, which will directly assist the Department in meeting its employment equity targets.



### Human Capital Development

The recruitment and retention of a skilled competent, and supportive workforce remained a strategic priority during the period under review. As of 31 March 2026, total staff complement stood at 2 447, against an opening balance of 2 417. Personnel turnover amounted to 136 employees, necessitating recruitment action in accordance with the established replacement principle. Accordingly, 271 positions were advertised, consisting of 164 replacement posts, 60 critical vacancies and 47 re-advertisements. While 45 interviews were finalised by 31 March 2026, the remaining positions are planned for to be filled within the 2026/27 financial year.

To sustain this workforce, the Department maintained a strong developmental focus, committing at least 1% of the annual wage bill to fund training and development initiatives. During the 2025/26 financial year, these funds directly supported internal capacity building, resulting in 1 319 staff members receiving training across significant disciplines. Furthermore, the Department strengthened its strategic partnerships, notably working with the National School of Government to implement targeted programmes. These joint initiatives successfully enhanced the skills and knowledge of public servants, ensuring the continuous cultivation of critical capabilities within the Department.

### Financial Management

| Financial Year | 2021/22   | 2022/23   | 2023/24   | 2024/25   | 2025/26   |
|----------------|-----------|-----------|-----------|-----------|-----------|
| Budget         | 4 886 395 | 4 932 851 | 5 566 200 | 5 799 624 | 6 382 748 |
| Expenditure    | 4 794 341 | 4 926 973 | 5 465 825 | 5 591 368 | 6 222 979 |
| Percentage     | 98.1%     | 99.9%     | 98.2%     | 96.4%     | 97.5%     |

The budget for the Department of Public Works, Roads, and Transport increased from R5.799 billion in the 2024/25 financial year to R6.382 billion in 2025/26. This final allocation includes an additional R476.8 million from the first budget adjustment and R29 million from the second adjustment. The increased funding was allocated to infrastructure projects, the procurement of property, plant,

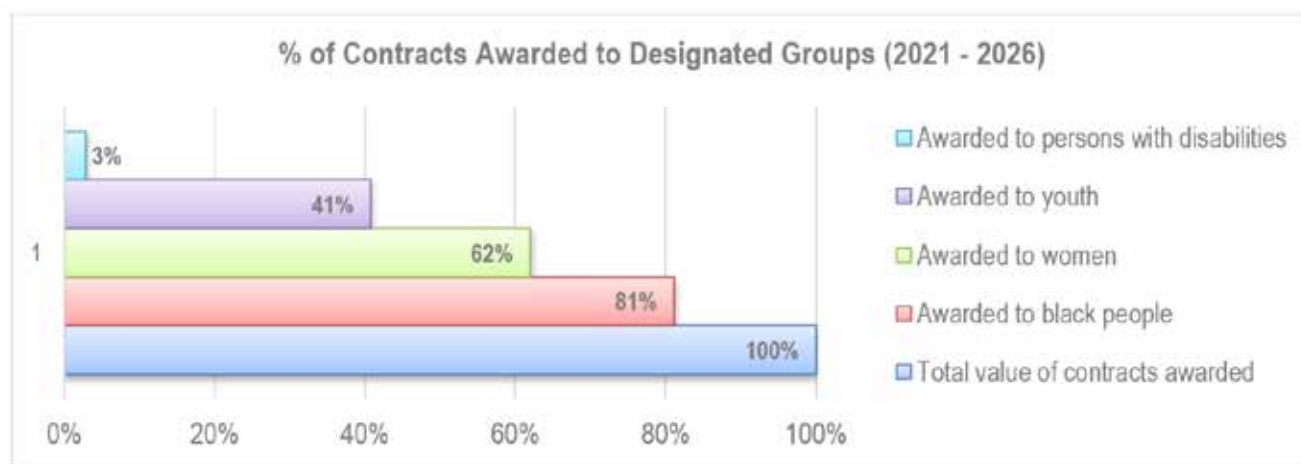
and equipment, roll-overs, and scholar transport services. To ensure resources are managed effectively, the Department maintained a strong emphasis on cost containment. This financial prudence plays a critical role in maximizing value for money and ensuring the effective and efficient use of public funds.

### Supply Chain Management

The Department's mandate primarily drives the procurement of goods and services for internal operations, infrastructure delivery and office accommodation. By directing a portion of this substantial expenditure to subcontractors and local suppliers, the Department actively supported Small, Medium and Micro Enterprises (SMMEs) within designated

groups. In compliance with constitutional requirements, all procurement processes were executed in a fair, equitable, transparent, competitive and cost-effective manner. During the financial year, the Department strengthened its internal control frameworks and intensified oversight mechanisms to ensure the empowerment of the following designated groups:

| Performance Indicator                | 2021/22<br>R'000 | 2022/23<br>R'000 | 2023/24<br>R'000 | 2024/25<br>R'000 | 2025/26<br>R'000 | Total Awarded<br>2021 - 2026<br>R'000 |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------------------------|
| Total value of contracts awarded     | 3 302 132        | 1 700 184        | 2 635 460        | 2 276 266        | 3 735 588        | 13 649 630                            |
| Awarded to black people              | 3 015 544        | 1 700 184        | 2 635 460        | 2 266 735        | 3 725 701        | 11 076 889                            |
| Awarded to women                     | 2 189 031        | 666 770          | 1 410 272        | 934 866          | 1 661 535        | 6 862 474                             |
| Awarded to youth                     | 298 250          | 408 878          | 676 775          | 486 183          | 927 210          | 2 797 296                             |
| Awarded to persons with disabilities | 9 779            | 7 643            | 8 218            | 22 403           | 30 310           | 78 353                                |



### Good Governance and Accountability

| Financial Year              | 2021/22                                 | 2022/23                                 | 2023/24                                 | 2024/25                                 | 2025/26                                 |
|-----------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Annual Financial Statements | Unqualified audit opinion with findings | Unqualified audit opinion with findings | Unqualified audit opinion with findings | Unqualified audit opinion with findings | Unqualified audit opinion with findings |
| Performance Information     | Clean audit opinion                     | Unqualified audit opinion               | Unqualified audit opinion               | Unqualified audit opinion               | Clean audit opinion                     |
| Information System Audit    | Clean audit opinion                     | Clean audit opinion                     | Clean audit opinion                     | Clean audit opinion                     | Clean audit opinion                     |

The Department's strong governance record rests on the rigorous enforcement of internal controls, including updated policies, standard operating procedures (SOPs) and compliance frameworks. These instruments guide daily operations, drive efficiency, ensure regulatory compliance and mitigate institutional risk. During the 2025/26 period, the Department reinforced these controls by implementing an annual audit action plan that successfully resolved some of the root causes of prior findings. Additionally, internal accountability forums and oversight committees met regularly to guarantee transparency, ethical leadership, and strict financial oversight. This robust regime ensured that public funds were used effectively, efficiently and in full compliance with statutory mandates.

### Digital Transformation

A developmental state leverages digital technologies to streamline administrative workflows, enhance public service delivery and foster active citizen participation in governance. Central to this vision is the Business Process Automation (BPA) project, spearheaded by the Provincial Treasury to systematically phase out manual processes across the

Mpumalanga Provincial Administration. Key achievements during the review period include rolling out an online subsistence and travel claims platform and implementing an e-recruitment system to process applications for vacancies advertised in March 2026. However, the digital divide remains a limitation to the reach and impact of these initiatives.

### Fleet Management

The strategic management of the Department's white fleet and yellow fleet remains critical to empowering local cost centres and driving the District Development Model (DDM). In line with this strategic focus, the Department successfully procured 20 additional graders during the 2025/26 financial year to accelerate rural road maintenance and infrastructure development across all districts. However, there has been a rise in the theft of graders which necessitated implementation of a robust and integrated approach to safeguard state assets. This strategy combines enhanced technology and collaboration with SAPS and local farming communities equipped with rural camera surveillance networks.

## 2.4 Key policy developments and legislative changes

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

| Policy/Legislation                                                          | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Budget Adjustment                                                           | In the final budget adjustment, a total of R505,8 million was added to the original budget allocation after budget adjustments were made within the financial year.                                                                                                                                                                                                                                                                                               |
| Framework to Enhance Participation of Persons with Disabilities in the EPWP | Guide to all the public bodies implementing EPWP on mainstreaming the participation of Persons with Disabilities (PWD) in the programme; eliminating unfair discriminatory practices; designing projects that are inclusive of, and accessible to PWD and advising public bodies on best practice guidelines for reasonable accommodation of PWD.                                                                                                                 |
| South African Construction Action Plan (SACAP)                              | SACAP is a framework to recover delayed construction projects and restore accountability. The plan introduces six key actions, including the blacklisting of defaulting contractors, ring-fencing of project budgets, digital tracking of all construction projects, the establishment of Procurement War Rooms, real-time audit collaboration with the Auditor-General, and the professionalisation of built environment practitioners within the public sector. |

The following eleven (11) policies were reviewed in the 2025/26 financial year to strengthen internal controls and good governance:

- Policy on Uniform
- Security Management Policy
- Management of Landline and Mobile Communication
- Policy on the Disposal of Vehicle, Plant Equipment and Redundant Government Stock
- Key Control Policy
- Risk Management Policy
- Fraud Prevention Policy
- Debt Management Policy
- Petty Cash Policy
- Revenue Management Policy
- Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy

### 3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Government of National Unity (GNU) has reaffirmed the National Development Plan (NDP) 2030 as the primary guiding principle for South Africa's development, formally integrating its core objectives into the Medium-Term Development Plan (MTDP) 2024 – 2029. It is against this

understanding that the Department of Public Works, Roads and Transport had aligned its Annual Performance Plan (APP): 2025/26 and Strategic Plan: 2020 – 2030 with this foundational blueprint. This alignment highlights a shift from policy formulation to measurable impact, with key initiatives aimed at creating jobs, reducing the cost of living and building a capable, ethical state.

| Impact Statement 01                                                                                                                 | Rapid, Inclusive and Sustainable Economic Growth and Job Creation                                                          |                        |                                     |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------------------|
| MTDP Priority 1                                                                                                                     | Drive Inclusive Economic Growth and Job Creation                                                                           |                        |                                     |
| Outcome                                                                                                                             | Outcome Indicator                                                                                                          | MTDP Target: 2025-2030 | Progress: 01 Apr 2025 - 31 Mar 2026 |
| Economic transformation and equitable inclusion of women, youth, persons with disabilities and military veterans for a just society | Value of contracts awarded to black people expressed as a percentage of the total value of contracts awarded.              | 80%                    | 99.7%                               |
|                                                                                                                                     | Value of contracts awarded to women expressed as a percentage of the total value of contracts awarded.                     | 60%                    | 44.9%                               |
|                                                                                                                                     | Value of contracts awarded to youth expressed as a percentage of the total value of contracts awarded.                     | 30%                    | 24.8%                               |
|                                                                                                                                     | Value of contracts awarded to persons with disabilities expressed as a percentage of the total value of contracts awarded. | 7%                     | 0.8%                                |
|                                                                                                                                     | Value of contracts awarded to military veterans expressed as a percentage of the total value of contracts awarded.         | 7%                     | 0%                                  |

| Impact Statement 01                                        | Rapid, Inclusive and Sustainable Economic Growth and Job Creation |                        |                                     |
|------------------------------------------------------------|-------------------------------------------------------------------|------------------------|-------------------------------------|
| MTDP Priority 1                                            | Drive Inclusive Economic Growth and Job Creation                  |                        |                                     |
| Outcome                                                    | Outcome Indicator                                                 | MTDP Target: 2025-2030 | Progress: 01 Apr 2025 - 31 Mar 2026 |
| Increased infrastructure investment, access and efficiency | <b>Surfaced Road Network</b>                                      |                        |                                     |
|                                                            | Percentage of road network in very good condition                 | 20%                    | 4%                                  |
|                                                            | Percentage of road network in good condition                      | 25%                    | 15%                                 |
|                                                            | Percentage of road network in fair condition                      | 32%                    | 30%                                 |
|                                                            | Percentage of road network in poor condition                      | 19%                    | 33%                                 |
|                                                            | Percentage of road network in very poor condition                 | 4%                     | 18%                                 |
|                                                            | <b>Gravel Road Network</b>                                        |                        |                                     |
|                                                            | Percentage of road network in good condition                      | 10%                    | 0%                                  |
|                                                            | Percentage of road network in fair condition                      | 58%                    | 4%                                  |
|                                                            | Percentage of road network in poor condition                      | 32%                    | 93%                                 |
| Increased infrastructure investment, access and efficiency | <b>State Owned Buildings</b>                                      |                        |                                     |
|                                                            | Percentage of assets unfit for occupancy (C1)                     | 0%                     | 1%                                  |
|                                                            | Percentage of assets in a poor condition (C2)                     | 35%                    | 21%                                 |
|                                                            | Percentage of assets in average condition (C3)                    | 55%                    | 61%                                 |
|                                                            | Percentage of assets in good condition (C4)                       | 6%                     | 15%                                 |
|                                                            | Percentage of assets in very good condition (C5)                  | 4%                     | 2%                                  |

| Impact Statement 02                         | Achieve a Just Society and Improved Standard of Living |                        |                                     |
|---------------------------------------------|--------------------------------------------------------|------------------------|-------------------------------------|
| MTDP Priority 2                             | Reduce Poverty and Tackle the High Cost of Living      |                        |                                     |
| Outcome                                     | Outcome Indicator                                      | MTDP Target: 2025-2030 | Progress: 01 Apr 2025 - 31 Mar 2026 |
| Increased employment and work opportunities | Number of EPWP work opportunities created              | 191 733                | 35 788                              |
|                                             | Number of youth employed (18-35)                       | 105 453                | 14 670                              |
|                                             | Number of women employed                               | 115 040                | 21 931                              |
|                                             | Number of persons with disabilities employed           | 3 835                  | 237                                 |

| Impact Statement 03                                                 | Public value and trust; active citizenry and partnerships in society         |                        |                                         |
|---------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------|-----------------------------------------|
| MTDP Priority 3                                                     | A Capable, Ethical and Developmental State                                   |                        |                                         |
| Outcome                                                             | Outcome Indicator                                                            | MTDP Target: 2025-2030 | Progress: 01 Apr 2025 - 31 Mar 2026     |
| Enhancing efficiency, accountability and public trust in government | Audit opinion on the regulatory audit by Auditor General South Africa (AGSA) | Clean Audit            | Unqualified audit opinion with findings |
|                                                                     | Audit on Annual Financial Statements (AFS)                                   | Clean Audit            | Unqualified audit opinion with findings |
|                                                                     | Audit on Predetermined Objectives (AOPO)                                     | Clean Audit            | Clean audit opinion                     |
|                                                                     | Information System Audit (ISA)                                               | Clean Audit            | Clean audit opinion                     |

#### 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The Department re-tabled its APP in June 2025; however, all quarterly reports submitted to oversight authorities including this Annual Report were based on the revised version. The only changes made to the APP related to targets under

Programme 2: Public Works Infrastructure, following a revision of plans by client departments. These adjustments affected the number of designs and capital projects planned for completion. Additionally, the Department amended the technical indicator descriptions for capital and maintenance projects to address findings raised by the Auditor-General during the 2024/25 financial year.

| Output Indicators                             | APP Tabled: 31 March 2025<br>Annual Targets: 2025/26 | Re-tabled APP: 10 June 2025<br>Annual Targets: 2025/26 |
|-----------------------------------------------|------------------------------------------------------|--------------------------------------------------------|
| <b>Building Infrastructure</b>                |                                                      |                                                        |
| <b>Design</b>                                 |                                                      |                                                        |
| 1. Number of infrastructure designs completed | <b>Total = 83</b>                                    | <b>Total = 73</b>                                      |
|                                               | DoE = 69                                             | DoE = 59                                               |
|                                               | DOH = 06                                             | DOH = 06                                               |
|                                               | DCSR = 08                                            | DCSR = 08                                              |
| <b>Construction</b>                           |                                                      |                                                        |
| 2. Number of capital projects completed       | <b>Total = 135</b>                                   | <b>Total = 128</b>                                     |
|                                               | DoE = 105                                            | DoE = 105                                              |
|                                               | DOH = 06                                             | DOH = 06                                               |
|                                               | DSD = 06                                             | DSD = 06                                               |
|                                               | DCSR = 12                                            | DCSR = 06                                              |
|                                               | <b>Special Projects</b>                              |                                                        |
|                                               | Parliamentary Village = 03                           | Parliamentary Village = 03                             |
|                                               | Mkhondo Boarding School = 01                         | Mkhondo Boarding School = 01                           |
|                                               | Renewable Energy = 01                                | (Project was removed due to non-allocation of funds)   |
|                                               | Kwamhlanga Government Complex = 01                   | Kwamhlanga Government Complex = 01                     |

4.1 Programme: 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 | ▪ To ensure overall management and support of the Department.                                                                                                                                                                                                                             |
| Corporate Support            | ▪ To manage personnel, procurement, finance, administration and related support services.                                                                                                                                                                                                 |
| Departmental Strategy        | ▪ To 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

- An ethical, capable and professional public service
- Increased employment and work opportunities
- Mainstreaming of gender, empowerment of women and persons with disabilities
- Enabling environment for investment and improved competitiveness

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 1 (Administration) successfully drove institutional capability and accountability by ensuring alignment with the Medium-Term Development Plan (MTDP). It advanced critical employment equity targets for women and persons with disabilities (PWD) in Senior Management Service (SMS) positions and bridging the youth employment gap through dedicated internship and learner placement initiatives. Operationally, the Programme enhanced compliance and financial governance by almost achieving the target of paying invoices within 30 days and exceeding revenue collection projections to strengthen Departmental competitiveness.



| Outcome                                                                     | Output                                              | Output Indicator                                         | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual achievement 2025/ 2026 | Deviation from planned target to actual achievement 2025/ 2026 | Reasons for deviations                                                                                                                                                  |
|-----------------------------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Human Resource Management and Development</b>                            |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| <b>Sub-programme: Human Resource Utilisation and Capacity Development</b>   |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| An ethical, capable and professional public service                         | Performance agreements signed                       | % of performance agreements signed                       | 100%                                  | 100%                                  | 100%                             | 100%                          | 0                                                              | None.                                                                                                                                                                   |
| Increased employment and work opportunities                                 | Interns enrolled                                    | Number of interns enrolled                               | 340                                   | 273                                   | 100                              | 198                           | 98                                                             | Additional CETA funded interns were enrolled.                                                                                                                           |
|                                                                             | Learners enrolled                                   | Number of learners enrolled                              | 765                                   | 240                                   | 50                               | 50                            | 0                                                              | None.                                                                                                                                                                   |
| <b>Sub-programme: Human Resource Practices and Administration</b>           |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| Mainstreaming of gender, empowerment of women and persons with disabilities | Women employed in SMS positions                     | % of Women in SMS positions                              | 37.5%                                 | 37.8%                                 | 50%                              | 40%                           | -10%                                                           | Budget constraints and limited vacant, funded posts.                                                                                                                    |
|                                                                             | Persons with disabilities employed                  | % of Persons with disabilities employed                  | 2%                                    | 2%                                    | 3%                               | 2.13%                         | -0.87%                                                         | Budget constraints and poor response to advertisement by PWD.                                                                                                           |
|                                                                             | Persons with disabilities employed in SMS positions | % of Persons with disabilities employed in SMS positions | 0%                                    | 0%                                    | 3%                               | 0%                            | -3%                                                            | Budget constraints and poor response to advertisement by PWD.                                                                                                           |
| <b>Financial Management</b>                                                 |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| <b>Sub-programme: Management Accounting</b>                                 |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| Enabling environment for investment and improved competitiveness            | Revenue collected                                   | Total amount of revenue collected                        | R28 million                           | R40.4 million                         | R55 million                      | R57.2 million                 | R2.2 Million                                                   | Over collection due to: <ul style="list-style-type: none"> <li>▪ Impound fees,</li> <li>▪ Auctions of redundant assets,</li> <li>▪ Interest on bank balance.</li> </ul> |
| <b>Sub-programme: Financial Accounting</b>                                  |                                                     |                                                          |                                       |                                       |                                  |                               |                                                                |                                                                                                                                                                         |
| Enabling environment for investment and improved competitiveness            | Payment of invoices paid within 30 days             | % of invoices paid within 30 days                        | 100%                                  | 99.7%                                 | 100%                             | 99.2%                         | -0.8%                                                          | Challenges with implementation of BAS Version 6.                                                                                                                        |

## Linking performance with budgets

| Sub- Programme Name          | 2025/2026           |                     |                     | 2024/2025           |                    |                          |
|------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------------|
|                              | Final Appropriation | Final Appropriation | Final Appropriation | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
|                              | R'000               | R'000               | R'000               | R'000               | R'000              | R'000                    |
| Office of the MEC            | 12,678              | 12,678              | -                   | 12,692              | 12,692             | -                        |
| Management of the Department | 5,466               | 5,466               | -                   | 5,844               | 5,844              | -                        |
| Corporate Support            | 334 440             | 334,440             | -                   | 320,643             | 320,632            | 11                       |
| Departmental Strategy        | 20,124              | 20,123              | 1                   | 22,471              | 22,454             | 17                       |
| <b>Total</b>                 | <b>361,650</b>      | <b>361,622</b>      | <b>1</b>            | <b>361,650</b>      | <b>361,622</b>     | <b>28</b>                |

The Programme fully spent its 2025/26 budget (100%) while achieving 50% (four out of eight) of its planned year end outputs. This expenditure funded support services delivered to four other Programmes, as well as Compensation of Employees (COE) and related employee benefits. Notably, the four unachieved targets, specifically the employment equity targets for women and persons with

disabilities (including Senior Management Services) and the payment of invoices within 30 days; carried no direct financial implications or cost impacts. The remaining advertised vacant posts will be filled during the 2026/27 financial year to progressively realise the workplace equity targets.

## Strategies to overcome areas of under performance

| Areas of under-performance                                      | Reasons for under-performance                                                                                                                 | Strategies to overcome area of under performance                                                                                                                    |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 40% of Women in SMS positions                                   | 5 SMS posts were advertised in the 2025/26 financial year which limited opportunities to improve gender representation.                       | A total of 17 SMS posts were advertised on the 6 <sup>th</sup> of March 2026. At least 12 women should be appointed to achieve the 50% target.                      |
| 2.13% of Persons with Disabilities employed                     | Limited pool of qualified candidates with disabilities.                                                                                       | 192 Posts were advertised on the 6 <sup>th</sup> of March 2026 which provides an opportunity to reach the target of 3%.                                             |
| 0% of Persons with Disabilities (PWD) employed in SMS positions | 5 SMS posts were advertised in the 2025/26 financial year which limited opportunities to improve representation of persons with disabilities. | A total of 17 SMS posts were advertised on the 6 <sup>th</sup> of March 2026. At least 3 PWD should be appointed to achieve the 3% target.                          |
| 99,2% Invoices paid within 30 days                              | There were national challenges with CSD and Logis/ BAS system due to implementation of BAS Version 6 during April and May 2025.               | Challenges were reported to Provincial Treasury and SITA and there was a concentrated effort to achieve the 100% target during the remainder of the financial year. |

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

There were no sectoral or provincial approved standardised outputs or 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 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          | <ul style="list-style-type: none"> <li>To ensure overall management and support of the programme.</li> </ul>                                                                                                                                                                                                                                                                                               |
| Planning                   | <ul style="list-style-type: none"> <li>To manage the demand for infrastructure.</li> <li>To facilitate development, monitoring and enforcement of built sector and property management norms and standards.</li> <li>To develop User Asset Management Plans and Custodian Management Plans.</li> <li>To facilitate development of Infrastructure Plans and Infrastructure Implementation Plans.</li> </ul> |
| Design                     | <ul style="list-style-type: none"> <li>To design new infrastructure and structural upgrades for existing buildings.</li> </ul>                                                                                                                                                                                                                                                                             |
| Construction               | <ul style="list-style-type: none"> <li>To oversee the construction of new facilities, upgrades and refurbishments.</li> </ul>                                                                                                                                                                                                                                                                              |
| Maintenance                | <ul style="list-style-type: none"> <li>To facilitate maintenance activities i.e. routine maintenance, scheduled maintenance; condition assessment of buildings and alterations.</li> </ul>                                                                                                                                                                                                                 |
| Immovable Asset Management | <ul style="list-style-type: none"> <li>To manage the property portfolio of the province.</li> <li>To provide accommodation for all provincial departments and other institutions, acquisition and disposal of properties, lease management and payment of all utilities.</li> </ul>                                                                                                                        |
| Facility Operations        | <ul style="list-style-type: none"> <li>To manage the operations of buildings including facilities management, cleaning, greening, beautification, interior decoration, designs and day to day preventative maintenance of electronic, electrical and mechanical equipment – all services related to managing a building.</li> </ul>                                                                        |

### Institutional outcome

- Increased infrastructure investment, access and efficiency.

### Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

This Programme facilitates infrastructure planning, design and delivery across several client departments, incorporating their respective performance targets. The Department completed 143 infrastructure projects

of varying complexities for four client departments. It also rapidly implemented emergency projects for the Department of Education following the Dec 2025/Jan 2026 floods. As the custodian of government immovable assets, the Department manages the full asset lifecycle: planning, acquisition, management, and disposal. This includes conducting annual condition assessments to shape portfolio strategy. Despite budget constraints, the Department maintained 5,050 assets through routine and preventative care.

| Outcome                                                    | Output                                    | Output Indicator                           | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual Achievement 2025/ 2026 | Deviation from planned target to Actual Achievement 2025/ 2026 | Reasons for deviations                                                                              |
|------------------------------------------------------------|-------------------------------------------|--------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Building Infrastructure                                    |                                           |                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                     |
| Sub-programme: Design                                      |                                           |                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                     |
| Increased infrastructure investment, access and efficiency | Building infrastructure designs completed | Number of infrastructure designs completed | 187                                   | 134                                   | 73                               | 81                            | 8                                                              | See reasons below:                                                                                  |
|                                                            |                                           |                                            | DoE=157                               | 126                                   | 59                               | 69                            | 10                                                             | Additional designs were completed as requested by the client department.                            |
|                                                            |                                           |                                            | DOH=10                                | 1                                     | 6                                | 5                             | -1                                                             | The design for Linah Malatjie Tertiary Hospital is still in progress.                               |
|                                                            |                                           |                                            | DCSR=8                                | 6                                     | 8                                | 7                             | -1                                                             | Moloto Library was re-prioritised by the client department.                                         |
| Sub-programme: Construction                                |                                           |                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                     |
| Increased infrastructure investment, access and efficiency | Capital projects completed                | Number of capital projects completed       | 132                                   | 139                                   | 128                              | 143                           | 15                                                             | See reasons below:                                                                                  |
|                                                            |                                           |                                            | DoE=101                               | 124                                   | 105                              | 125                           | 20                                                             | Additional projects were completed as requested by the client department.                           |
|                                                            |                                           |                                            | DOH=6                                 | 7                                     | 06                               | 2                             | -4                                                             | Delays due to site disruptions, revised scope of works, outstanding electrical connection by Eskom. |
|                                                            |                                           |                                            | DSD=5                                 | 1                                     | 06                               | 3                             | -3                                                             | Delays due to poor performing contractor, delayed payments and revised scope of works.              |

| Outcome                                                    | Output                                                                  | Output Indicator                                                            | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual Achievement 2025/ 2026 | Devia- tion from planned target to Actual Achieve- ment 2025/ 2026 | Reasons for deviations                                                    |
|------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------|
|                                                            |                                                                         |                                                                             | DCSR=15                               | 5                                     | 06                               | 11                            | 5                                                                  | Additional projects were completed as requested by the client department. |
|                                                            |                                                                         |                                                                             | Special projects                      |                                       |                                  |                               |                                                                    |                                                                           |
|                                                            |                                                                         |                                                                             | Parliamen- tary Village               | 0                                     | 3                                | 0                             | -3                                                                 | Community unrests and work stoppages on site.                             |
|                                                            |                                                                         |                                                                             | Mkhondo Boarding School               | 0                                     | 1                                | 1                             | 0                                                                  | None.                                                                     |
|                                                            |                                                                         |                                                                             | Kwamhlan- ga Gov- ernment Complex     | 0                                     | 1                                | 1                             | 0                                                                  | None.                                                                     |
| Immovable Asset Management                                 |                                                                         |                                                                             |                                       |                                       |                                  |                               |                                                                    |                                                                           |
| Sub-Programme: Maintenance                                 |                                                                         |                                                                             |                                       |                                       |                                  |                               |                                                                    |                                                                           |
| Increased infrastructure investment, access and efficiency | Maintenance projects completed                                          | Number of planned maintenance projects completed                            | 10                                    | 9                                     | 5                                | 21                            | 16                                                                 | Additional projects were completed due to savings realized.               |
| Sub-Programme: Property Management                         |                                                                         |                                                                             |                                       |                                       |                                  |                               |                                                                    |                                                                           |
| Increased infrastructure investment, access and efficiency | Facilities provided                                                     | Number of facilities provided                                               | 18                                    | 12                                    | 10                               | 10                            | 0                                                                  | None.                                                                     |
|                                                            | Facilities management services conducted on shared office accommodation | Number shared office accommodation receiving facilities management services | 9                                     | 8                                     | 9                                | 9                             | 0                                                                  | None.                                                                     |
|                                                            | Inspections conducted for optimal utilisation                           | Number of utilisation inspections conducted for office accommodation        | 50                                    | 55                                    | 50                               | 50                            | 0                                                                  | None.                                                                     |
|                                                            | Condition assessments conducted on state-owned buildings                | Number of condition assessments conducted on state-owned buildings          | 90                                    | 60                                    | 50                               | 50                            | 0                                                                  | None.                                                                     |

## Sub-programme expenditure

| Sub- Programme Name        | 2025/2026           |                    |                            | 2024/2025           |                    |                            |
|----------------------------|---------------------|--------------------|----------------------------|---------------------|--------------------|----------------------------|
|                            | 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          | 6,600               | 6,600              | -                          | 4,056               | 4,009              | 47                         |
| Planning                   | 5,894               | 5,894              | -                          | 6,546               | 6,546              | -                          |
| Design                     | 18,295              | 18,295             | -                          | 18,003              | 18,003             | -                          |
| Construction               | 240,208             | 193,508            | 46,700                     | 277,553             | 232,205            | 45,348                     |
| Maintenance                | 369,075             | 362,428            | 6,648                      | 357,894             | 357,797            | 97                         |
| Immovable Asset Management | 464,954             | 464,954            | -                          | 388,486             | 390,636            | (2,150)                    |
| Facility Operations        | 138,474             | 138,474            | -                          | 139,268             | 139,321            | (53)                       |
| <b>Total</b>               | <b>1,243,501</b>    | <b>1,243,501</b>   | <b>53,348</b>              | <b>1,191,806</b>    | <b>1,148,517</b>   | <b>43,289</b>              |

## Linking performance with budgets

Public Works Infrastructure spent 95,71% of its budget and achieved 7 of 7 planned targets. However, there were 2 infrastructure designs and 10 projects that were not completed at sub-indicator level per client department, which reflects an under performance in these areas. Refer to page 34 and 35 above. In the main, this included compensation of employees, capital works, maintenance of state buildings and rates & taxes. Capital projects and office accommodation expenditure for client departments are excluded, as these are reflected in their respective budget votes. Therefore, the year's under-expenditure resulted

from delays in completing three of the Department's major projects (i.e. the Parliamentary Village, Mkhondo Boarding School and the Renewable Energy Project at the RGC). A rollover of the unspent funds has been requested from the Provincial Treasury.

## Strategy to overcome areas of under performance

The performance indicator for capital infrastructure projects completed was overall achieved, however there were some projects for the Departments of Health and Social Development that were not completed, including the Parliamentary Village.

| Areas of under-performance                | Reasons for under-performance                                                                                                                                                                                                                                                                                                                                                                                                                           | Strategies to overcome area of under performance                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 of 6 Projects for DOH                   | <ul style="list-style-type: none"> <li>New Mapulaneng Hospital (Phase 3C): The project was delayed due to community disruptions and the under performance by the contractor for Phase 3A.</li> <li>Witbank Hospital (mental ward) was delayed due to changes in the scope of work.</li> <li>Dumphries Clinic was delayed due to an outstanding connection from Eskom.</li> <li>Troya Clinic was delayed due to a poor performing contractor.</li> </ul> | <ul style="list-style-type: none"> <li>The anticipated completion date is 30 September 2026.</li> <li>The anticipated completion date is 30 June 2026.</li> <li>The anticipated completion date is June 2026.</li> <li>The anticipated completion date is 30 May 2026.</li> </ul>                                                                                |
| 3 of 6 Projects for DSD                   | <ul style="list-style-type: none"> <li>Msogwaba Youth Development Centre was delayed due to cashflow challenges by the contractor and water supply.</li> <li>Umjindi Branch Office was halted due to delayed payments.</li> <li>Verena Branch Office was delayed due to an outstanding connection from Eskom.</li> </ul>                                                                                                                                | <ul style="list-style-type: none"> <li>A session contractor has been appointed to complete the works. The anticipated completion date is June 2026.</li> <li>The client department has committed to make all payments on time. The anticipated completion date is 30 September 2026.</li> <li>Eskom committed to connect the transformer by May 2026.</li> </ul> |
| 0 of 3 Projects for Parliamentary Village | <ul style="list-style-type: none"> <li>Projects were delayed due to community unrests and work stoppages on site.</li> </ul>                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>A court interdict was obtained to address the community unrests.</li> <li>Construction of houses were completed. All remaining works are planned for completion by June 2026.</li> </ul>                                                                                                                                  |

## 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 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       | <ul style="list-style-type: none"> <li>To ensure overall management and support of the program.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Infrastructure Planning | <ul style="list-style-type: none"> <li>To provide planning for all modes of transport including the movement of goods and passenger to integrate transport and spatial planning,</li> <li>To provide 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.</li> <li>To promote and improve safety on the transport infrastructure, facilitate the provision of road safety audits on all roads and transport infrastructure and ensure safe traffic and people movement.</li> <li>To provide data collection services and research services that support management information systems for the provincial road network. (e.g. road condition, traffic counts and accident data).</li> </ul> |
| Design                  | <ul style="list-style-type: none"> <li>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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Construction            | <ul style="list-style-type: none"> <li>To develop new, reconstruct, upgrade and rehabilitate road and transport infrastructure.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Maintenance             | <ul style="list-style-type: none"> <li>To effectively maintain road and transport infrastructure.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

### Institutional outcome

Increased infrastructure investment, access and efficiency.

### Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The Department leverages advanced scientific tools, including the Road Asset Management System (RAMS), to drive data-backed planning. Central to this process are visual assessments of both gravel and surfaced roads, which directly

inform transport infrastructure planning. During the 2025/2026 financial year, the Department successfully translated this data into tangible network improvements, achieving its annual targets for upgrades, rehabilitation, and maintenance. Notably, 07 Welisizwe Rural Bridges projects were completed despite severe operational challenges. The execution of these projects served as a critical mechanism for the economic empowerment of designated groups, ultimately fostering inclusive growth within the construction sector.

| Outcome                                                    | Output                                  | Output Indicator                                                                           | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual Achievement 2025/ 2026 | Deviation from planned target to Actual Achievement 2025/ 2026 | Reasons for deviations                                                                                    |
|------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <b>Sub-Programme: Infrastructure Planning</b>              |                                         |                                                                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                           |
| Increased infrastructure investment, access and efficiency | Infrastructure plans developed          | Number of consolidated infrastructure plans developed                                      | -                                     | 1                                     | 1                                | 1                             | 0                                                              | None.                                                                                                     |
|                                                            | Surfaced roads visually assessed        | Number of kilometers of surfaced roads visually assessed as per the applicable TMH manual. | 4 496                                 | 3 500                                 | 3 500                            | 3 500                         | 0                                                              | None.                                                                                                     |
|                                                            | Gravel roads visually assessed          | Number of kilometers of gravel roads visually assessed as per the applicable TMH manual    | 3 068                                 | 3 000                                 | 3 000                            | 3 000                         | 0                                                              | None.                                                                                                     |
| <b>Sub-Programme: Design</b>                               |                                         |                                                                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                           |
| Increased infrastructure investment, access and efficiency | Road infrastructure designs completed   | Number of Infrastructure designs completed                                                 | 6                                     | 6                                     | 2                                | 2                             | 0                                                              | None.                                                                                                     |
| <b>Sub-Programme: Construction</b>                         |                                         |                                                                                            |                                       |                                       |                                  |                               |                                                                |                                                                                                           |
| Increased infrastructure investment, access and efficiency | Gravel roads upgraded to surfaced roads | Number of kilometers of gravel roads upgraded to surfaced roads                            | 13                                    | 25.6                                  | 25                               | 25.54                         | 0.54                                                           | See reasons below:                                                                                        |
|                                                            |                                         | Surfaced roads                                                                             | 9                                     | 20.8                                  | 21                               | 21.71                         | 0.71                                                           | Works completed ahead of schedule.                                                                        |
|                                                            |                                         | Paving                                                                                     | 4                                     | 4.8                                   | 4                                | 3.83                          | -0.17                                                          | Delay in the commencement of Road D20.                                                                    |
|                                                            | IRMA projects completed                 | Number of IRMA projects completed                                                          | 1                                     | 4                                     | 5                                | 5                             | 0                                                              | None                                                                                                      |
|                                                            | Welisizwe bridges completed             | Number of Welisizwe bridges completed                                                      | 3                                     | 1                                     | 19                               | 7                             | -12                                                            | Limited SANDF construction teams deployed to projects. Persistent and heavy rainfall and plant breakdown. |

| Outcome                                                    | Output                                                 | Output Indicator                                                            | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual Achievement 2025/ 2026 | Deviation from planned target to Actual Achievement 2025/ 2026 | Reasons for deviations                                               |
|------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------|
|                                                            | Corrugated culverts replaced                           | Number of corrugated culverts replaced                                      | 0                                     | 0                                     | 5                                | 6                             | 1                                                              | Additional culvert completed due to savings realised.                |
|                                                            | Implementation of the Contractor Development Programme | Number of contractors participating in the Contractor Development Programme | 35                                    | 35                                    | 35                               | 35                            | 0                                                              | None.                                                                |
| <b>Sub-Programme: Maintenance</b>                          |                                                        |                                                                             |                                       |                                       |                                  |                               |                                                                |                                                                      |
| Increased infrastructure investment, access and efficiency | Surface roads rehabilitated                            | Number of square meters of surfaced roads rehabilitated                     | 394 470                               | 340 257                               | 188 950                          | 191 753                       | 2 803                                                          | Additional works completed on Road P33/4 between Hazyview and Sabie. |
|                                                            | Surfaced roads resealed                                | Number of square meters of surfaced roads resealed                          | 860 821                               | 988 095                               | 1 027 000                        | 1 047 267                     | 20 267                                                         | High demand due to poor road conditions.                             |
|                                                            | Gravel roads re-gravelled                              | Number of km of gravel roads re-gravelled                                   | 340                                   | 224                                   | 102                              | 253                           | 151                                                            | High demand due to flood damages.                                    |
|                                                            | Surfaced roads blacktop patched                        | Number of square meters of blacktop patching                                | 243 118                               | 271 939                               | 111 000                          | 251 251                       | 140 251                                                        | High demand due to flood damages.                                    |
|                                                            | Gravel roads bladed                                    | Number of kilometres of gravel roads bladed                                 | 22 526                                | 26 600                                | 23 000                           | 24 922                        | 1 922                                                          | High demand due to flood damages.                                    |

### Sub-programme expenditure

| Sub- Programme Name     | 2025/2026           |                    |                          | 2024/2025           |                    |                          |
|-------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                         | 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       | 1,115               | 1,115              | -                        | 983                 | 983                | -                        |
| Infrastructure Planning | 69,460              | 69,460             | -                        | 60,941              | 60,941             | -                        |
| Design                  | 65,938              | 65,938             | -                        | 69,470              | 69,470             | -                        |
| Construction            | 1,313,624           | 1,209,877          | 103,747                  | 1,208,572           | 1,068,397          | 140,175                  |
| Maintenance             | 1,569,443           | 1,568,443          | 1,000                    | 1,341,711           | 1,317,145          | 24,566                   |
| <b>Total</b>            | <b>3,019,580</b>    | <b>2,914,833</b>   | <b>104,747</b>           | <b>2,681,677</b>    | <b>2,516,936</b>   | <b>164,741</b>           |

### Linking performance with budgets

The Programme utilized 96.53% of its budget and achieved 13 out of 14 (93%) planned targets. However, the sub-indicator for paving was slightly under-achieved as stated on page 57 above the under indicator number of kilometers of gravel roads upgraded to surfaced roads. Total expenditure comprised employee compensation, design costs, capital works, road maintenance, consultant fees, and staff benefits.

The underspending occurred primarily within the Provincial Roads Maintenance Grant (PRMG) due to operational challenges in the Welisizwe Rural Bridges Programme's and the late allocation of disaster relief funds. As a result, the Programme will seek a rollover of the remaining funds from the Provincial Treasury. Detailed capital works breakdowns and project challenges are available on pages 57, 58, 60 and 61.

## Strategy to overcome areas of under performance

| Area of under-performance             | Reasons for under-performance                                                                                                                                                                                                                                                                                                                                   | Strategies to overcome area of under performance                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7 of 19 Welisizwe bridges constructed | <ul style="list-style-type: none"> <li>SANDF is the implementing agent of the programme.</li> <li>Limited teams are deployed within a local municipality, and the commencement of work in other municipalities depends on the rate of progress achieved in that municipality.</li> <li>Further delays due to incessant rainfall and plant breakdown.</li> </ul> | <p>DPWRT has made the following proposals to SANDF to enhance the implementation model but some of these have not been implemented:</p> <ul style="list-style-type: none"> <li>Procurement of critical construction materials to be done directly from local suppliers;</li> <li>Integration of term contractors to augment the SANDF engineering teams;</li> <li>Deployment of additional teams to other municipalities to expedite programme implementation.</li> </ul> |

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



## 4.4 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               | <ul style="list-style-type: none"> <li>To ensure overall management and support of the programme.</li> </ul>                                                                                                                                                                        |
| Public Transport Services       | <ul style="list-style-type: none"> <li>To management of integrated land transport contracts</li> <li>To provide mobility to the commuters.</li> </ul>                                                                                                                               |
| Operator Licenses and Permits   | <ul style="list-style-type: none"> <li>To manage operating license services</li> </ul>                                                                                                                                                                                              |
| Transport Safety and Compliance | <ul style="list-style-type: none"> <li>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.</li> </ul>                                  |
| Transport Systems               | <ul style="list-style-type: none"> <li>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.</li> </ul> |
| Infrastructure Operations       | <ul style="list-style-type: none"> <li>To manage transport terminals such as inter modal terminals, air passenger and freight terminals.</li> </ul>                                                                                                                                 |

### Institutional outcomes

- Reduced poverty and improved livelihoods
- Increased infrastructure investment, access and efficiency

### Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Public transport is a vital catalyst for economic inclusion, driving socioeconomic growth through the sustained delivery of commuter and scholar transport subsidy schemes. By reducing

the financial burden on vulnerable populations, these subsidies actively combat the high cost of living and alleviate poverty. To ensure strict accountability and measure the impact of these initiatives, the Department embedded specific performance indicators within its APP. Alongside economic accessibility, the Department prioritises road safety as a cornerstone of societal well-being and economic stability. This commitment is operationalised through strict transport regulation, rigorous law enforcement and expansive public awareness campaigns.

| Outcome                                                    | Output                                      | Output Indicator                                                | Audited Actual Performance 2023/ 2024 | Audited Actual Performance 2024/ 2025 | Planned Annual Target 2025/ 2026 | Actual Achievement 2025/ 2026 | Deviation from planned target to Actual Achievement 2025/ 2026 | Reasons for deviations                                                     |
|------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------------|-------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>Sub-Programme: Public Transport Services</b>            |                                             |                                                                 |                                       |                                       |                                  |                               |                                                                |                                                                            |
| Reduced poverty and improved livelihoods                   | Public Transport routes subsidised          | Number of routes subsidised                                     | 154                                   | 154                                   | 154                              | 154                           | None.                                                          | None.                                                                      |
|                                                            | Vehicle kilometres subsidised               | Number of vehicle kilometres subsidised                         | 26 594 176                            | 26 784 046                            | 26 546 796                       | 26 478 630                    | 68 166                                                         | Some trips were not operated due to community protests and breakdown       |
|                                                            | Scholar transport routes monitored          | Number of scholar transport routes monitored                    | 1 680                                 | 1 690                                 | 1 690                            | 1 690                         | 0                                                              | None.                                                                      |
| <b>Sub-Programme: Transport Safety and Compliance</b>      |                                             |                                                                 |                                       |                                       |                                  |                               |                                                                |                                                                            |
| Increased infrastructure investment, access and efficiency | Roadside checks conducted                   | Number of roadside checks conducted                             | 3 911                                 | 5 183                                 | 4 300                            | 6 692                         | 2 392                                                          | Additional scholar transport; Women's month and festive season operations. |
| <b>Sub-Programme: Operator Licenses and Permits</b>        |                                             |                                                                 |                                       |                                       |                                  |                               |                                                                |                                                                            |
| Increased infrastructure investment, access and efficiency | Provincial Regulating Entity (PRE) hearings | Number of Provincial Regulating Entity (PRE) hearings conducted | 48                                    | 52                                    | 60                               | 60                            | 0                                                              | None.                                                                      |

### Linking performance with budgets

#### Sub-programme expenditure

| Sub- Programme Name             | 2025/2026           |                    |                          | 2024/2025           |                    |                          |
|---------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                                 | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure | Final Appropriation | Actual Expenditure | (Over)/Under Expenditure |
|                                 | R'000               | R'000              | R'000                    | R'000               | R'000              | R'000                    |
| Programme Support               | 4,548               | 4,548              | -                        | 2,521               | 2,521              | -                        |
| Public Transport Services       | 1,494,248           | 1,492,576          | 1,672                    | 1,349,809           | 1,349,723          | 86                       |
| Operator Licenses Permits       | 15,687              | 15,687             | -                        | 13,694              | 13,694             | -                        |
| Transport Safety and Compliance | 132,183             | 132,183            | -                        | 113,271             | 113,270            | 1                        |
| Transport Systems               | 7,493               | 7,493              | -                        | 6,082               | 6,082              | -                        |
| Infrastructure Operations       | 6,024               | 6,024              | -                        | 8,608               | 8,608              | -                        |
| <b>Total</b>                    | <b>1,660,183</b>    | <b>1,658,511</b>   | <b>1,672</b>             | <b>1,493,985</b>    | <b>1,493,898</b>   | <b>87</b>                |

Transport Operations spent 99.99% of its budget and in the process achieved 4 of the 5 (80%) planned targets at year end. The expenditure includes compensation of employees, public transport subsidy, scholar transport services, law enforcement activities and related staff benefits. Costs were also incurred during the roadside checks that were

conducted as part ensuring compliance to the National Land Transport Act (NLTA). Furthermore, funds were spent on coordination of regional logistics and cross border operations along various corridors in Mpumalanga. Notable, there were accruals amounting to R94,7 million which emanated from the high demand on scholar transport.

**Strategy to overcome areas of under performance**

| Area of under-performance                                  | Reasons for under-performance                                                                                                                                                                                                                  | Strategies to overcome area of under performance                                                                                                                                                                           |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 26 478 630 of 26 546 79 Vehicle kilometers were subsidized | <ul style="list-style-type: none"> <li>Some trips were not operated due to DNOs (Did Not Operate) i.e. mechanical breakdowns, punctures, school and public holidays etc.</li> <li>Bus service disruptions during community unrests.</li> </ul> | <ul style="list-style-type: none"> <li>Penalties were affected as per the contractual agreements, and savings were surrendered to Treasury.</li> <li>To work with law enforcement to ensure emergency response.</li> </ul> |

**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 4.

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

4.5 Community Based Programme



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

Increased employment and work opportunities.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Inclusive growth and job creation remain central to the Department, with a deliberate focus on women, youth and persons with disabilities. This strategic priority directly enabled the Department to create 8 621 work opportunities

over the past year through the Expanded Public Works Programme (EPWP). Key beneficiaries included 5 486 women, 3 611 youth, and 16 persons with disabilities. Backed by a strengthened policy environment, this public employment initiative provides essential training to help job seekers build skills, secure employment and establish new enterprises. A new national framework designed to boost the participation of persons with disabilities was launched in November 2025.

| Outcome                                         | Output                                                                 | Output Indicator                                                                                                                      | Audited Actual Performance 2023/2024 | Audited Actual Performance 2024/2025 | Planned Annual Target 2025/2026 | Actual Achievement 2025/2026 | Deviation from planned target to Actual Achievement 2025/2026 | Reasons for deviations                                                                     |
|-------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Sub-Programme: Community Development            |                                                                        |                                                                                                                                       |                                      |                                      |                                 |                              |                                                               |                                                                                            |
| Increased employment and work opportunities     | Paid work opportunity created                                          | Number of work opportunities created                                                                                                  | 9 337                                | 9 729                                | 7 827                           | 8 621                        | 794                                                           | See reasons below:                                                                         |
|                                                 |                                                                        | Public Works Sector                                                                                                                   | 636                                  | 535                                  | 487                             | 505                          | 18                                                            | Additional interns appointed                                                               |
|                                                 |                                                                        | Transport Sector                                                                                                                      | 8 701                                | 9 194                                | 7 340                           | 8 116                        | 776                                                           | More work opportunities were reported due to an increased intake on Siyatentela Programme. |
| Sub-Programme: Innovation and Empowerment       |                                                                        |                                                                                                                                       |                                      |                                      |                                 |                              |                                                               |                                                                                            |
| Increased employment and work opportunities     | Empowerment Programmes implemented (NYS, Sakhabakhi and Siyatentela)   | Number of beneficiary empowerment interventions implemented.                                                                          | 3                                    | 3                                    | 3                               | 3                            | 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 | 3                                    | 3                                    | 3                               | 3                            | 0                                                             | None.                                                                                      |
| Sub-Programme: Coordination and Compliance      |                                                                        |                                                                                                                                       |                                      |                                      |                                 |                              |                                                               |                                                                                            |
| Increased employment and work opportunities     | Participation of Public bodies in EPWP                                 | Number of public bodies reporting on EPWP targets in the province                                                                     | 30                                   | 30                                   | 30                              | 30                           | 0                                                             | None.                                                                                      |
| Sub-Programme: EPWP Coordination and Monitoring |                                                                        |                                                                                                                                       |                                      |                                      |                                 |                              |                                                               |                                                                                            |
| Increased employment and work opportunities     | Youth employed                                                         | Number of youths employed (18 – 35)                                                                                                   | 3 931                                | 3 980                                | 4 305                           | 3 611                        | -694                                                          | See breakdown below:                                                                       |
|                                                 |                                                                        | Public Works Sector                                                                                                                   | 527                                  | 436                                  | 268                             | 417                          | 149                                                           | Enrolment of NYS and interns.                                                              |
|                                                 |                                                                        | Transport Sector                                                                                                                      | 3 404                                | 3 544                                | 4 037                           | 3 194                        | -843                                                          | Minimal participation of youth in the Siyatentela Programme.                               |

| Outcome | Output                             | Output Indicator                                    | Audited Actual Performance 2023/2024 | Audited Actual Performance 2024/2025 | Planned Annual Target 2025/2026 | Actual Achievement 2025/2026 | Deviation from planned target to Actual Achievement 2025/2026 | Reasons for deviations                                                                     |
|---------|------------------------------------|-----------------------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------|
|         | Women employed                     | <b>Number of women employed</b>                     | <b>6 618</b>                         | <b>6 525</b>                         | <b>4 696</b>                    | <b>5 486</b>                 | <b>790</b>                                                    | <b>See breakdown below:</b>                                                                |
|         |                                    | Public Works Sector                                 | 366                                  | 298                                  | 292                             | 291                          | -1                                                            | Minimal participation of women in building maintenance projects.                           |
|         |                                    | Transport Sector                                    | 6 252                                | 6 227                                | 4 404                           | 5 195                        | 791                                                           | More women were recruited under the Siyatentela programme                                  |
|         | Persons with disabilities employed | <b>Number of persons with disabilities employed</b> | <b>8</b>                             | <b>12</b>                            | <b>157</b>                      | <b>16</b>                    | <b>-141</b>                                                   | <b>See breakdown below:</b>                                                                |
|         |                                    | Public Works Sector                                 | 4                                    | 4                                    | 10                              | 10                           | 0                                                             | None.                                                                                      |
|         |                                    | Transport Sector                                    | 4                                    | 8                                    | 147                             | 6                            | -141                                                          | Minimal participation of PWD due to the scope of work and disclosure of disability status. |

### Linking performance with budgets

#### Sub-programme expenditure

| Sub- Programme Name               | 2025/2026           |                    |                          | 2024/2025           |                    |                          |
|-----------------------------------|---------------------|--------------------|--------------------------|---------------------|--------------------|--------------------------|
|                                   | 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                 | 2,019               | 2,019              | -                        | 2,140               | 2,140              | -                        |
| Community Development             | 52,197              | 52,196             | 1                        | 38,982              | 38,871             | 111                      |
| Innovation and Empowerment        | 9,539               | 9,539              | -                        | 8,771               | 8,771              | -                        |
| EPWP Co-ordination and Monitoring | 23,021              | 23,021             | -                        | 20,613              | 20,613             | -                        |
| <b>Total</b>                      | <b>86,776</b>       | <b>86,775</b>      | <b>1</b>                 | <b>70,506</b>       | <b>70,395</b>      | <b>111</b>               |

The Programme spent 100% of its budget and achieved 5 of 7 (71%) of its planned outputs. This expenditure funded compensation of employees, provincial coordination of the Expanded Public Works Programme (EPWP), mentorship and the training and development of emerging contractors. The

Department implemented 12 job-massification programmes during the year under review to expand employment opportunities. Because the budget for actual projects and programmes is allocated across Programmes 1, 2, 3, & 4, external departments and local municipalities, EPWP remains highly vulnerable to macroeconomic shocks that can trigger

forced fiscal consolidation or budget cuts.

#### Strategy to overcome areas of under performance

| Area of under-performance                                                            | Reasons for under-performance                                                                                                                                                                                                               | Strategy to overcome area of under performance                                                                                                                                                                   |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 194 of 4 037 Work opportunities created for youth (18 – 35) - Transport Sector     | Minimal youth participation in Siyatentela projects.                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Intentional recruitment to be implemented in all projects.</li> </ul>                                                                                                     |
| 6 of 147 Work opportunities created for persons with disabilities - Transport Sector | <ul style="list-style-type: none"> <li>Minimal participation of PWD in the programme due to the project scope not accommodating them.</li> <li>Participants with disabilities are reluctant to disclose their disability status.</li> </ul> | <ul style="list-style-type: none"> <li>The intentional recruitment process needs to be implemented across all programmes.</li> <li>Awareness workshops will be conducted on the Disability Framework.</li> </ul> |

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

There were no sectoral or provincial approved standardised

outputs and/or output indicators for Programme 5. Notwithstanding this, the Department developed its own indicators, and these were reflected in the APP and annual report.

### 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 2025 to 31 March 2026

| Name of transferee                  | Type of organisation       | Purpose for which the funds were used                              | Did the dept. comply with S38 (1) (j) of the PFMA | Amount transferred (R'000) | Amount spent by the entity | Reasons for the funds unspent by the entity |
|-------------------------------------|----------------------------|--------------------------------------------------------------------|---------------------------------------------------|----------------------------|----------------------------|---------------------------------------------|
| Bus operators x 6                   | Public transport operators | Bus subsidies                                                      | Yes                                               | 846,068                    | 845,608                    | Trips not operated (DNOs).                  |
| Provincial Taxi Council             | Public transport operators | Training and skill development                                     | Yes                                               | 12,500                     | 12,500                     | None.                                       |
| Public Corporation                  | Public Corporation         | Licence fees for ITC                                               | Yes                                               | 42                         | 41                         | None.                                       |
| All provincial local municipalities | Municipalities             | Licence fees                                                       | Yes                                               | 2,727                      | 2,727                      | None.                                       |
|                                     |                            | Rates and taxes                                                    | Yes                                               | 331,986                    | 331,986                    | None.                                       |
| Households                          | Employees                  | Injury on duty, leave gratuity and claims against the state (cash) | Yes                                               | 27,367                     | 27,367                     | None.                                       |

### 6. CONDITIONAL GRANTS

#### 6.1. Conditional grants and earmarked funds paid

The Department of Public Works, Roads and Transport does not pay any conditional grants.

#### 6.2. Conditional grants and earmarked funds received

The Department received R2,754,432 in grant funding and managed to spend R2,657,662 (96.5%) by the end of the financial year. The tables below detail the conditional grants and earmarked funds received for the period 1 April 2025 to 31 March 2026. This includes the Provincial Road Maintenance Grant (PRMG), the Public Transport Operations Grant (PTOG), and the Expanded Public Works Programme (EPWP) Grant.

#### Conditional Grant 1: Provincial Road Maintenance Grant (PRMG)

|                                                |                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Department who transferred the grant           | Department of Transport                                                                                                                                                                                                                                                                                                        |
| Purpose of the grant                           | <ul style="list-style-type: none"> <li>To supplement provincial roads investments and support preventative, routine and emergency, maintenance on provincial road networks.</li> <li>To Improve the provincial roads infrastructure.</li> </ul>                                                                                |
| Expected outputs of the grant                  | <ul style="list-style-type: none"> <li>188 950 square meters of surfaced roads rehabilitated</li> <li>1 207 000 square meters of surfaced roads resealed</li> <li>102 kilometers of gravel roads re-gravelled</li> <li>111 000 square meters of blacktop patching</li> <li>23 000 kilometers of gravel roads bladed</li> </ul> |
| Actual outputs achieved                        | <ul style="list-style-type: none"> <li>191 753 square meters of surfaced roads rehabilitated</li> <li>1 047 267 square meters of surfaced roads resealed</li> <li>253 kilometers of gravel roads re-gravelled</li> <li>251 251 square meters of blacktop patching</li> <li>24 922 kilometers of gravel roads bladed</li> </ul> |
| Amount per amended DORA                        | • 1,936,214                                                                                                                                                                                                                                                                                                                    |
| Amount received (R'000)                        | • 1,936,214                                                                                                                                                                                                                                                                                                                    |
| Reasons if amount as per DORA was not received | • None.                                                                                                                                                                                                                                                                                                                        |
| Amount spent by the department (R'000)         | • 1,839,889                                                                                                                                                                                                                                                                                                                    |
| Reasons for the funds unspent by the entity    | • The SANDF's chosen implementation model has caused delays in the implementation of Welisizwe projects.                                                                                                                                                                                                                       |
| Reasons for deviations on performance          | • Eight SANDF teams are deployed within a single local municipality. The commencement of operations in additional municipalities is contingent upon the rate of progress achieved in the current location.                                                                                                                     |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Measures taken to improve performance</b>            | <ul style="list-style-type: none"> <li>• DPWRT has made the following proposal to SANDF to enhance the implementation model but some of these have not been implemented:</li> <li>• Procurement of critical construction materials to be done directly from local suppliers</li> <li>• Integration of term contractors to augment the SANDF engineering teams.</li> <li>• SANDF to deploy additional teams to other municipalities to expedite programme implementation.</li> </ul> |
| <b>Monitoring mechanism by the receiving department</b> | <ul style="list-style-type: none"> <li>• To supplement provincial roads investments and support preventative, routine and emergency, maintenance on provincial road networks.</li> </ul>                                                                                                                                                                                                                                                                                            |

### Conditional Grant 2: Public Transport Operations Grant (PTOG)

|                                                         |                                                                                                                                                                                                                                                      |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department who transferred the grant</b>             | • Department of Transport                                                                                                                                                                                                                            |
| <b>Purpose of the grant</b>                             | <ul style="list-style-type: none"> <li>• To provide supplementary funding towards public transport services provided by the provincial department.</li> <li>• To provide access to transport facilities for the citizens of the province.</li> </ul> |
| <b>Expected outputs of the grant</b>                    | <ul style="list-style-type: none"> <li>• 154 Routes subsidised</li> <li>• 26 546 796 Kilometers subsidised</li> <li>• 814 002 Trips subsidised</li> </ul>                                                                                            |
| <b>Actual outputs achieved</b>                          | <ul style="list-style-type: none"> <li>• 154 Routes were subsidised</li> <li>• 26 478 630 Kilometers were subsidised</li> <li>• 810 757 Trips were subsidised</li> </ul>                                                                             |
| <b>Amount per amended DORA</b>                          | • 810,568                                                                                                                                                                                                                                            |
| <b>Amount received (R'000)</b>                          | • 810,568                                                                                                                                                                                                                                            |
| <b>Reasons if amount as per DORA was not received</b>   | • None.                                                                                                                                                                                                                                              |
| <b>Amount spent by the department (R'000)</b>           | • 810,123                                                                                                                                                                                                                                            |
| <b>Reasons for the funds unspent by the entity</b>      | <ul style="list-style-type: none"> <li>• Planned trips and kilometres could not be paid to Buscor, Putco, and Megabus because services were not rendered due to community protests and DNOs (breakdowns etc).</li> </ul>                             |
| <b>Reasons for deviations on performance</b>            | <ul style="list-style-type: none"> <li>• Planned Trips / Kilometres could not be operated by Buscor, Putco and Megabus, due to community protests and DNOs (breakdowns etc).</li> </ul>                                                              |
| <b>Measures taken to improve performance</b>            | <ul style="list-style-type: none"> <li>• Penalties were enforced due to the failure to operator all the planned trip / kilometres.</li> </ul>                                                                                                        |
| <b>Monitoring mechanism by the receiving department</b> | <ul style="list-style-type: none"> <li>• Performance reports, public operators' and commuters' meetings and monitoring of trips and routes.</li> </ul>                                                                                               |

### Conditional Grant 3: Expanded Public Works (EPWP) Grant

|                                                         |                                                                                                                                          |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Department who transferred the grant</b>             | • Department of Public Works and Infrastructure.                                                                                         |
| <b>Purpose of the grant</b>                             | • Performance based grant for job creation.                                                                                              |
| <b>Expected outputs of the grant</b>                    | • Creation of EPWP work opportunities.                                                                                                   |
| <b>Actual outputs achieved</b>                          | • 8 621 Work opportunities were created.                                                                                                 |
| <b>Amount per amended DORA</b>                          | • 7,650                                                                                                                                  |
| <b>Amount received (R'000)</b>                          | • 7,650                                                                                                                                  |
| <b>Reasons if amount as per DORA was not received</b>   | • None.                                                                                                                                  |
| <b>Amount spent by the department (R'000)</b>           | • 7,650                                                                                                                                  |
| <b>Reasons for the funds unspent by the entity</b>      | • None.                                                                                                                                  |
| <b>Reasons for deviations on performance</b>            | • None.                                                                                                                                  |
| <b>Measures taken to improve performance</b>            | • Not applicable.                                                                                                                        |
| <b>Monitoring mechanism by the receiving department</b> | <ul style="list-style-type: none"> <li>• Performance reports and EPWP reporting system and mentorship reports by the mentors.</li> </ul> |

## 7. DONOR FUNDS

The Department did not receive any donor funds.

## 8. CAPITAL INVESTMENT

### 8.1 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                          | 2025/2026                 |                          |                                | 2024/2025                 |                          |                                |
|--------------------------------------------------|---------------------------|--------------------------|--------------------------------|---------------------------|--------------------------|--------------------------------|
|                                                  | 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                       | 525,473                   | 426,682                  | 98,791                         | 472,728                   | 344,563                  | 128,165                        |
| <b>Existing infrastructure assets</b>            | 1,872,057                 | 1,952,033                | (79,976)                       | 1,980,898                 | 1,775,041                | 205,857                        |
| - Upgrades and additions                         | 432,860                   | 512,093                  | (79,233)                       | 460,302                   | 494,943                  | (34,641)                       |
| - Rehabilitation, renovations and refurbishments | 517,673                   | 488,024                  | 29,649                         | 576,120                   | 518,316                  | 57,804                         |
| - Maintenance and repairs                        | 921,524                   | 951,916                  | (30,392)                       | 944,476                   | 761,782                  | 182,694                        |
| <b>Infrastructure transfer</b>                   |                           |                          |                                |                           |                          |                                |
| - Current                                        | 921,524                   | 951,916                  | (30,392)                       | 944,476                   | 761,782                  | 182,694                        |
| - Capital                                        | 1,476,006                 | 1,426,799                | 49,207                         | 1,509,150                 | 1,357,832                | 151,328                        |
| <b>Total</b>                                     | <b>2,397,530</b>          | <b>2,078,715</b>         | <b>318,815</b>                 | <b>2,453,626</b>          | <b>2,119,604</b>         | <b>334,022</b>                 |

The Department has developed annual infrastructure implementation plans for both client-owned and internal road projects. These plans detail the infrastructure projects scheduled for completion during the 2025/26 financial year against initial

targets, explaining any material variances exceeding 2%. Below is the progress against these plans and lists of all active projects alongside their projected completion dates:

| Project Name                         | Scope of Work                                                                                                                                                              | Targeted Completion Date | Actual Completion Date | Reasons for Variance                            |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------------------------------|
| <b>Building Infrastructure</b>       |                                                                                                                                                                            |                          |                        |                                                 |
| <b>Department of Education</b>       |                                                                                                                                                                            |                          |                        |                                                 |
| 1. Sibongangwane Primary school      | Repairs to storm damaged to library and staff room block                                                                                                                   | 06-Apr-25                | 04-Apr-25              | None                                            |
| 2. Mshadza Secondary School          | Renovation of 31 classrooms, Science Laboratory and Home Economic Centre                                                                                                   | 25-Aug-25                | 04-Apr-25              | Completed ahead of schedule                     |
| 3. Rev SA Nkosi Secondary School     | Repairs to storm damaged to parents meeting block, block 1, 2, 3, 4 and 5                                                                                                  | 08-Apr-25                | 08-Apr-25              | None                                            |
| 4. Engelsdraai Primary School        | Repairs to storm damaged to parents meeting block, block 2, 3 and 4                                                                                                        | 06-Apr-25                | 09-Apr-25              | Unavailability of professional team to sign off |
| 5. Intfutuko Primary School          | Renovation of 14 Classrooms (Block B:4 Classrooms; Block C: 4 Classrooms; Block D: 6 Classrooms)                                                                           | 04-Apr-25                | 09-Apr-25              | Unavailability of professional team to sign off |
| 6. Clewer Combined School            | Demolition of asbestos toilets block and construction of 5 toilets and associated infrastructure                                                                           | 19-May-25                | 10-Apr-25              | Completed ahead of schedule                     |
| 7. Khuthalani Primary School         | Refurbishment of existing 2X4 classroom blocks, 22 waterborne toilets and grade R centre                                                                                   | 24-Feb-25                | 11-Apr-25              | Community disruptions ,no EOT applied           |
| 8. Masitakhe Secondary School        | Storm damage repairs to admin and ablution                                                                                                                                 | 17-Apr-25                | 15-Apr-25              | Completed ahead of schedule                     |
| 9. Buyani Primary School             | Construction of perimeter fence, guardhouse and related services                                                                                                           | 17-Apr-25                | 17-Apr-25              | None                                            |
| 10. Mbombo Combined School           | Renovation of 18 classrooms and administration block                                                                                                                       | 2 June 25                | 22-Apr-25              | Completed ahead of schedule                     |
| 11. Rietkol Primary School           | Provision of a fence and guardhouse and related services                                                                                                                   | 24-Apr-25                | 24-Apr-25              | None                                            |
| 12. Hoerskool Piet Retief            | Storm damaged repairs to civil workshop, perimeter palisade fencing wall, pavilion seating area, tennis court and electrical work installation to sports ground facilities | 12-Mar-25                | 29-Apr-25              | Slow performing subcontractor and disruptions   |
| 13. Portia Shabangu Secondary School | Repairs to Science block and administration block                                                                                                                          | 07-May-25                | 05-May-25              | None                                            |

| Project Name                        | Scope of Work                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Targeted Completion Date | Actual Completion Date | Reasons for Variance                            |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------------------------------|
| 14. Madi Combined School            | Renovation of 30 classrooms and Admin block                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 06-May-25                | 06-May-25              | None                                            |
| 15. Mabonwana Primary School        | Maintenance of administration block, 16 classrooms, 21 waterborne toilets, borehole drilling electrical and mechanical works.                                                                                                                                                                                                                                                                                                                                                                                                                                          | 30-Sep-25                | 07-May-25              | Completed ahead of schedule                     |
| 16. Cunningmore Primary School      | Maintenance of administration block, kitchen, 17 classrooms, 20 enviroloo toilets, borehole, electrical and mechanical related works                                                                                                                                                                                                                                                                                                                                                                                                                                   | 31-Jul-25                | 07-May-25              | Completed ahead of schedule                     |
| 17. Khanya Primary School           | Repairs to damaged classroom block                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 07-May-25                | 07-May-25              | None                                            |
| 18. Wisani Primary School           | Demolishing of existing pit toilets and construction of 25 enviroloo toilets with 8 urinals and HWB, French drain, water reticulation and drinking fountains.                                                                                                                                                                                                                                                                                                                                                                                                          | 26-May-25                | 08-May-25              | None                                            |
| 19. Klein Vrystaat Primary School   | Repairs to 3X5 classrooms, administration block, kitchen and classrooms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 09-May-25                | 09-May-25              | None                                            |
| 20. Lomahasha Secondary School      | Repairs to damaged roofs, 08 classrooms, library, computer and science laboratory, administration block, facial boards, replacement of perimeter fence and guardhouse                                                                                                                                                                                                                                                                                                                                                                                                  | 14-May-25                | 14-May-25              | None                                            |
| 21. Nhlengelo Primary School        | Demolition of 4 pit toilets, demolition of 12 substandard block of waterborne toilets. Construction of 25 toilets (5 for unisex Grade R, 10 for girls, 4 for boys, 2 for unisex disabled, 3 for female staff and 1 for male staff), 8 urinals (6 for boys and 2 for female staff) and basins. Provision of 2 drinking fountains. Fencing around water storage tanks. Repairs to existing borehole, drilling, and equipping of additional new borehole. Water reticulation. Removal of existing steel palisade fence. Provision of new perimeter fence with guardhouse. | 23-May-25                | 23-May-25              | None                                            |
| 22. Mavimbela Primary School        | Provision of fence, guardhouse and related services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 06-Jun-25                | 04-Jun-25              | Completed ahead of schedule                     |
| 23. Mabothe Senior Secondary School | Renovation of waterborne toilets, 15 classrooms, Laboratory, Library and Administration block                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 30-Jul-25                | 06-Jun-25              | Completed ahead of schedule                     |
| 24. Ndlela Secondary School         | Construction of Guard house and perimeter fence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 12-Jun-25                | 12-Jun-25              | None                                            |
| 25. Libangeni Secondary School      | Renovation of waterborne toilets, 14 classrooms, admin block and 2 exams hall                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 24-Jul-25                | 17-Jun-25              | Completed ahead of schedule                     |
| 26. Ndabezitha Combined School      | Comprehensive Maintenance to 12 classrooms and administration block                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 05-Aug-25                | 20-Jun-25              | Completed ahead of schedule                     |
| 27. Thaba Chweu Boarding School     | Maintenance of onsite wastewater treatment plants and filtration systems.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 10-Jun-25                | 24-Jun-25              | Slow performing subcontractors and disruptions  |
| 28. Madiboane Primary School        | Repairs to 5 classrooms block 4 classrooms block and 3 classrooms block                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 06-Oct-25                | 24-Jun-25              | Completed ahead of schedule                     |
| 29. Tholukwazi Primary School       | Demolition of unsafe structures and construction of administration block, 02 classroom block and 03 Grade R centres.                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 23-Jul-25                | 27-Jun-25              | Completed ahead of schedule                     |
| 30. George Hofmeyer Special School  | Construction of 4 new standard classrooms, renovations to existing dormitories, renovations to the existing workshops, renovations to the existing mechanical and electricity works, fire compliance and external works                                                                                                                                                                                                                                                                                                                                                | 30-Jun-25                | 01-Jul-25              | Unavailability of professional team to sign off |
| 31. Cana Primary School             | Repairs to 3 x 5 classrooms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 09-Jul-25                | 01-Jul-25              | Completed ahead of schedule                     |
| 32. Ezwenilethu Primary School      | Renovation of 2 x 5 classrooms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 13-Aug-25                | 02-Jul-25              | Ahead of time                                   |

| Project Name                          | Scope of Work                                                                                                                                                                                                                                                                                                                                             | Targeted Completion Date | Actual Completion Date | Reasons for Variance                                                                                      |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-----------------------------------------------------------------------------------------------------------|
| 33. Kalkoenkrans Primary School       | Replacing to storm damaged roof covering, roof trusses, ceilings and cracked or broken glazing in 2 classroom block and Grade R classroom. Replacing damaged electrical wiring and fittings.                                                                                                                                                              | 07-Jul-25                | 04-Jul-25              | Ahead of time                                                                                             |
| 34. Mokebe Secondary School           | Provision of perimeter fence, guardhouse and related services                                                                                                                                                                                                                                                                                             | 07-Jul-25                | 08-Jul-25              | Unavailability of professional team to sign off                                                           |
| 35. Siyathokoza Secondary School      | Renovation of 16 classrooms, school hall, laboratory, Administration block                                                                                                                                                                                                                                                                                | 06-Jun-25                | 11-Jul-25              | Contractor was working only after school and weekends due to non-provision of mobiles during construction |
| 36. Mzangedwa Secondary School        | Refurbishment of 16 classrooms and admin block, 20 waterborne toilets and guardhouse                                                                                                                                                                                                                                                                      | 25-Aug-25                | 15-Jul-25              | Ahead of time                                                                                             |
| 37. Ebhudlweni Primary School         | Renovation of 20 classrooms, administration block, ablution blocks and demolition of 05 classrooms block                                                                                                                                                                                                                                                  | 15-Aug-25                | 16-Jul-25              | Ahead of time                                                                                             |
| 38. Phake Primary School              | Renovation of 18 classrooms and administration block                                                                                                                                                                                                                                                                                                      | 13-Aug-25                | 17-Jul-25              | Ahead of time                                                                                             |
| 39. Mkhondo Boarding School           | Construction of 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.                                                             | 31-Jul-25                | 18-Jul-25              | Ahead of schedule as per approved EOT.                                                                    |
| 40. Manyakatana Primary School        | Construction of perimeter fence, guardhouse and related services                                                                                                                                                                                                                                                                                          | 13 May 25                | 21-Jul-25              | Slow performing subcontractors and disruptions                                                            |
| 41. Joseph Matsebula Secondary School | Renovation of 18 waterborne toilets, 22 classrooms, admin block, media and science lab centres                                                                                                                                                                                                                                                            | 01-Jul-25                | 30-Jul-25              | Slow performing subcontractors and disruptions                                                            |
| 42. Khamane Secondary School          | Renovations to the administration block, library, double storey (12 classrooms and 20 toilets), double storey (2 classrooms and hospitality centre), double storey (14 classrooms and 20 toilets), double storey (2 classrooms and 2 science laboratories and computer centre and 24 toilets                                                              | 05-Aug-25                | 31-Jul-25              | Ahead of time                                                                                             |
| 43. Funduqhubeke Primary School       | Demolition and construction of 03 classrooms block and comprehensive rehabilitation of the remaining three 3 classrooms block                                                                                                                                                                                                                             | 31-Jul-25                | 31-Jul-25              | None                                                                                                      |
| 44. Godide Secondary School           | Demolition of 16 existing classrooms, 8 existing pit toilets, administration block, kitchen. Construction of 12 new classrooms, administration block, computer canter, science laboratory, library, kitchen, Guardhouse. Upgrade on the existing water supply, upgrade on the existing electricity supply, ramps and rails, car park and 2 sports fields. | 07-Aug-25                | 31-Jul-25              | Completed ahead of schedule                                                                               |
| 45. MC Zitha Secondary School         | Major Maintenance of 19 classrooms                                                                                                                                                                                                                                                                                                                        | 16-Sep-25                | 31-Jul-25              | Completed ahead of schedule                                                                               |
| 46. Mavula Primary School             | Renovation of administration block, 14 classrooms, Grade R classrooms, library, computer centre, kitchen and 16 waterborne toilets.                                                                                                                                                                                                                       | 21-Nov-25                | 01-Aug-25              | Completed ahead of schedule                                                                               |
| 47. Klipfontein Primary School        | Minor renovation of 26 classrooms. Deep clean to learner's ablution.                                                                                                                                                                                                                                                                                      | 07-Aug-25                | 05-Aug-25              | Completed ahead of schedule                                                                               |
| 48. Shongwe Boarding School           | Refurbishment of male and female hostel, kitchen, Hall, administration block, 18 classrooms, 24 toilets, Maths and UNISA classrooms, 2 laboratories, library and computer centre.                                                                                                                                                                         | 08-Sep-25                | 13-Aug-25              | Completed ahead of schedule                                                                               |

| Project Name                                     | Scope of Work                                                                                                                                                                                                                                                                                                                                         | Targeted Completion Date | Actual Completion Date | Reasons for Variance        |
|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-----------------------------|
| 49. Phelwane Primary School                      | Refurbishment of administration block, 12 classrooms, 8 waterborne toilets, 11 Enviroloo toilets, electrical and mechanical works                                                                                                                                                                                                                     | 13-Oct-25                | 27-Aug-25              | Completed ahead of schedule |
| 50. Soshangana Secondary School                  | Demolition of existing 12 pit toilets, Refurbishment of 2 enviro loo toilets, Staff waterborne toilets, Construction of 8 enviro loo toilets with 4 Urinals, provision of 5000L storage tank, 3 elevated steel stands, palisade fencing around the storage facilities, water reticulation, water purification plant, French drain and urinal network. | 29-Aug-25                | 28-Aug-25              | Completed ahead of schedule |
| 51. Mvuyazi Primary School                       | Demolition of existing 12 pit toilets. Construction of 12 enviroloo with 4 urinals, 4 drinking fountains, 6 water storage tanks elevated with 6X5m steel stand, water reticulation, palisade fencing around the storage facilities, French drain and urinal network                                                                                   | 29-Aug-25                | 29-Aug-25              | None                        |
| 52. Hlalisani Primary School                     | Demolition and full replacement of a 4 classrooms blocks                                                                                                                                                                                                                                                                                              | 25-Aug-25                | 01-Sep-25              | Adverse weather conditions  |
| 53. Ndlela Secondary School                      | Construction of 4 new classrooms and new kitchen facility                                                                                                                                                                                                                                                                                             | 25-Sep-25                | 5-Sep-25               | Completed ahead of schedule |
| 54. Nancy Shiba Primary School                   | Refurbishment and renovation of 23 classrooms, 1 administration block, fence and 18 ablution facilities                                                                                                                                                                                                                                               | 23-Jan-26                | 5-Sep-25               | Completed ahead of schedule |
| 55. Siboshwa Primary School                      | Refurbishment and renovations of existing classroom blocks. Construction of new Guard House, electrical supply to new Guard House and fencing                                                                                                                                                                                                         | 10-Oct-25                | 10-Sep-25              | Completed ahead of schedule |
| 56. Ehlanzeni District Offices- A                | Maintenance of ablution facilities and installation of new sewer and water reticulation system                                                                                                                                                                                                                                                        | 23 Oct-25                | 11-Sep-25              | Completed ahead of schedule |
| 57. Njeyeza Secondary School                     | Demolition of dilapidated guardhouse and fence, construction of new perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 16-Sep-25                | 16-Sep-25              | None                        |
| 58. Nhanyane Secondary School                    | Comprehensive Maintenance of administration block, 16 classrooms, 24 waterborne toilets, 14 Enviro- loo toilets, science laboratory, multipurpose centre, walkways, electricity and mechanical related works                                                                                                                                          | 30-Jan-26                | 17-Sep-25              | Completed ahead of schedule |
| 59. Paulos Ngobeni Primary School                | Refurbishment of 22 existing toilets, construction of 7 enviroloo toilets, water reticulation, 3 drinking water fountains, French drain and urinal network                                                                                                                                                                                            | 22-Sep-25                | 22-Sep-25              | None                        |
| 60. Jerusalem Secondary School                   | Demolition of existing shelter and construction of a shelter. Renovation of two classroom blocks: roof painting, electrical repairs, ceiling fan installation and paint works                                                                                                                                                                         | 31-Oct-25                | 23-Sep-25              | Completed ahead of schedule |
| 61. Ekucathuzeni Primary School                  | Replacing to storm damaged roof covering, roof trusses, ceilings fascia and barge boards in 2 x 6 classroom block and administration block. Replacing damaged electrical wiring and fittings.                                                                                                                                                         | 23-Sep-25                | 23-Sep-25              | None                        |
| 62. Mdumiseni Primary School                     | Renovation of 14 classrooms                                                                                                                                                                                                                                                                                                                           | 24-Sep-25                | 25-Sep-25              | None                        |
| 63. Pfunekani Early Childhood Development Centre | Replacement of damaged portion of roof structure (trusses, purlins, roof sheets and ceilings) electrical installations. Replacement of damaged dry wall partitioning's in female ablutions and doors                                                                                                                                                  | 26-Nov-25                | 25-Sep-25              | Completed ahead of schedule |
| 64. Mapala Combined School                       | Refurbishment of 20 seats waterborne toilets, drilling a new borehole, supply and install complete 5m high steel tank stand and elevate existing 1 5000 Liters jojo tank complete. Demolition of existing man-made urinal, demolition of existing 3 seats pit toilets and rehabilitation of demolished pit toilets                                    | 18-Oct-25                | 30-Sep-25              | Completed ahead of schedule |
| 65. Khombindlela Primary School                  | Repairs to storm damage and comprehensive renovations to 12 classrooms and administration block including electrical installations                                                                                                                                                                                                                    | 22-Dec-25                | 1-Oct-25               | Completed ahead of schedule |

| Project Name                                 | Scope of Work                                                                                                                                                                                                                                                                                       | Targeted Completion Date | Actual Completion Date | Reasons for Variance                           |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|------------------------------------------------|
| 66. Merlin Park Primary School               | Refurbishment of 23 classrooms, refurbishment of administration block, electrical repairs to all classrooms, installation of ceiling fans to 23 classrooms, plastering internal walls and deep clean external walls in admin block, repaint all columns in classrooms and deep clean all classrooms | 07-Nov-25                | 07-Oct-25              | Completed ahead of schedule                    |
| 67. Umpilusi Primary School                  | Demolition of 15 pit toilets, renovate 02 staff toilets in the administration block, construct 15 new toilets. Supply and install 5 000L Jojo tank with a tank stand and install steel palisade fence including a steel gate around water tank. 01 water and fresh drain. Subsoil drain.            | 08-Oct-25                | 08-Oct-25              | None                                           |
| 68. Lekanang Primary School                  | Repairs and Maintenance to storm damage to 1 x 3 classroom block                                                                                                                                                                                                                                    | 01-Dec-25                | 10-Oct-25              | Completed ahead of schedule                    |
| 69. Engabezweni Secondary School             | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 10-Nov-25                | 21-Oct-25              | Completed ahead of schedule                    |
| 70. Ben W Mashego Secondary School           | Repairs and Maintenance to storm damage to 2 x 3 classroom block                                                                                                                                                                                                                                    | 04-Nov-25                | 04-Nov-25              | None                                           |
| 71. Makhosonke Primary School                | Demolition of 20 pit toilets and construction of 20 enviro- loo toilets, 07 urinals and 13 wash hand basins. Construction of 2 x 5 000L water storage tanks on steel tank stands. Drilling and equipping of new borehole. Construction of water drinking fountains.                                 | 27-Nov-25                | 07-Nov-25              | Completed ahead of schedule                    |
| 72. KaDuma Primary School                    | Comprehensive renovation of 4 x 4 Classroom Block and Administration Block                                                                                                                                                                                                                          | 08-Sep-25                | 11-Nov-25              | Slow performing subcontractors and disruptions |
| 73. Soniye Primary School                    | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 15-Dec-25                | 12-Nov-25              | Completed ahead of schedule                    |
| 74. Emakhazeni Boarding School               | Refurbishment of on-site wastewater treatment plant                                                                                                                                                                                                                                                 | 20-Sep-25                | 13-Nov-25              | Completed behind schedule                      |
| 75. Steve Tshwete Boarding School            | Refurbishment of on-site wastewater treatment plant                                                                                                                                                                                                                                                 | 13-Nov-25                | 13-Nov-25              | None                                           |
| 76. Kaile Early Childhood Development Centre | Replacement of roof structure (trusses, purlins, roof sheets and ceilings) and ceilings including electrical installation.                                                                                                                                                                          | 26-Nov-25                | 19-Nov-25              | Completed ahead of schedule                    |
| 77. Nganana Secondary School                 | Replacement of roof coverings and water goods to all classrooms and administration block, electrical and mechanical installation                                                                                                                                                                    | 09-Dec-25                | 19-Nov-25              | Completed ahead of schedule                    |
| 78. Tsiki Naledi Secondary School            | Comprehensive maintenance of administration block, 4 classrooms, kitchen, Hall and 2 Grade R's, 4 classrooms, (1 Grade RR and 3 Grade R) library bookstore and computer laboratory, 1 storeroom, Grade R toilet, boys' toilet, girls' toilet and storeroom.                                         | 20-Nov-25                | 20-Nov-25              | None                                           |
| 79. Siyabuswa Primary School                 | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 24-Nov-25                | 20-Nov-25              | Completed ahead of schedule                    |
| 80. Sukumani Primary School                  | Repairs to storm damage and Maintenance to all existing facilities                                                                                                                                                                                                                                  | 01-Apr-26                | 21-Nov-25              | Completed ahead of schedule                    |
| 81. Lihawu Secondary School                  | Refurbishment of 20 classrooms and Installation of 5 000L water storage tanks with elevated platforms and reticulation links.                                                                                                                                                                       | 30-Jan-26                | 25-Nov-25              | Completed ahead of schedule                    |
| 82. Floraphophe Primary School               | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 01-Dec-25                | 01-Dec-25              | None                                           |
| 83. Malatse Secondary School                 | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                                  | 01-Dec-25                | 01-Dec-25              | None                                           |
| 84. Lindzalekuhle Primary School             | Maintenance of 12 classrooms, Grade R and RR classrooms, administration block, 18 enviroloo toilets, electrical and mechanical installation                                                                                                                                                         | 21-Mar-26                | 02-Dec-25              | Completed ahead of schedule                    |

| Project Name                    | Scope of Work                                                                                                                                                                                                                                                  | Targeted Completion Date | Actual Completion Date | Reasons for Variance                            |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------------------------------|
| 85. Maripe Secondary School     | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 15-Dec-25                | 02-Dec-25              | Completed ahead of schedule                     |
| 86. Bethamoya Primary School    | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 18 Dec--25               | 03-Dec-25              | Completed ahead of schedule                     |
| 87. Madiba High School          | Comprehensive maintenance of 7 classrooms, kitchen, 10 waterborne toilets and 8 Enviro loo toilets                                                                                                                                                             | 02-Feb-26                | 03-Dec-25              | Completed ahead of schedule                     |
| 88. Rev SA Nkosi Secondary      | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 16-Dec-25                | 03-Dec-25              | Completed ahead of schedule                     |
| 89. Phuthumani Primary School   | Comprehensive maintenance of 22 classrooms                                                                                                                                                                                                                     | 15-Jan-26                | 03-Dec-25              | Completed ahead of schedule                     |
| 90. Orhovelani Secondary School | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 12-Jan-26                | 04-Dec-25              | Completed ahead of schedule                     |
| 91. Vezubuhle Secondary School  | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 04-Dec-25                | 04-Dec-25              | None                                            |
| 92. Seme Secondary School       | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 09-Nov-25                | 09-Dec-25              | Community disruptions, no EOT application       |
| 93. Pilgrimrest Primary school  | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 12-Dec-25                | 11-Dec-25              | None                                            |
| 94. MC Zitha Secondary school   | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 11- Dec-25               | 11-Dec-25              | None                                            |
| 95. Cibiliza Secondary School   | Construction of new 22 enviroloo, demolition of 09 waterborne type ablutions and demolition of 10 pit toilets. Refurbishment of 03 elevated tank stands. Installation of 02 Jojo tanks of 5 000L. Upgrading of borehole and drinking fountain to be installed. | 09-Dec-25                | 09-Dec-25              | None                                            |
| 96. Mabarihule Secondary School | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 15-Dec-25                | 15-Dec-25              | None                                            |
| 97. Phuthumani Primary School   | Refurbishment of 05 waterborne toilets, construction of 31 enviroloo toilets, demolition of existing 6 pit toilets, demolition of existing dilapidated 20 waterborne toilets, water reticulation and associated external works.                                | 01-Dec-25                | 17-Dec-25              | Community disruptions                           |
| 98. Mathupa Primary School      | Repairs and maintenance to storm damage to the administration block, repairs to storm damage to the kitchen                                                                                                                                                    | 05-Jan-26                | 22-Dec-25              | Completed ahead of schedule                     |
| 99. Soshangane Secondary School | Maintenance of administration block, 25 classrooms, computer lab, storeroom and staff room                                                                                                                                                                     | 08-Jan-26                | 22-Dec-25              | Completed ahead of schedule                     |
| 100. Twalakule Primary School   | Maintenance of administration block and 20 classrooms                                                                                                                                                                                                          | 04-Mar-26                | 11-Jan-26              | Completed ahead of schedule                     |
| 101. 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.                                                                    | 24-Feb-26                | 13-Jan-26              | Completed ahead of schedule as per approved EOT |
| 102. Takheleni Primary School   | Repairs to storm damage and maintenance to all existing facilities                                                                                                                                                                                             | 01-Apr-26                | 16-Jan-26              | Completed ahead of schedule                     |
| 103. Maziya Combined School     | Refurbishment and renovation of 29 classrooms, 1 administration block. Refurbishment of 22 ablution facilities and fencing.                                                                                                                                    | 19-Jan-26                | 19-Jan-26              | None                                            |
| 104. Sethlare Primary           | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                             | 23-Feb-26                | 21-Jan-26              | Completed ahead of schedule                     |

| Project Name                                         | Scope of Work                                                                                                                                                                                                                                                                          | Targeted Completion Date | Actual Completion Date | Reasons for Variance                           |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|------------------------------------------------|
| 105. Mapulaneng Teacher Development Centre (Phase 1) | Repairs, renovation and refurbishment of computer centre and office                                                                                                                                                                                                                    | 19-Dec-25                | 23-Jan-26              | Slow performing subcontractors and disruptions |
| 106. Moepi Secondary School                          | Repairs to 5 classrooms and administration block                                                                                                                                                                                                                                       | 10-Dec-25                | 26-Jan-26              | Slow performing subcontractors and disruptions |
| 107. Khuphukani Primary School                       | Repairs and renovations of 16 classrooms                                                                                                                                                                                                                                               | 29-Jan-26                | 26-Jan-26              | None                                           |
| 108. Manyano Primary School                          | Maintenance of 24 classrooms, administration block, library, nutrition block, Grade R toilets block, female toilets block and male toilet block                                                                                                                                        | 28-Jan-26                | 28-Jan-26              | None                                           |
| 109. Njeyeza Primary School                          | Maintenance of admin block, library, 28 classrooms, 2 laboratories and school hall                                                                                                                                                                                                     | 31-Mar-26                | 29-Jan-26              | Completed ahead of schedule                    |
| 110. Magubha Primary School                          | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                     | 10-Feb-26                | 29-Jan-26              | Completed ahead of schedule                    |
| 111. Khula Secondary School                          | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                     | 29-Jan-26                | 29-Jan-26              | None                                           |
| 112. Tjhidelani Primary School                       | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                     | 3-Feb-26                 | 30-Jan-26              | Completed ahead of schedule                    |
| 113. Madizi Secondary School                         | Repairs to 1 x 4 classroom block of face brick and demolition of unsafe structures                                                                                                                                                                                                     | 13-Apr-26                | 02-Feb-26              | Completed ahead of schedule                    |
| 114. Phakani Primary School                          | Comprehensive refurbishment of Block B (eight classrooms, stores, and administration office), Block C (eight classrooms and stores), the Enviroloo ablutions, as well as storm-damage repairs to a Block A (four-classroom block) and the covered assembly                             | 31-Jan-26                | 02-Feb-26              | None.                                          |
| 115. Mbombo Primary School                           | Construction of a perimeter fence, guardhouse and related services                                                                                                                                                                                                                     | 04-Feb-26                | 04-Feb-26              | None                                           |
| 116. Nduma Primary School                            | Demolish existing 8 pit toilets and Construction of 8 enviroloo toilets with 1 Urinal and 6 wash hand basins, Refurbishment of existing enviroloo toilets, provision of drinking fountains and 2 water tanks.                                                                          | 21-Nov-25                | 10-Feb-26              | Slow performing subcontractors and disruptions |
| 117. Ndedema Primary School                          | Major maintenance of 11 classrooms                                                                                                                                                                                                                                                     | 14-Mar-26                | 12-Feb-26              | Completed ahead of schedule                    |
| 118. Vezubuhle Secondary School                      | Refurbishment of 20 classrooms, administration block and 06 enviroloo toilets                                                                                                                                                                                                          | 27 Feb-26                | 13-Feb-26              | Completed ahead of schedule                    |
| 119. Kobi Primary School                             | Repairs of storm damage to the roof sheeting, to 3 x 4 classrooms and 1 classroom block                                                                                                                                                                                                | 27-Jul-26                | 09-Mar-26              | Completed ahead of schedule                    |
| 120. Mbongeni Primary School                         | Comprehensive refurbishment of Block C (4 Classrooms), Block D (4 Classrooms), Administration Block, Enviroloo ablutions and External Works, as well as storm-damage repairs to Block A (5 Classroom with Nutrition Centre), Block B (Laboratory/Media Centre) and covered parking bay | 30-May-26                | 09-Mar-26              | Completed ahead of schedule                    |
| 121. Lugebhuta Secondary School (Phase 2)            | Renovation of existing 19X classrooms and assembly canopy (roofing, ceilings, doors, finishes, electrical works and minor structural rectifications)                                                                                                                                   | 14-Mar-26                | 10-Mar-26              | Completed ahead of schedule                    |
| 122. Ligugu Secondary School                         | Maintenance of administration block, 21 classrooms and laboratory                                                                                                                                                                                                                      | 20-Mar-26                | 11-Mar-26              | Completed ahead of the approved date for EOT.  |
| 123. Mahlale High School                             | Storm damage repairs to the administration block                                                                                                                                                                                                                                       | 12-May-26                | 25-Mar-26              | Completed ahead of schedule                    |

| Project Name                                       | Scope of Work                                                                                                                                                                                                                                                                                                                          | Targeted Completion Date | Actual Completion Date | Reasons for Variance                                |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-----------------------------------------------------|
| 124. Bongani Primary School                        | Demolition of 12 pit toilets, refurbishment of 18 waterborne toilets, construction of 9 enviroloo toilets. Provision of 1 5000L tank on elevated tank stand. Cleaning and honey sucking of existing septic tank                                                                                                                        | 13-Mar-26                | 26-Mar-26              | Unavailability of professional team to sign off     |
| 125. Mphoti Primary School                         | Storm damage repairs to the roof sheeting of 8 classrooms block with two storerooms, as well as a 5-classroom block with a storeroom and shelter                                                                                                                                                                                       | 23-Jul-26                | 26-Mar-26              | Completed ahead of schedule                         |
| <b>Department of Health</b>                        |                                                                                                                                                                                                                                                                                                                                        |                          |                        |                                                     |
| 1. Matikwana Hospital: (Phase 1A)                  | Removal of existing asbestos roof tile and ceiling and replacement with IBR sheeting and new ceiling. Upgrade of the electrical and mechanical works                                                                                                                                                                                   | 12-Aug-24                | 25-Jul-25              | EOT approved                                        |
| 2. New Mapulaneng Hospital (Phase 3 B)             | Construction of top structures for the new hospital) (OPD and Others)                                                                                                                                                                                                                                                                  | 01-Jul-20                | 27-Jan-26              | EOT approved                                        |
| <b>Department of Social Development</b>            |                                                                                                                                                                                                                                                                                                                                        |                          |                        |                                                     |
| 1. Mbuzini Branch Office                           | Construction of 16 new offices                                                                                                                                                                                                                                                                                                         | 09-Jan-23                | 12-Aug-25              | EOT approved                                        |
| 2. Mmamethlake Branch Office                       | Construction of 16 new offices                                                                                                                                                                                                                                                                                                         | 25-Oct-22                | 06-Jun-25              | EOT approved                                        |
| 3. Acornhoek Branch Office                         | Construction of new offices                                                                                                                                                                                                                                                                                                            | 10-Jun-25                | 30-Mar-26              | Poor performing contractor.                         |
| <b>Department of Culture, Sport and Recreation</b> |                                                                                                                                                                                                                                                                                                                                        |                          |                        |                                                     |
| 1. Embalenhle Public Library                       | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 30-Jan-25                | 15-Apr-25              | EOT approved                                        |
| 2. Rietkuil Public Library                         | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 24-Aug-24                | 29-May-25              | EOT approved                                        |
| 3. Mkhondo Public Library                          | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 03-Oct-24                | 30-May-25              | EOT approved                                        |
| 4. Botleng Public Library                          | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 11-Oct-24                | 31-Jul-25              | EOT approved                                        |
| 5. Low's Creek (Louieville)                        | Construction of new library                                                                                                                                                                                                                                                                                                            | 13-Feb-24                | 02-Sep-25              | EOT approved                                        |
| 6. Thubelihle Public Library                       | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 08-Dec-25                | 22-Jan-26              | Poor performing contractor.                         |
| 7. Shatale Public Library                          | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 11-Dec-25                | 04-Feb-26              | Poor performing contractor.                         |
| 8. Stanwest Public Library                         | Maintenance to existing library                                                                                                                                                                                                                                                                                                        | 15-Jan-26                | 20-Mar-26              | Poor performing contractor.                         |
| 9. Elukwatini Library                              | Maintenance of existing library                                                                                                                                                                                                                                                                                                        | 30-Mar-26                | 26-Feb-26              | None.                                               |
| 10. Phumula Library                                | Maintenance of existing library                                                                                                                                                                                                                                                                                                        | 30-Mar-26                | 13-Mar-26              | None.                                               |
| 11. Masoyi Library                                 | Maintenance of existing library                                                                                                                                                                                                                                                                                                        | 30-Mar-26                | 30-Mar-26              | None.                                               |
| <b>Special projects</b>                            |                                                                                                                                                                                                                                                                                                                                        |                          |                        |                                                     |
| 1. Mkhondo Boarding School                         | Construction of 4 Grade R classrooms, 3 Grade R accommodation blocks, 28 classrooms, 8 dormitory blocks, admin block, library, computer center, science lab, multipurpose hall, ablution facilities, guardhouse, changing rooms and related sports facilities, cleaners' office, generator room, refuse room, and associated services. | 31-Jul-25                | 18-Jul-25              | Ahead of schedule as per the approved EOT.          |
| 2. Kwamhlanga Government Complex                   | Electrical upgrade of lifts                                                                                                                                                                                                                                                                                                            | 30-Jun-25                | 27-Mar-26              | Delayed electrical connection allocation of budget. |

| Project Name                                                               | Scope of Work                        | Targeted Completion Date | Actual Completion Date | Reasons for Variance                                                                 |
|----------------------------------------------------------------------------|--------------------------------------|--------------------------|------------------------|--------------------------------------------------------------------------------------|
| <b>Transport Infrastructure</b>                                            |                                      |                          |                        |                                                                                      |
| <b>Road Infrastructure</b>                                                 |                                      |                          |                        |                                                                                      |
| 1. Road D2950 from R571 (km 0.0) past Mananga (6km) River Crossing         | Rehabilitation of non-coal haul road | Nov-24                   | Sep-25                 | The completion of ancillary works and the snag list took longer than anticipated.    |
| 2. Road P182/1 (R542) between Van Dyksdrift and Hendrina (12.1 km) Phase 3 | Rehabilitation of coal haul road     | Nov-25                   | Jan-26                 | Contractor cash flow problems                                                        |
| 3. Kumani Bridge on Road D4422 near Thulamahashe                           | Reconstruction of bridge             | Jul-25                   | Dec-25                 | Sub-contractor appointed to complete the works (cashflow problems).                  |
| 4. Road P33/4 between Hazyview and Sabie (7.7km) Phase 2                   | Rehabilitation of non-coal haul road | Aug-25                   | Feb-26                 | Maintenance works were undertaken as additional scope to the rehabilitation project. |
| 5. Road D2915 in Zithabiseni (3km) Phase 2                                 | Upgrade from gravel to paved road    | Mar-26                   | Feb-26                 | Completed ahead of schedule.                                                         |
| 6. Road D3976 in Mathibela (0.3km) Phase 2B                                | Upgrade from gravel to paved road    | Mar-26                   | Feb-26                 | Completed ahead of schedule.                                                         |
| 7. Access road to new Middelburg Hospital (1.2km)                          | Upgrade from gravel to surfaced road | Sep-25                   | Feb-26                 | Slow rate of progress by contractor.                                                 |
| <b>Welisizwe Bridges</b>                                                   |                                      |                          |                        |                                                                                      |
| 1. Boschfontein, Skoonplaas bridge                                         | Bailey Bridge construction           | Apr-25                   | Apr-25                 | None.                                                                                |
| 2. Buffelspruit Gap 2 bridge                                               | Bailey Bridge construction           | Jun-25                   | Jun-25                 | None.                                                                                |
| 3. Jeppes Reef Gap 1 bridge                                                | Bailey Bridge construction           | Jun-25                   | Jul-25                 | Delayed procurement and supply of steel bridge components.                           |
| 4. Mjejane bridge                                                          | Bailey Bridge construction           | Jun-25                   | Jul-25                 | Delayed procurement and supply of steel bridge components.                           |
| 5. Buffelspruit Gap 1 bridge                                               | Bailey Bridge construction           | Jun-25                   | Aug-25                 | Delayed procurement and supply of steel bridge components.                           |
| 6. Schuzendal bridge                                                       | Bailey Bridge construction           | Mar-26                   | Mar-26                 | None.                                                                                |
| 7. Magogeni bridge                                                         | Bailey Bridge construction           | Mar-26                   | Mar-26                 | None.                                                                                |
| <b>Integrated Rural Mobility and Access (IRMA) Projects</b>                |                                      |                          |                        |                                                                                      |
| 1. Culvert on Road D1837, Strydom, Nkomazi                                 | Construction of a culvert            | May-25                   | May-25                 | None.                                                                                |
| 2. Sabie Bridge on Road P33/4                                              | Reconstruction of bridge             | Aug-25                   | Sep-25                 | Prolonged project closure.                                                           |
| 3. Culvert bridge on Road D2918, Kwaggafontein                             | Construction of culvert bridge       | Dec-25                   | Dec-25                 | None.                                                                                |

| Project Name                                                              | Scope of Work                | Targeted Completion Date | Actual Completion Date | Reasons for Variance                              |
|---------------------------------------------------------------------------|------------------------------|--------------------------|------------------------|---------------------------------------------------|
| 4. Culvert on Road D935 between Katjibane Nokaneng-Phase 1A               | Construction of a culvert    | Nov-25                   | Feb-26                 | Design changes.                                   |
| 5. Culvert on Road D383, Wonderfontein                                    | Construction of a culvert    | Nov-25                   | Feb-26                 | Delay due to initial cancellation of appointment. |
| 6. Daggakraal Bus shelters                                                | Construction of bus shelters | Apr-26                   | Mar-26                 | Completed ahead of schedule.                      |
| <b>ARMCO Culvert Replacement</b>                                          |                              |                          |                        |                                                   |
| 1. Culvert on Road P177/1 (Carolina - Chrissismeer), Chief Albert Luthuli | Culvert replacement          | May-25                   | Sep-25                 | Inclement weather.                                |
| 2. Culvert on Road D2296 between Karino and Thekwane South                | Culvert replacement          | Dec-25                   | Jan-26                 | Inclement weather.                                |
| 3. Culvert on Road P7/2 Piet Retief - Volkrust                            | Culvert replacement          | Dec-25                   | Mar-26                 | Inclement weather.                                |
| 4. Culvert on Road P P7/2 Piet Retief - Volkrust                          | Culvert replacement          | Dec-25                   | Mar-26                 | Inclement weather.                                |
| 5. Culvert on Road P7/2 Piet Retief in Dr Pixley Ka Seme                  | Culvert replacement          | Dec-25                   | Mar-26                 | Inclement weather.                                |
| 6. Culvert on Road P7/2 Piet Retief in Dr Pixley Ka Seme                  | Culvert replacement          | Apr-26                   | Mar-26                 | Completed ahead of schedule.                      |

The following projects were not completed in the 2025/26 financial year:

| Project name                             | Scope of work                                                                                                                                                                                                                                                                                                                                                                                                                              | Targeted completion date | Revised completion date | Reasons for the delays                                                                       |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------|----------------------------------------------------------------------------------------------|
| <b>Department of Education</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          |                         |                                                                                              |
| 1. Longtom Secondary School              | Provision of bulk services (fencing, water, sanitation and electrical installation, Construction of 14 Classrooms, administration block, library, computer center, laboratory, kitchen, ramps & rails, school hall, 3 sports grounds and car park.                                                                                                                                                                                         | 15-Feb-26                | 30-Apr-26               | Delayed by excessive rainfall.                                                               |
| 2. Langa Secondary School                | Substitution of mobile classrooms and construction of new facilities. Construction of 12 classrooms, an administration block, library, computer center, science lab, kitchen, guardhouse, and other related facilities. Additionally, it encompasses providing basic services such as water supply systems, storm water management, sewage disposal systems. It also includes the creation of driveways, parking areas, and sports fields. | 12-Mar-26                | 30-Apr-26               | Project progress was affected by excessive rainfall.                                         |
| 3. Extension 24/ Rockdale Primary School | Provision of bulk services (fencing, water, sanitation and electrical installation, Construction of 28 Classrooms, 2 Grade R Centre, administration block, library, computer center, kitchen, ramps & rails, kitchen, 3 sports grounds and car park.                                                                                                                                                                                       | 13-Feb-26                | 20-May-26               | Project delayed due to delay in bulk water connection to the main supply (Municipality line) |

| Project name                                   | Scope of work                                                                                                                                                                                                                                 | Targeted completion date | Revised completion date | Reasons for the delays                                                                                        |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------|
| 4. Farel Primary School                        | Demolition of 03 non-compliant shack classrooms and new construction of 02 classrooms and 02 Grade R centers.                                                                                                                                 | 27-Feb-26                | 30-Jun-26               | Project delayed due to business forum disruptions and late appointment of the CLO                             |
| 5. Itireleng Primary School                    | Maintenance of administrative block, 26 classrooms, 18 waterborne toilets, electrical and mechanical works                                                                                                                                    | 12-Mar-26                | 30-Jun-26               | Poor performing contractor                                                                                    |
| 6. Nthoroane Secondary School                  | Maintenance of Laboratory, kitchen and 15 classrooms, Administration block, 21 waterborne toilets, electrical and mechanical associated works                                                                                                 | 20-Jan-26                | 30-Jun-26               | Project delayed due to ongoing learning and teaching and late appointment of the Health and Safety consultant |
| 7. Mandinda Early Childhood Development Centre | Construction of 3 new classrooms for the early childhood development center, guardhouse with refuse area, fence, parking with 5 covered carports, storm water drainage, water and sewer reticulation, electrical installation and playground. | 23-Mar-26                | 30-Jun-26               | Delayed due to Eskom finalizing the electrical connection                                                     |
| 8. Tiyani Primary School                       | Demolition of 32 pit toilets and 11 waterborne. Construction of 18 enviroloo toilets with 09 urinals and 19 wash hand basin, French drain, water reticulation, 03 drinking fountain and 4 Jojo tanks                                          | 2-Feb-26                 | 30-Jun-26               | Project delayed due to community disruption and inclement weather                                             |
| 9. Makopanong Primary School                   | Demolition of 26 toilets and construction of new 24 enviro- loo toilets, 10 urinals, 6 concrete wash trough and upgrading of waterborne toilets in grade R center.                                                                            | 6-Mar-26                 | 30-Jun-26               | Community disruption and inclement weather                                                                    |
| <b>Department of Health</b>                    |                                                                                                                                                                                                                                               |                          |                         |                                                                                                               |
| 1. New Mapulaneng Hospital (Phase 3 C)         | Construction of Residential buildings, Library, Gymnasium, Swimming pool, sporting facilities and other outbuildings, internal roads, external roads & related services (stormwater, sewer services, water services, etc)                     | 30-Jun-25                | 31-Jul-26               | Project site closures by community members                                                                    |
| 2. Witbank Hospital                            | Renovation of Mental ward                                                                                                                                                                                                                     | 07-Dec-23                | 27-Apr-26               | Project start delayed due to scope and design changes                                                         |
| 3. Dumphries Clinic                            | Construction of a new medium clinic on a green field site                                                                                                                                                                                     | 05-Dec-25                | 16-May-26               | Project delayed by Eskom assessment and connection.                                                           |
| 4. Troya Clinic                                | Construction of new clinic                                                                                                                                                                                                                    | 21-Feb-24                | 30-May-26               | Poor performing contractor.                                                                                   |
| <b>Department of Social Development</b>        |                                                                                                                                                                                                                                               |                          |                         |                                                                                                               |
| 1. Msogwaba Youth Development Centre           | Completion of construction of youth development centre (YDC)                                                                                                                                                                                  | 27-Feb-22                | 30-Jun-26               | Poor performing contractor and water supply issues                                                            |
| 2. Umjindi Branch Office                       | Construction of new branch offices                                                                                                                                                                                                            | 16-Dec-24                | 30-Sep-26               | Project progress halted due to delayed payments.                                                              |

| Project name                                                                                                                  | Scope of work                                                                                    | Targeted completion date | Revised completion date | Reasons for the delays                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------|-------------------------|------------------------------------------------------------------------------------------------------|
| 3. Verena branch Office                                                                                                       | Provision of mobile Office, fencing, drilling of a borehole and services                         | 06-Sep-25                | 30-Apr-26               | Project delayed due to the finalisation of the Eskom connection                                      |
| <b>Mpumalanga Provincial Legislature</b>                                                                                      |                                                                                                  |                          |                         |                                                                                                      |
| 1. Parliamentary Village (Phase 2)                                                                                            | Completion of internal bulk Infrastructure, internal roads, parking areas and related earthworks | 30-Sep-24                | 30-Jun-26               | Community unrests and work stoppages on site.                                                        |
| 2. Parliamentary Village (Phase 3)                                                                                            | Completion of main buildings and external works.                                                 | 30-Sep-24                | 30-Jun-26               | Community unrests and work stoppages on site.                                                        |
| 3. Parliamentary Village (Phase 4)                                                                                            | Installation of integrated security systems                                                      | 30-Sep-24                | 30-Jun-26               | Community unrests and work stoppages on site.                                                        |
| <b>Transport Infrastructure</b>                                                                                               |                                                                                                  |                          |                         |                                                                                                      |
| 1. Coal Haul Road D2274 from N11 at km 18.7 to D1398 at km 31.7 North of Hendrina (13.0 km)                                   | Upgrading of Coal Haul Road                                                                      | Oct-25                   | Apr-26                  | Contractor cash flow problems and increased project cost due to increased CPA and Rise & Fall.       |
| 2. D481 between Mooiplaas and Ekulindeni (Phase 3)                                                                            | Reconstruction of road                                                                           | Mar-26                   | Jul-26                  | Poor performance by contractor and abandonment of site by the contractor.                            |
| 3. Road D3960 (9.2 km) and D4442 (3.6 km) Ga-Motibidi to Rainbow (12.7 km)                                                    | Upgrading of road                                                                                | Oct-25                   | May-26                  | Slow rate of progress by the contractor.                                                             |
| 4. Road D4407 between Hluvukani and Timbavati (7.82km), Road D4409 at Welverdiend (6.46km) and Road D4416/2 between Timbavati | Upgrading of road                                                                                | Nov-24                   | May-26                  | Delays of relocation of Eskom poles within the alignment of road D4407.                              |
| 5. Road D4382 between Belfast and Justicia (13.60km)                                                                          | Upgrading of road                                                                                | Feb-26                   | Dec-26                  | Cashflow challenges by the contractor and work stoppages due to non-payment of the SMMEs.            |
| 6. Road D2950 from D797 to Dhludluma incl. Ring Road (8 km)                                                                   | Upgrading of road                                                                                | Jan-26                   | Jul-26                  | Delayed plant supply and delivery from the community businesses and delays due to inclement weather. |

| Project name                                                        | Scope of work                 | Targeted completion date | Revised completion date | Reasons for the delays                                                                                      |
|---------------------------------------------------------------------|-------------------------------|--------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------|
| 7. Road D1723 (Luphisi Road) between Road D636 and P258/1 (6.82 km) | Rehabilitation of road        | Sep-25                   | Jul-26                  | Contractor cashflow challenges resulting in work stoppages by labourers due to non-payments.                |
| 8. Road D3954 and D3958 between Casteel and Zoeknag (9.0km)         | Upgrading of road             | May-26                   | Nov-26                  | Work stoppage (downing of tools/unrest) due to non-payment of local labourers and SMME's by the contractor. |
| <b>Welisizwe Rural Bridges</b>                                      |                               |                          |                         |                                                                                                             |
| 1. Bridge at Jeppes 10, Nkomazi                                     | Construction of Bailey Bridge | Mar-26                   | Apr-26                  | Adverse weather conditions and limited teams from SANDF implementing projects.                              |
| 2. Bridge at Tonga 1, Nkomazi                                       | Construction of Bailey Bridge | Mar-26                   | Apr-26                  |                                                                                                             |
| 3. Bridge at Tonga 2, Nkomazi                                       | Construction of Bailey Bridge | Mar-26                   | Apr-26                  |                                                                                                             |
| 4. Bridge at Matabula/ Mandulo, Nkomazi                             | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 5. Bridge at Driekoppies, Nkomazi                                   | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 6. Bridge at Kamhlushwa, Nkomazi                                    | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 7. Bridge in Mashonamini, CALM                                      | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 8. Bridge in Bossville, CALM                                        | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 9. Bridge in Elukwatini, CALM                                       | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 10. Bridge in Nhlazathe, CALM                                       | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 11. Bridge in Bushbuckridge, Tonga 2                                | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |
| 12. Bridge in Bushbuckridge                                         | Construction of Bailey Bridge | Mar-26                   | 2026/27                 |                                                                                                             |

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 |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>Department of Education</b>          |                                                                                                                                                                                                      |                          |
| 1. Sidlamafa Secondary School (Phase 2) | Substitution of unsafe structures, construction of 32 Classrooms, Admin Block, Library, Kitchen, Computer Centre, School Hall, Laboratory, fencing, ramps and rails, car parks and sport facilities. | 06-Sep-27                |
| 2. Chayaza Secondary School             | Demolition of 24 classrooms and laboratory block. Construction of 20 classrooms, 1 chemistry lab, 1 media/library - computer centre and administration block.                                        | 10-Sep-27                |

| Project Name                                                                                                                       | Scope of work                                                                                                                                                                                                                                                                                                                                                                                                                                             | Targeted Completion Date |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 3. Mgwenyana Primary School                                                                                                        | Demolition of existing waterborne toilets and timber classroom building, renovation of 10 classrooms and computer elaborate, construction of new administration block, 7 classrooms, MST laboratory, library, kitchen, guard house and refuse area, 20 waterborne toilets, 2 grade R centres, electrical and mechanical works, sewer and water reticulation, parking and paving, storm water, retaining wall, land scaping and associated external works. | 05-Sep-27                |
| 4. Trichardsfontein Primary School                                                                                                 | Phase 1: Planning and design and provision of basic services)<br>Phase 2: Construction of 8 Classroom, 1 Grade R Centre, guardhouse, admin block, kitchen                                                                                                                                                                                                                                                                                                 | 18-Feb-27                |
| 5. Matlushe Primary School                                                                                                         | Demolition of dilapidated classrooms and construction of 12 classrooms, Grade R Centre, Admin block, library, computer centre, Kitchen, ramps + rails, Sports Grounds and Car Park.                                                                                                                                                                                                                                                                       | 11-Mar-27                |
| 6. Manyakatana Primary School                                                                                                      | Substitution of unsafe structures and construction of new facilities                                                                                                                                                                                                                                                                                                                                                                                      | 15-Mar-27                |
| 7. Setsheng Secondary School                                                                                                       | Construction of 21 classroom, library, computer centre, science laboratory, kitchen, school hall, 2 ablution blocks, 2 combi courts, sports field, parking bays, 3 drinking fountains, guard house, upgrade of electricity and mechanical works                                                                                                                                                                                                           | 31-Mar-27                |
| 8. Lugebhuta Secondary School (Phase 3)                                                                                            | Demolition and construction of new facilities                                                                                                                                                                                                                                                                                                                                                                                                             | 10-Sep-27                |
| 9. Tenteleni Primary School A                                                                                                      | Storm damage repairs and related maintenance work to 26 classrooms, admin block, computer centre, science laboratory, kitchen, combi court, 27 waterborne toilets, storm water management, electrical and mechanical work                                                                                                                                                                                                                                 | 31-Mar-27                |
| 10. Gedlembane Secondary School                                                                                                    | Storm damage repairs and related maintenance work to 28 classrooms, admin block, library, science laboratory, school hall, 39 waterborne toilets, storm water management, electrical and mechanical work                                                                                                                                                                                                                                                  | 31-Mar-27                |
| <b>Department of Health</b>                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |
| 1. Construction of new Langkloof Clinic                                                                                            | Construction of a new clinic                                                                                                                                                                                                                                                                                                                                                                                                                              | 30-Apr-26                |
| 2. Matikwana Hospital-Phase 1B                                                                                                     | Removal of asbestos roof sheeting, installation of new IBR roof sheeting, ceilings, curtains and curtain rails inclusive of electrical and mechanical works male and female surgical wards                                                                                                                                                                                                                                                                | 07-May-26                |
| 3. Matikwana Hospital - Phase 1C                                                                                                   | Refurbishment of existing maternity ward                                                                                                                                                                                                                                                                                                                                                                                                                  | 07-May-26                |
| 4. Construction of Alexandria Clinic                                                                                               | Construction of a new Clinic                                                                                                                                                                                                                                                                                                                                                                                                                              | 29-Jun-26                |
| 5. Construction of new Lebogang Clinic                                                                                             | Construction of a new Clinic                                                                                                                                                                                                                                                                                                                                                                                                                              | 29-Jun-26                |
| 6. Construction of new Lefisoane Clinic                                                                                            | Construction of a new Clinic                                                                                                                                                                                                                                                                                                                                                                                                                              | 29-Jun-26                |
| 7. New Mapulaneng Hospital (Phase 3 A)                                                                                             | Construction of Top Structures (OPD and Others)                                                                                                                                                                                                                                                                                                                                                                                                           | 07-Jul-26                |
| <b>Department of Social Development</b>                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |
| Delmas Branch Office                                                                                                               | Replacement of Branch Offices                                                                                                                                                                                                                                                                                                                                                                                                                             | 13-Aug-26                |
| <b>Transport Infrastructure</b>                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |
| 1. P171/1 (R577) from junction of P81/1 (Dullstroom Road) near Mashishing to D212 & D2630 towards Rossenekal / Sekhukune (18.7 km) | Rehabilitation of road                                                                                                                                                                                                                                                                                                                                                                                                                                    | Dec-27                   |
| 2. Road D2950 From Steenbok to D797 (13.40 km)                                                                                     | Rehabilitation of road                                                                                                                                                                                                                                                                                                                                                                                                                                    | Dec-27                   |
| 3. Road D2940 from D797 towards Phiva (9 km) Phase A                                                                               | Rehabilitation of road                                                                                                                                                                                                                                                                                                                                                                                                                                    | Feb-28                   |

| Project Name                                                             | Scope of work          | Targeted Completion Date |
|--------------------------------------------------------------------------|------------------------|--------------------------|
| 4. Road P216/1 eMbalenhle to Secunda (km 0.0 to km 6.1) (6.1 km) Phase 1 | Rehabilitation of road | Mar-28                   |

### Plans to close down or down-grade any current facilities

Despite delays in developing its Property Optimisation Strategy, the Department is actively pursuing the disposal, leasing and commercial development of state immovable assets. This approach aims to turn underutilised properties from financial liabilities into socio-economic assets that generate revenue, stimulate local growth and reduce operational costs. As part of this initiative, the Mpumalanga Provincial Government will repurpose 54 closed schools across Bohlabela (11), Gert Sibande (15) and Nkangala (28) districts. Furthermore, the phased disposal of surplus state housing has commenced. Phase 1 involves 171 properties, with completion targeted for the 2026/27 financial year.

### Changes in the Asset Holdings

The asset holdings of the Department have changed over the 2025/26 financial as follows (R'000):

|                     |                |
|---------------------|----------------|
| Opening Balance     | 873,321        |
| Additions: Cash     | 89,967         |
| Additions: Non-cash | 1,587          |
| Disposals           | (24,547)       |
| <b>Total</b>        | <b>940,328</b> |

Of the R 940, 328 million the Department spent R89, 967 million to acquire the following movable additional assets (R'000):

|                              |               |
|------------------------------|---------------|
| Transport Assets             | 6,660         |
| Computer Equipment           | 4,771         |
| Furniture & Office Equipment | 1,815         |
| Other machinery & Equipment  | 76,721        |
| <b>Total</b>                 | <b>89,967</b> |

### The current state of the capital assets i.e. what percentage is in Excellent, Good, Fair & Bad condition is as follows:

| Asset Category                    | No. of Assets | Excellent | Good | Fair | Bad |
|-----------------------------------|---------------|-----------|------|------|-----|
| Computer Equipment                | 2 187         | 29%       | 37%  | 29%  | 5%  |
| Furniture and Office Equipment    | 20 544        | 8%        | 25%  | 63%  | 4%  |
| Specialised Military Assets       | 855           | 97%       | 0,0% | 0,0% | 3%  |
| Transport Equipment (white fleet) | 863           | 18%       | 28%  | 49%  | 5%  |
| Other Machinery and Equipment     | 4 158         | 21%       | 31%  | 42%  | 6%  |
| <b>Total</b>                      | <b>28 607</b> |           |      |      |     |

#### ▪ Excellent Condition:

These assets exhibit minimal signs of wear and tear, if any. They function flawlessly, meeting or exceeding performance expectations. The maintenance history shows regular servicing and proactive upkeep, and these assets have a long remaining useful life and require minimal immediate attention.

#### ▪ Good Condition:

Assets in good condition may show slight signs of wear but are generally well-maintained. They operate reliably, though occasional minor issues may arise. The maintenance records indicate regular servicing, with some preventive measures taken. While not perfect, these assets still have a significant remaining useful life and perform satisfactorily.

#### ▪ Fair Condition:

Assets in fair condition display noticeable wear and may require more frequent maintenance. They function adequately but may experience occasional breakdowns or performance dips. The maintenance history might show some gaps or reactive repairs rather than proactive maintenance. Their remaining useful life may be shorter, and they might require more attention to ensure continued functionality.

### Disposal of assets

The Department disposed movable assets amounting to R 22, 648 million during the period under review. A total of five (5) public auctions were held as follows:

| District              | Month          | Amount (R '000) |
|-----------------------|----------------|-----------------|
| Nkangala District     | June 2025      | 1,842           |
| Ehlanzeni District    | July 2025      | 5,788           |
| Gert Sibande District | September 2025 | 2,032           |
| Ehlanzeni District    | January 2026   | 9,947           |
| Nkangala District     | January 2026   | 3,038           |
| <b>Total</b>          |                | <b>22,648</b>   |

### Material Losses

Material losses to the value of R 5, 767 million were recorded for the 2025/26 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, reconciliation and update assets performance conditions of all assets according to the Asset Management Policy.

#### ▪ Poor Condition:

Assets in poor condition show significant wear and may be nearing the end of their useful life. They frequently experience breakdowns or fail to meet performance standards. Maintenance has likely been neglected, with sporadic or no servicing recorded. Replacement or extensive refurbishment may be necessary soon to maintain operational efficiency and safety. These assets are ready/await disposal.

### Infrastructure maintenance during the period under review: backlogs, major projects undertaken, and progress achieved

#### Roads Maintenance

##### Approach to maintenance and strategic alignment

The Mpumalanga provincial road network is approximately 12 886 kilometres following the successful strategic transfer of 1 041 kilometres of provincial routes to SANRAL. Because the province now hosts the second-largest portion of SANRAL's national network, the agency has made a substantial infrastructure commitment over the Medium-Term Expenditure Framework (MTEF) period. Visible improvements are already evident as SANRAL executes a multi-phase recovery plan, beginning with critical routine maintenance to stabilise key corridors.

### Maintenance backlogs and funding challenges

Current funding levels remain inadequate to achieve prescribed asset management standards or to significantly eliminate the existing road maintenance backlogs. Furthermore, a continued over-reliance on the Provincial Road Maintenance Grant (PRMG) is unsustainable and underscores the urgent need for a diversified funding model. In response, the Department developed an Integrated Road Infrastructure Maintenance Plan ("One Plan") encompassing all municipal and provincial road assets. This framework ensures that the three spheres of government and relevant state entities work in unison toward impact-oriented service delivery. This is in line with the District Development Model (DDM) framework.

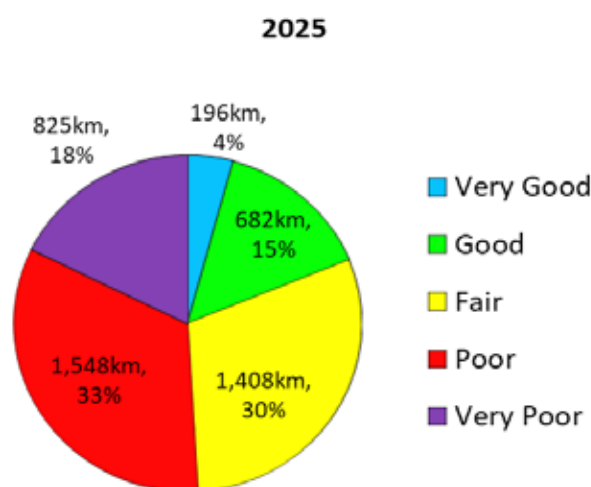
### Projects/Programme undertaken and major achievements

Despite fiscal constraints, the Department intensified its road preservation efforts through targeted, high-impact initiatives. To mitigate these constraints, the Department is implementing cost-effective lifecycle interventions including pothole patching, resealing, fog spraying, and re-gravelling

to arrest the deterioration of the existing network. These measures extend the lifespan of critical road infrastructure while alternative funding mechanisms are being secured. Key interventions implemented during the period under review include:

- **Kubhunya Lutfuli Programme:** accelerated local road maintenance by re-gravelling 253 kilometers of roads to directly support the District Development Model (DDM).
- **Tourism Route Improvement Programme:** upgraded and rehabilitated 8,46 kilometers of strategic tourism corridors to drive regional economic growth.
- **Special Maintenance Interventions:** conducted targeted reseal on 1 047 267 kilometers of severely damaged road sections.
- **Corrugated Steel Culvert Replacement:** replaced 6 culvert bridges to prevent road washouts and ensure structural integrity.
- **Coal Haulage Programme:** rehabilitated and reconstructed 98 900 square meters of critical coal transportations routes to safeguard regional energy security.

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

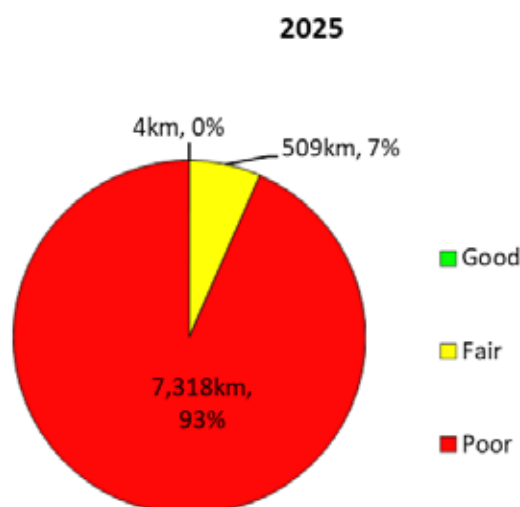


#### Summary

The average network VCI of paved roads based on the 2025 assessment data, is 50%, putting the overall paved road network in the poor condition category. Expensive capital expenditure is required to rehabilitate very poor roads to a good and functional condition.

Source: LCCA Analysis Report 2025

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



#### 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.

\*Source: LCCA Analysis Report 2025

## Building Maintenance

### Approach to maintenance and strategic alignment

The Department manages an immovable asset portfolio of 5 050 facilities, some of which are located on unsurveyed land. Crucially, user departments are responsible for budgeting for maintenance, while this Department, as the custodian, provides technical expertise and advice. Consequently, this work relies heavily on funding from client departments. To address this challenge, the Department continues to advocate for the user-charge principle which involves all department to set aside 2% of their budget baseline for maintenance as pronounced during the 2019 State of the Province Address (SOPA).

### Maintenance backlogs and funding challenges

Overall, the provincial asset register comprises of 5 050 facilities, with an estimated required maintenance budget of R2,53 billion over a five-year period. These significant funding requirements primarily drive repairs, upgrades, and escalating utility costs as facilities age. To address these challenges, the Department is the process of developing a Property Optimisation Strategy. This strategy tackles public building maintenance by repurposing existing assets and leveraging private investment to acquire new ones. It focuses on innovative uses for current buildings, including the strategic disposal of surplus assets such as selling state-owned houses and releasing land for resettlement.

### Projects undertaken and major achievements

The following projects were completed and managed under the Department's Immovable Asset Management Programme to renovate and maintain state-owned facilities:

| Project name                                                     | Scope of work                                                                       | Targeted completion date | Actual completion date | Reasons for variance         |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------|------------------------|------------------------------|
| <b>Ehlanzeni District</b>                                        |                                                                                     |                          |                        |                              |
| 1. Boilers rooms at Rob Ferreira, Themba and Barberton Hospitals | Renovations of boiler houses                                                        | Aug-25                   | 19-Aug-25              | None.                        |
| 2. State Garage                                                  | Renovations at State Garage                                                         | Oct-25                   | 10-Sep-25              | Completed ahead of schedule. |
| 3. Malekutu Cost Centre                                          | Converting of warehouse into offices                                                | Oct-25                   | 22-Jul-25              | Completed ahead of schedule. |
| 4. Bester Street Offices                                         | Renovations of guardhouse and gate shelter                                          | Mar-26                   | 03-Feb-26              | Completed ahead of schedule. |
| 5. Bester Street Offices                                         | Renovation of offices                                                               | Mar-26                   | 24-Feb-26              | Completed ahead of schedule. |
| <b>Gert Sibande District</b>                                     |                                                                                     |                          |                        |                              |
| 6. Carolina Cost Centre                                          | Construction of guardhouse and masonry palisade fence.                              | Aug-25                   | 08-Aug-25              | None.                        |
| 7. Jerry Van Vuuren Offices                                      | Erection of steel carports and installation of paving                               | Sep-25                   | 19-Aug-25              | Completed ahead of schedule. |
| 8. Carolina Cost Centre                                          | Replacement of storm damaged roof                                                   | Nov-25                   | 21-Nov-25              | None.                        |
| 9. Betha Cost Centre                                             | Conversion of workshop into multi-purpose hall                                      | Mar-26                   | 13-Mar-26              | None.                        |
| <b>Nkangala District</b>                                         |                                                                                     |                          |                        |                              |
| 10. 101 Road Camp, Steve Tshwete                                 | Supply and installation of a mini sub-station                                       | Jul-25                   | 21-Jul-25              | None.                        |
| 11. Thembisile Cost Centre                                       | Drilling of borehole and installation of borehole pump                              | Jul 2025                 | 30-Jul-25              | None.                        |
| 12. Victor Khanye Cost Centre                                    | Drilling of borehole and installation of borehole pump                              | Jul 2025                 | 09-Jul-25              | None.                        |
| 13. Maintenance Workshop at Waterval Boven Hospital              | Restoration of maintenance workshop                                                 | Nov-25                   | 02-Oct-25              | Ahead of schedule.           |
| 14. Emalahleni Traffic Impounding Facility                       | Paving work in front of the office container.                                       | Nov-25                   | 06-Nov-25              | None.                        |
| 15. Thembisile Cost Centre                                       | Repairing concrete palisade fence and installation of clear-Vu to secure fuel pumps | Dec-25                   | 03-Dec-25              | None.                        |
| 16. Nokaneng Cost Centre                                         | Installation of precast concrete palisade                                           | Jan-26                   | 15-Dec-25              | Completed ahead of schedule. |
| 17. Piet Koornhof Building                                       | Plumbing services, reseal concrete slab and replace ceilings                        | Feb-26                   | 12-Jan-26              | Completed ahead of schedule. |
| <b>Bohlabela District</b>                                        |                                                                                     |                          |                        |                              |
| 18. Royal Hotel, Pilgrim's Rest                                  | Renovation of Hotel (Phase 2, main building)                                        | Oct-25                   | 27-Aug-25              | Completed ahead of schedule. |
| 19. Royal Hotel, Pilgrim's Rest                                  | Renovation of Hotel (Phase 2, annexes)                                              | Oct-25                   | 13-Oct-25              | None.                        |

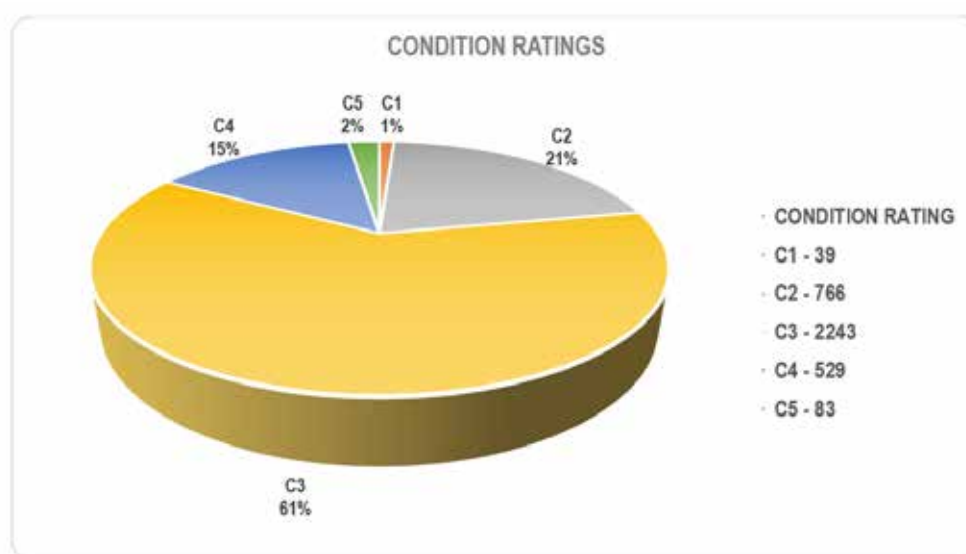
| Project name                              | Scope of work                                                       | Targeted completion date | Actual completion date | Reasons for variance |
|-------------------------------------------|---------------------------------------------------------------------|--------------------------|------------------------|----------------------|
| <b>Riverside Government Complex (RGC)</b> |                                                                     |                          |                        |                      |
| 20. Riverside Government Complex          | Replacement of galvanized grooved 150mm pipe at the service passage | Dec-25                   | 15-Dec-25              | None.                |
| 21. Riverside Government Complex          | Refurbishment of landscaping and irrigation                         | Mar-26                   | 11-Mar-26              | None.                |

### The condition status of immovable assets

The condition rating provides a brief overview of an asset's physical state based on user perception rather than a technical assessment, using the criteria in Table 4 of the UAMP guideline. Out of 3 660 properties assessed, the average building condition across the province is C3 (fair). Specifically, 61% of the properties require repairs or

renovations, 22% require rehabilitation, and only 17% are in a good state. Crucially, maintenance budgets reside with the respective User Departments, even though the Department serves as the custodian. Because User Departments rarely prioritise budgetary allocations for asset maintenance, the maintenance budget should ideally be allocated directly to the DPWRT, aligning with the model used by National Departments.

The Condition ratings of immovable assets are as follows:



The condition ratings are described as follows:

- **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 (47%)** - 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 (47%)** - 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.

### Rates and Taxes for State Owned Buildings

DPWRT, as a Custodian of all properties vested under Mpumalanga Provincial Government, is solely responsible for payment of property rates. The Department faced a substantial budget shortfall for property assessment rates during the 2025/26 financial year, as only R333.959 million was allocated against total municipal bills of R848,5 million. This critical deficit arose because municipalities charge council-endorsed rates and taxes that do not reflect market values. To challenge these inflated costs, the Department has advertised two property valuer posts. The Department is in the process of appointing a service provider to assist with the auditing of municipal property valuations; verification of property valuations; assessment of municipal compliance with the Municipal Property Rates Act; and to review municipal tariff structures and rates policies. Other strategies being explored to address this crisis include: (i) service trade-offs, where goods or services are provided in exchange for rates and (ii) debt offsetting based on property valuations. However, the implementation of these strategies will require endorsement by COGHSTA and Municipal Councils

The following table summarizes the payments and outstanding amounts owed to each local municipality as at 31 March 2026, categorized by district:

| Municipality                  | Billing: 2025-2026      | Payments made by<br>31 March 2026 | Outstanding amount      |
|-------------------------------|-------------------------|-----------------------------------|-------------------------|
| <b>GERT SIBANDE DISTRICT</b>  |                         |                                   |                         |
| Chief Albert Luthuli          | R 56,606,039.97         | R 24,137,871.56                   | R 32,468,168.41         |
| Dipaleseng                    | R 3,245,260.99          | R 1,832,872.91                    | R 1,412,388.08          |
| Govan Mbeki                   | R 14,615,664.24         | R 11,212,988.73                   | R 3,402,675.51          |
| Lekwa                         | R 89,176,827.28         | R 21,983,992.02                   | R 67,192,835.26         |
| Mkhondo                       | R 13,195,849.26         | R 8,625,815.86                    | R 4,570,033.40          |
| Msukaligwa                    | R 34,237,133.76         | R 13,885,241.14                   | R 20,351,892.62         |
| Pixley Ka-Seme                | R 4,178,399.96          | R 4,178,399.96                    | R0.00                   |
| <b>Sub-Total Gert Sibande</b> | <b>R 215,255,175.46</b> | <b>R 85,857,182.19</b>            | <b>R 129,397,993.27</b> |
| <b>NKANGALA DISTRICT</b>      |                         |                                   |                         |
| Dr JS Moroka                  | R 35,889,771.67         | R 20,712,315.76                   | R 15,177,455.91         |
| Emakhazeni                    | R 5,738,132.77          | R 5,738,132.77                    | R0.00                   |
| Emalahleni                    | R 66,498,952.35         | R 27,586,556.54                   | R 38,912,395.81         |
| Steve Tshwete                 | R 27,893,819.22         | R 10,086,440.14                   | R 17,807,379.08         |
| Thembisile Hani               | R 27,075,920.36         | R 16,450,000.00                   | R 10,625,920.36         |
| Victor Khanye                 | R 7,528,152.92          | R 6,017,930.87                    | R 1,510,222.05          |
| <b>Sub-Total Nkangala</b>     | <b>R 170,624,749.29</b> | <b>R 86,591,376.08</b>            | <b>R 86,033,373.21</b>  |
| <b>EHLANZENI DISTRICT</b>     |                         |                                   |                         |
| City of Mbombela              | R 219,266,353.95        | R 68,569,127.91                   | R 150,697,226.04        |
| Nkomazi                       | R 18,662,296.84         | R 16,502,802.94                   | R 2,159,493.90          |
| <b>Sub-Total Ehlanzeni</b>    | <b>R 237,928,650.79</b> | <b>R 85,071,930.85</b>            | <b>R 152,856,719.94</b> |
| <b>BOHLABELA DISTRICT</b>     |                         |                                   |                         |
| Thaba Chweu                   | R 24,309,777.78         | R 18,555,496.06                   | R 5,754,281.72          |
| Bushbuckridge                 | R 200,344,763.20        | R 55,909,672.40                   | R 144,435,090.80        |
| Sub-Total Bohlabela           | R 122,386,915.67        | R 62,413,034.44                   | R 150,189,372.52        |
| <b>GRAND TOTAL</b>            | <b>R 848,463,116.52</b> | <b>R 331,985,657.58</b>           | <b>R 516,477,458.98</b> |





## **PART C**

# **Governance**

## 1. INTRODUCTION

The Department of Public Works, Roads and Transport maintains a strict commitment to the highest standards of governance regarding public finance and resource management. These resources are administered through a structured and updated suite of operational policies. Furthermore, robust governance structures are in place to ensure the effective, efficient and economical utilisation of taxpayer funds. In its pursuit of establishing an ethical state, the Department strictly adheres to good governance principles, ensuring total accountability, absolute transparency and compliance with all legislative mandates and policy frameworks. To sustain these standards and strengthen internal controls, the Accounting Officer has formally appointed and empowered the following key governance structures:

### Core Governance Structures

- **Executive Management:** Steers strategic direction and high-level decision-making.
- **Programme Managers' Forum (PMF):** Drives operational alignment and cross-departmental collaboration.
- **Risk Management Committee:** Identifies, assesses, and mitigates organizational risks.
- **Audit Committee:** Provides independent oversight of financial reporting and internal controls.
- **Policy Committee:** Formulates, reviews, and updates institutional policies.
- **ICT Committee:** Aligns technology infrastructure with strategic business objectives.
- **Ethics and Fraud Committee:** Promotes professional integrity and combats malpractice.

## 2. RISK MANAGEMENT

The Department maintains a highly formalised, compliance-driven framework for risk management. While this structured approach ensures strict adherence to regulatory requirements, fostering a proactive and accountable risk culture across all levels remains an ongoing priority. Critical governance structures and regular reporting lines are firmly established, allowing executive management to actively review significant vulnerabilities and ensure alignment with Departmental objectives. This approach enables the Department to shift toward proactive risk management, embedding it as an everyday decision-making tool rather than a mere compliance exercise.

A key milestone in this effort was the approval of the 2025/26 annual risk assessment registers. The approval followed comprehensive consultations with each Programme to identify risks, establish risk appetites and confirm tolerance levels for the year ahead. During the year, the Department continued to address the engagement gap between leadership levels, where awareness is strong and lower-level operational teams. This initiative focused on deepening operational risk ownership through two primary strategies: delivering targeted risk ownership workshops for middle management and operational teams and formalising these responsibilities into individual performance agreements.

The Head of Department appointed a specialised Departmental Risk Management Committee. This body comprises of Deputy Director-Generals and Risk Owners (Chief Directors) and is chaired by an external Risk Management advisor who reports quarterly to both the Accounting Officer and the Audit Committee. This committee is responsible for monitoring inherent and emerging risks and reviewing progress reports on a quarterly basis. Downstream, the Department featured four District Risk Management Committees focused specifically on regional risks. These collaborative and multi-tiered structures ensured a combined assurance to cross-verify that the mitigation strategies are robust and effective.

The Risk Management Committee (RMC) which is tasked with strategic oversight operated throughout the reporting period. It met quarterly to evaluate the entity's risk profile, review mitigation progress and consider emerging risks. To support this quarterly oversight process, operational teams submitted monthly progress reports to the Risk Management Directorate for detailed analysis and consolidation. These mechanisms ensured that strategic and operational risk registers were systematically updated with emerging risks, while the Executive Management team continuously reviewed the control environment to guarantee effective risk mitigation.

The Department has made significant strides in managing complex structural, financial, and operational vulnerabilities. Notwithstanding these achievements, the following critical risks continue to pose substantial challenges to its operations:

| Key Risks                      | Main Threats                   | Mitigating Actions                                                                                                                                                                                                                                                                                           |
|--------------------------------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Capacity constraints        | Skills deficit                 | <ul style="list-style-type: none"> <li>▪ Filling of critical posts</li> <li>▪ Insourcing of core functions</li> <li>▪ Training and development</li> </ul>                                                                                                                                                    |
| 2. Theft of Diesel and Graders | Disruption to service delivery | <ul style="list-style-type: none"> <li>▪ Enhance internal controls</li> <li>▪ Real time asset tracking</li> <li>▪ Intelligence sharing with SAPS</li> <li>▪ Forensic investigations</li> </ul>                                                                                                               |
| 3. Climate change              | Public infrastructure damage   | <ul style="list-style-type: none"> <li>▪ Update engineering blueprints</li> <li>▪ Integrate GIS to identify high-risk flood and disaster zones.</li> <li>▪ Mainstream climate resilience into all infrastructure planning</li> <li>▪ Establish early-warning systems and disaster management plan</li> </ul> |
| 4. Poor asset management       | High maintenance costs         | <ul style="list-style-type: none"> <li>▪ Transfer of roads to SANRAL</li> <li>▪ Disposal of redundant assets</li> <li>▪ Departments to set-aside 2%</li> <li>▪ Invite private sector to Refurbish, Operate and Transfer</li> </ul>                                                                           |
| 5. Cyber security              | Loss or compromised data       | <ul style="list-style-type: none"> <li>▪ Multi-factor authentication</li> <li>▪ Routine automated data backups</li> <li>▪ Vulnerability testing.</li> <li>▪ Regular awareness training</li> </ul>                                                                                                            |

## 3. FRAUD AND CORRUPTION

The Department maintains a zero-tolerance stance towards fraud and corruption, demanding the highest standards of ethical behaviour from all employees. This ethical mandate is particularly critical given the Department's core responsibility to procure infrastructure, accommodation and various goods and services on behalf of other provincial departments. In line with the Constitution of South Africa, all procurement processes must be executed in a fair, equitable, transparent, competitive, and cost-effective

manner. The Department enforces a robust governance framework supported by continuous oversight to eliminate opportunities for wrongdoing.

This framework is anchored on the approved Fraud Prevention Policy, Fraud Prevention Plan, Whistle-Blowing Policy and Ethics Management Strategy. The primary objectives of these documents are to foster an organisational culture intolerant to misconduct, proactively detect and prevent fraud and execute decisive investigations and disciplinary actions against perpetrators. To sustain this, the Department conducts annual Fraud and Ethics Risk Assessments, supported by mandatory monthly progress reports to systematically mitigate identified vulnerabilities. It has also appointed a dedicated Ethics and Fraud Committee in demonstration of its commitment to cultivating an ethical culture.

The Ethics and Fraud Committee directly oversees the implementation of these initiatives. To ensure compliance within the Department, ongoing awareness workshops are conducted covering all fraud policies, the overarching prevention plan, and the public service code of conduct. Furthermore, the Whistle-Blowing Policy provides clear channels for officials to report suspected irregularities. Employees are actively encouraged to expose suspicious activities utilising internal mechanisms or external oversight bodies, including: the National Fraud and Corruption Hotline, Public Protector, Presidential Hotline and the Public Service Commission.

The Department is actively converting policy into action, making significant strides in addressing corruption allegations through formal disciplinary proceedings and consequence management. Concurrently, personnel vetting processes are being tightened particularly within high-risk areas such as SCM to eliminate systematic mismanagement of public funds. This aligns with a renewed provincial focus on holding all public servants strictly accountable for material irregularities. All fraud and corruption matters are handled in strict compliance with Chapter 2, Part 2 of the Public Service Regulations of 2016, the Labour Relations Act (Act 66 of 1995, as amended), and other applicable legal prescripts.

#### Key highlights for 2025/26 financial year include:

- 100% Compliance on annual declaration of interests by SMS members.
- Suitability checks conducted for all new appointments – 3 applicants flagged for not disclosing their criminal records.
- Issued Z204 forms to 54 employees for application or renewal of security clearances.
- Training on Unlawful Instructions by the Special Investigating Unit (SIU).
- Public Protector's report on Abuse of Official Vehicles and Petrol Cards in Nkangala Region (Thembisile Hani Cost Centre)
- Headcount verification report and remedial actions.
- Consequence management resulted in the dismissal of 02 officials.

#### 4. MINIMISING CONFLICT OF INTEREST

All employees and external parties who serve on Departmental structures must disclose any conflict of interests they may have in relation to matters dealt with by those structures. Where it is considered necessary, such individual are excused from discussions in relation to matters, that they have disclosed potential conflict. Furthermore, Chapter 2 Part 2 of the Public Service Regulations, 2016, declares that all SMS members submit their financial interest via e-disclosure system and other categories of designated employees who falls within level

9-12. All Supply Chain Management practitioners have, as required in terms of National Treasury Practice Note 4 of 2003 signed a declaration of confidentiality and impartiality. All these are mechanisms in place to ensure that the Department minimises conflict of interest.

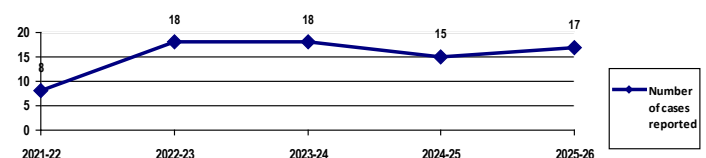
During the year under review there was no situation where a conflict of interest was identified. The Department's SCM directorate further ensures that all suppliers complete the SBD4 form before a contract is awarded. Service providers who fail to complete the prescribed declaration forms (SBD4) are 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 Department has an approved Code of Conduct that is derived from schedule 8 of the Labour Relations Act No. 66 of 1998, the Disciplinary Code for Public Service and the PSCBC Resolution 1 of 2003. The primary purpose of the Code of Conduct is a positive one, namely, to promote exemplary behaviour. The Code informs the required conduct of all employees from the ethical point of view, both in their individual conduct and their relationship with others. Compliance with the Code of Conduct enhances professionalism and assist to ensure confidence in the public service

#### 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The 'Department's staff and service providers must prioritise public health safety, and environmental protection. Safety is core to all operations, as articulated in the Safety, Health, Environment, Risk and Quality (SHERQ) Policy, which aligns with the Occupational Health and Safety Act (Act 85 of 1993). To safeguard employee physical and psychological well-being, the Department concentrates its efforts on high-risk operational areas. Injury on Duty (IOD) statistics remained stable across the 2022/23 and 2023/24 financial years, with 18 cases reported. Investigations show a slight decline to 15 cases in 2024/25, followed by a minor increase to 17 cases in 2025/26. The 17 recent cases stemmed primarily from trips, falls, and sports injuries during wellness games.



#### 7. PORTFOLIO COMMITTEES

The Portfolio Committee has a Constitutional mandate, in terms of Section 114(2) (b) of the Constitution of the Republic of South Africa, read with Rule 131 of the Rules and Orders of the Mpumalanga Provincial Legislature, to oversee the performance of the Department and to hold it accountable through various measures. As part of its oversight function, the Portfolio Committee on Public Works, Roads and Transport met the Department on several occasions during the year of reporting. The focus of these meetings was to deliberate on departmental plans, budget, the annual and quarterly performance reports relating to the 2025/26 financial year. The information below outlines the dates of the Portfolio Committee sittings that were held, key matters raised by the Committee and how the Department addressed these matters.

## Portfolio Committee meetings held with the DPWRT: 01 April 2025 – 31 March 2026:

| Name of Report                                             | Date of Meeting                      |
|------------------------------------------------------------|--------------------------------------|
| 1.1 Budget Vote and Annual Performance Plan (APP): 2025/26 | 01 July 2025                         |
| 7.2 2024/25 Annual Performance Report                      | 11 November 2025                     |
| 7.3 First Quarterly Performance Report: 2025/26            | 25 September 2025                    |
| 7.4 Second Quarterly Performance Report: 2025/26           | 27 November 2025                     |
| 7.5 Third Quarterly Performance Report: 2025/26            | 10 March 2026 (awaiting resolutions) |

## 7.1 Budget Vote and Annual Performance Plan: 2025//26

| Resolutions                                                                                                                                                                                                                                                         | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. The Accounting Officer must provide the Committee with comprehensive reports of the progress made on each finding under 13.1 (13.1.1 to 13.1.7) of the report.                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 1.1 The anticipated filling of the 129 critical and replacement posts between July and August 2025.                                                                                                                                                                 | <ul style="list-style-type: none"> <li>82 Interviews have been conducted and 76 posts filled. This includes 57 of the 98 road-workers.</li> <li>3 Posts could not be filled due to the negative outcome of suitability checks, and 3 posts will be finalised by 01 October 2025.</li> <li>42 Posts are in dispute at Bohlabela which includes 38 road workers. Organised labour has requested a meeting with the honourable MEC to resolve the impasse.</li> <li>3 Posts were withdrawn due to wrong requirements and 2 due to non-suitability of applicants.</li> </ul>                                                                                                                                                      |
| 1.2 The initiated processes by the office of the MEC to engage individual municipalities with the aim of collaborative viable solutions structured payment arrangements for debts owed.                                                                             | <ul style="list-style-type: none"> <li>The Department paid Bushbuckridge Local Municipality an amount of R41 million as per the agreement taken on the 4<sup>th</sup> of April 2025. The remaining balance of R88 million for Bushbuckridge Municipality will be paid in equal instalments over the next two financial years.</li> <li>Payment plans are currently being negotiated with all Municipalities owed by the Department.</li> </ul>                                                                                                                                                                                                                                                                                |
| 1.3 The ongoing engagements with Provincial Treasury on the requested rollover amount as well as the engagements to secure funds for the procurement of more graders, jet patchers, and to expand the workforce as part of its internal capacity-building strategy. | <ul style="list-style-type: none"> <li>The order for 7 graders was placed and is awaiting delivery from the manufacturer. 5 Graders will be delivered in November 2025 and 2 in December 2025.</li> <li>The Department has received preliminary approval for the Provincial Roads Maintenance Grant but is still awaiting approval of the equitable share portion from the Provincial Treasury. Attached Annexure A.</li> </ul>                                                                                                                                                                                                                                                                                               |
| 1.4 The developed strategies with National DPW&I, to curb interference of construction mafias on projects.                                                                                                                                                          | <ul style="list-style-type: none"> <li>Several strategies need to be implemented to address the interference of construction mafia.</li> <li>These include a coordinated approach involving law enforcement, policy reforms, community engagement and improved project oversight.</li> <li>The Department is in continuous engagement with DCSSL to assist with the strengthening of law enforcement to deal with illegal activities by the construction mafia. This includes protection contractors from threats and ensuring that work can continue without intimidation.</li> <li>Consultation with all project stakeholders before and during project implementation is ongoing to avoid possible disruptions.</li> </ul> |
| 1.5 The progress report on the engagements with stakeholders regarding the old colleges/buildings planned to be utilised as TVET/skills development centres and other business ventures.                                                                            | <ul style="list-style-type: none"> <li>The Department has engaged Ehlanzeni TVET College with regard to Elijah Mango College and a request for donation of the said College has been submitted.</li> <li>The Department is currently processing the request in compliance with the PFMA.</li> <li>The Department is assessing other buildings which can be avail to colleges or leasing for other business ventures.</li> </ul>                                                                                                                                                                                                                                                                                               |
| 1.6 The developed strategy by the department to deal with government buildings that are operating with no rates and taxes paid by occupants.                                                                                                                        | <ul style="list-style-type: none"> <li>In terms of the Municipal Property Rates Act (MPRA) of 2004, the liability of paying property rates is the responsibility of the owner of the property, so DPWRT as a Custodian of all properties vested under Mpumalanga Provincial government is solely responsible for property rates payment.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                           |
| 1.7 The enhanced strategy to persuade SAPS and DCSSL in assisting the department to resolve the issues of protests at the Parliamentary Village, to ensure the project completion within at allocated period                                                        | <ul style="list-style-type: none"> <li>DPWRT has ongoing discussions with DCSSL and the SAPS leadership in the province with regards to project disruptions on sites to ensure that project completion is achieved.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Resolutions                                                                                                                                                                                                                                                                                                                    | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. The Accounting Officer must ensure that the 05 planned IRMA projects are duly implemented within the allocated period, to improve sustainable rural mobility, significantly impact poverty reduction and improve access to essential services. Furthermore, provide the Committee with a quarterly report for each project. | <ul style="list-style-type: none"> <li>Completed the construction of a Culvert on Road D1837 in Nkomazi.</li> <li>Two projects are ongoing:               <ul style="list-style-type: none"> <li>Construction of a Culvert on Road D935 from Limpopo boundary past Katjibane – 48% completed</li> <li>Repair of a Culvert on Road D383 in Wonderfontein – 79% completed</li> </ul> </li> <li>The procurement processes commenced for the 2 remaining projects.</li> </ul>                                                                                                              |
| 3. The Department must provide the Committee with the progress report on the instituted recovery process against the previous contractor. Furthermore, provide a catch-up plan by the current Contractor to ensure that the project is completed as per the projected period.                                                  | <ul style="list-style-type: none"> <li>The Department's Legal Section will institute the process of recovery or initiate appropriate redressal measures.</li> <li>Attached Annexure B for the project status report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                        |
| 4. The Department must ensure that imminent contracts on scholar transport consider various factors in line with economic realities to curb budgetary constraints.                                                                                                                                                             | <ul style="list-style-type: none"> <li>The third Mpumalanga Scholar Transport contract starting in January 2026 is designed to cover all aspects of contracting.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                            |
| 5. The Accounting Officer must ensure that the Audit Action Plan is reviewed and enhanced to guarantee positive results of Audit Outcomes. The reviewed Plan, highlighting the new strategies to be implemented, must be submitted to the Committee.                                                                           | <ul style="list-style-type: none"> <li>The Department have complied and approved a credible Audit Action Plan (AAP) that seeks to resolve all the findings.</li> <li>The AAP incorporated inputs from Internal Audit, Audit Committee, Quality Assurer and Provincial Treasury.</li> <li>Attached Annexure C for the AAP.</li> </ul>                                                                                                                                                                                                                                                   |
| 6. The Accounting Officer must investigate the possibility of overspending its budget by R60 000 000.00 constituting an unauthorised expenditure and take actions against those who caused the department to incur over expenditure.                                                                                           | <ul style="list-style-type: none"> <li>The reported accrual amount of R268.5 million does not directly link to the roll-over request of R207.2 million.</li> <li>The majority of accruals are for Scholar Transport Services under Programme 4 and payment of municipal rates and taxes whilst the roll-over relates to the Provincial Roads Maintenance Grant under Programme 3 and building infrastructure projects under Programme 2.</li> <li>The Department registered budget pressures for possible additional funding on those accrual arrears. Attached Annexure D.</li> </ul> |
| 7. The department must develop a costed plan for implementation of the Mpumalanga Infrastructure Master Plan; the developed plan must be submitted to the Committee thereafter.                                                                                                                                                | <ul style="list-style-type: none"> <li>The costing of the implementation plan of MIMP 2060 will be done by the respective Departments under the oversight of the Office of the Premier.</li> <li>DPWRT will assist with the implementation thereof from a technical perspective.</li> <li>The draft plan for Transport Infrastructure is in progress and will be finalised in the 4<sup>th</sup> quarter of the 2025/26 financial year.</li> </ul>                                                                                                                                     |
| 8. The Accounting Officer must indicate the number of employment opportunities that will be created through the implementation of the APP, to achieve the objective of increasing employment and work opportunities                                                                                                            | <ul style="list-style-type: none"> <li>The Department endeavors to massify the number of work opportunities that can be created in the province.</li> <li>However, the targets for EPWP had to be reduced in line with the available budget, the number of ongoing and new infrastructure projects implemented and number of participants that can be enrolled in the respective programmes i.e. Siyatentela Road Maintenance Programme and National Youth Service.</li> </ul>                                                                                                         |

## 7.2 2024/25 Annual Performance Report

| Resolutions                                                                                                                                                               | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. The Department must provide the Committee with progress on the following previous house resolutions (2023/24) which were not closed and regarded ongoing:-             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 1.1 The balance amount of R320 400 000 that is still under various stages of investigation, subsequently, the implemented consequence management on implicated officials. | <ul style="list-style-type: none"> <li>The current status of the R320.4 million irregular expenditure is as follows:</li> <li>An amount of R5.7 million has been submitted to Provincial Treasury for condonation, and feedback is awaited.</li> <li>The remaining balance of R314.7 million has been investigated, and the cases have been referred to Labour Relations to implement disciplinary processes.</li> <li>The Department continues to monitor and track the progress of these cases to ensure timely finalisation and enforcement of accountability.</li> </ul> |
| 1.2 The three (03) matters before the Bargaining Council reportedly at different stages.                                                                                  | <ul style="list-style-type: none"> <li>The status on the three (3) matters that were still before the Bargaining Council are at different stages, namely:</li> <li>One matter is under review, awaiting a date from the Labour Court;</li> <li>One matter was dismissed by the Bargaining Council (finalized); and</li> <li>One application was withdrawn (finalized).</li> </ul>                                                                                                                                                                                            |

| Resolutions                                                                                                                                         | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.3 Response from the Office of Chief Procurement Officer regarding offices and VIP dispensation, as well as the explored concepts of BOT and ROT.  | <ul style="list-style-type: none"> <li>The Department wrote to Provincial Treasury on the 28 of January 2026 to request approval for special dispensation to deviate from normal procurement process to enter into lease agreements for VIP accommodation.</li> <li>The Department received feedback from National Treasury on the 26 of February 2026 stating that the Accounting Officer may approve deviations in line with Treasury Regulation 16A6.4 and National Treasury SCM Instruction 3 of 2021/22.</li> <li>In the 2026/27 financial year, the Province will develop a Property Optimisation Strategy together with CSIR. This Strategy will include options for disposal of redundant assets, optimal use of government buildings and vacant land and concepts relating to Build-Operate-Transfer (BOT) or Refurbish-Operate-Transfer (ROT) to minimize reliance of leases on office and/or VIP accommodation.</li> </ul> |
| 1.4 The construction of Parliamentary Village, noting the additional amount of R120 052 000, noting reported completion date of December 2025.      | <ul style="list-style-type: none"> <li>An additional budget of R120-million was allocated to complete the Parliamentary Village project.</li> <li>The revised completion date of project is 31 March 2026 as per approved Extension of Time (EOTs).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 1.5 The identified additional Welisizwe Bridges (if any) that will be implemented per local municipality as well as the appointed Project Managers. | <ul style="list-style-type: none"> <li>A total of 5 Welisizwe bridges were completed in the 2025/26 financial year in the Nkomazi Local Municipality.</li> <li>Fifteen (15) additional bridge sites were assessed and deemed feasible for implementation by the SANDF. There are seven local municipalities participating in the Welisizwe Rural Bridges Programme.</li> <li>Attached Annexure A for the SANDF Technical Report.</li> <li>Implementation is currently underway in Nkomazi across the eight (8) bridge sites, while the deployment of an additional six (6) SANDF construction teams is in progress in both Bushbuckridge and Chief Albert Luthuli.</li> </ul>                                                                                                                                                                                                                                                         |
| 1.6 The damaged Cunningmoore Culvert project that is planned for commencement during the last quarter of the 2025/26 financial year.                | <ul style="list-style-type: none"> <li>An assessment was conducted and there is an existing major culvert in Cunningmoore.</li> <li>However, there was erosion in the fill area. The district has filled the eroded area with soil as a temporary intervention.</li> <li>Permanent erosion protection measures such as the installation of gabions and/or stone pitching to protect both the culvert structure and the adjacent fill area are required.</li> <li>In addition, surface drainage should be improved to effectively control and safely convey runoff away from the fill, thereby reducing the risk of further erosion.</li> </ul>                                                                                                                                                                                                                                                                                        |
| 1.7 The forty-two (42) posts that were in-dispute and planned to be filled by February 2026 as well as on the seventy-nine (79) replacement posts.  | <ul style="list-style-type: none"> <li>The formal correspondence from Organised Labour was received on 28 January 2026. Organised Labour requested a meeting with the MEC to discuss the disputed posts.</li> <li>In terms of the amended Public Service Regulation 65 (7), funded vacant posts shall be filled within 08 months after becoming vacant.</li> <li>Therefore, the time for filling of these posts had lapsed, hence the Department re-advertised the 42 posts in March 2026.</li> <li>In August 2025, 79 replacement posts were advertised. Shortlisting has been completed and interviews have already commenced.</li> <li>Appointments for 5 of 79 posts, including 3 SMS, were concluded.</li> <li>Interviews for 41 of the 79 were conducted</li> <li>Shortlisting was concluded for the remaining posts.</li> </ul>                                                                                                |
| 1.8 The instituted recovery processes for over payments on projects where recovery processes were instituted during the 2024/25 Financial Year.     | <ul style="list-style-type: none"> <li>A summons for the recovery was issued against Hollard Insurance and Mhonyini in May 2025.</li> <li>However, Hollard is defending the matter and has filed exceptions against the Department's summons and further issued Third Party Notices against Mhonyini and others to join them as Defendants in the proceedings.</li> <li>In terms of the Rules of Court, the interlocutory cases must first be decided by the court before the main recovery case can proceed. Hollard Insurance, as the initiator of the Interlocutory cases, will have to set them down for hearing by the court.</li> <li>The Department has inquired with the State Attorney and was informed that the hearing on the Opposed Motion Roll will be heard around June 2028.</li> </ul>                                                                                                                               |

| Resolutions                                                                                                                                                             | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. The Accounting Officer must implement a structured approach, with prompt actions to ensure strategic recruitment of the 56 critical governance posts.                | <ul style="list-style-type: none"> <li>A total of 191 posts, including 56 posts, were advertised in March 2026 and the closing date is the 3rd of April 2026.</li> <li>The Department will implement a structured recruitment process which is in line with the National Framework towards the Professionalisation of the Public Sector.</li> <li>All shortlisted candidates will undergo pre-assessments which include an (i) oral interview, (ii) practical exercise and (iii) integrity assessment.</li> <li>Additional competency assessments will be conducted for MMS and SMS positions.</li> <li>Successful candidates will further be subjected to extensive personnel checks, including criminal records, financial records and social media profile checks.</li> </ul> |
| 3. The Department must ensure that acceleration plans for all delayed projects are promptly executed and closely monitored for projects to reach intended purposes.     | <ul style="list-style-type: none"> <li>Monitoring mechanisms have been strengthened to track progress and ensure that all projects achieve their intended outcomes on schedule.</li> <li>Notably, all five (5) planned IRMA projects have already been completed. These include culvert construction and repairs, as well as the construction of bus shelters.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                        |
| 4. The Department reported to have been implementing consequence management to hold contractors accountable for poor performance on projects.                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 4.1 Projects that are currently under session contracts                                                                                                                 | <p>The following 16 building infrastructure projects are currently under session contracts:</p> <ul style="list-style-type: none"> <li>DOE = 9 (Mkhondo Boarding School; New Ermelo; George Hofmeyer; Vaal Rivier; Ndawonye; Mbombo; Ben W Mashego; Malengeza; Wisani)</li> <li>DSD = 2 (Msogwaba YDC and Umjindi Branch Offices)</li> <li>DCSR = 3 (Warburton; Ethandukhukhanya and Samuel Mkhize Libraries)</li> <li>Parliamentary Village = 1</li> <li>High Altitude Training Centre = 1</li> </ul>                                                                                                                                                                                                                                                                           |
| 4.2 Blacklisted contractors during the 2024/25 financial year                                                                                                           | <ul style="list-style-type: none"> <li>There were no blacklisted contractors recorded during the 2024/25 Financial Year.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 4.3 The instituted penalties and recovery processes                                                                                                                     | <ul style="list-style-type: none"> <li>There were no penalties instituted during the 2024/25 financial year.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 5. The Accounting Officer must strengthen internal capacity for property valuation services to ensure that objections are raised on over-valued properties.             | <ul style="list-style-type: none"> <li>The two positions for Property Valuations, namely Deputy Director and Assistant Director, were advertisement in March 2026.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6. The Accounting Officer must collaborate with NDPW&I to ensure that key strategies are effectively implemented to improve expenditure on the Grant.                   | <ul style="list-style-type: none"> <li>Fifteen (15) additional bridge sites were assessed and deemed feasible for implementation by the SANDF.</li> <li>Subsequently, the corresponding steel bridge structures were procured and delivered to the cost centres in close proximity to the respective bridge locations.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 7. The Department must provide a progress report on the submitted budget pressure in mitigating the shortfalls on Municipal Rates and Taxes and Scholar Transport.      | <ul style="list-style-type: none"> <li>The Department has submitted budget pressure requests to Provincial Treasury, highlighting funding shortfalls relating to Municipal Rates and Taxes and Scholar Transport services.</li> <li>During the adjustment budget, the Department received a once-off allocation of R100 million to partially address pressures relating to Scholar Transport.</li> <li>However, no additional funding was allocated for Municipal Rates and Taxes, and this remains a significant funding pressure for the Department.</li> </ul>                                                                                                                                                                                                                |
| 8. The Department must provide the Committee with a report on the resolutions taken during the undertaken discussions between PWRT and DoE regarding scholar transport. | <ul style="list-style-type: none"> <li>DoE has audited enrollment in boarding schools in order to ensure deserving farm school learners are admitted.</li> <li>Over-subscribed schools are to be provided with mobile classrooms in order to mitigate reliance on scholar transport.</li> <li>Additional classrooms to be built where necessary as a lasting solution.</li> <li>Only learners outside the walking distance of 5 km to the nearest public school to be provided with scholar transport in line with the policy.</li> <li>Learners travelling to school of parental choice not to be funded by government.</li> <li>These resolutions were taken in a meeting in January 2026 between DPWRT and DoE and was chaired by the Hon. Premier.</li> </ul>                |

| Resolutions                                                                                                                                                                                                                                                  | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9. The Accounting Officer must ensure that the launch of PWD framework will address the identified barriers by advocating accessibility and full participation of people with disabilities for the Department to advance the Employment Equity Plan targets. | <ul style="list-style-type: none"> <li>▪ The launch of the PWD Framework for EPWP could not be launched due to budgetary constraints.</li> <li>▪ The revised dates for the workshops are planned for 6 to 8 May 2026.</li> <li>▪ The purpose of this Framework is to guide all public bodies implementing EPWP on the following: <ul style="list-style-type: none"> <li>- Mainstreaming the participation of Persons with Disabilities in the Programme;</li> <li>- Eliminating unfair discriminatory practices when dealing with Persons with Disabilities.</li> <li>- Developing a criterion for identifying Persons with Disabilities in EPWP.</li> <li>- Designing projects that are inclusive of, and accessible to, Persons with Disabilities in EPWP; and</li> <li>- Advising public bodies on best practice guidelines for reasonable accommodating Persons with Disabilities.</li> </ul> </li> </ul> |

### 7.3 First Quarter Performance Report: 2025/26

| Resolutions                                                                                                                                                                                                                                                                                             | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. The Committee noted the progress reported by the department on House Resolutions for the 2024/25 4 <sup>th</sup> quarterly performance report.                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 1.1 A progress report on the organogram that has been submitted to the Minister of DPSA for concurrence by the Office of the Premier.                                                                                                                                                                   | <ul style="list-style-type: none"> <li>▪ The Department was notified that the organogram is on its way from the Minister of DPSA to the Office of the Premier.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 1.2 A report with resolutions taken during the meeting between the MEC and organised labour with the intention to resolve the impasse regarding disputes on the 42 posts of Bohlabela.                                                                                                                  | <ul style="list-style-type: none"> <li>▪ Attached Annexure A for the detailed report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1.3 A progress report and proof of payments on recovering the outstanding balance (R88 704.25) owned by RSK3 Consulting Engineers.                                                                                                                                                                      | <ul style="list-style-type: none"> <li>▪ The outstanding balance of R88 704.25 was settled. Attached Annexure B for the BAS report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 1.4 The outcomes of the negotiated payment plans/terms with all Municipalities owned by the department aimed at reducing the backlog on rates and taxes.                                                                                                                                                | <ul style="list-style-type: none"> <li>▪ Payment plans were negotiated with Municipalities; however, these commitments could not be entirely honoured due to budget constraints.</li> <li>▪ Attached Annexure C for the detailed report on payments made to date.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 1.5 The report of the consultation with client departments regarding non-compliance issues raised regarding the constructed skid-pad at the Mpumalanga Traffic College in Bushbuckridge Local Municipality.                                                                                             | <ul style="list-style-type: none"> <li>▪ The Department, together with DCSSL, conducted a comprehensive in-loco site inspection at the Traffic Training College facility on the 5<sup>th</sup> of November 2025 (inclusive of the skid-pad).</li> <li>▪ The purpose was to identify maintenance requirements and to develop a plan to address these challenges considering the time since the completion of the project.</li> <li>▪ DPWRT is finalising a detailed report, maintenance plan and costing plan to advise DCSSL of budgetary requirements.</li> <li>▪ The report will be finalised in December 2025.</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| 2. As part of monitoring spending trends, the Department must track and analyse expenses against the budget to identify spending patterns and areas for improvement.                                                                                                                                    | <ul style="list-style-type: none"> <li>▪ The Department has implemented the following monitoring mechanisms which include amongst others: <ul style="list-style-type: none"> <li>▪ Alignment of the cashflow projections to the Operational Plan;</li> <li>▪ In-Year monitoring of expenditure trends on a monthly basis.</li> <li>▪ Weekly cashflow reconciliation and expenditure trend reports.</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 3. The Accounting Officer must formally engage client departments regarding the non-payments, to ensure that all projects are closely monitored, maintained and complete as per the revised completion dates. Furthermore, develop a contingency plan to take account of possible future circumstances. | <ul style="list-style-type: none"> <li>▪ The Provincial Infrastructure Coordinating Committee (PICC) has recently been resuscitated, and several meetings have been held since.</li> <li>▪ Performance Operations Management Meetings (POMM) are held monthly with Client Departments as per the signed Service Level Agreements and the Payments Committee will continue to monitor project expenditure.</li> <li>▪ Departmental infrastructure meetings are convened regularly to monitor progress on projects, to address challenges and to develop acceleration plans for projects that are behind schedule.</li> <li>▪ Project monitoring will be enhanced through the required project site meetings and monthly consultants' meetings.</li> <li>▪ The development and implementation of a Project Management Information System (PMIS) will further enhance project monitoring, tracking, and reporting and strengthen internal controls.</li> </ul> |

| Resolutions                                                                                                                                                                                                                                                                                                              | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| 3.1 A strategy to deal with the various identifiable defects at the school including the outstanding construction of the Sport Fields. Considering that the school is operational, subsequently, the tabled resolutions of Mkhondo "Feedback Session".                                                                   | <ul style="list-style-type: none"> <li>The identification of defects is an ongoing process which is also enforced through contractual obligations.</li> <li>Formal instructions have been issued to the contractor to address the defect. Progress in this regard will be monitored continuously until all defects have been repaired.</li> <li>Progress of the sports fields, and combo courts is ongoing and progressing well. This was initially delayed due to community sub-contracting issues which has since been resolved. See attached photograph as evidence.</li> </ul> |
| 3.2 A costed maintenance plan for Mkhondo Boarding School.                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>The Department of Education is responsible for the maintenance of the school following the final completion of the project.</li> <li>A maintenance will be provided to the Department of Education as part of the close-out documentation to inform DoE of the maintenance requirements of the facility.</li> </ul>                                                                                                                                                                                                                         |
| 3.3 A plan to improve and maintain the access road leading to Mkhondo Barding School.                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>A term contractor has been appointed for the regravelling of the road.</li> <li>The works are currently 80% complete, with anticipated completion on 12 December 2025.</li> </ul>                                                                                                                                                                                                                                                                                                                                                           |
| 3.4 A proof of the registered budget pressure with Treasury, regarding the outstanding work at Mkhondo Boarding School.                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Attached Annexure C for the budget pressure submitted to Treasury.</li> <li>Funds for Mkhondo Boarding school has since been allocated during the 2025/2026 budget adjustment period.</li> </ul>                                                                                                                                                                                                                                                                                                                                            |
| 4. The department must provide a progress report on the finalised/ approved variation order for the upgrade of electricity connection for the new lifts at Kwmahlanga Government Complex. Furthermore, provide the outcomes of the requested quotations and possible instruction to proceed with the required upgrading. | <ul style="list-style-type: none"> <li>The installation of the lift is completed.</li> <li>The only outstanding issue is the electrical connection to the lift which is included in the electrical project that has not commenced due to budgetary constraints.</li> </ul>                                                                                                                                                                                                                                                                                                         |
| 5. The department must provide the Committee with a comprehensive infrastructure performance report.                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>DPWRT completed 140 projects out of the targeted 156 and had very minimal projects that were delayed due to changes in scope. However, the cash flow challenges experienced by Client Departments as well as project disruptions, resulted in delayed payments which negatively affected project progress.</li> <li>Attached Annexure D for the comprehensive 6 Months Infrastructure Report.</li> </ul>                                                                                                                                    |

#### 7.4 Second Quarter Performance Report: 2025/26

| Resolutions                                                                                                                                                                       | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| 1. The Department must furnish the Committee with the feedback report from DPSA regarding the organogram of the department.                                                       | <ul style="list-style-type: none"> <li>Attached Annexure A.1 for the feedback report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2. The Executive Authority (MEC) must provide a progress report on the submissions made by the organised labour, to amicably reach consensus regarding the recruitment processes. | <ul style="list-style-type: none"> <li>The formal correspondence from Organised Labour was received on 28 January 2026.</li> <li>Organised Labour requested a meeting with the MEC to discuss the disputed posts.</li> <li>In terms of the amended Public Service Regulation 65 (7), funded vacant posts shall be filled within 08 months after becoming vacant.</li> <li>Therefore, the time for filling of these posts had lapsed, hence the Department will re-advertise the 42 posts in March 2026.</li> </ul> |

| Resolutions                                                                                                                                                                                                                                                                             | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>3. The Department must ensure that the current Municipal monthly bills are constantly paid to prevent further accumulation. Furthermore, fast-track the disposal process of redundant assets to deal with owed rates and taxes.</p>                                                  | <ul style="list-style-type: none"> <li>▪ Municipal Rates and Taxes:               <ul style="list-style-type: none"> <li>- The budget of R333.9m allocated for the 2025/26 financial year was not sufficient to pay the current property rates billing of R496.4m and the property rates accruals emanating from the 2024/25 financial year; amounting to R314.8m.</li> <li>- The Department benchmarked with other provinces and will adopt the Western Cape model on payment of rates and taxes. The model was incorporated in the Specification document for advertisement to appoint service providers for the review of Municipal accounts, amongst others.</li> <li>- The State Attorney advised the Department on trade-offs of outstanding rates and taxes on disposal of immovable assets to Municipalities.</li> </ul> </li> <li>▪ Disposal Process on Redundant Assets:               <ul style="list-style-type: none"> <li>- A Programme of Action (POA) has been developed for disposal of surplus state houses.</li> <li>- Letters of Intent has been written to legal tenants, and verification of utility bills were completed for houses to be disposed off as part of Phase 1. 116 Letters of Offer to Purchase were served to legal tenants.</li> <li>- Identification of houses to be disposed of in the 2<sup>nd</sup> Phase has commenced. However, the disposal process has been halted by Organized Labour pending finalization of their complaint lodged to the Premier regarding discounts offered to legal sitting tenants and review of Municipal values of state houses.</li> <li>- A meeting was also held with MEGA in March 2026 for their assistance with qualifying officials to purchase houses, as housing finance is amongst their responsibilities.</li> </ul> </li> </ul> |
| <p>4. The Department must provide the Committee with the finalised detailed report for maintenance and costing plan aimed at advising DCSSL on the budgetary requirements.</p>                                                                                                          | <ul style="list-style-type: none"> <li>▪ The Assessment Report, focusing on maintenance requirements, was completed in November 2025. Attached Annexure A.2.</li> <li>▪ The identified works were prioritised into two phases based on urgency and operational impact:               <ul style="list-style-type: none"> <li>- Phase 1 addresses urgent repair works, including critical maintenance at the bungalows, kitchen, shooting range, and staff accommodation. These items were prioritised to restore functionality, safety and habitability. Phase 1 has since been appointed and is currently under implementation.</li> <li>- Phase 2 will address the remaining critical maintenance and remedial works to ensure the facility is fully restored and maintained in line with the required standards. Implementation of Phase 2 will be confirmed upon finalisation and approval of the detailed Bill of Quantities (BoQ).</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>5. The department must ensure that adequate Project Management is executed to keep the projects within their initial budget, noting the allocated funds during the 2025/2026 budget adjustment period.</p>                                                                           | <ul style="list-style-type: none"> <li>▪ The completion of the outstanding items at Mkhondo Boarding School is progressing well and is scheduled for completion by 31 March 2026.</li> <li>▪ Progress on site is being monitored daily, including the expenditure thereof, to ensure that the additional allocated budget is adhered to.</li> <li>▪ Attached Annexure A.3 for the progress report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>6. As the Implementing Agent, the Accounting Officer must ensure that the resuscitated Provincial Infrastructure Coordinating Committee (PICC) ensures that project monitoring is enhanced through project monitoring, tracking, and reporting and strengthen internal controls.</p> | <ul style="list-style-type: none"> <li>▪ The PPICC is sitting on a quarterly basis to discuss progress on infrastructure projects.</li> <li>▪ The last PPICC meeting was convened by the Honourable Premier in January 2026.</li> <li>▪ Progress reports were tabled on key projects to ensure that these projects are on track and that internal controls are in place for these projects to be completed on time.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>7. The Department must apply effective budgeting and planning to ensure that the realised savings is able to accommodate fluctuating legal fees and oil prices in the 2026/27 financial year.</p>                                                                                    | <ul style="list-style-type: none"> <li>▪ The Department reprioritized funding during the Adjustment Budget to address expenditure pressures contributing to the overspending on Goods and Services.</li> <li>▪ Additional funding amounting to R11 million was redirected from savings realized to mitigate pressures relating primarily to legal fees and fuel costs.</li> <li>▪ This intervention has assisted to reduce the margin of over-expenditure and to stabilise spending against the allocated budget.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Resolutions                                                                                                                                                                                                              | Progress made on implementation of resolutions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| 8. The Accounting Officer must ensure that the measures put in place are duly implemented and ensure the smooth continuation of the project.                                                                             | <ul style="list-style-type: none"> <li>Phase 3B of the project was completed 27 January 2026</li> <li>There is continuous monitoring of the contractor for Phase 3A, who is currently undergoing business rescue, to ensure completion of the project by the planned completion date of 30 July 2026.</li> <li>A court interdict has been secured to limit, and possibly stop, the frequent disruptions that occurs on site.</li> <li>The process of appointing a new contractor, to replace the contractor for Phase 3A, is ongoing.</li> <li>Executive Council (EXCO) intervention has been requested to ensure visible, local, political oversight and interaction with the local communities to avoid further project disruptions.</li> <li>The revised completion date for Phase 3C is 31 March 2026. There are pending Variation Order (VO) and Extension of Time (EOT) applications to be approved. The EOT, with cost, is for site disruptions and delayed payment. The VO is for the vandalised external bulk sewer line that was previously constructed.</li> </ul> |
| 9. The Accounting Officer must ensure that regular monitoring by Nkangala Regional Office is conducted on the project (Mmamethlake Library) for proper progress on site to ensure that the project is completed on time. | <ul style="list-style-type: none"> <li>The contractor has returned to site, although work on site is slow.</li> <li>The budget allocated to the project during the 2025/26 financial year is insufficient and DCSR needs to confirm additional available funds to complete the project.</li> <li>The project is currently 75% completed and the revised completion date is estimated at 30 June 2026.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

### 7.5 Third Quarter Performance Report: 2025/26

The Portfolio Committee sitting to discuss the Department's 3<sup>rd</sup> quarter report was held on the 10<sup>th</sup> of March 2026. The Department must provide progress on these resolutions in next financial year, 2026/27.

### 8. SCOPA RESOLUTIONS

The Select Committee on Public Accounts (SCOPA) met with the Department on 7 November 2025 to deliberate on the 2024/25 Annual Report.

| Resolution No. | Subject                                                                            | Details                                                                                                                                                                                                                            | Response by the Department                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Resolved (Yes/No)   |
|----------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 3.             | Progress report on the implementation of House Resolutions: 2023/24 financial year | i. The Accounting Officer must ensure that all units in the department are adequately capacitated with individuals that have the necessary skills and continuously provide additional training to those that are already employed. | <ul style="list-style-type: none"> <li>In 2023/24, a total of 440 posts were filled as part of building capacity of the Department.</li> <li>In February 2025, a total of 129 posts were advertised of which 81 have since been filled; including 3 Deputy Director Generals (DDGs) and one Chief Director: Human Resource Management to strengthen leadership and management within the Department.</li> <li>Another 79 posts were advertised in August 2025 and 45 of these posts have since been processed.</li> <li>A further 191 posts were advertised in March 2026, and the closing date is the 3<sup>rd</sup> of April 2026.</li> <li>Lastly, targeted training of staff and management is implemented annually in line with the Work Skills Plan (WSP) e.g. Procurement and Contract Management, Modified Cash Standard and Case-ware Training for compiling financial statements.</li> </ul> | No, but in progress |

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|  |  | <p>ii. The Accounting Officer must improve working relationships with user departments to ensure that infrastructure projects are planned, executed and finalised timeously.</p> | <ul style="list-style-type: none"> <li>▪ The Mpumalanga Infrastructure Master Plan (MIMP) was updated in 2024 to strengthen the foundations of infrastructure planning until 2060, reflecting a provincial commitment to long-term infrastructure development and economic growth.</li> <li>▪ Key strategies to enhance project management include the following:               <ul style="list-style-type: none"> <li>- Adequate project needs analysis and verification of project readiness before implementation commences;</li> <li>- Confirmation from client department that sufficient budget is available before service providers are appointed.</li> <li>- Adherence to the Infrastructure Delivery Management System (IDMS) timeframes for proper project planning; deployment of adequate technical capacitation for project and contract management.</li> <li>- Contract management will be enhanced to ensure that all stakeholders comply to the conditions as stipulated in the contract.</li> <li>- The timeous submission of Infrastructure Project Management Plans (IPMPs) by client departments is crucial for the Department to develop Infrastructure Project Implementation Plans (IPIPs) before a new financial year commences.</li> <li>- The Accounting Officer and Programme heads continuously meet with all client departments and consultants to strengthen coordination, report progress and ensure timeous payment of contractors within 30 days.</li> </ul> </li> <li>▪ Additionally, the Department has advertised a bid for the development and implementation of a Project Management Information System (PMIS) to enhance project monitoring, tracking, and reporting.</li> </ul> | No, but in progress |
|  |  | <p>iii. The Accounting Officer must strengthen internal controls on project management to reduce backlog on delayed major infrastructure projects.</p>                           | <ul style="list-style-type: none"> <li>▪ Building Infrastructure holds fortnightly management meetings to review project progress and address challenges and bottlenecks that affects ongoing projects.</li> <li>▪ In addition, regular Project Operations Management Meetings (POMM); Joint Operations Committees (JOC), Technical PPICC and PPICC meetings with all Client Departments and External Stakeholders are held regularly.</li> <li>▪ Site visits are also conducted on a weekly basis to projects with challenges to address these and reduce the backlog on major infrastructure projects.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No, but in progress |

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|  |  | <p>The Executive Authority must ensure that the developed “detailed” Audit Action Plan ensures departmental interventions on targeted root causes and that corrective actions are both meaningful and sustainable.</p> | <ul style="list-style-type: none"> <li>▪ The Executive Authority, in collaboration with relevant units, has instituted mechanisms to ensure that all audit findings are addressed through a comprehensive Audit Action Plan (AAP).</li> <li>▪ As of 31 January 2026, 42 out of the 53 findings have been addressed (79%), whilst 11 (21%) findings are in the process of being addressed. 7 of the 53 findings (13%) were resolved during the audit.</li> <li>▪ A structured monitoring and evaluation process is in place to track the implementation of audit recommendations and ensure sustained compliance.</li> <li>▪ The AAP is monitored on a monthly basis and discussed during management meetings and quarterly at the risk and audit committee meetings.</li> </ul> <p>The Department is committed to transparency and accountability, always submitting detailed quarterly progress reports to the Committee on a quarterly basis.</p>     |                     |
|  |  | <p>The Accounting Officer must strengthen internal controls on project management to reduce backlog on delayed major infrastructure projects.</p>                                                                      | <ul style="list-style-type: none"> <li>▪ Building Infrastructure holds fortnightly management meetings to review project progress and address challenges and bottlenecks that affects ongoing projects.</li> <li>▪ In addition, regular Project Operations Management Meetings (POMM); Joint Operations Committees (JOC), Technical PPICC and PPICC meetings with all Client Departments and External Stakeholders are held regularly.</li> <li>▪ Site visits are also conducted on a weekly basis to projects with challenges to address these and reduce the backlog on major infrastructure projects.</li> </ul>                                                                                                                                                                                                                                                                                                                                     | No, but in progress |
|  |  | <p>The Executive Authority must ensure that the developed “detailed” Audit Action Plan ensures departmental interventions on targeted root causes and that corrective actions are both meaningful and sustainable.</p> | <ul style="list-style-type: none"> <li>▪ The Executive Authority, in collaboration with relevant units, has instituted mechanisms to ensure that all audit findings are addressed through a comprehensive Audit Action Plan (AAP).</li> <li>▪ As of 31 January 2026, 42 out of the 53 findings have been addressed (79%), whilst 11 (21%) findings are in the process of being addressed. 7 of the 53 findings (13%) were resolved during the audit.</li> <li>▪ A structured monitoring and evaluation process is in place to track the implementation of audit recommendations and ensure sustained compliance.</li> <li>▪ The AAP is monitored on a monthly basis and discussed during management meetings and quarterly at the risk and audit committee meetings.</li> <li>▪ The Department is committed to transparency and accountability, always submitting detailed quarterly progress reports to the Committee on a quarterly basis.</li> </ul> | No, but in progress |

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|   |                               | <p>The Executive Authority must ensure that consequence management is appropriately implemented, following the outcomes of investigations on irregular, fruitless and wasteful expenditure.</p>                                                                              | <ul style="list-style-type: none"> <li>Consequence management is implemented following the outcomes of investigations into irregular, fruitless and wasteful expenditure.</li> <li>All cases are subjected to investigations by Internal Audit, which identifies whether any official may be held liable. Where there is a liable official, the matters are formally referred to Labour Relations to implement disciplinary processes.</li> <li>To date, approximately five (5) cases have been referred to Labour Relations and are currently at various stages of the disciplinary process.</li> <li>The Department continues to monitor and track all cases to ensure timely finalization.</li> <li>It should however be noted that the Department did not incur any fruitless and wasteful expenditure during the 2023/24 financial year.</li> </ul> | No, but in progress |
|   |                               | <p>The Executive Authority must ensure steady improvement in governance, performance, and compliance within the department, furthermore, reinforce internal controls, tighten expenditure oversight, improve procurement integrity, and ensure financial accountability.</p> | <ul style="list-style-type: none"> <li>The Department has strengthened governance and oversight through regular engagements at Management, Audit Committee and Risk Committee levels, ensuring continuous monitoring of performance, compliance, and implementation of corrective actions.</li> <li>Internal controls have been enhanced through the implementation and monitoring of the Audit Action Plan, which is tracked monthly and quarterly to address root causes of audit findings and prevent recurrence.</li> </ul>                                                                                                                                                                                                                                                                                                                          | No, but in progress |
| 4 | Observations by the Committee | <p>i. The Accounting Officer must prioritise filling of vacant posts of Internal Audit and put key controls to ensure that Interim AFS are without material misstatements.</p>                                                                                               | <p>The Department has strengthened key controls through:</p> <ul style="list-style-type: none"> <li>Early preparation of Interim Financial Statements (IFS) in the 2nd and 3rd quarters to identify and correct errors before year-end;</li> <li>Multi-layered review processes involving Internal Audit, Provincial Treasury, Audit Committee, and Quality Assurers;</li> <li>Targeted engagements with programme managers responsible for disclosure inputs to improve accuracy and completeness; and Continuous capacity building on Modified Cash Standard (MCS) and financial reporting requirements.</li> <li>The Director posts for Internal Audit, Supply Chain Management and Risk Management were advertised in March 2026, and the closing date is 3 April 2026.</li> </ul>                                                                   |                     |

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|  |  | <p>ii. The Accounting Officer must develop responsive measures to guarantee that the department continuously aligns and adheres to regulatory expectations, framework and maintain operational integrity.</p>                             | <ul style="list-style-type: none"> <li>▪ The Department conducts monthly and quarterly meetings to discuss financial and non-financial performance.</li> <li>▪ Risk and Audit Committee sittings are held on a quarterly basis to discuss departmental performance and internal processes to ensure adherence to prescripts and to maintain operational integrity.</li> <li>▪ The Department has a Policy Committee in place to review existing policies and for the development of new policies which is approved by the Accounting Officer.</li> <li>▪ The Policy and Advocacy unit further has a Policy Advocacy Programme to ensure that employees are up to date with the Department's existing and new policies.</li> </ul> | No, but in progress |
|  |  | <p>iii. The Executive Authority must strengthen exercising oversight and drive the culture of accountability within the department.</p>                                                                                                   | <ul style="list-style-type: none"> <li>▪ The Executive Authority conducts quarterly and ad-hoc meetings to discuss financial and non-financial performance and to ensure accountability by the Management of the Department.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | No, but in progress |
|  |  | <p>iv. The Executive Authority must ensure that the Accounting Officer adequately capacitates the Internal Audit Unit and Project Management Unit to accurately implement the Audit Action Plan.</p>                                      | <ul style="list-style-type: none"> <li>▪ The Director posts for Internal Audit and Risk Management and Chief Director: Transport Infrastructure Maintenance were advertised in March 2026, and the closing date is 3 April 2026 to assist with the implementation and monitoring of the Audit Action Plan.</li> <li>▪ The units are further assisted by interns to ensure that supporting documents are reviewed and progress is monitored.</li> <li>▪ The Audit Action Plan is monitored on a monthly basis by the Risk Management Unit and presented on a quarterly basis to Management, the Audit and Risk Committee.</li> </ul>                                                                                               | No, but in progress |
|  |  | <p>iv. The Accounting Officer must support and guide the implementation of the action plan as well as recommendations made by the Auditor General, furthermore, implement swift consequences for transgressions and poor performance.</p> | <ul style="list-style-type: none"> <li>▪ The Department, in collaboration with relevant units, has instituted mechanisms to ensure that all audit findings are addressed through a comprehensive Audit Action Plan (AAP) process.</li> <li>▪ The number of findings reduced from 65 findings in the 2023/24 financial year to 53 findings in the 2024/25 financial year.</li> <li>▪ As of 31 January 2026, 42 out of the 53 findings have been addressed (79%), whilst 11 (21%) findings are in the process of being addressed.</li> <li>▪ A structured monitoring and evaluation process is in place to track the implementation of audit recommendations and ensure sustained compliance.</li> </ul>                            | No, but in progress |

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| 4.2 | Expenditure Management              | The Accounting Officer must implement consequence management processes against implicated officials for non-compliance with SCM regulations.                                                       | <ul style="list-style-type: none"> <li>▪ All identified SCM transgressions are referred to Labour Relations for investigation and disciplinary processing.</li> <li>▪ To date, approximately five (5) cases have been referred to Labour Relations and are currently at various stages of the disciplinary process.</li> <li>▪ Upon conclusion of these investigations and confirmation of liability, consequence management is implemented against implicated officials.</li> <li>▪ The Department is strengthening preventative controls, including training, enhanced SCM reviews, and compliance monitoring, to reduce recurrence while disciplinary processes are underway.</li> </ul> | No, but in progress |
|     |                                     | The Accounting Officer must ensure that all policies and procedures are up-to-date, easily accessible, and communicated in a common language for understanding to all officials of the department. | <ul style="list-style-type: none"> <li>▪ All departmental policies are available on the Department's website and internal Information Repository.</li> <li>▪ The Department has a Policy Committee in place to review existing policies and for the development of new policies which is approved by the Accounting Officer.</li> <li>▪ Some policies are complemented by Standard Operating Procedures to provide step-by-step instructions for implementation.</li> <li>▪ The Policy and Advocacy sub-programme will ensure that all policies and SOPs are committed to all employees at Head Office and in the districts.</li> </ul>                                                     | No, but in progress |
|     |                                     | The Accounting Officer must schedule regular audits to identify areas of non-compliance and to assess the effectiveness of existing internal controls.                                             | <ul style="list-style-type: none"> <li>▪ The Internal Audit Risk Based Annual Operational Plan is approved by the Audit Committee.</li> <li>▪ During each Audit, the existing internal controls are tested and reviewed to evaluate their effectiveness and any identified control weaknesses are reported.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                      | No, but in progress |
| 4.3 | Procurement and contract management | The Accounting Officer must ensure effective monitoring of the Parliamentary Village project to avoid delays in completion and overruns.                                                           | <ul style="list-style-type: none"> <li>▪ Final fittings for electrical works (lights, plugs, switches are ongoing and planned for completion by 16 March 2026.</li> <li>▪ The contractor is attending to snags identified on driveway paving and other areas, fittings with internal hardcore doors, roof downpipes and catchpits in a few houses whilst cleaning of the completed houses is on-going (windows, floors and courtyards).</li> <li>▪ Testing of plumbing installations to commence once internal water reticulation is flushed, cleaned and tested.</li> </ul>                                                                                                                | No, but in progress |

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|     |                                         | The Accounting Officer must ensure that proper assessment is conducted on the appointment processes for Scholar Transport Service Providers in ensuring compliance with regulations.                                                                 | <ul style="list-style-type: none"> <li>Proper measures are put in place in the current scholar transport tender in order to ensure that service providers are appointed in compliance with the National Land Transport Act (section 50, operating licenses) and the National Road Traffic Act (roadworthiness of vehicles).</li> <li>Evaluation of the current tender is in process.</li> <li>The Transport Inspectorate continues to ensure compliance of public transport operators and will check all vehicles for fitness prior appointment and during operations.</li> </ul>                                                                                                                                                                                             | No, but in progress |
|     |                                         | The Accounting Officer must timeously liaise with client departments to ensure proper planning for projects and procurement to avoid possible non-adherence, that could lead to improper procurement in violation of the PFMA and its regulations.   | <ul style="list-style-type: none"> <li>Infrastructure Programme Management Plans (IPMPs) from the Client Departments are due for submission by the end of the third quarter of each financial year.</li> <li>To date, all Client Department's IPMPs have been submitted and DPWRT is now in the process of finalising the Infrastructure Programme Implementation Plans (PIP's) in response to the IPMP's for the following financial year.</li> <li>In addition, regular Project Operations Management Meetings (POMM); Joint Operations Committees (JOC), Technical PPICC and PPICC meetings with all Client Departments and External Stakeholders are held regularly.</li> </ul>                                                                                           | No, but in progress |
| 4.4 | Report on Internal Control Deficiencies | The Accounting Officer must take action against project manager(s) for inadequate project oversight/ monitoring, ineffective enforcement of contractual provisions, that lead to extensive delays and additional costs at the Parliamentary Village. | <ul style="list-style-type: none"> <li>Where evident, action against programme managers for inadequate project managers will be taken.</li> <li>However, the project manager was not responsible for the extensive delays and additional costs of Parliamentary Village.</li> <li>The costs overruns and delays on this project was as a result of several work stoppages on site, under resourced sub-contractors, poor contractor performance and inclement weather</li> </ul>                                                                                                                                                                                                                                                                                              | No, but in progress |
|     |                                         | The Accounting Officer must investigate Contracting Strategy and ensure that the department assesses the planning and project management process and take disciplinary action where necessary.                                                       | <ul style="list-style-type: none"> <li>The Standard for Infrastructure Delivery Management System (IDMS) was developed to improve planning, implementation, monitoring and maintenance of infrastructure in government.</li> <li>Service providers are appointed through DPWRT's SCM unit once the client department confirms the available budget for implementation.</li> <li>The Department imposes penalties if needed as per the signed contract (Service Level Agreement) and the Joint Building Contracts Committee (JBCC) conditions.</li> <li>In terms of overall contract management, service providers are given an opportunity to remedy a breach of contract.</li> <li>In the event of non-compliance, penalties and/or cancellation are implemented.</li> </ul> | No, but in progress |

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|    |                           | <p>The Accounting Officer must ensure that Management strictly enforces competitive bidding to prevent project failure and protect public funds, furthermore, reduce reliance on deviations to procure goods and services.</p> | <ul style="list-style-type: none"> <li>▪ The Department has implemented robust SCM internal controls, including strict enforcement of competitive bidding in line with the PFMA and Treasury Regulation.</li> <li>▪ Pre-award compliance controls ensure contractors meet all requirements (tax compliance, CIDB grading, and technical capability) before appointment.</li> <li>▪ Ongoing contract management controls are in place, with monthly monitoring of project performance, expenditure, and compliance with JBCC/GCC and SLAs.</li> <li>▪ Deviation and variation controls are strictly regulated, requiring formal motivation, approval by the BAC and Accounting Officer, and full audit trail in line with Treasury prescripts.</li> </ul>                                                                                                                                                                                                                                        | No, but in progress |
| 5. | 5.1 Irregular Expenditure | <p>The Accounting Officer must ensure deviations are only used in accordance to the Legislation and ensure that SCM units prioritises robust planning and adopt competitive bidding as the standard procurement method.</p>    | <ul style="list-style-type: none"> <li>▪ The Accounting Officer acknowledges that deviations from competitive bidding must strictly comply with all SCM applicable legislations and may only be utilised under exceptional and fully justified circumstances.</li> <li>▪ To strengthen compliance, the Department has enhanced procurement planning and contract management, including the active monitoring of a contract register to track expiry dates and ensure that procurement processes are initiated at least 6–12 months in advance, thereby reducing reliance on deviations.</li> <li>▪ Deviation management controls have been reinforced, requiring detailed written motivations, strict scrutiny, and approval in line with National Treasury prescripts.</li> <li>▪ Competitive bidding remains the standard procurement method, and SCM officials are continuously capacitated to ensure adherence to prescribed thresholds, processes, and compliance requirements.</li> </ul> | No, but in progress |

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|  |  | <p>The Accounting Office must ensure that the critical vetting process is performed on appointing service providers to curb risk to learner safety on scholar transport.</p>           | <ul style="list-style-type: none"> <li>▪ The Accounting Officer acknowledges that a vetting process for scholar transport service providers is critical to safeguard learner safety and ensure full compliance with regulatory requirements.</li> <li>▪ Proper measures are put in place in the current scholar transport tender to ensure that service providers are appointed in compliance with the NLTA (section 50, operating licenses) and NRTA (roadworthiness of vehicles).</li> <li>▪ The Department has implemented a comprehensive checklist aligned to National Treasury SCM prescripts and transport regulations.</li> <li>▪ No service provider is appointed unless all mandatory compliance requirements are verified, including: <ul style="list-style-type: none"> <li>– Company registration and CSD compliance,</li> <li>– Valid tax clearance certificate,</li> <li>– Proof of insurance cover</li> <li>– Roadworthy certificates for vehicles, Valid operating licenses issued by relevant transport authorities</li> </ul> </li> <li>▪ Transport Inspectorates will check all vehicles for fitness prior appointment and during operation.</li> <li>▪ All drivers will be screened against the sexual offender's register.</li> </ul> | No, but in progress |
|  |  | <p>The Accounting Officer must ensure that the department urgently strengthens procurement planning and implement compliance to avoid escalating financial and reputational risks.</p> | <ul style="list-style-type: none"> <li>▪ The Department has enforced integrated planning between SCM and project management, ensuring that procurement plans are aligned to approved budgets, project readiness, and implementation timelines.</li> <li>▪ A contract register is actively maintained and monitored to track contract expiry dates and ensure that procurement processes are initiated at least 6–12 months in advance, thereby preventing last-minute deviations and non-compliance.</li> <li>▪ The Department will further ensure that SCM compliance is strengthened through the implementation of standardised checklists, enhanced bid committee oversight, and continuous capacity-building initiatives for officials involved in procurement processes.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | No, but in progress |
|  |  | <p>The Accounting Officer must conduct investigations on irregular expenditure and ensure that liable in law officials are taken through disciplinary processes.</p>                   | <ul style="list-style-type: none"> <li>▪ Internal Audit conducted investigations on alleged irregular expenditure and referred the findings to Labour Relations for implementation of consequence management.</li> <li>▪ Labour Relations have commenced with the reviews which will be finalized on or before 31 March 2026.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | No, but in progress |

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| 5.2 Fruitless and Wasteful Expenditure | The Accounting Officer must take appropriate action in relation to consequence management against implicated employees as per the investigation report.                                                         | <ul style="list-style-type: none"> <li>▪ The Fruitless and Wasteful expenditure incurred in the 2024/25 financial year amounted to R490 000.</li> <li>▪ The expenditure emanated from interest paid to Masikhane Civil Construction for the Sikhulile Circuit Office in Msogwaba on behalf of Department of Education.</li> <li>▪ The payment was made due to a court order that was served to the Department.</li> <li>▪ Legal Section is currently attending to the matter and will provide progress in the next report.</li> </ul>                                                                                                                                                                                                                                                                                                          | No, but in progress |
|                                        | The Accounting Officer must implement recovery of financial losses against implicated officials.                                                                                                                | <ul style="list-style-type: none"> <li>▪ Legal Section will forward the outcome of the investigation to Labour Relations should any employee be found liable.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No, but in progress |
|                                        | The Executive Authority must exercise oversight and monitor the actions taken by Accounting Officer to ensure that appropriate actions are taken to address the recovery of fruitless and wasteful expenditure. | <ul style="list-style-type: none"> <li>▪ All Executive Authority will ensure that all cases are investigated and that the Accounting Officer takes the appropriate action to recover funds and implement consequence management where needed.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No, but in progress |
| 5.3 Maternal Irregularities'           | The Accounting Officer must ensure that project managers effectively monitor and manage the implementation of all projects to ensure completion within the contract period and costs.                           | <ul style="list-style-type: none"> <li>▪ Project managers have been held accountable for project performance and regular sessions are held for project managers to report to management and the executive on the performance of projects.</li> <li>▪ Capacitation has been implemented through on the job learning and seminars / workshops.</li> <li>▪ Building Infrastructure holds fortnightly management meetings to review project progress and address challenges and bottlenecks affective projects.</li> <li>▪ In addition, regular Project Operations Management Meetings (POMM); Joint Operations Committees (JOC), Technical PPICC and PPICC meetings with all Client Departments and External Stakeholders are held regularly.</li> <li>▪ Site visits are also conducted to projects with challenges on a weekly basis.</li> </ul> | No, but in progress |
|                                        | The Accounting Officer must ensure that all included contractual clauses are implemented and enforced in the contract of the contractor throughout the project duration.                                        | <ul style="list-style-type: none"> <li>▪ The Accounting Officer reviews all changes to projects under implementation.</li> <li>▪ Ongoing contract management controls are in place, with monthly monitoring of project performance, expenditure, and compliance with JBCC/GCC and SLAs.</li> <li>▪ Deviation and variation controls are strictly regulated, requiring formal motivation, approval by the BAC and Accounting Officer, and full audit trail in line with Treasury prescripts.</li> <li>▪ If a contractor is not performing, the Accounting Officer may enforce penalties in line with the SLA and JBCC.</li> </ul>                                                                                                                                                                                                               | No, but in progress |

|  |  |                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                     |
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|  |  | <p>The Accounting Officer must enforce penalties for non-performance by the contractor and consulting engineers to minimise further project delays on the upgrade of Road D4407.</p>                      | <ul style="list-style-type: none"> <li>▪ The Department has instructed the Engineer to apply penalties as from the date when the project should have achieved practical completion (27 February 2026) until the actual date practical completion is achieved.</li> <li>▪ The anticipated completion date is 31 March 2026.</li> <li>▪ The contractor was requested to replace the Site Agent; a 14 days' notice has been issued to the Contractor in this regard.</li> <li>▪ The Consulting Firm is required to immediately find a replacement Engineer for the project, a notice of intention to terminate has been drafted and currently awaiting signature.</li> <li>▪ Letter on non-performance has been issued to the Contractor with reference to slow progress and failure to submit a revised programme, which was ultimately followed by a notice of intention to terminate, after the Contractors failure to respond.</li> <li>▪ A cession agreement is currently under consideration to address the non-payment of subcontractors by the Main Contractor.</li> <li>▪ Notice of intention to terminate was issued to the Consulting Firm. Following failure to replace the Employers Agent.</li> </ul>               | No, but in progress |
|  |  | <p>The Accounting Officer must implement debt collection processes to recover overpayment amount of R9 681 559.11 on the initial contractor's liquidated estate, regarding the upgrade of Road D4407.</p> | <ul style="list-style-type: none"> <li>▪ The Department has initiated debt recovery processes in respect of the overpayment amounting to R9.68 million relating to the upgrade of Road D4407.</li> <li>▪ The matter has been referred to Legal Services, and recovery through the performance guarantee issued by Hollard Insurance (Pty) Ltd was pursued.</li> <li>▪ Hollard Insurance has disputed the claim, and the matter is currently subject to legal proceedings, which will be resolved through the court process.</li> <li>▪ A summons for the recovery was issued against Hollard Insurance and Mhonyini in May 2025.</li> <li>▪ However, Hollard is defending the matter and has filed exceptions against the Department's summons and further issued Third Party Notices against Mhonyini and others to join them as Defendants in the proceedings.</li> <li>▪ The Department has inquired with the State Attorney and was informed that the hearing on the Opposed Motion Roll will be heard around June 2028.</li> <li>▪ The Department remains committed to recovering the funds and will implement further recovery and consequence management measures based on the outcome of the legal process.</li> </ul> | No, but in progress |

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|  |                               | <p>The Executive Authority must ensure that all recommendations of the investigation reports are implemented as well as the SIU report (after submission).</p>                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>▪ All cases referred to the Accounting Authority are investigated, and the recommended remedial actions are executed by the Accounting Officer.</li> <li>▪ Four (4) disciplinary hearings were held:               <ul style="list-style-type: none"> <li>– Two (2) officials were acquitted;</li> <li>– One (1) official was dismissed; and</li> <li>– One (1) case is still pending, the hearing was part-heard and rescheduled to 7-8 April 2026.</li> </ul> </li> </ul> | No, but in progress |
|  | 5.4 Report of Audit Committee | <p>The Accounting Officer must ensure that effective internal control measures are in place to implement the Audit Committee Report.</p>                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>▪ A credible Internal Action Plan, that is specific on the actions to be taken, has been developed.</li> <li>▪ Progress is on the Plan is monitored by the Internal Audit Unit and progress is reported to the Audit Committee on a quarterly basis.</li> </ul>                                                                                                                                                                                                             | No, but in progress |
|  |                               | <p>The Accounting Officer must provide a progress report on the implementation of the Audit Committee recommendations relating to;</p> <ol style="list-style-type: none"> <li>a. the unauthorised extension of term contracts;</li> <li>b. the misuse of government vehicles;</li> <li>c. the approval of operating license applications without required documentation;</li> <li>d. the inaccurate and outdated retention register; and</li> <li>e. the delays in project completion that are beyond contractual timelines.</li> </ol> | <ul style="list-style-type: none"> <li>▪ The relevant Programmes accounts to the Audit Committee regarding the progress on the implementation of the action plan.</li> <li>▪ Internal controls have been put in place to avoid recurrence of the findings and follow up audits are conducted to test and review those controls.</li> <li>▪ The detailed progress is provided on the following page (20), resolution (iii).</li> </ul>                                                                              | No, but in progress |

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|  |                                      | <p>The Accounting Officer must provide a comprehensive report detailing progress on the implementation of the Action Plan on all matters raised in (ii) above.</p>                                                                                                                                                    | <ul style="list-style-type: none"> <li>▪ The Internal Audit Unit has conducted follow up audits to determine progress on recommendations by the Audit Committee. The status is as follows:</li> <li>▪ Un-authorised extension of term contracts: New term contracts were awarded in the financial year 2025/2026.</li> <li>▪ Misuse of government vehicles: Consequence management was implemented, the matter of misuse of government vehicles was referred to Labour Relations for disciplinary processes and has been finalized.</li> <li>▪ Approval of operating license applications without required documentation: Consequence management was implemented, officials responsible for the processing of the operating licenses were subjected to an informal disciplinary process and matter was finalized.</li> <li>▪ Inaccurate and outdated retention register: The compilers of the Financial Statements and the Transport Infrastructure Programme meet monthly to discuss and adjust any discrepancies noted in the retention register and it has since been updated.</li> <li>▪ Delays in project completion that are beyond contractual timelines: Penalties are imposed when contractors fail to perform as per agreed timelines.</li> </ul> | No, but in progress |
|  | 5.5 Audit Committee                  | <p>The Accounting Officer must conduct investigations on the root causes and reasons for these delays on outstanding projects and implement consequence management against responsible officials as identified by investigation process.</p>                                                                          | <ul style="list-style-type: none"> <li>▪ Investigations will be conducted as and when the need arises.</li> <li>▪ The outcome of the investigations will determine the level of consequence management required should an official be found guilty of transgressions leading to the delay in the completion of projects.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No, but in progress |
|  |                                      | <p>The Accounting Officer must ensure that Internal Audit Unit is adequately capacitated through filling position of Chief Audit Executive and other positions within the Internal Audit Unit.</p>                                                                                                                    | <ul style="list-style-type: none"> <li>▪ The post for Director: Internal Audit was advertised in March 2026, and the closing date is 3 April 2026.</li> <li>▪ The unit is further complimented by interns to assist with the audits.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No, but in progress |
|  | 5.6 Report of the Accounting Officer | <p>The Accounting Officer must improve working relationships with user departments through co-signing of Service Level Agreement (SLA) defining scope, roles, timelines, joint compliance framework before construction works begin and communication protocols as well as escalation paths for resolving issues.</p> | <ul style="list-style-type: none"> <li>▪ Service level agreements are in place with all Client Departments and are active for a period of three years from the date of signing.</li> <li>▪ DPWRT undertakes regular reviews of the SLAs with the client departments, and these are amended by both the IA and the Client Department as and when required.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | No, but in progress |

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department has reviewed, strengthened, and approved a credible Audit Action Plan (AAP) aimed at addressing recurring audit findings and improving the overall audit outcome. The revised AAP incorporated inputs and recommendations from Internal Audit, the Audit Committee, Quality Assurance processes, and Provincial Treasury to ensure strengthened oversight and accountability.

The Department continues to strengthen consequence management, monitoring, and accountability mechanisms to prevent the recurrence of repeat audit findings and improve governance outcomes. The Department has not received any qualified audit opinions or disclaimers from the Auditor General of South Africa (AGSA) on the Annual Financial Statements or Annual Performance Reports. However, the unqualified audit opinions did include some matters of emphasis that the Department needed to address.

| Nature of qualification, disclaimer, adverse opinion and matters of non-compliance                                                                                                                                                                                                          | Financial year in which it first arose | Progress made in clearing / resolving the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Matter of Emphasis: Restatement of corresponding figures (AFS)                                                                                                                                                                                                                              | 2023/24                                | <ul style="list-style-type: none"> <li>Interim Financial statements for Q3 were prepared and submitted to Provincial Treasury.</li> <li>Recalculations were performed and Interim Financial statements is in line with MCS standards.</li> <li>Meetings were held with Programmes to ensure that MCS standards were met.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Matter of Emphasis: Material underspending of the vote by the department                                                                                                                                                                                                                    | 2023/24                                | <ul style="list-style-type: none"> <li>DPWI, with operational support team and Provincial Transport Departments, recommended the review of the current model of implementation.</li> <li>DPWRT proposed the development and piloting of the five (5) models for implementation of the Welisizwe Rural Bridges Programme in addressing the raised concerns focusing on accelerated delivery, capacity building, and cost efficiencies but these were rejected by the SANDF.</li> </ul>                                                                                                                                                                                                                                                                                     |
| Non-compliance with legislation: Annual Financial Statements                                                                                                                                                                                                                                | 2020/21                                | <ul style="list-style-type: none"> <li>Interim Financial statements for Q3 were prepared and submitted to Provincial Treasury.</li> <li>Recalculations were performed and Interim Financial statements is in line with MCS standards.</li> <li>Meetings were held with Programmes to ensure that MCS standards were met.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Non-compliance with legislation: Expenditure Management                                                                                                                                                                                                                                     | 2022/23                                | <ul style="list-style-type: none"> <li>The Finance and Infrastructure programmes met before submission of quarterly IFS. The reviews were performed as a build-up in ensuring correctness of the information to be utilised in the compilation of the AFS, inline with MCS requirements.</li> <li>The Department is strengthening preventative controls, including training, enhanced SCM reviews, and compliance monitoring, to reduce recurrence while disciplinary processes are underway.</li> </ul>                                                                                                                                                                                                                                                                  |
| Non-compliance with legislation: Procurement and contract management                                                                                                                                                                                                                        | 2020/21                                | <ul style="list-style-type: none"> <li>Improved contract management processes, including tracking of deliverables, penalties, and performance of contractors. Independent project reviews, site inspections and reporting to governance forums.</li> <li>Strengthened monitoring and oversight of infrastructure and service delivery projects, including Implementing Agents.</li> <li>Alignment of project milestones, cash flows and budgets to ensure timely delivery and accurate reporting of Work-in-Progress and abnormal costs.</li> </ul>                                                                                                                                                                                                                       |
| Internal control deficiencies: Insufficient oversight and monitoring of the implementation of internal controls by management, which resulted in material misstatements of the financial statements and the annual performance report, as well as non-compliance with laws and regulations. | 2023/4                                 | <ul style="list-style-type: none"> <li>Systematic rectification of all internal control weaknesses identified in financial management, performance management, compliance with legislation and service delivery. Strengthened segregation of duties, approval processes, and audit trail management to enhance accountability.</li> <li>Enforcement of consequence management where there is negligence, non-compliance, or irregularities.</li> <li>Regular reviews are performed to ensure that information reported in quarterly reports and ultimately in the annual report is complete, accurate and reliable.</li> <li>Progress on audit action plans is tracked continuously, with escalation of delays to senior management and governance structures.</li> </ul> |
| Internal control deficiencies: Inadequate monitoring and project management of infrastructure projects to ensure timely completion.                                                                                                                                                         | 2021/22                                | <ul style="list-style-type: none"> <li>Strengthened monitoring and oversight of infrastructure and service delivery projects, including Implementing Agents.</li> <li>Alignment of project milestones, cash flows and budgets to ensure timely delivery and accurate reporting of Work-in-Progress and abnormal costs.</li> <li>Improved contract management processes, including tracking of deliverables, penalties, and performance of contractors. Independent project reviews, site inspections and reporting to governance forums.</li> </ul>                                                                                                                                                                                                                       |

| Nature of qualification, disclaimer, adverse opinion and matters of non-compliance | Financial year in which it first arose | Progress made in clearing / resolving the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Material Irregularities – emanating from previous years (4)                        | 2021/22                                | <ul style="list-style-type: none"> <li>2022: The matter relating to prepayments made to contractors that have not yet been recovered were referred the irregularity to the Special Investigation Unit for further investigation.</li> <li>2024: The AG is reviewing the Departments' response to the finding relating to inadequate planning and budgeting resulting in escalation of costs at Mkhondo Boarding School.</li> <li>2024: The AG is reviewing the Department's response to the finding related to overpayments to the initial contractor on upgrade of road d4407.</li> </ul> |

## 10. INTERNAL CONTROL UNIT

The Department does not have Internal Control Unit in the Organogram. However, 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.

To ensure sound governance practices, the Department focusses on previous audit findings and compliance to prescripts. These include compliance to approved delegations, compliance testing of expenditure vouchers, detecting and preventing irregular expenditure, ad hoc investigations, implementation of checklists and procedure manuals. These are done with internal audit as part of combined insurance.

## 11. INTERNAL AUDIT

### Strategic Role and Purpose of Internal Audit

The Internal Audit Function (IAF) is a fundamental component of the department's governance and accountability system. The IAF is established in terms of section 38(1)(a)(ii) of the Public Finance Management Act (PFMA) read together with Treasury Regulation 3.2. Treasury Regulation 3.2.6, which stipulates that internal audit must be conducted in accordance with the Standards™ set by the Institute of Internal Auditors. The IAF is led by the Chief Audit Executive (CAE) and operates in terms of the Internal Audit Charter, which is approved by the Audit Committee and endorsed by the Accounting Officer.

Strategic Positioning and Independence

### Strategic Positioning and Independence

The IAF must function independently from management and be empowered with a functional reporting line directly to the Audit Committee (AC), and an administrative reporting line to the Accounting Officer. The CAE must have unrestricted access to the Chairperson of the AC. The independence of the IAF must be actively protected at all times, with safeguards formally documented, monitored and reviewed by the AC to ensure that the IAF remains free from undue influence in the execution of its mandate.

### Key activities and objectives of the Internal Audit function

#### Purpose and mandate

- The Internal Audit Function has been established in terms of Section 38 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the prevailing Treasury Regulations.
- Internal Audit supports and promotes the improvement in governance, risk management and internal controls for the Department (PWR&T) to achieve its strategic goals and objectives. The service provided by the Internal Audit function is defined by the Internal Audit Charter (IAC), which describes its purpose, commitment, mandate, organisational positioning and reporting relationship.

### Vision and strategy

- Strengthen the Department's ability to achieve its goals and objectives by providing independent risk-based objective assurance, advice, insight and foresight.

### Charter, methodology and Internal Audit plans

- The Internal Audit charter, rolling 3-year strategic Internal Audit plan and annual Internal Audit plan were reviewed, approved and implemented. The Internal Audit methodology was reviewed and aligned to the Global Internal Audit Standards™ and approved for implementation.

### Independence and objectivity

- The Internal Audit function is independent, reports functionally to the Audit Committee and administratively to the Accounting Officer and is operating freely and independently. All members of the Internal Audit function have confirmed their independence, objectivity and confidentiality when conducting audit services.

### Internal Audit modality

- The Internal Audit function is fully in-sourced.

### Staffing

- The Internal Audit structure approved comprises of fourteen (14) positions. Seven of the fourteen positions are currently vacant. The officials are all members of the Institute of Internal Auditors. One (1) official with auditing qualification was seconded from Transport Infrastructure to assist in the IA section for additional capacity. The Internal Audit function was also complemented with one (1) intern who was internally trained to provide secretariate duties. The collective skills and experience of the various members are appropriate for the Internal Audit function to deliver on its mandate. All members of the Internal Audit function have personal development plans and training; development programs are attended as and when budget is available and reported on during the year.

### Quality assurance and improvement program

- A quality assurance and improvement program is in place. The external quality assessment was last undertaken towards the end of the 2021/2022 financial year, and the assessment indicated a general conformance with the IIA Standards and Code of ethics. The assessment report of the Internal Audit function by the stakeholders, including the Audit Committee was issued. The report indicated that the Internal Audit function adds value to the Department and delivers on its mandate as required by the Internal Audit charter.

### Stakeholder relationships

- The Internal Audit function has a cordial working relationship with management and the various sections within the Department. The Internal Audit plans are informed by the annual risk assessment by the Risk Management unit. The Chief Audit Executive and Chief Risk Officer provide updates and feedback on the assurance on risks identified during the period under review.
- The Internal Audit function works well with the AGSA, the Internal Audit plans are shared for inputs, reports

issued are utilised by the external auditors for risk assessment purposes and provide direct assist.

### Combined assurance

- Internal Audit co-ordinate with other assurance provers to ensure proper coverage and to minimise duplication of efforts.

### Value- Add

- The Internal Audit function adds value through the audits they conduct and reports they issue.
- Internal Audit also provides guidance and advice on ad-hoc projects like the irregular expenditure investigations and determination test. Before finalisation of the audit action plan, Internal Audit also evaluates the action plans provided to address the root causes of the issues raised for their adequacy and effectiveness.

### Limitations

- There were no constraints for the Internal audit function that impede optimal performance.

### Specify a summary of audit work done

### Planned and completed audits

- The Internal Audit function planned assurance services

### Status of Audit findings addressed

|               | Number of findings | Total addressed | Not yet due | Total not addressed | Number of recurring findings Last 3 Financial Years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------|--------------------|-----------------|-------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IAF Findings  | 44                 | 1               | 1           | 1                   | 6 <ul style="list-style-type: none"> <li>Scholar Transport               <ul style="list-style-type: none"> <li>Expired Roadworthy Certificates.</li> <li>No operating License/ Expired operating License.</li> </ul> </li> <li>Transport and Building Infrastructure               <ul style="list-style-type: none"> <li>Delay in finalizing Projects.</li> </ul> </li> <li>Financial Statements of WIP               <ul style="list-style-type: none"> <li>Contingent liabilities.</li> <li>Accruals and payables.</li> </ul> </li> <li>Audit of Performance information               <ul style="list-style-type: none"> <li>Submission of POE (Inaccurate, incomplete, timeous)</li> </ul> </li> </ul> |
| AGSA Findings | 46                 | 32              | 14          | 0                   | 2 <ul style="list-style-type: none"> <li>Non-compliance to SCM Prescripts (Irregular Expenditure)</li> <li>Deviations (Contract extensions)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

### Remuneration of Audit Committee Members

- Audit Committee (AC) Members are remunerated according to the Treasury Regulation Rates. Wherein an ordinary AC Member rates **R2 809.00** per day and the Audit Committee Chairperson rates **R4 629.00** per day.
- In line with Treasury Regulation, employees of the organ of state are prohibited to receive remuneration.
- The total Audit Committee expenditure for the reporting period is R373 080.31

## 12. AUDIT COMMITTEE

The AC is established by the department as prescribed by the PFMA and its core functions and responsibilities are set out in the Treasury Regulations and the Audit Committee Terms of Reference (Charter) approved by the Accounting Officer in consultation with the Executive Authority. The AC plays a pivotal role in assessing operations, and based on such assessment, advise the Accounting Officer and Executive Authority regarding: the effectiveness of the department's overall governance, risk management and internal control system; the effectiveness of the internal audit function; the adequacy, reliability and accuracy of financial and performance information produced by the department; accounting and auditing concerns identified through internal

and advisory services and achieved 100% of planned activities. There was no roll-over of projects to the new Internal Audit plan. The following projects were completed:

- Follow up audit - Control Environment.
- Annual Financial Statements (AFS) review
- Risk Management review
- Follow up audit - GMT
- Scholar Transport audit
- Transport Infrastructure audit
- Payroll verification & physical head count (Ad hoc)
- Supply Chain Management
- Audit of Predetermined objectives - Review of the six (6) months report
- Interim Financial Statements (IFS) review
- Legal Services audit
- AG Follow up audit – Review of the AAP (Execution phase)
- Revenue Management – DORA audit (Execution Phase)

### Ad hoc projects

- Irregular Expenditure investigations / determination tests were performed and completed.
- Payroll verification and physical head count

and statutory audits; and the department's compliance with legal and regulatory provisions. The AC thus assists the department in enhancing its integrity and operational effectiveness through good governance and adherence to the legislative, accounting, and auditing frameworks.

Key activities and objectives of the audit committee:

### Purpose and mandate:

- The Audit Committee is an independent advisory committee established in terms of Public Finance Management Act (PFMA), 1999.
- The purpose of the Audit Committee is to assist the Accounting Officer and Executive Authority in fulfilling their governance, oversight, risk management, internal control, and accountability responsibilities.
- The Audit Committee reports directly to the Accounting Officer, reports are provided to the Executive Authority on their observations all significant findings and concerns by the Internal Audit or the External Auditors.
- The Audit Committee operates in accordance with the current and approved Audit Committee Charter by the Accounting Officer.

**Independence:**

- The Audit Committee operated freely and independently, all members declared that there were no circumstances that may arise that may impact their independence and objectivity.

**Protecting the independence of the IAF:**

The Audit Committee has reviewed and is satisfied with the organisational positioning and independence of the internal audit function. There were no threats to the independence or victimisation of the internal audit function.

**Performance against statutory duties:**

- The Audit Committee confirms that it has fulfilled its functions and responsibilities as set out by the PFMA, Treasury Regulations, Global Internal Audit Standards™ and the Audit Committee Charter.

**Composition of the AC:**

- The Audit Committee consist of independent members of which all are external members, and this is adequate and appropriate. The members have a mix of qualifications, expertise, and experience to fulfil their mandate and oversight responsibilities considering the size, geographic dispersion, supply chain and general complexity of the department

**Meeting Attendance**

- The Audit Committee convened 7 times during the 2025/2026 financial year, with 4 being ordinary meetings and 3 special meetings.

**Combined assurance:**

- The Audit Committee ensured that a combined assurance model is developed and maintained to provide a coordinated approach to all assurance activities.

**Resolution of AC recommendations:**

- The Audit Committee is satisfied on how the recommendations made are received and implemented, a resolution register is maintained to track all resolutions at meetings held.

**AC performance evaluation:**

- The Accounting Officer in conjunction with the Chairperson of the Audit Committee facilitate the evaluation of the effectiveness of the Audit committee and make any recommendations to improve its effectiveness, if necessary.

## Audit Committee Composition and Meeting Attendance

| Name      | Qualifications                                                                                                                                                                                                                                                              | Professional Affiliation (e.g. SAICA, IIA, IOD(SA)) | Appointment: Term of Office |             | No. of meetings attended 2025/26 |                 | Has the AC member declared private and business interests in every meeting? (Yes/No) | Is the AC member an employee of an organ of state? (Yes / No) | No. of other ACs that the member served on during the reporting period (whether in the public sector or not) | No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s) |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------|-------------|----------------------------------|-----------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|           |                                                                                                                                                                                                                                                                             |                                                     | Start Date                  | End Date    | Ordinary Meeting                 | Special Meeting |                                                                                      |                                                               |                                                                                                              |                                                                                                                                                                                  |
| K Mhlongo | <ul style="list-style-type: none"> <li>Baccalaurei Artium (B.A.)</li> <li>Diploma in Bookkeeping</li> <li>Diploma in Practical Accounting</li> <li>Master of Business Administration (MBA)</li> <li>Bachelor of Laws (LLB)</li> </ul>                                       | SAIB                                                | 01 Nov 2019                 | 31 Oct 2025 | 2                                | 1               | Yes                                                                                  | No                                                            | 3                                                                                                            | 1                                                                                                                                                                                |
| CB Mnisi  | <ul style="list-style-type: none"> <li>B - Tech in Internal Auditing</li> <li>Diploma in Internal Auditing</li> <li>Bachelor of Arts</li> <li>Diploma in Public Administration</li> </ul>                                                                                   | IOD (SA)                                            | 01 Feb 2024                 | 31 Jan 2027 | 4                                | 3               | Yes                                                                                  | No                                                            | 2                                                                                                            | 1                                                                                                                                                                                |
| P Mangoma | <ul style="list-style-type: none"> <li>Bachelor of accounting Sciences</li> <li>Bachelor of Commence Honours in Auditing</li> <li>Certified internal auditor</li> <li>Master of Philosophy in Accounting Sciences</li> <li>Certified Information Systems Auditor</li> </ul> | IOD (SA)                                            | 01 Feb 2024                 | 31 Jan 2027 | 0                                | 1               | Yes                                                                                  | No                                                            | 3                                                                                                            | 4                                                                                                                                                                                |

| Name          | Qualifications                                                                                                                                                                                                                                                                                                                                                                         | Professional Affiliation (e.g. SAICA, IIA, IOD(SA)) | Appointment: Term of Office |             | No. of meetings attended 2025/26 |                 | Has the AC member declared private and business interests in every meeting? (Yes/No) | Is the AC member an employee of an organ of state? (Yes / No) | No. of other ACs that the member served on during the reporting period (whether in the public sector or not) | No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------|-------------|----------------------------------|-----------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|               |                                                                                                                                                                                                                                                                                                                                                                                        |                                                     | Start Date                  | End Date    | Ordinary Meeting                 | Special Meeting |                                                                                      |                                                               |                                                                                                              |                                                                                                                                                                                  |
| EA Phalanndwa | <ul style="list-style-type: none"> <li>Bachelor of Commerce in Accounting</li> <li>General Internal Audit(GIA)</li> <li>Principal Certified Internal Auditor (PCIA)</li> <li>Certified Internal Auditor (CIA)</li> <li>Professional Internal Auditor (PIA)</li> <li>Certified Information Systems Auditor (CISA)</li> <li>Certification in Risk Management Assurance (CRMA)</li> </ul> | IIA, IRMSA, ACFE                                    | 01 Feb 2024                 | 31 Jan 2027 | 4                                | 3               | Yes                                                                                  | No                                                            | 3                                                                                                            | 1                                                                                                                                                                                |
| JT Mmonwa     | <ul style="list-style-type: none"> <li>SAICA Board</li> <li>II: Assessment of Professional Competence</li> <li>SAICA Board</li> <li>I: Initial Test of Professional Competence</li> <li>Post Graduate Diploma in Applied Accounting Sciences</li> <li>Bachelor of Accounting Science</li> </ul>                                                                                        | SAICA                                               | 01 Feb 2024                 | 31 Jan 2027 | 4                                | 3               | Yes                                                                                  | No                                                            | 2                                                                                                            | 1                                                                                                                                                                                |

| Name        | Qualifications                                                                                                                                              | Professional Affiliation (e.g. SAICA, IIA, IOD(SA))                                                                   | Appointment: Term of Office |             | No. of meetings attended 2025/26 |                 | Has the AC member declared private and business interests in every meeting? (Yes/No) | Is the AC member an employee of an organ of state? (Yes / No) | No. of other ACs that the member served on during the reporting period (whether in the public sector or not) | No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s) |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------|----------------------------------|-----------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |                                                                                                                                                             |                                                                                                                       | Start Date                  | End Date    | Ordinary Meeting                 | Special Meeting |                                                                                      |                                                               |                                                                                                              |                                                                                                                                                                                  |
| SW Chamane  | <ul style="list-style-type: none"><li>• LLB</li><li>• Diploma in Public Administration</li></ul>                                                            |                                                                                                                       | 01 Feb 2026                 | 31 Jan 2029 | 1                                | 0               | Yes                                                                                  | Yes                                                           | 0                                                                                                            | 1                                                                                                                                                                                |
| TP Manakana | <ul style="list-style-type: none"><li>• Current: Post Graduate Degree Data Science</li><li>• B-Tech Internal Auditing</li><li>• Labour Relations,</li></ul> | CFE: Certified Fraud Examiner -ACFE, IAT: Internal Audit Technician – IIA, BPA: Business Accountant in Practice SAIBA | 01 Feb 2026                 | 31 Jan 2029 | 1                                | 1               | Yes                                                                                  | No                                                            | 0                                                                                                            | 5                                                                                                                                                                                |

## Remuneration of Audit Committee Members

- Audit Committee (AC) Members are remunerated according to the Treasury Regulation Rates. Wherein an ordinary AC Member rates R2 809.00 per day and the Audit Committee Chairperson rates R4 629.00 per day.
- In line with Treasury Regulation, employees of the organ of state are prohibited to receive remuneration.
- The total Audit Committee expenditure for the reporting period is R373 080.31

## 13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2026, set out in three parts:

### Part 1: Audit Committee Reflections:

The primary purpose of the Audit Committee is to transversally assist the Accounting Officer of the Department of Public Works, Roads and Transport to fulfil their oversight responsibility. The Audit Committee is an independent oversight structure appointed that has non-executive status and required to ensure that no conflict of interest may arise with regards to its responsibilities. The internal audit function reports functionally to the Audit Committee and administratively to the Accounting Officer. The Chief Audit Executive's role is to lead the internal audit function in providing assurance and advisory services. The Audit Committee conducts an annual evaluation of its performance and there were no challenges that were highlighted.

The Audit Committee reports that it has complied with its responsibilities arising from Section 38(1) (a) (ii) of the Public Finance Management Act, Act No. 1 of 1999 and Treasury Regulation 3.1.8 – 3.1.16. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, aligned to the Global Internal Audit Standards™. We have conducted our affairs in compliance with this charter and have discharged all responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices. The Audit Committee has functioned without hindrance or limitation throughout the reporting period.

### Part 2: Audit Committee Composition and Meeting Attendance:

The audit committee consists of 5 members. The committee is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened 7 times during the year with 4 being ordinary meetings and 3 special meeting.

### Part 3: Audit Committee Focus Area

#### Effectiveness of internal control systems:

Management has a positive approach to maintaining an effective internal control system, approved policies and procedures are in place and are reviewed periodically. Evaluation of compliance with legislation and policies is performed during the reviews by internal and external audit per focus area that are part of the approved audit plans.

From the various reports from internal and external audits, the following matters were reported indicating deficiencies in the system of internal control.

- Unauthorized transfer or movement of officials.
- Delays to finalize construction projects.
- Expired Roadworthy certificate of scholar transport.
- Access cards of terminated officials not deactivated.
- High number of litigation claims against the Department.
- Non-compliance to Supply Chain Management prescripts

In order to address the noted deficiencies, the Audit Committee monitors progress made by management on implementing action plans to address deficiencies.

## Effectiveness of the internal audit function:

The internal audit function has operated objectively and independently during the year under review in terms of its approved charter guided by the approved internal audit plan and internal audit manual in compliance with the Global Internal Audit Standards™. The Committee is satisfied with the performance and effectiveness of the internal audit function despite the staff shortage resulting from unfilled vacancies. The internal audit undertakes continuous professional development programs aligned to the performance management and development requirements. The Audit Committee takes note of that business process automation is being introduced in the Department.

The internal audit function shares its internal audit plans with the external auditors for inputs and coordinates its activities with other assurance providers, namely the Risk Management Unit. The Audit Committee met with the Chief Audit Executive, AGSA, and Accounting Officer and there are no unresolved issues of concern.

## Effectiveness of risk management:

Quarterly reports by the Risk Committee highlighted the management of risks. The Audit Committee is satisfied that significant risks identified are covered by the internal audit plan, the external audit also utilizes the risks identified to guide their audit strategy. Both the Audit Committee and Risk Committee provided assurance and advised management on improvement in effectiveness of governance, risk management and internal controls. Majority of the risks identified are managed to an acceptable level in terms of the risk framework, there are however some unacceptable risks with external influence that were identified for management to continuously monitor, consider intergovernmental relations approach and take note of.

## Adequacy, reliability and accuracy of the financial and performance information:

The Audit Committee is satisfied that management has managed the risk that may impact on the integrity of external reports issued by the department. The Audit Committee is satisfied with the adequacy, reliability and accuracy of the financial and performance information, and there are no major concerns that were noted.

## Adequacy and effectiveness of Information and Communication Technology (ICT) Governance:

ICT is a standing agenda item in all Audit Committee meetings where ICT matters are presented and discussed. ICT has received a clean audit by AGSA for the past three years.

## Accounting and auditing concerns identified as a result of internal and external audits:

Areas raised by internal and external audit are highlighted under the effectiveness of internal control systems. Action plans are developed by management to attend to for all areas raised. Follow up audit reports on the implementation of action plans are conducted by internal audit and presented to the Audit Committee for monitoring progress on resolving areas of concern. The internal audit function did determination tests on the irregular expenditure raised by AGSA.

As part of the regular Audit Committee meetings, the Chief Financial Officer is required to brief the Audit Committee on unauthorized, irregular, fruitless and wasteful expenditure (UIFWE) risks that may exist or have materialized. There were no material irregularities that were identified or brought to the attention of the Audit Committee.

## Compliance with legal and regulatory provisions:

Based on the work performed by internal audit and external audit, and reports presented to the Audit Committee, the Audit Committee noted some non-compliance issues in relation to Supply Chain Management.

### **The quality of the in-year management and monthly/quarterly reports submitted in terms of legislation**

The Audit Committee is satisfied that in year management and quarterly reports are submitted to the Treasury as is required by the PFMA

#### **Combined assurance:**

The Audit Committee oversees the progress reporting by the Risk Committee on the management and evaluation of risks by the various assurance providers.

#### **Evaluation of annual financial statements:**

The Audit Committee has reviewed and discussed with the Accounting Officer and Auditor-General the annual financial statements and information on predetermined objectives to be included in the annual report. The Auditor-General's management reports did not highlight any findings that are of concern. There were no changes in accounting policies and practices and there was compliance with legal and regulatory provisions. The department has prepared quality financial information on a timely basis for oversight purposes; the midterm financial statements were also subjected to internal audit review. There were no significant financial reporting issues for the reporting period that remain unresolved between the management and the external auditors. The Audit Committee recommended the annual financial statements be approved on 29<sup>th</sup> of May 2025. The Audit Committee is pleased with the audit opinion, and this reflects the continuous commitment and effort by management to address performance during the year.

#### **External Audit:**

The Audit Committee views the AGSA as being independent and objective when conducting the external audit. There were no matters raised by the AGSA that were not

adequately addressed. The Audit Committee met with the AGSA and there are no unresolved issues of concern.

#### **Auditor-General's Report:**

We have reviewed the Department of Public Works, Roads and Transport audit action plan regarding audit issues raised in the previous year and are satisfied that the matters are in the process of being resolved. The Audit Committee concurs and accepts the conclusion of the Auditor-General on the Annual Financial Statements and Annual Performance Report and is of the opinion that the Audited Annual Financial Statements and Annual Performance Report be read together with the report of the Auditor-General.

#### **Any other issues/matters not covered above.**

None

#### **Conclusion**

The Audit Committee is also committed to align to the AGSA Culture Shift Framework in promoting the accountability ecosystem.



**Mr CB Mnisi**  
**Chairperson of the Audit Committee**  
**Department of Public Works, Roads and Transport**  
**Date: 31 May 2026**



#### 14. 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.

| <b>Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:</b>    |                              |                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Criteria</b>                                                                                                                                          | <b>Response<br/>Yes / No</b> | <b>Discussion</b>                                                                                                                                                                                    |
| 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.                                                                                                                                                      |





## **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

Status of Human Resources in the Department

The objective of the human resource management function is to enable continuous improvement in service delivery by supporting, equipping and developing the organization’s workforce. As of 01 April 2025, the Department had a total of 2 417 employees on its staff establishment to execute its constitutional mandate. However, in the past 12 months, the Department lost 136 employees due to natural attrition.

Human Resources Priorities for the Year under Review (2025/26)

Despite the shortage of budget for compensation of employees, the Department managed to conduct interviews for 45 out of 271 advertised posts. Although the department is committed to the National Employment Equity Target of 50% women at SMS level and 3 % Persons with disabilities across all occupational categories and Economic Active Population, the target in terms of 50% Women at SMS level could not be achieved due to budget constraint to advertise and fill the vacant SMS posts. The department completed the review of the organogram. The organogram was approved in the fourth quarter of 2025/26, and it will be implemented with effect from 2026/2027 financial year.

Workforce Planning and Key Strategies to Attract and Recruit Skilled Personnel and Capable Workforce

The Department’s Human Resource (HR) function has made measurable progress in implementing its strategic objectives as outlined in the Medium-Term Expenditure Framework (MTEF) HR Plan, approved in June 2024. The Plan provides a structured framework for aligning human resource management with departmental priorities and service delivery imperatives. Central to this approach is the use of **HR Planning** to identify key priorities and inform the activities and operational plans across the following HR functional areas.

- Organizational Development and Change Management (Workforce Capacity):
- HR Practices and Administration Services (Workforce Availability):
- HR Utilisation and Development (Workforce Development):
- Human Resource Planning and Information Systems (Workforce Profile):

- Employee Health and Wellness (Workforce Wellbeing):
- Ethics, Values, Employee and Labour Relations (Workforce Behaviour):

Key Achievements

- 100% Compliance with signing of performance agreements.
- 198 Interns enrolled
- 50 Learners enrolled
- 101 Training interventions implemented, reaching 8,301 employees.
- 45 New appointments made including 02 SMS posts
- 10 Wellness events held reaching 1 894 employees
- 128 Employee cases managed through
- Organisational structure reviewed

Key challenges and management future plans

Despite recent achievements, the Department faces several systemic constraints:

- Employment Equity shortfalls: Inclusive recruitment practices and launching mentorship will frameworks will be persuaded to develop internal talent. Targeted recruitment strategies and external partnerships will be explored to improve performance on inclusivity in the workplace.
- Backlogs in labour relations cases: Case management to be enhanced through streamlining of disciplinary processes and improving coordination with presiding officers to ensure faster case resolution
- Talent scarcity: Filling essential service delivery roles, specifically targeting technical positions in core Programmes. In addition, artisan positions at Middelburg Hospital, Rob Ferreira Hospital, the Parliamentary Village, and Government Motor Transport (GMT) centres will be prioritized in line with previous policy pronouncements. Lastly, the Department will leverage on the MOUs with TVEs and MRTT to create development opportunities for the unemployed. These institutions will also be utilized to upskill the workforce to address operational challenges, foster a positive work environment and drive organisational efficiency.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel Related Expenditure

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

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

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2025 and 31 March 2026

| 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              | 361,622                   | 215, 247                      | 1,632                        | 1,852                                                 | 59,50                                             | 540                                         |
| Public Works Infrastructure | 1,148,517                 | 369,240                       | 3                            | 2,848                                                 | 32,15                                             | 494                                         |
| Transport Infrastructure    | 2,516,936                 | 451,056                       | 69                           | 103,771                                               | 17,92                                             | 57,00                                       |
| Transport Operations        | 1,493,899                 | 130,747                       | 0                            | 4,561                                                 | 8,75                                              | 509,00                                      |
| Community Based Programmes  | 70,395                    | 50,975                        | 7,723                        | 2,498                                                 | 72,41                                             | 879                                         |
| Total                       | 5,591,368                 | 1,217,225                     | 9,427                        | 115,530                                               | 21,77                                             | 130,00                                      |

Table 3.1.2 Personnel costs by salary band for the period 1 April 2025 and 31 March 2026

| 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)               | 15                            | 0,90                      | 56               | 224                                         |
| Skilled (Levels 3-5)                     | 437                           | 31,70                     | 1 279            | 342                                         |
| Highly skilled production (Levels 6-8)   | 330                           | 23,90                     | 589              | 561                                         |
| Highly skilled supervision (Levels 9-12) | 339                           | 24,50                     | 345              | 982                                         |
| Senior management (Levels >= 13)         | 53                            | 3,90                      | 33               | 1 615                                       |
| Contract (Levels 1-2)                    | 237                           | 0,00                      | 1                | 237                                         |
| Contract (Levels 3-5)                    | 33                            | 2,40                      | 102              | 322                                         |
| Contract (Levels 6-8)                    | 2                             | 0,10                      | 4                | 468                                         |
| Contract (Levels 9-12)                   | 5                             | 0,40                      | 4                | 1 283                                       |
| Contract (Levels >= 13)                  | 5                             | 0,30                      | 4                | 1 186                                       |
| <b>Total</b>                             | <b>1 217</b>                  | <b>88,10</b>              | <b>2 417</b>     | <b>504</b>                                  |

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2025 and 31 March 2026

| 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              | 166            | 76,00                              | 8              | 3,80                               | 7                     | 3,40                          | 11             | 4,80                                  |
| Public Works Infrastructure | 272            | 67,60                              | 17             | 4,20                               | 17                    | 4,30                          | 26             | 6,50                                  |
| Transport Infrastructure    | 323            | 59,90                              | 16             | 2,90                               | 25                    | 4,70                          | 48             | 9,00                                  |
| Transport Operations        | 94             | 64,70                              | 11             | 7,60                               | 6                     | 4,00                          | 10             | 7,10                                  |
| Community Based Programmes  | 42             | 73,90                              | 1              | 2,30                               | 1                     | 2,00                          | 2              | 4,40                                  |
| <b>Total</b>                | <b>897</b>     | <b>64,90</b>                       | <b>54</b>      | <b>3,90</b>                        | <b>58</b>             | <b>4,20</b>                   | <b>99</b>      | <b>7,20</b>                           |

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

| 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)               | 8              | 64,00                              | 0,5            | 4,00                               | 1                     | 8,10                          | 2              | 14,90                                 |
| Skilled (Levels 3-5)                     | 308            | 70,60                              | 22             | 5,0                                | 29                    | 6,60                          | 54             | 12,30                                 |
| Highly skilled production (Levels 6-8)   | 237            | 67,00                              | 19             | 5,40                               | 12                    | 3,50                          | 26             | 7,50                                  |
| Highly skilled supervision (Levels 9-12) | 267            | 69,10                              | 10             | 2,60                               | 9                     | 2,40                          | 13             | 3,50                                  |
| Senior management (Levels >= 13)         | 43             | 70,20                              | 0              | 0,00                               | 4                     | 6,40                          | 1              | 1,80                                  |
| Contract (Levels 1-2)                    | 0,2            | 65,00                              | 0,4            | 15,20                              | 14                    | 5,90                          | 0,1            | 5,90                                  |
| Contract (Levels 3-5)                    | 23             | 67,30                              | 2              | 6,30                               | 2                     | 5,60                          | 2              | 7,00                                  |
| Contract (Levels 6-8)                    | 2              | 66,40                              | 0              | 0,00                               | 0                     | 0,00                          | 0,8            | 3,30                                  |
| Contract (Levels 9-12)                   | 5              | 73,60                              | 25             | 0,40                               | 0                     | 0,00                          | 0,7            | 0,10                                  |
| Contract (Levels >= 13)                  | 4              | 72,70                              | 0              | 0,00                               | 195                   | 3,40                          | 0,4            | 0,80                                  |
| <b>Total</b>                             | <b>897</b>     | <b>64,90</b>                       | <b>54</b>      | <b>3,90</b>                        | <b>58</b>             | <b>4,20</b>                   | <b>99</b>      | <b>7,20</b>                           |

## 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

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 2026

| Programme                   | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|-----------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| Administration              | 317                                       | 274                    | 13.60        | 0                                                   |
| Public Works Infrastructure | 775                                       | 708                    | 8.60         | 0                                                   |
| Transport Infrastructure    | 1 284                                     | 1 152                  | 10.30        | 0                                                   |
| Transport Operations        | 296                                       | 257                    | 13.20        | 0                                                   |
| Community Based Programmes  | 314                                       | 56                     | 82.20        | 0                                                   |
| <b>TOTAL</b>                | <b>2 986</b>                              | <b>2 447</b>           | <b>18.10</b> | <b>0</b>                                            |

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2026

| 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)               | 100                                       | 60                     | 40           | 0                                                   |
| Skilled (Levels 3-5)                     | 1 473                                     | 1 122                  | 23.80        | 0                                                   |
| Highly Skilled Production (Levels 6-8)   | 706                                       | 661                    | 6.40         | 0                                                   |
| Highly Skilled Supervision (Levels 9-12) | 385                                       | 339                    | 11.90        | 0                                                   |
| Senior Management (Levels >= 13)         | 76                                        | 32                     | 57.90        | 0                                                   |
| Other, Permanent                         | 230                                       | 230                    | 0            | 0                                                   |
| Contract (Levels 1-2)                    | 1                                         | 0                      | 100          | 0                                                   |
| Contract (Levels 3-5)                    | 4                                         | 0                      | 100          | 0                                                   |
| Contract (Levels 6-8)                    | 4                                         | 0                      | 100          | 0                                                   |
| Contract (Levels 9-12)                   | 4                                         | 0                      | 100          | 0                                                   |
| Contract (Levels >= 13)                  | 3                                         | 3                      | 0            | 0                                                   |
| <b>TOTAL</b>                             | <b>2 986</b>                              | <b>2 447</b>           | <b>18.10</b> | <b>0</b>                                            |

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2026

| Critical Occupation                               | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|---------------------------------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| Administration Clerks                             | 2                                         | 0                      | 100          | 0                                                   |
| Administration Officer                            | 5                                         | 2                      | 60           | 0                                                   |
| Administrative Related                            | 186                                       | 180                    | 3.20         | 0                                                   |
| Agriculture Related                               | 2                                         | 2                      | 0            | 0                                                   |
| Air-Conditioning And Refrigeration Mechanic       | 2                                         | 1                      | 50           | 0                                                   |
| All Artisans in The Building Metal Machinery Etc. | 166                                       | 150                    | 9.60         | 0                                                   |
| Architects Town and Traffic Planners              | 2                                         | 2                      | 0            | 0                                                   |
| Artisan Project and Related Superintendents       | 3                                         | 3                      | 0            | 0                                                   |
| Auxiliary And Related Workers                     | 6                                         | 6                      | 0            | 0                                                   |
| Boiler And Related Operators                      | 46                                        | 45                     | 2.20         | 0                                                   |
| Boiler Maker                                      | 4                                         | 4                      | 0            | 0                                                   |
| Building And Other Property Caretakers            | 4                                         | 4                      | 0            | 0                                                   |
| Bus And Heavy Vehicle Drivers                     | 11                                        | 11                     | 0            | 0                                                   |
| Cartographers And Surveyors                       | 1                                         | 1                      | 0            | 0                                                   |
| Cartographic Surveying and Related Technicians    | 7                                         | 7                      | 0            | 0                                                   |
| Civil Engineering Technician                      | 1                                         | 0                      | 100          | 0                                                   |

| Critical Occupation                                   | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|-------------------------------------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| Civil Engineering Technicians                         | 4                                         | 4                      | 0            | 0                                                   |
| Cleaners In Offices Workshops Hospitals Etc.          | 89                                        | 86                     | 3.40         | 0                                                   |
| Communication And Information Related                 | 4                                         | 4                      | 0            | 0                                                   |
| Community Development Manager                         | 1                                         | 1                      | 0            | 0                                                   |
| Customer Services Personnel                           | 1                                         | 1                      | 0            | 0                                                   |
| Electrical And Electronic Equipment Assembler         | 1                                         | 0                      | 100          | 0                                                   |
| Electrical And Electronics Engineering Technicians    | 1                                         | 1                      | 0            | 0                                                   |
| Electrician                                           | 1                                         | 0                      | 100          | 0                                                   |
| Elementary Workers Not Elsewhere Classified           | 250                                       | 0                      | 100          | 0                                                   |
| Engineering Sciences Related                          | 35                                        | 32                     | 8.60         | 0                                                   |
| Engineers And Related Professionals                   | 15                                        | 14                     | 6.70         | 0                                                   |
| Facilities Manager                                    | 2                                         | 0                      | 100          | 0                                                   |
| Farm Hands and Labourers                              | 26                                        | 25                     | 3.80         | 0                                                   |
| Finance And Economics Related                         | 15                                        | 15                     | 0            | 0                                                   |
| Finance Clerk                                         | 1                                         | 0                      | 100          | 0                                                   |
| Finance Manager                                       | 1                                         | 0                      | 100          | 0                                                   |
| Financial Accountant                                  | 2                                         | 1                      | 50           | 0                                                   |
| Financial And Related Professionals                   | 35                                        | 35                     | 0            | 0                                                   |
| Financial Clerks and Credit Controllers               | 97                                        | 91                     | 6.20         | 0                                                   |
| Fitter And Turner                                     | 1                                         | 0                      | 100          | 0                                                   |
| Fitter Welder                                         | 1                                         | 0                      | 100          | 0                                                   |
| General Accountant                                    | 1                                         | 1                      | 0            | 0                                                   |
| General Legal Administration & Rel. Professionals     | 1                                         | 1                      | 0            | 0                                                   |
| Head Of Department/Chief Executive Officer            | 3                                         | 3                      | 0            | 0                                                   |
| Human Resource Manager                                | 1                                         | 0                      | 100          | 0                                                   |
| Human Resource Practitioner                           | 5                                         | 1                      | 80           | 0                                                   |
| Human Resources & Organisat Development & Relate Prof | 5                                         | 5                      | 0            | 0                                                   |
| Human Resources Clerks                                | 47                                        | 43                     | 8.50         | 0                                                   |
| Human Resources Related                               | 84                                        | 62                     | 26.20        | 0                                                   |
| Industrial/ Labour Relations Officer                  | 1                                         | 0                      | 100          | 0                                                   |
| Information Technology Related                        | 6                                         | 6                      | 0            | 0                                                   |
| Inspectors Of Apprentices Works And Vehicles          | 11                                        | 10                     | 9.10         | 0                                                   |
| Kitchen Hand                                          | 2                                         | 2                      | 0            | 0                                                   |
| Legal Related                                         | 4                                         | 4                      | 0            | 0                                                   |
| Library Mail and Related Clerks                       | 8                                         | 8                      | 0            | 0                                                   |
| Light Vehicle Driver                                  | 8                                         | 3                      | 62.50        | 0                                                   |
| Light Vehicle Drivers                                 | 3                                         | 3                      | 0            | 0                                                   |
| Managers Not Elsewhere Classified                     | 25                                        | 5                      | 80           | 0                                                   |
| Material-Recording and Transport Clerks               | 1                                         | 1                      | 0            | 0                                                   |
| Mechanic Trade Assistant                              | 1                                         | 0                      | 100          | 0                                                   |
| Mechanical Engineer                                   | 1                                         | 0                      | 100          | 0                                                   |
| Midd. Manager:Human Resource & Organisa.Devel. Rela   | 1                                         | 0                      | 100          | 0                                                   |
| Middle Manager: Administrative Related                | 20                                        | 6                      | 70           | 0                                                   |
| Middle Manager: Engineering Sciences Related          | 1                                         | 0                      | 100          | 0                                                   |
| Middle Manager: Finance And Economics Related         | 4                                         | 1                      | 75           | 0                                                   |
| Middle Managers                                       | 1                                         | 1                      | 0            | 0                                                   |
| Motor Vehicle Drivers                                 | 4                                         | 3                      | 25           | 0                                                   |
| Other Adminstrate & Related Clerks and Organisers     | 65                                        | 64                     | 1.50         | 0                                                   |
| Other Administrative Policy and Related Officers      | 2                                         | 2                      | 0            | 0                                                   |
| Other Occupations                                     | 3                                         | 2                      | 33.30        | 0                                                   |
| Painter                                               | 1                                         | 1                      | 0            | 0                                                   |
| Plumber                                               | 1                                         | 0                      | 100          | 0                                                   |
| Professionals Not Elsewhere Classified.               | 1                                         | 1                      | 0            | 0                                                   |
| Quantity Surveyors & Rela Prof Not Class Elsewhere    | 3                                         | 3                      | 0            | 0                                                   |

| Critical Occupation                                | Number of posts on approved establishment | Number of posts filled | Vacancy Rate | Number of employees additional to the establishment |
|----------------------------------------------------|-------------------------------------------|------------------------|--------------|-----------------------------------------------------|
| Regulatory And Compliance And Enforcement Manager  | 2                                         | 0                      | 100          | 0                                                   |
| Regulatory Inspector*                              | 126                                       | 124                    | 1.60         | 0                                                   |
| Regulatory Inspector                               | 121                                       | 98                     | 19           | 0                                                   |
| Risk Management and Security Services              | 3                                         | 3                      | 0            | 0                                                   |
| Road Construction Plant Operator                   | 91                                        | 56                     | 38.50        | 0                                                   |
| Road Superintendents                               | 42                                        | 35                     | 16.70        | 0                                                   |
| Road Trade Workers.                                | 2                                         | 2                      | 0            | 0                                                   |
| Road Workers                                       | 926                                       | 873                    | 5.70         | 0                                                   |
| Secretaries & Other Keyboard Operating Clerks      | 97                                        | 91                     | 6.20         | 0                                                   |
| Secretary (General)                                | 2                                         | 1                      | 50           | 0                                                   |
| Senior Managers                                    | 26                                        | 23                     | 11.50        | 0                                                   |
| Switchboard Operator                               | 3                                         | 2                      | 33.30        | 0                                                   |
| Technic& Associate Techn.Occupations Nt Classified | 1                                         | 1                      | 0            | 0                                                   |
| Trade Labourers                                    | 164                                       | 150                    | 8.50         | 0                                                   |
| Trade Related                                      | 1                                         | 1                      | 0            | 0                                                   |
| Traffic Officer                                    | 4                                         | 0                      | 100          | 0                                                   |
| Water Plant And Related Operators                  | 19                                        | 17                     | 10.50        | 0                                                   |
| <b>Total</b>                                       | <b>2 986</b>                              | <b>2 447</b>           | <b>18.10</b> | <b>0</b>                                            |

### 3.3 Filling of SMS Posts

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

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

Table 3.3.1 SMS post information as on 31 March 2026

| 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                                | 3                                | 100                   | 0                                | 0                     |
| Salary Level 14                      | 11                               | 7                                | 63.63                 | 4                                | 36.37                 |
| Salary Level 13                      | 38                               | 23                               | 60.52                 | 15                               | 39.48                 |
| <b>Total</b>                         | <b>54</b>                        | <b>35</b>                        | <b>64.81</b>          | <b>19</b>                        | <b>35.19</b>          |

Table 3.3.2 SMS post information as on 30 September 2025

| 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                                | 3                                | 100                   | 0                                | 0                     |
| Salary Level 14                      | 7                                | 6                                | 85.71                 | 1                                | 14.29                 |
| Salary Level 13                      | 23                               | 19                               | 82.60                 | 4                                | 17.40                 |
| <b>Total</b>                         | <b>35</b>                        | <b>30</b>                        | <b>85.71</b>          | <b>5</b>                         | <b>14.29</b>          |

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2025 and 31 March 2026

| 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                                                                   | 3                                                                            |

| 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 |
| Salary Level 14 | 4                                                                       | 0                                                                   | 1                                                                            |
| Salary Level 13 | 18                                                                      | 3                                                                   | 0                                                                            |
| <b>Total</b>    | <b>22</b>                                                               | <b>3</b>                                                            | <b>4</b>                                                                     |

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 2025 and 31 March 2026

| Reasons for vacancies not advertised within six months |
|--------------------------------------------------------|
| Not Applicable                                         |

| Reasons for vacancies not filled within twelve months |
|-------------------------------------------------------|
| Not applicable                                        |

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 2025 and 31 March 2026

| Reasons for vacancies not advertised within six months |
|--------------------------------------------------------|
| Not applicable                                         |

| Reasons for vacancies not filled within six months |
|----------------------------------------------------|
| Not applicable                                     |

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.

### 3.4 Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2025 and 31 March 2026

| 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)               | 100                                       | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Skilled (Levels 3-5)                     | 1 473                                     | 1                        | 0.10                                 | 0              | 0                    | 0                | 0                    |
| Highly Skilled Production (Levels 6-8)   | 706                                       | 5                        | 0.70                                 | 8              | 0.26                 | 0                | 0                    |
| Highly Skilled Supervision (Levels 9-12) | 385                                       | 17                       | 4.40                                 | 27             | 0.90                 | 0                | 0                    |
| Senior Management Service Band A         | 42                                        | 14                       | 33.30                                | 0              | 0                    | 0                | 0                    |
| Senior Management Service Band B         | 10                                        | 3                        | 30                                   | 0              | 0                    | 0                | 0                    |
| Senior Management Service Band C         | 3                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Senior Management Service Band D         | 20                                        | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Other                                    | 1                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract (Levels 1-2)                    | 230                                       | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract (Levels 3-5)                    | 4                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract (Levels 6-8)                    | 4                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract (Levels 9-12)                   | 4                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract Band A                          | 2                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| Contract Band D                          | 1                                         | 0                        | 0                                    | 0              | 0                    | 0                | 0                    |
| <b>TOTAL</b>                             | <b>2 986</b>                              | <b>40</b>                | <b>1.30</b>                          | <b>35</b>      | <b>1.17</b>          | <b>0</b>         | <b>0</b>             |

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

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2025 and 31 March 2026

| Gender       | African  | Asian    | Coloured | White    | Total    |
|--------------|----------|----------|----------|----------|----------|
| Female       | 4        | 0        | 0        | 0        | 4        |
| Male         | 3        | 0        | 0        | 0        | 3        |
| <b>Total</b> | <b>7</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>7</b> |

|                             |   |
|-----------------------------|---|
| Employees with a disability | 0 |
|-----------------------------|---|

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2025 and 31 March 2026

| Occupation                                                                                      | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-------------------------------------------------------------------------------------------------|---------------------|----------------------|--------------------|----------------------|
| Not applicable.                                                                                 |                     |                      |                    |                      |
| <b>Total number of employees whose salaries exceeded the level determined by job evaluation</b> |                     |                      |                    | <b>0</b>             |
| <b>Percentage of total employed</b>                                                             |                     |                      |                    | <b>0</b>             |

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 2025 and 31 March 2026

|                                                                                          |   |
|------------------------------------------------------------------------------------------|---|
| Total number of Employees whose salaries exceeded the grades determine by job evaluation | 0 |
|------------------------------------------------------------------------------------------|---|

### 3.5 Employment Changes

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

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2025 and 31 March 2026

| Salary band                              | Number of employees at beginning of period - 1 April 2025 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|------------------------------------------|-----------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| Lower Skilled (Levels 1-2)               | 56                                                        | 4                                              | 0                                                | 0             |
| Skilled (Levels 3-5)                     | 1 279                                                     | 58                                             | 82                                               | 6.40          |
| Highly Skilled Production (Levels 6-8)   | 589                                                       | 98                                             | 32                                               | 5.40          |
| Highly Skilled Supervision (Levels 9-12) | 345                                                       | 0                                              | 15                                               | 4.30          |
| Senior Management Service Band A         | 33                                                        | 0                                              | 2                                                | 6.10          |
| Contract (Levels 1-2)                    | 1                                                         | 0                                              | 0                                                | 0             |
| Contract (Levels 3-5)                    | 102                                                       | 1                                              | 1                                                | 1             |
| Contract (Levels 6-8)                    | 4                                                         | 0                                              | 0                                                | 0             |
| Contract (Levels 9-12)                   | 4                                                         | 2                                              | 2                                                | 50            |
| Contract (Levels >13)                    | 4                                                         | 1                                              | 2                                                | 50            |
| <b>TOTAL</b>                             | <b>2 417</b>                                              | <b>164</b>                                     | <b>136</b>                                       | <b>5.60</b>   |

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2025 and 31 March 2026

| Critical Occupation                               | Number of employees at beginning of period- April 2025 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|---------------------------------------------------|--------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| Administration Clerks                             | 0                                                      | 0                                              | 1                                                | 0             |
| Administration Officer                            | 0                                                      | 0                                              | 5                                                | 0             |
| Administrative Related                            | 160                                                    | 0                                              | 0                                                | 0             |
| Agriculture Related                               | 2                                                      | 0                                              | 0                                                | 0             |
| Air-Conditioning and Refrigeration Mechanic       | 0                                                      | 1                                              | 0                                                | 0             |
| All Artisans in the Building Metal Machinery Etc. | 165                                                    | 0                                              | 0                                                | 0             |
| Architects Town And Traffic Planners              | 2                                                      | 0                                              | 0                                                | 0             |

| Critical Occupation                                | Number of employees at beginning of period- April 2025 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|----------------------------------------------------|--------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| Artisan Project And Related Superintendents        | 3                                                      | 0                                              | 0                                                | 0             |
| Automotive Motor Mechanic                          | 0                                                      | 0                                              | 1                                                | 0             |
| Auxiliary And Related Workers                      | 6                                                      | 0                                              | 0                                                | 0             |
| Boiler And Related Operators                       | 46                                                     | 0                                              | 0                                                | 0             |
| Boiler Maker                                       | 0                                                      | 4                                              | 0                                                | 0             |
| Boiler Or Engineer Operator                        | 0                                                      | 0                                              | 3                                                | 0             |
| Builder                                            | 0                                                      | 0                                              | 1                                                | 0             |
| Building And Other Property Caretakers             | 4                                                      | 0                                              | 0                                                | 0             |
| Bus And Heavy Vehicle Drivers                      | 11                                                     | 0                                              | 0                                                | 0             |
| Cartographers And Surveyors                        | 1                                                      | 0                                              | 0                                                | 0             |
| Cartographic Surveying And Related Technicians     | 7                                                      | 0                                              | 0                                                | 0             |
| Civil Engineering Technicians                      | 4                                                      | 0                                              | 0                                                | 0             |
| Cleaners In Offices Workshops Hospitals Etc.       | 89                                                     | 0                                              | 0                                                | 0             |
| Communication And Information Related              | 4                                                      | 0                                              | 0                                                | 0             |
| Community Development Manager                      | 1                                                      | 0                                              | 1                                                | 100           |
| Community Development Practitioner                 | 12                                                     | 0                                              | 4                                                | 33.30         |
| Customer Services Personnel                        | 1                                                      | 0                                              | 0                                                | 0             |
| Earthmoving Plant Operator (General)               | 0                                                      | 0                                              | 11                                               | 0             |
| Electrical And Electronics Engineering Technicians | 1                                                      | 0                                              | 0                                                | 0             |
| Electrician                                        | 0                                                      | 0                                              | 1                                                | 0             |
| Elementary Workers Not Elsewhere Classified        | 0                                                      | 0                                              | 0                                                | 0             |
| Engineering Sciences Related                       | 35                                                     | 0                                              | 0                                                | 0             |
| Engineers And Related Professionals                | 16                                                     | 0                                              | 0                                                | 0             |
| Facilities Manager                                 | 0                                                      | 0                                              | 1                                                | 0             |
| Farm Hands And Labourers                           | 26                                                     | 0                                              | 0                                                | 0             |
| Finance And Economics Related                      | 15                                                     | 0                                              | 0                                                | 0             |
| Financial And Related Professionals                | 35                                                     | 0                                              | 0                                                | 0             |
| Financial Clerks And Credit Controllers            | 97                                                     | 0                                              | 0                                                | 0             |
| Garden Worker                                      | 0                                                      | 0                                              | 2                                                | 0             |
| General Legal Administration & Rel. Professionals  | 1                                                      | 0                                              | 0                                                | 0             |
| Head Of Department/Chief Executive Officer         | 3                                                      | 0                                              | 0                                                | 0             |
| Human Resource Clerk                               | 0                                                      | 0                                              | 2                                                | 0             |
| Human Resource Manager                             | 0                                                      | 0                                              | 1                                                | 0             |
| Human Resource Practitioner                        | 0                                                      | 0                                              | 2                                                | 0             |
| Human Resources & Organisat Developm & Relate Prof | 5                                                      | 0                                              | 0                                                | 0             |
| Human Resources Clerks                             | 47                                                     | 0                                              | 0                                                | 0             |
| Human Resources Related                            | 84                                                     | 0                                              | 66                                               | 78.60         |
| Information Technology Related                     | 6                                                      | 0                                              | 0                                                | 0             |
| Inspectors Of Apprentices Works And Vehicles       | 11                                                     | 0                                              | 0                                                | 0             |
| Kitchen Hand                                       | 2                                                      | 0                                              | 0                                                | 0             |
| Legal Administration Officer                       | 0                                                      | 0                                              | 1                                                | 0             |
| Legal Related                                      | 4                                                      | 0                                              | 0                                                | 0             |
| Library Mail And Related Clerks                    | 8                                                      | 0                                              | 0                                                | 0             |
| Light Vehicle Driver                               | 1                                                      | 0                                              | 0                                                | 0             |
| Light Vehicle Drivers                              | 3                                                      | 0                                              | 0                                                | 0             |
| Managers Not Elsewhere Classified                  | 0                                                      | 1                                              | 2                                                | 0             |
| Material-Recording And Transport Clerks            | 1                                                      | 0                                              | 0                                                | 0             |
| Middle Manager: Administrative Related             | 4                                                      | 0                                              | 1                                                | 25            |
| Middle Manager: Finance And Economics Related      | 0                                                      | 0                                              | 1                                                | 0             |
| Middle Managers                                    | 1                                                      | 0                                              | 0                                                | 0             |
| Motor Vehicle Drivers                              | 4                                                      | 0                                              | 0                                                | 0             |
| Office Cleaner                                     | 0                                                      | 0                                              | 3                                                | 0             |
| Other Administrat & Related Clerks And Organisers  | 12                                                     | 0                                              | 0                                                | 0             |
| Other Administrative Policy And Related Officers   | 2                                                      | 0                                              | 0                                                | 0             |
| Other Occupations                                  | 3                                                      | 0                                              | 0                                                | 0             |

| Critical Occupation                                  | Number of employees at beginning of period- April 2025 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|--------------------------------------------------|---------------|
| Painter                                              | 1                                                      | 0                                              | 3                                                | 300           |
| Plumber                                              | 0                                                      | 0                                              | 3                                                | 0             |
| Professionals Not Elsewhere Classified               | 0                                                      | 0                                              | 1                                                | 0             |
| Professionals Not Elsewhere Classified.              | 1                                                      | 2                                              | 2                                                | 200           |
| Quantity Surveyors & Rela Prof Not Class Elsewhere   | 3                                                      | 0                                              | 0                                                | 0             |
| Regulatory Inspector                                 | 98                                                     | 98                                             | 1                                                | 1             |
| Regulatory Inspector*                                | 126                                                    | 0                                              | 0                                                | 0             |
| Risk Management And Security Services                | 3                                                      | 0                                              | 0                                                | 0             |
| Road Construction Plant Operator                     | 0                                                      | 57                                             | 1                                                | 0             |
| Road Superintendents                                 | 42                                                     | 0                                              | 0                                                | 0             |
| Road Trade Workers.                                  | 2                                                      | 0                                              | 0                                                | 0             |
| Road Workers                                         | 925                                                    | 0                                              | 0                                                | 0             |
| Secretaries & Other Keyboard Operating Clerks        | 55                                                     | 0                                              | 0                                                | 0             |
| Senior Managers                                      | 29                                                     | 0                                              | 0                                                | 0             |
| Skilled Agri. Fores & Fishery&Rel.Workers Nt Classfd | 0                                                      | 0                                              | 6                                                | 0             |
| Supply Chain Clerk                                   | 0                                                      | 0                                              | 1                                                | 0             |
| Supply Chain Practitioner                            | 0                                                      | 0                                              | 1                                                | 0             |
| Switchboard Operator                                 | 2                                                      | 1                                              | 3                                                | 150           |
| Technic& Associate Techn.Occupations Nt Classified   | 1                                                      | 0                                              | 0                                                | 0             |
| Trade Labourers                                      | 164                                                    | 0                                              | 0                                                | 0             |
| Trade Related                                        | 1                                                      | 0                                              | 0                                                | 0             |
| Traffic Officer                                      | 0                                                      | 0                                              | 1                                                | 0             |
| Training And Development Professional                | 0                                                      | 0                                              | 1                                                | 0             |
| Translator                                           | 0                                                      | 0                                              | 1                                                | 0             |
| Water Plant and Related Operators                    | 19                                                     | 0                                              | 0                                                | 0             |
| Welder                                               | 0                                                      | 0                                              | 1                                                | 0             |
| <b>Total</b>                                         | <b>2 417</b>                                           | <b>164</b>                                     | <b>136</b>                                       | <b>5.60</b>   |

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 2025 and 31 March 2026

| Termination Type                                                     | Number       | % of Total Resignations |
|----------------------------------------------------------------------|--------------|-------------------------|
| Contract expiry                                                      | 4            | 2.9                     |
| Death                                                                | 14           | 10.29                   |
| Dismissal for misconduct                                             | 1            | 0.73                    |
| Early retirement no penalisation (ERP)                               | 3            | 2.20                    |
| Early retirement with penalty                                        | 10           | 7.35                    |
| Ill health retirement                                                | 2            | 1.47                    |
| Mandatory retirement                                                 | 34           | 25                      |
| Resignation                                                          | 11           | 8.08                    |
| Retirement                                                           | 53           | 38.97                   |
| Voluntary exit program (VEP)                                         | 4            | 2.9                     |
| <b>Total</b>                                                         | <b>136</b>   | <b>100</b>              |
| <b>Total number of employees who left as a % of total employment</b> | <b>5.62%</b> |                         |

Table 3.5.4 Promotions by critical occupation for the period 1 April 2025 and 31 March 2026

| Occupation                                        | Employees 1 April 2025 | 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 |
|---------------------------------------------------|------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Administration Clerks                             | 0                      | 0                                  | 0                                                         | 36                                                  | 0                                                   |
| Administration Officer                            | 0                      | 3                                  | 0                                                         | 124                                                 | 0                                                   |
| Administrative Related                            | 160                    | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Agricultural Mobile Plant (Equipment) Operator    | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Agriculture Related                               | 2                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| All Artisans in The Building Metal Machinery Etc. | 165                    | 0                                  | 0                                                         | 0                                                   | 0                                                   |

| Occupation                                          | Employees 1 April 2025 | 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 |
|-----------------------------------------------------|------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Architect                                           | 0                      | 0                                  | 0                                                         | 4                                                   | 0                                                   |
| Architects Town and Traffic Planners                | 2                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Artisan Project and Related Superintendents         | 3                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Automotive Motor Mechanic                           | 0                      | 0                                  | 0                                                         | 7                                                   | 0                                                   |
| Auxiliary And Related Workers                       | 6                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Backhoe Operator                                    | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Boiler And Related Operators                        | 46                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Boiler Or Engineer Operator                         | 0                      | 0                                  | 0                                                         | 83                                                  | 0                                                   |
| Builder                                             | 0                      | 0                                  | 0                                                         | 12                                                  | 0                                                   |
| Building And Other Property Caretakers              | 4                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Bus And Heavy Vehicle Drivers                       | 11                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Carpenter                                           | 0                      | 0                                  | 0                                                         | 15                                                  | 0                                                   |
| Cartographers And Surveyors                         | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Cartographic Surveying And Related Technicians      | 7                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Chief Financial Officer                             | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Civil Engineer                                      | 0                      | 0                                  | 0                                                         | 3                                                   | 0                                                   |
| Civil Engineering Technicians                       | 4                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Cleaners In Offices Workshops Hospitals Etc.        | 89                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Clerical Suppleme. Workers Not Elsewhere Classified | 0                      | 0                                  | 0                                                         | 11                                                  | 0                                                   |
| Communication And Information Related               | 4                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Community Development Manager                       | 1                      | 0                                  | 0                                                         | 10                                                  | 1 000                                               |
| Community Development Practitioner                  | 12                     | 0                                  | 0                                                         | 2                                                   | 16.70                                               |
| Construction Project Manager                        | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Customer Services Personnel                         | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Data Entry Clerk                                    | 0                      | 0                                  | 0                                                         | 25                                                  | 0                                                   |
| Earthmoving Plant Operator (General)                | 0                      | 0                                  | 0                                                         | 48                                                  | 0                                                   |
| Electrical And Electronic Equipment Assembler       | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Electrical And Electronics Engineering Technicians  | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Electrician                                         | 0                      | 0                                  | 0                                                         | 32                                                  | 0                                                   |
| Elementary Workers Not Elsewhere Classified         | 0                      | 0                                  | 0                                                         | 549                                                 | 0                                                   |
| Employee Wellness Practitioner                      | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Engineering Manager                                 | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Engineering Sciences Related                        | 35                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Engineers And Related Professionals                 | 16                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Environmental Health Officer                        | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Facilities Manager                                  | 0                      | 0                                  | 0                                                         | 5                                                   | 0                                                   |
| Farm Hands And Labourers                            | 26                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Finance And Economics Related                       | 15                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Finance Clerk                                       | 0                      | 2                                  | 0                                                         | 13                                                  | 0                                                   |
| Finance Manager                                     | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Financial Accountant                                | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Financial And Related Professionals                 | 35                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Financial Clerks And Credit Controllers             | 97                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Fitter And Turner                                   | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Garden Worker                                       | 0                      | 0                                  | 0                                                         | 23                                                  | 0                                                   |
| General Accountant                                  | 0                      | 1                                  | 0                                                         | 0                                                   | 0                                                   |

| Occupation                                         | Employees 1 April 2025 | 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 |
|----------------------------------------------------|------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| General Legal Administration & Rel. Professionals  | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Head Of Department/Chief Executive Officer         | 3                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Human Resource Clerk                               | 0                      | 0                                  | 0                                                         | 43                                                  | 0                                                   |
| Human Resource Manager                             | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Human Resource Practitioner                        | 0                      | 1                                  | 0                                                         | 27                                                  | 0                                                   |
| Human Resources & Organisat Developm & Relate Prof | 5                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Human Resources Clerks                             | 47                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Human Resources Related                            | 84                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Industrial/ Labour Relations Officer               | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Information Technology & Systems Manager           | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Information Technology Related                     | 6                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Inspectors Of Apprentices Works And Vehicles       | 11                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Internal Auditor                                   | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Kitchen Hand                                       | 2                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Legal Administration Officer                       | 0                      | 0                                  | 0                                                         | 4                                                   | 0                                                   |
| Legal Related                                      | 4                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Legal Related Manager                              | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Library Mail And Related Clerks                    | 8                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Light Vehicle Driver                               | 1                      | 0                                  | 0                                                         | 1                                                   | 100                                                 |
| Light Vehicle Drivers                              | 3                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Managers Not Elsewhere Classified                  | 1                      | 4                                  | 400                                                       | 5                                                   | 500                                                 |
| Material-Recording And Transport Clerks            | 0                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Messengers                                         | 0                      | 0                                  | 0                                                         | 8                                                   | 0                                                   |
| Midd.Manager:Human Resource & Organisa.Devel.Rela  | 0                      | 0                                  | 0                                                         | 19                                                  | 0                                                   |
| Middle Manager: Administrative Related             | 4                      | 5                                  | 125                                                       | 31                                                  | 775                                                 |
| Middle Manager: Engineering Sciences Related       | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Middle Manager: Finance And Economics Related      | 0                      | 1                                  | 0                                                         | 28                                                  | 0                                                   |
| Middle Manager: Information Technology Related     | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Middle Manager: Internal Audit Related             | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Middle Manager: Legal Related                      | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Middle Manager:Communication & Information Related | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Middle Managers                                    | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Motor Vehicle Drivers                              | 4                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Office Cleaner                                     | 0                      | 0                                  | 0                                                         | 55                                                  | 0                                                   |
| Organisational Development Practitioner            | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Other Administrat & Related Clerks and Organisers  | 12                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Other Administrative Policy and Related Officers   | 2                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Other Middle Manager                               | 0                      | 0                                  | 0                                                         | 20                                                  | 0                                                   |
| Other Occupations                                  | 3                      | 1                                  | 33.30                                                     | 0                                                   | 0                                                   |
| Painter                                            | 1                      | 0                                  | 0                                                         | 7                                                   | 700                                                 |
| Plumber                                            | 0                      | 0                                  | 0                                                         | 37                                                  | 0                                                   |
| Professionals Not Elsewhere Classified             | 0                      | 0                                  | 0                                                         | 18                                                  | 0                                                   |

| Occupation                                             | Employees 1 April 2025 | 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 |
|--------------------------------------------------------|------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Professionals Not Elsewhere Classified.                | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Quantity Surveyor                                      | 0                      | 0                                  | 0                                                         | 6                                                   | 0                                                   |
| Quantity Surveyors & Relat Prof Not Class Elsewhere    | 3                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Registry And Mailing Clerk                             | 0                      | 0                                  | 0                                                         | 10                                                  | 0                                                   |
| Regulatory And Compliance and Enforcement Manager      | 0                      | 1                                  | 0                                                         | 4                                                   | 0                                                   |
| Regulatory Inspector                                   | 98                     | 0                                  | 0                                                         | 16                                                  | 16.30                                               |
| Regulatory Inspector*                                  | 126                    | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Research And Development Manager                       | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Risk And Integrity Manager                             | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Risk Management and Security Services                  | 3                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Road Construction Plant Operator                       | 0                      | 0                                  | 0                                                         | 3                                                   | 0                                                   |
| Road Superintendents                                   | 42                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Road Trade Workers.                                    | 2                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Road Workers                                           | 925                    | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Safety/Health&Environ.& Quality(She&Q)Practitioner     | 0                      | 0                                  | 0                                                         | 2                                                   | 0                                                   |
| Secretaries & Other Keyboard Operating Clerks          | 55                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Secretary (General)                                    | 0                      | 0                                  | 0                                                         | 13                                                  | 0                                                   |
| Senior Managers                                        | 29                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Skilled Agri.Fores & Fishery & Rel. Workers Nt Classfd | 0                      | 0                                  | 0                                                         | 53                                                  | 0                                                   |
| Social Services Manager                                | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Strategy/Monitoring &Evaluation Manager                | 0                      | 0                                  | 0                                                         | 1                                                   | 0                                                   |
| Supply Chain Clerk                                     | 0                      | 0                                  | 0                                                         | 19                                                  | 0                                                   |
| Supply Chain Manager                                   | 0                      | 0                                  | 0                                                         | 6                                                   | 0                                                   |
| Supply Chain Practitioner                              | 0                      | 0                                  | 0                                                         | 12                                                  | 0                                                   |
| Switchboard Operator                                   | 2                      | 0                                  | 0                                                         | 8                                                   | 400                                                 |
| Technic& Associate Techn. Occupations Nt Classified    | 1                      | 0                                  | 0                                                         | 8                                                   | 800                                                 |
| Trade Labourers                                        | 164                    | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Trade Related                                          | 1                      | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Traffic Officer                                        | 0                      | 1                                  | 0                                                         | 80                                                  | 0                                                   |
| Training And Development Professional                  | 0                      | 0                                  | 0                                                         | 4                                                   | 0                                                   |
| Truck Driver (General)                                 | 0                      | 0                                  | 0                                                         | 5                                                   | 0                                                   |
| Water Plant and Related Operators                      | 19                     | 0                                  | 0                                                         | 0                                                   | 0                                                   |
| Welder                                                 | 0                      | 0                                  | 0                                                         | 5                                                   | 0                                                   |
| <b>Total</b>                                           | <b>2 417</b>           | <b>20</b>                          | <b>0.80</b>                                               | <b>1 590</b>                                        | <b>65.80</b>                                        |

Table 3.5.5 Promotions by salary band for the period 1 April 2025 and 31 March 2026

| Salary Band                              | Employees 1 April 2025 | 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)               | 56                     | 0                                  | 0                                                           | 22                                                  | 39.30                                                 |
| Skilled (Levels 3-5)                     | 1 279                  | 0                                  | 0                                                           | 867                                                 | 67.80                                                 |
| Highly Skilled Production (Levels 6-8)   | 589                    | 5                                  | 0.80                                                        | 453                                                 | 76.90                                                 |
| Highly Skilled Supervision (Levels 9-12) | 345                    | 10                                 | 2.90                                                        | 237                                                 | 68.70                                                 |
| Senior Management (Levels >= 13)         | 33                     | 5                                  | 15.20                                                       | 11                                                  | 33.30                                                 |
| Other                                    | 0                      | 0                                  | 0                                                           | 0                                                   | 0                                                     |

| Salary Band             | Employees 1 April 2025 | Promotions to another salary level | Salary bands promotions as a % of employees by salary level | Progressions to another notch within a salary level | Notch progression as a % of employees by salary bands |
|-------------------------|------------------------|------------------------------------|-------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------|
| Contract (Levels 1-2)   | 1                      | 0                                  | 0                                                           | 0                                                   | 0                                                     |
| Contract (Levels 3-5)   | 102                    | 0                                  | 0                                                           | 0                                                   | 0                                                     |
| Contract (Levels 6-8)   | 4                      | 0                                  | 0                                                           | 0                                                   | 0                                                     |
| Contract (Levels 9-12)  | 4                      | 0                                  | 0                                                           | 0                                                   | 0                                                     |
| Contract (Levels >= 13) | 4                      | 0                                  | 0                                                           | 0                                                   | 0                                                     |
| <b>Total</b>            | <b>2 417</b>           | <b>20</b>                          | <b>0.80</b>                                                 | <b>1 590</b>                                        | <b>65.80</b>                                          |

### 3.6 Employment Equity

Table 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2026

| Occupational category                      | Male         |          |          |           | Female       |          |          |          | Total        |
|--------------------------------------------|--------------|----------|----------|-----------|--------------|----------|----------|----------|--------------|
|                                            | African      | Coloured | Indian   | White     | African      | Coloured | Indian   | White    |              |
| Legislators, senior officials and managers | 20           | 0        | 0        | 1         | 12           | 0        | 1        | 1        | 35           |
| Professionals                              | 104          | 1        | 0        | 2         | 109          | 0        | 0        | 2        | 218          |
| Technicians and associate professionals    | 142          | 0        | 0        | 0         | 167          | 2        | 0        | 2        | 313          |
| Clerks                                     | 64           | 0        | 0        | 1         | 170          | 1        | 0        | 1        | 237          |
| Service and sales workers                  | 68           | 0        | 0        | 0         | 38           | 0        | 0        | 0        | 106          |
| Skilled agriculture and fishery workers    | 132          | 0        | 0        | 7         | 62           | 1        | 0        | 3        | 205          |
| Craft and related trades workers           | 18           | 1        | 0        | 1         | 9            | 0        | 0        | 0        | 29           |
| Plant and machine operators and assemblers | 162          | 0        | 0        | 2         | 82           | 0        | 0        | 0        | 246          |
| Elementary occupations                     | 551          | 1        | 0        | 2         | 504          | 0        | 0        | 0        | 1 058        |
| <b>Total</b>                               | <b>1 261</b> | <b>3</b> | <b>0</b> | <b>16</b> | <b>1 153</b> | <b>4</b> | <b>1</b> | <b>9</b> | <b>2 447</b> |
| Employees with disabilities                | 25           | 0        | 0        | 1         | 25           | 0        | 0        | 1        | 52           |

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2026

| Occupational band                                                                                                 | Male         |          |          |           | Female       |          |          |          | Total        |
|-------------------------------------------------------------------------------------------------------------------|--------------|----------|----------|-----------|--------------|----------|----------|----------|--------------|
|                                                                                                                   | African      | Coloured | Indian   | White     | African      | Coloured | Indian   | White    |              |
| Top Management                                                                                                    | 4            | 0        | 0        | 0         | 1            | 0        | 0        | 0        | 5            |
| Senior Management                                                                                                 | 16           | 0        | 0        | 1         | 11           | 0        | 1        | 1        | 30           |
| Professionally qualified and experienced specialists and mid-management                                           | 92           | 0        | 1        | 5         | 55           | 1        | 0        | 3        | 157          |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 198          | 0        | 0        | 5         | 223          | 2        | 0        | 2        | 430          |
| Semi-skilled and discretionary decision making                                                                    | 400          | 0        | 0        | 5         | 359          | 1        | 0        | 3        | 768          |
| Unskilled and defined decision making                                                                             | 551          | 2        | 0        | 0         | 504          | 0        | 0        | 0        | 1 057        |
| <b>Total</b>                                                                                                      | <b>1 261</b> | <b>2</b> | <b>1</b> | <b>16</b> | <b>1 153</b> | <b>4</b> | <b>1</b> | <b>9</b> | <b>2 447</b> |

Table 3.6.3 Recruitment for the period 1 April 2025 to 31 March 2026

| Occupational band                                                                              | Male    |          |        |       | Female  |          |        |       | Total |
|------------------------------------------------------------------------------------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
|                                                                                                | African | Coloured | Indian | White | African | Coloured | Indian | White |       |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen. | 61      | 0        | 0      | 0     | 37      | 0        | 0      | 0     | 98    |
| Semi-skilled and discretionary decision making.                                                | 31      | 1        | 0      | 0     | 26      | 0        | 0      | 0     | 58    |
| Unskilled and defined decision making.                                                         | 4       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 4     |
| Contract (Senior Management).                                                                  | 1       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 1     |

| Occupational band                    | Male       |          |          |          | Female    |          |          |          | Total      |
|--------------------------------------|------------|----------|----------|----------|-----------|----------|----------|----------|------------|
|                                      | African    | Coloured | Indian   | White    | African   | Coloured | Indian   | White    |            |
| Contract (Professionally qualified). | 2          | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 2          |
| Contract (Semi-skilled).             | 1          | 0        | 0        | 0        | 0         | 0        | 0        | 0        | 1          |
| <b>Total</b>                         | <b>100</b> | <b>1</b> | <b>0</b> | <b>0</b> | <b>63</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>164</b> |

Table 3.6.4 Promotions for the period 1 April 2025 to 31 March 2026

| Occupational band                                                                                        | Male       |          |          |           | Female     |          |          |          | Total        |
|----------------------------------------------------------------------------------------------------------|------------|----------|----------|-----------|------------|----------|----------|----------|--------------|
|                                                                                                          | African    | Coloured | Indian   | White     | African    | Coloured | Indian   | White    |              |
| Top Management, Permanent                                                                                | 2          | 0        | 0        | 0         | 1          | 0        | 0        | 0        | 3            |
| Senior Management, Permanent                                                                             | 7          | 0        | 0        | 0         | 5          | 0        | 0        | 1        | 13           |
| Professionally qualified and experienced specialists and mid-management, Permanent                       | 136        | 1        | 0        | 6         | 100        | 1        | 0        | 3        | 247          |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent | 210        | 0        | 0        | 3         | 237        | 3        | 0        | 5        | 458          |
| Semi-skilled and discretionary decision making, Permanent                                                | 422        | 1        | 0        | 3         | 441        | 0        | 0        | 0        | 867          |
| Unskilled and defined decision making, Permanent                                                         | 10         | 0        | 0        | 0         | 12         | 0        | 0        | 0        | 22           |
| <b>TOTAL</b>                                                                                             | <b>787</b> | <b>2</b> | <b>0</b> | <b>12</b> | <b>796</b> | <b>4</b> | <b>0</b> | <b>9</b> | <b>1 610</b> |
| Employees with disabilities                                                                              | 21         | 0        | 0        | 1         | 18         | 0        | 0        | 1        | 41           |

Table 3.6.5 Terminations for the period 1 April 2025 to 31 March 2026

| 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        | 1         | 0        | 0        | 0        | 4          |
| Professionally qualified and experienced specialists and mid-management                                           | 4         | 0        | 0        | 2        | 3         | 0        | 0        | 0        | 9          |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 5         | 0        | 0        | 1        | 8         | 0        | 0        | 3        | 17         |
| Semi-skilled and discretionary decision making                                                                    | 19        | 0        | 0        | 0        | 21        | 0        | 0        | 0        | 40         |
| Unskilled and defined decision making                                                                             | 40        | 0        | 0        | 0        | 26        | 0        | 0        | 0        | 66         |
| <b>Total</b>                                                                                                      | <b>71</b> | <b>0</b> | <b>0</b> | <b>3</b> | <b>59</b> | <b>0</b> | <b>0</b> | <b>3</b> | <b>136</b> |
| Employees with Disabilities                                                                                       | 1         | 0        | 0        | 1        | 0         | 0        | 0        | 0        | 2          |

Table 3.6.6 Disciplinary action for the period 1 April 2025 to 31 March 2026

| Disciplinary action    | Male    |          |        |       | Female  |          |        |       | Total |
|------------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
|                        | African | Coloured | Indian | White | African | Coloured | Indian | White |       |
| Final Written Warning  | 3       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 3     |
| Written Warning        | 9       | 0        | 0      | 0     | 7       | 0        | 0      | 0     | 16    |
| Verbal Warning         | 0       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 0     |
| Suspension Without Pay | 4       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 4     |
| Counselling            | 1       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 1     |

Table 3.6.7 Skills development for the period 1 April 2025 to 31 March 2026

| Occupational category                    | Male    |          |        |       | Female  |          |        |       | Total |
|------------------------------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
|                                          | African | Coloured | Indian | White | African | Coloured | Indian | White |       |
| Legislators, senior officials & managers | 0       | 0        | 0      | 0     | 0       | 0        | 0      | 0     | 0     |
| Professionals                            | 106     | 01       | 01     | 03    | 118     | 02       | 01     | 02    | 234   |
| Technicians, associate professionals     | 35      | 0        | 0      | 0     | 19      | 0        | 0      | 0     | 54    |
| Clerks                                   | 01      | 0        | 0      | 0     | 11      | 0        | 0      | 0     | 12    |

| Occupational category                      | Male       |           |           |           | Female     |           |           |           | Total       |
|--------------------------------------------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-------------|
|                                            | African    | Coloured  | Indian    | White     | African    | Coloured  | Indian    | White     |             |
| Service and sales workers                  | 09         | 0         | 0         | 0         | 07         | 0         | 0         | 0         | 16          |
| Skilled agriculture and fishery workers    | 0          | 0         | 0         | 0         | 0          | 0         | 0         | 0         | 0           |
| Craft and related trades workers           | 13         | 0         | 0         | 0         | 08         | 0         | 0         | 0         | 21          |
| Plant and machine operators and assemblers | 0          | 0         | 0         | 0         | 0          | 0         | 0         | 0         | 0           |
| Elementary occupations                     | 477        | 0         | 0         | 0         | 505        | 0         | 0         | 0         | 982         |
| <b>Total</b>                               | <b>641</b> | <b>01</b> | <b>01</b> | <b>03</b> | <b>668</b> | <b>02</b> | <b>01</b> | <b>02</b> | <b>1319</b> |
| Employees with disabilities                | 03         | 0         | 0         | 0         | 01         | 0         | 0         | 0         | 04          |

### 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 July 2025

| 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                                                               |
| Salary Level 15                      | 3                                | 3                           | 3                                             | 100                                                               |
| Salary Level 14                      | 7                                | 6                           | 6                                             | 100                                                               |
| Salary Level 13                      | 23                               | 23                          | 23                                            | 100                                                               |
| <b>Total</b>                         | <b>35</b>                        | <b>33</b>                   | <b>33</b>                                     | <b>100</b>                                                        |

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 July 2025

| Reasons         |
|-----------------|
| Not applicable. |

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 July 2025

| Reasons         |
|-----------------|
| Not applicable. |

### 3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under

review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2025 to 31 March 2026

| Race and Gender | Beneficiary Profile     |                     |                         | Cost         |                           |
|-----------------|-------------------------|---------------------|-------------------------|--------------|---------------------------|
|                 | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000) | Average cost per employee |
| African         | 0                       | 2 414               | 0                       | 0            | 0                         |
| Male            | 0                       | 1261                | 0                       | 0            | 0                         |
| Female          | 0                       | 1153                | 0                       | 0            | 0                         |
| Asian           | 0                       | 1                   | 0                       | 0            | 0                         |
| Male            | 0                       | 0                   | 0                       | 0            | 0                         |
| Female          | 0                       | 1                   | 0                       | 0            | 0                         |
| Coloured        | 0                       | 7                   | 0                       | 0            | 0                         |
| Male            | 0                       | 3                   | 0                       | 0            | 0                         |
| Female          | 0                       | 4                   | 0                       | 0            | 0                         |
| White           | 0                       | 25                  | 0                       | 0            | 0                         |
| Male            | 0                       | 16                  | 0                       | 0            | 0                         |
| Female          | 0                       | 9                   | 0                       | 0            | 0                         |
| <b>Total</b>    | <b>0</b>                | <b>2 447</b>        | <b>0</b>                | <b>0</b>     | <b>0</b>                  |

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2025 to 31 March 2026

| 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)              | 0                       | 61                  | 0                              | 0                  | 0                         | 0                                                    |
| Skilled (level 3-5)                     | 0                       | 1333                | 0                              | 0                  | 0                         | 0                                                    |
| Highly skilled production (level 6-8)   | 0                       | 669                 | 0                              | 0                  | 0                         | 0                                                    |
| Highly skilled supervision (level 9-12) | 0                       | 349                 | 0                              | 0                  | 0                         | 0                                                    |
| <b>Total</b>                            | <b>0</b>                | <b>2 412</b>        | <b>0</b>                       | <b>0</b>           | <b>0</b>                  | <b>0</b>                                             |

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2025 to 31 March 2026

| Critical Occupation                                | Beneficiary Profile     |                     |                              | Cost               |                           |
|----------------------------------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
|                                                    | Number of beneficiaries | Number of employees | % of total within occupation | Total Cost (R'000) | Average cost per employee |
| Administration Officer                             | 0                       | 2                   | 0                            | 0                  | 0                         |
| Administrative Related                             | 0                       | 160                 | 0                            | 0                  | 0                         |
| Agriculture Related                                | 0                       | 2                   | 0                            | 0                  | 0                         |
| Air-Conditioning And Refrigeration Mechanic        | 0                       | 1                   | 0                            | 0                  | 0                         |
| All Artisans In the Building Metal Machinery Etc.  | 0                       | 150                 | 0                            | 0                  | 0                         |
| Architects Town and Traffic Planners               | 0                       | 2                   | 0                            | 0                  | 0                         |
| Artisan Project and Related Superintendents        | 0                       | 3                   | 0                            | 0                  | 0                         |
| Auxiliary And Related Workers                      | 0                       | 6                   | 0                            | 0                  | 0                         |
| Boiler And Related Operators                       | 0                       | 45                  | 0                            | 0                  | 0                         |
| Boiler Maker                                       | 0                       | 4                   | 0                            | 0                  | 0                         |
| Building And Other Property Caretakers             | 0                       | 4                   | 0                            | 0                  | 0                         |
| Bus And Heavy Vehicle Drivers                      | 0                       | 11                  | 0                            | 0                  | 0                         |
| Cartographers And Surveyors                        | 0                       | 1                   | 0                            | 0                  | 0                         |
| Cartographic Surveying and Related Technicians     | 0                       | 7                   | 0                            | 0                  | 0                         |
| Civil Engineering Technicians                      | 0                       | 4                   | 0                            | 0                  | 0                         |
| Cleaners In Offices Workshops Hospitals Etc.       | 0                       | 86                  | 0                            | 0                  | 0                         |
| Communication And Information Related              | 0                       | 4                   | 0                            | 0                  | 0                         |
| Community Development Manager                      | 0                       | 1                   | 0                            | 0                  | 0                         |
| Community Development Practitioner                 | 0                       | 12                  | 0                            | 0                  | 0                         |
| Customer Services Personnel                        | 0                       | 1                   | 0                            | 0                  | 0                         |
| Electrical And Electronics Engineering Technicians | 0                       | 1                   | 0                            | 0                  | 0                         |
| Elementary Workers Not Elsewhere Classified        | 0                       | 0                   | 0                            | 0                  | 0                         |
| Engineering Sciences Related                       | 0                       | 32                  | 0                            | 0                  | 0                         |
| Engineers And Related Professionals                | 0                       | 14                  | 0                            | 0                  | 0                         |
| Farm Hands and Labourers                           | 0                       | 25                  | 0                            | 0                  | 0                         |
| Finance And Economics Related                      | 0                       | 15                  | 0                            | 0                  | 0                         |
| Financial Accountant                               | 0                       | 1                   | 0                            | 0                  | 0                         |
| Financial And Related Professionals                | 0                       | 35                  | 0                            | 0                  | 0                         |
| Financial Clerks and Credit Controllers            | 0                       | 91                  | 0                            | 0                  | 0                         |
| General Accountant                                 | 0                       | 1                   | 0                            | 0                  | 0                         |
| General Legal Administration & Rel. Professionals  | 0                       | 1                   | 0                            | 0                  | 0                         |
| Head Of Department/Chief Executive Officer         | 0                       | 3                   | 0                            | 0                  | 0                         |
| Human Resource Practitioner                        | 0                       | 1                   | 0                            | 0                  | 0                         |
| Human Resources & Organisat Developm & Relate Prof | 0                       | 5                   | 0                            | 0                  | 0                         |
| Human Resources Clerks                             | 0                       | 43                  | 0                            | 0                  | 0                         |
| Human Resources Related                            | 0                       | 74                  | 0                            | 0                  | 0                         |
| Information Technology Related                     | 0                       | 6                   | 0                            | 0                  | 0                         |
| Inspectors Of Apprentices Works and Vehicles       | 0                       | 10                  | 0                            | 0                  | 0                         |
| Kitchen Hand                                       | 0                       | 2                   | 0                            | 0                  | 0                         |
| Legal Related                                      | 0                       | 4                   | 0                            | 0                  | 0                         |

| Critical Occupation                                | Beneficiary Profile     |                     |                              | Cost               |                           |
|----------------------------------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
|                                                    | Number of beneficiaries | Number of employees | % of total within occupation | Total Cost (R'000) | Average cost per employee |
| Library Mail and Related Clerks                    | 0                       | 8                   | 0                            | 0                  | 0                         |
| Light Vehicle Driver                               | 0                       | 3                   | 0                            | 0                  | 0                         |
| Light Vehicle Drivers                              | 0                       | 3                   | 0                            | 0                  | 0                         |
| Managers Not Elsewhere Classified                  | 0                       | 5                   | 0                            | 0                  | 0                         |
| Material-Recording and Transport Clerks            | 0                       | 0                   | 0                            | 0                  | 0                         |
| Middle Manager: Administrative Related             | 0                       | 6                   | 0                            | 0                  | 0                         |
| Middle Manager: Finance And Economics Related      | 0                       | 1                   | 0                            | 0                  | 0                         |
| Middle Managers                                    | 0                       | 1                   | 0                            | 0                  | 0                         |
| Motor Vehicle Drivers                              | 0                       | 3                   | 0                            | 0                  | 0                         |
| Other Administrat & Related Clerks and Organisers  | 0                       | 64                  | 0                            | 0                  | 0                         |
| Other Administrative Policy and Related Officers   | 0                       | 2                   | 0                            | 0                  | 0                         |
| Other Occupations                                  | 0                       | 2                   | 0                            | 0                  | 0                         |
| Painter                                            | 0                       | 1                   | 0                            | 0                  | 0                         |
| Professionals Not Elsewhere Classified.            | 0                       | 1                   | 0                            | 0                  | 0                         |
| Quantity Surveyors & Rela Prof Not Class Elsewhere | 0                       | 3                   | 0                            | 0                  | 0                         |
| Regulatory Inspector                               | 0                       | 98                  | 0                            | 0                  | 0                         |
| Regulatory Inspector*                              | 0                       | 124                 | 0                            | 0                  | 0                         |
| Risk Management and Security Services              | 0                       | 3                   | 0                            | 0                  | 0                         |
| Road Construction Plant Operator                   | 0                       | 56                  | 0                            | 0                  | 0                         |
| Road Superintendents                               | 0                       | 35                  | 0                            | 0                  | 0                         |
| Road Trade Workers.                                | 0                       | 2                   | 0                            | 0                  | 0                         |
| Road Workers                                       | 0                       | 873                 | 0                            | 0                  | 0                         |
| Secretaries & Other Keyboard Operating Clerks      | 0                       | 91                  | 0                            | 0                  | 0                         |
| Secretary (General)                                | 0                       | 1                   | 0                            | 0                  | 0                         |
| Senior Managers                                    | 0                       | 23                  | 0                            | 0                  | 0                         |
| Switchboard Operator                               | 0                       | 2                   | 0                            | 0                  | 0                         |
| Technic& Associate Techn.Occupations Nt Classified | 0                       | 1                   | 0                            | 0                  | 0                         |
| Trade Labourers                                    | 0                       | 147                 | 0                            | 0                  | 0                         |
| Trade Related                                      | 0                       | 1                   | 0                            | 0                  | 0                         |
| Water Plant And Related Operators                  | 0                       | 17                  | 0                            | 0                  | 0                         |
| <b>Total</b>                                       | <b>0</b>                | <b>2 447</b>        | <b>0</b>                     | <b>0</b>           | <b>0</b>                  |

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2025 to 31 March 2026

| 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                       | 23                  | 0                              | 0                  | 0                         | 0                                                    |
| Band B       | 0                       | 7                   | 0                              | 0                  | 0                         | 0                                                    |
| Band C       | 0                       | 3                   | 0                              | 0                  | 0                         | 0                                                    |
| Band D       | 0                       | 2                   | 0                              | 0                  | 0                         | 0                                                    |
| <b>Total</b> | <b>0</b>                | <b>35</b>           | <b>0</b>                       | <b>0</b>           | <b>0</b>                  | <b>0</b>                                             |

### 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 2025 and 31 March 2026

| Salary band                | 01 April 2025 |             | 31 March 2026 |             | Change   |           |
|----------------------------|---------------|-------------|---------------|-------------|----------|-----------|
|                            | Number        | % of total  | Number        | % of total  | Number   | % Change  |
| Lower skilled (Levels 1-2) | 1             | 25%         | 1             | 25%         | 0        | 0%        |
| Contract (level 13-16)     | 3             | 75%         | 3             | 75%         | 0        | 0%        |
| <b>Total</b>               | <b>4</b>      | <b>100%</b> | <b>4</b>      | <b>100%</b> | <b>0</b> | <b>0%</b> |

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2025 and 31 March 2026

| Major occupation       | 01 April 2024 |             | 31 March 2025 |             | Change   |           |
|------------------------|---------------|-------------|---------------|-------------|----------|-----------|
|                        | Number        | % of total  | Number        | % of total  | Number   | % Change  |
| Senior Management      | 3             | 75%         | 3             | 75%         | 0        | 0%        |
| Elementary occupations | 1             | 25%         | 1             | 25%         | 0        | 0%        |
| <b>Total</b>           | <b>4</b>      | <b>100%</b> | <b>4</b>      | <b>100%</b> | <b>0</b> | <b>0%</b> |

### 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 2025 to 31 December 2025

| 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 other                            | 144         | 72.20%                            | 35                                   | 3.10%                                 | 4                         | 45,00                  |
| Lower Skills (Level 1-2)                  | 191         | 80.10%                            | 22                                   | 2%                                    | 9                         | 130,00                 |
| Skilled (levels 3-5)                      | 4844        | 84.40%                            | 626                                  | 55.60                                 | 11                        | 4 520,00               |
| Highly skilled production (levels 6-8)    | 1977        | 82.30%                            | 280                                  | 24,80%                                | 7                         | 3 470,00               |
| Highly skilled supervision (levels 9 -12) | 760         | 83.80%                            | 125                                  | 11.10%                                | 6                         | 2 561,00               |
| Top and Senior management (levels 13-16)  | 129         | 92.10%                            | 17                                   | 1,50                                  | 11                        | 703,00                 |
| <b>Total</b>                              | <b>8045</b> | <b>83.60%</b>                     | <b>1 127</b>                         | <b>100%</b>                           | <b>7</b>                  | <b>11 430,00</b>       |

Table 3.10.2 Disability leave (temporary and ) for the period 1 January 2025 to 31 December 2025

| Salary band                              | Total days | % Days with Medical certification | Number of Employees using disability leave | % of total employees using disability leave | Average days per employee | Estimated Cost (R'000) |
|------------------------------------------|------------|-----------------------------------|--------------------------------------------|---------------------------------------------|---------------------------|------------------------|
| Lower skilled (Levels 1-2)               | 0          | 0                                 | 0                                          | 0.00%                                       | 0                         | 0                      |
| Skilled (Levels 3-5)                     | 257        | 100%                              | 10                                         | 66.70%                                      | 26                        | 240,00                 |
| Highly skilled production (Levels 6-8)   | 75         | 100%                              | 2                                          | 13.30%                                      | 38                        | 112,00                 |
| Highly skilled supervision (Levels 9-12) | 60         | 100%                              | 3                                          | 20.00%                                      | 20                        | 319,00                 |
| Senior management (Levels 13-16)         | 0          | 0%                                | 0                                          | 0.00%                                       | 0                         | 0                      |
| <b>Total</b>                             | <b>392</b> | <b>100%</b>                       | <b>15</b>                                  | <b>100%</b>                                 | <b>26</b>                 | <b>392.00</b>          |

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

Table 3.10.3 Annual Leave for the period 1 January 2025 to 31 December 2025

| Salary band                              | Total days taken | Number of Employees using annual leave | Average per employee |
|------------------------------------------|------------------|----------------------------------------|----------------------|
| Contract (Levels 13-16)                  | 22               | 7                                      | 3                    |
| Contract (Levels 3-5)                    | 408              | 6                                      | 67                   |
| Contract (Levels 6-8)                    | 26               | 13                                     | 2                    |
| Contract (Levels 9-12)                   | 13               | 13                                     | 1                    |
| Contract Other                           | 3 091            | 10                                     | 305                  |
| Highly skilled production (Levels 6-8)   | 13 712           | 21                                     | 646                  |
| Highly skilled supervision (Levels 9-12) | 7 144            | 21                                     | 333                  |
| Lower skilled (Levels 1-2)               | 1 113            | 22                                     | 50                   |
| Senior management (Levels 13-16)         | 721              | 23                                     | 32                   |
| Skilled (Levels 3-5)                     | 31 164.50        | 24                                     | 1 303                |
| <b>TOTAL</b>                             | <b>57 414.50</b> | <b>21</b>                              | <b>2 742</b>         |

Table 3.10.4 Capped leave for the period 1 January 2025 to 31 December 2025

| 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 2026 |
|------------------------------------------|----------------------------------|----------------------------------------|-------------------------------------------|-------------------------------------------------------|
| Highly skilled production (Levels 6-8)   | 5                                | 1                                      | 5                                         | 62                                                    |
| Highly skilled supervision (Levels 9-12) | 0                                | 0                                      | 0                                         | 59                                                    |
| Senior management (Levels 13-16)         | 0                                | 0                                      | 0                                         | 46                                                    |
| Skilled (Levels 3-5)                     | 4                                | 1                                      | 4                                         | 66                                                    |
| <b>Total</b>                             | <b>9</b>                         | <b>2</b>                               | <b>5</b>                                  | <b>63</b>                                             |

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 2025 and 31 March 2026

| Reason                                                        | Total amount (R'000) | Number of employees | Average per employee (R'000) |
|---------------------------------------------------------------|----------------------|---------------------|------------------------------|
| Annual - Discounting with Resignation (Workdays)              | 278                  | 8                   | 34,75                        |
| Annual - Gratuity: Death/Retirement/Medical Retirement (Work) | 5 716                | 214                 | 26,71                        |
| Capped - Gratuity: Death/Retirement/Medical Retirement (Work) | 9 405                | 92                  | 102,23                       |
| <b>Total</b>                                                  | <b>15 399</b>        | <b>354</b>          | <b>43,5</b>                  |

### 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 conducted<br>Condom distribution, Health screenings 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 programme is reporting to the Chief Director HRM&D: Mr J.V Ntimba.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 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, 3 SHERQ practitioners and 2 Administration officers. The annual budget provided is R850 000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 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"> <li>Physical wellness</li> <li>Psychosocial wellness</li> <li>Organizational wellness</li> <li>Work life balance</li> <li>Health and productivity management</li> <li>Safety health environment risk quality management</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 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   |    | <p><b>EHW Chairpersons</b></p> <ul style="list-style-type: none"> <li>Mr N. Mathebula (Chairperson: Bohlabela)</li> <li>Mr V Mahlangu (Chairperson: Nkangala)</li> <li>Ms T.D Khoza (Chairperson: Ehlanzeni)</li> <li>Mr M Nkosi (Chairperson: Gert Sibande)</li> <li>Ms P.M Nxumalo (Head Office)</li> </ul> <p><b>Organised Labour Representatives</b></p> <ul style="list-style-type: none"> <li>Mr N Fakude (NEHAWU)</li> <li>Ms N. Mbethe (PSA)</li> <li>Mr Z. Nkosi (POPCRU)</li> <li>Mr C. Lukhele (NUPSAW)</li> </ul> <p><b>OHS Chairpersons</b></p> <ul style="list-style-type: none"> <li>Ms S. Krüger (Head Office)</li> <li>Mr H Nkadimeng (Nkangala District)</li> <li>Mr L. Mabaso (Gert Sibande District)</li> <li>Ms P. Mziyako (Ehlanzeni District)</li> <li>Mr M. Bila (Bohlabela District)</li> </ul> |

| Question                                                                                                                                                                                                                              | Yes | No | Details, if yes                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 Recruitment and Selection policy. The Policy states that no employee will be subjected to any HIV/AIDS testing for employment purposes and no employee will be dismissed for disclosing his/her status. |
| 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, TB and STI's Policy protects employees from being discriminated against 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 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, quarterly and annually to the relevant structures.                                                                                                                                    |

### 3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2025 and 31 March 2026

|                                              |      |
|----------------------------------------------|------|
| <b>Total number of Collective agreements</b> | 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 2025 and 31 March 2026

| Outcomes of disciplinary hearings | Number    | % of total  |
|-----------------------------------|-----------|-------------|
| Correctional counselling          | 1         | 10%         |
| Verbal warning                    | 0         | 0           |
| Written warning                   | 0         | 0           |
| Final written warning             | 3         | 30%         |
| Suspended without pay             | 4         | 40%         |
| Fine                              | 0         | 0           |
| Demotion                          | 0         | 0           |
| Dismissal                         | 1         | 10%         |
| Not guilty                        | 1         | 10%         |
| Case withdrawn                    | 0         | 0           |
| <b>Total</b>                      | <b>10</b> | <b>100%</b> |

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2025 and 31 March 2026

| Type of misconduct                     | Number   | % of total  |
|----------------------------------------|----------|-------------|
| Bribery                                | 2        | 29%         |
| Theft                                  | 1        | 14%         |
| Unauthorized use of Government Vehicle | 3        | 43%         |
| Giving unlawful instruction            | 1        | 14%         |
| <b>Total</b>                           | <b>7</b> | <b>100%</b> |

Table 3.12.4 Grievances logged for the period 1 April 2025 and 31 March 2026

| Grievances                               | Number    | % of Total  |
|------------------------------------------|-----------|-------------|
| Number of grievances resolved            | 12        | 80%         |
| Number of grievances not resolved        | 3         | 20%         |
| <b>Total number of grievances lodged</b> | <b>15</b> | <b>100%</b> |

Table 3.12.5 Disputes logged with Councils for the period 1 April 2025 and 31 March 2026

| Disputes                               | Number    | % of Total  |
|----------------------------------------|-----------|-------------|
| Number of disputes upheld              | 0         | 0           |
| Number of disputes dismissed           | 7         | 70%         |
| <b>Total number of disputes lodged</b> | <b>10</b> | <b>100%</b> |

Table 3.12.6 Strike actions for the period 1 April 2025 and 31 March 2026

|                                                        |   |
|--------------------------------------------------------|---|
| 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 2025 and 31 March 2026

|                                                    |          |
|----------------------------------------------------|----------|
| <b>Number of people suspended</b>                  | 4        |
| Number of people whose suspension exceeded 30 days | 3        |
| Average number of days suspended                   | 80 days  |
| Cost of suspension (R'000)                         | R269 409 |

### 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 2025 and 31 March 2026

| Occupational category                      | Gender | Number of employees as at 1 April 2025 | 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 | 15                                     | 0                                                          | 0                                       | 0                       | 0          |
|                                            | Male   | 22                                     | 0                                                          | 0                                       | 0                       | 0          |
| Professionals                              | Female | 191                                    | 0                                                          | 150                                     | 0                       | 150        |
|                                            | Male   | 235                                    | 0                                                          | 100                                     | 0                       | 100        |
| Technicians and associate professionals    | Female | 128                                    | 0                                                          | 15                                      | 0                       | 15         |
|                                            | Male   | 96                                     | 0                                                          | 10                                      | 0                       | 10         |
| Clerks                                     | Female | 187                                    | 0                                                          | 35                                      | 0                       | 35         |
|                                            | Male   | 114                                    | 0                                                          | 02                                      | 0                       | 02         |
| Service and sales workers                  | Female | 48                                     | 0                                                          | 10                                      | 0                       | 10         |
|                                            | Male   | 70                                     | 0                                                          | 05                                      | 0                       | 05         |
| Skilled agriculture and fishery workers    | Female | 43                                     | 0                                                          | 05                                      | 0                       | 05         |
|                                            | Male   | 68                                     | 0                                                          | 15                                      | 0                       | 15         |
| Craft and related trades workers           | Female | 32                                     | 0                                                          | 0                                       | 0                       | 0          |
|                                            | Male   | 77                                     | 0                                                          | 0                                       | 0                       | 0          |
| Plant and machine operators, assemblers    | Female | 33                                     | 0                                                          | 04                                      | 0                       | 04         |
|                                            | Male   | 68                                     | 0                                                          | 12                                      | 0                       | 12         |
| Elementary occupations                     | Female | 470                                    | 0                                                          | 200                                     | 0                       | 200        |
|                                            | Male   | 522                                    | 0                                                          | 150                                     | 0                       | 150        |
| Sub Total                                  | Female | 1 147                                  | 0                                                          | 419                                     |                         | 419        |
|                                            | Male   | 1 270                                  | 0                                                          | 294                                     |                         | 294        |
| <b>Total</b>                               |        | <b>2 417</b>                           | <b>0</b>                                                   | <b>713</b>                              | <b>0</b>                | <b>713</b> |

Table 3.13.2 Training provided for the period 1 April 2025 and 31 March 2026

| Occupational category                      | Gender | Number of employees as at 1 April 2025 | Training provided within the reporting period |                                         |                         |       |
|--------------------------------------------|--------|----------------------------------------|-----------------------------------------------|-----------------------------------------|-------------------------|-------|
|                                            |        |                                        | Learnerships                                  | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and managers | Female | 15                                     | 0                                             | 0                                       | 0                       | 0     |
|                                            | Male   | 22                                     | 0                                             | 0                                       | 0                       | 0     |
| Professionals                              | Female | 191                                    | 0                                             | 123                                     | 0                       | 123   |
|                                            | Male   | 235                                    | 0                                             | 111                                     | 0                       | 111   |
| Technicians and associate professionals    | Female | 128                                    | 0                                             | 35                                      | 0                       | 35    |
|                                            | Male   | 96                                     | 0                                             | 19                                      | 0                       | 19    |
| Clerks                                     | Female | 187                                    | 0                                             | 11                                      | 0                       | 11    |
|                                            | Male   | 114                                    | 0                                             | 01                                      | 0                       | 01    |
| Service and sales workers                  | Female | 48                                     | 0                                             | 09                                      | 0                       | 09    |
|                                            | Male   | 70                                     | 0                                             | 07                                      | 0                       | 07    |
| Skilled agriculture and fishery workers    | Female | 43                                     | 0                                             | 0                                       | 0                       | 0     |
|                                            | Male   | 68                                     | 0                                             | 0                                       | 0                       | 0     |
| Craft and related trades workers           | Female | 32                                     | 0                                             | 13                                      | 0                       | 13    |
|                                            | Male   | 77                                     | 0                                             | 08                                      | 0                       | 08    |
| Plant and machine operators and assemblers | Female | 33                                     | 0                                             | 0                                       | 0                       | 0     |
|                                            | Male   | 68                                     | 0                                             | 0                                       | 0                       | 0     |
| Elementary occupations                     | Female | 470                                    | 0                                             | 505                                     | 0                       | 505   |
|                                            | Male   | 522                                    | 0                                             | 477                                     | 0                       | 477   |

| Occupational category | Gender | Number of employees as at 1 April 2025 | Training provided within the reporting period |                                         |                         |             |
|-----------------------|--------|----------------------------------------|-----------------------------------------------|-----------------------------------------|-------------------------|-------------|
|                       |        |                                        | Learnerships                                  | Skills Programmes & other short courses | Other forms of training | Total       |
| Sub Total             | Female | 1 147                                  | 0                                             | 696                                     | 0                       | 696         |
|                       | Male   | 1 270                                  | 0                                             | 623                                     | 0                       | 623         |
| <b>Total</b>          |        | <b>2 417</b>                           | <b>0</b>                                      | <b>1319</b>                             | <b>0</b>                | <b>1319</b> |

### 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 2025 and 31 March 2026

| Nature of injury on duty              | Number    | % of total  |
|---------------------------------------|-----------|-------------|
| Required basic medical attention only | 11        | 65%         |
| Temporary Total Disablement           | 6         | 35%         |
| Disablement                           | 0         | 0           |
| Fatal                                 | 0         | 0           |
| <b>Total</b>                          | <b>17</b> | <b>100%</b> |

### 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 2025 and 31 March 2026

| Project title                                                                                                      | Total number of consultants that worked on project | Duration (workdays) | Contract value in Rand |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------|------------------------|
| Council for Scientific and Industrial Research (CSIR)                                                              | 1                                                  | 260                 | 1 200 000              |
| Parliamentary Village                                                                                              | 5                                                  | 260                 | 121 059 000            |
| Mkhondo Boarding School                                                                                            | 5                                                  | 260                 | 67 000 000             |
| Maintenance consultants for assisting the department with management of maintenance projects                       | 2                                                  | 260                 | 60 352 517.75          |
| PMU - Adding Technical capacity & support to internal staff to ensure adequate Programme Management                | 01                                                 | 260                 | 30 298 617.42          |
| Develop and Implement Maintenance Management System (MMS)                                                          | 01                                                 | 230                 | 4 639 686.65           |
| Professional Engineering services for the Visual Assessments of Paved and Unpaved Roads                            | 01                                                 | 60                  | 27 465 780.86          |
| Road Safety Audits                                                                                                 | 02                                                 | 63                  | 3 523 353.33           |
| Design: Upgrading of Road D282 from D281 to Seme Secondary School (7.5km)                                          | 06                                                 | 126                 | 1 634 125.73           |
| Design: Rehabilitation and Upgrading of Road D2571 from R37 to P171/1 (13.4km)                                     | 02                                                 | 63                  | 1 698 320.01           |
| Design: Rehabilitation of Road D2940 from Phiva to Mdladla (9.0km)                                                 | 02                                                 | 63                  | 1 284 411.31           |
| Design: Rehabilitation and Upgrading of Road P216/1 from Embalenhle to Secunda (9.67km)                            | 01                                                 | 42                  | 6 766 586.13           |
| Design: Rehabilitation of Road D3977 from Mkhuhlu to Mathibela (3.4km)                                             | 06                                                 | 168                 | 3 894 353.44           |
| Design: Rehabilitation of Road D2953 from D2951 to D2952 (7.9km)                                                   | 06                                                 | 168                 | 3 704 319.07           |
| Design: Upgrading of Road D4400 from km 0.0 to km 6.3 – Phase 1 (6.3km)                                            | 07                                                 | 147                 | 2 501 552.50           |
| Design: Upgrading of Road D4400 from km 6.3 to km 12.0 – Phase 2 (6.0km)                                           | 06                                                 | 147                 | 2 500 000.00           |
| Design: Upgrading of Road D2915 in Zithabiseni from Bundu to R25 (6km)                                             | 01                                                 | 21                  | 4 305 820.99           |
| Design: Upgrading of Road D2944 from Schulzental to Magogeni (6.6km)                                               | 07                                                 | 147                 | 3 000 000.00           |
| Design: Upgrading of Road D3940 from R40 to km 2.23 and Upgrading of Road D3949 from Casteel to New Forest (6.0km) | 06                                                 | 168                 | 3 000 000.00           |
| Design: Rehabilitation of Road D3930 Cottondale to Manyeleti Gate from km 0.0 to km 12.0 – Phase 1 (12.0km)        | 05                                                 | 168                 | 5 039 394.61           |
| Design: Rehabilitation of Road D3930 Cottondale to Manyeleti Gate from Km 12.0 to km 23.0 – Phase 2 (11.0km)       | 05                                                 | 126                 | 5 957 373.07           |
| Design: Rehabilitation (D2943) (Schoemansdaal – Driekoppies – Langloop – Kamhluswa) Ring Road – Phase 1 (11.5km)   | 01                                                 | 21                  | 2 514 275.35           |
| Design: Rehabilitation of Road D1555 from D1398 to D383 (11.1km)                                                   | 01                                                 | 21                  | 3 499 99.97            |

| Project title                                                                                                                                           | Total number of consultants that worked on project | Duration (workdays) | Contract value in Rand |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------|------------------------|
| Design: Rehabilitation and Special Maintenance of Road D1411 from km 15.45 at Chuene (D2969) to km 31.12 (15.67km)                                      | 01                                                 | 21                  | 2 108 339.11           |
| Design: Construction of Road over Rail Bridge on P100 in Emalahleni                                                                                     | 02                                                 | 84                  | 963 438.62             |
| Design: Rehabilitation of the flood damaged Bridge at Mlumi River Crossing in Driekoppies                                                               | 03                                                 | 105                 | 2 747 179.80           |
| Rehabilitation of Coal Haul Road P36/1 (R50) from km 62.6 to km 71.7 between Delmas and the N12 (9.1 km)                                                | 4                                                  | 72                  | 2 291 942.00           |
| Rehabilitation of Coal Haul Road P182/1 (R542) between Van Dyksdrift and Hendrina (12.1 km) Phase 3                                                     | 4                                                  | 1104                | 16 155 394.86          |
| Reconstruction of Kumani Bridge on Road D4422 near Thulamahashe (incl. 5.6 km of road)                                                                  | 4                                                  | 536                 | 5 446 500.14           |
| Upgrading of Coal Haul Road D2274 from N11 at km 18.7 to D1398 at km 31.7 North of Hendrina (13.0 km)                                                   | 4                                                  | 828                 | 11 577 765.32          |
| Reconstruction of road D481 between Mooiplaas and Ekulindeni (Phase 3)                                                                                  | 4                                                  | 864                 | 11 911 354.89          |
| Upgrading of Road D4407 between Hluvukani and Timbavati (7.82km), Road D4409 at Welverdiend (6.46km) and Road D4416/2 between Timbavati and Road P194/1 | 4                                                  | 672                 | 7 487 973.92           |
| Rehabilitation of Road P33/4 between Hazzyview and Sabie (7.7km) Phase 2                                                                                | 4                                                  | 1109                | 13 617 102.47          |
| Rehabilitation of Sections of Road P8/1 (R36) between Mashishing and Bambi (9km) Phase 3                                                                | 1                                                  | 52                  | 4 930 874.39           |
| Rehabilitation of Road D2950 from R571 (km 0.0) past Mananga (6km) River Crossing                                                                       | 1                                                  | 252                 | 1 733 934.54           |
| Upgrading of Road D4382 between Belfast and Justicia (13.60km)                                                                                          | 4                                                  | 864                 | 10 455 669.59          |
| Upgrading of Road D3954 and D3958 between Casteel and Zoeknag (9.0km)                                                                                   | 4                                                  | 1308                | 19 705 570.36          |
| Upgrading of Road D3960 (9.2km) and D4442 (3.6 km) Ga-Motibidi to Rainbow (12.7km)                                                                      | 4                                                  | 1104                | 14 019 436.08          |
| Upgrading of Road D2950 from D797 to Dhludluma incl. Ring Road (8 km)                                                                                   | 4                                                  | 1068                | 8 724 603.02           |
| Drainage Improvement on Road D2952 from Masibekela (D2950) to Thambokhulu Phase 3 (Part A)                                                              | 4                                                  | 864                 | 8 778 184.34           |
| Construction of a Culvert on Road D935 from Limpopo boundary past Katjibane to D2740 Nokaneng - Phase 1A                                                | 4                                                  | 432                 | 6 083 492.05           |
| Rehabilitation of Road P171/1 (R577) from junction of P81/1 (Dullstroom Road) near Mashishing to D212 & D2630 towards Rossenekal / Sekhukune (18.7 km)  | 4                                                  | 1326                | 6 836 286.64           |
| Provision of monitoring and supervision services for scholar transport operations in Bohlabela and Ehlanzeni Regions                                    | 1                                                  | 195                 | 3 300 000,00           |
| Coaching and mentoring for National Youth Services                                                                                                      | 1                                                  | 260                 | 7 038 000,00           |

| Total number of projects | Total individual consultants | Total duration Workdays | Total contract value in Rand |
|--------------------------|------------------------------|-------------------------|------------------------------|
| 44                       | 146                          | 15 369                  | 529 602 530,33               |

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

| Project title                                                                                       | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups that work on the project |
|-----------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------------------------------|
| Council for Scientific and Industrial Research (CSIR)                                               | 0%                                 | 0%                                  | 1                                                              |
| 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                                                              |
| PMU - Adding Technical capacity & support to internal staff to ensure adequate Programme Management | 100%                               | 100%                                | 1                                                              |
| Develop and Implement Maintenance Management System (MMS)                                           | 41.06%                             | 41.06%                              | 1                                                              |
| Professional Engineering services for the Visual Assessments of Paved and Unpaved Roads             | 100%                               | 100%                                | 1                                                              |
| Road Safety Audits                                                                                  | 100%                               | 100%                                | 2                                                              |

| Project title                                                                                                                                           | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups that work on the project |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------------------------------|
| Design: Upgrading of Road D282 from D281 to Seme Secondary School (7.5km)                                                                               | 100%                               | 100%                                | 6                                                              |
| Design: Rehabilitation and Upgrading of Road D2571 from R37 to P171/1 (13.4km)                                                                          | 100%                               | 100%                                | 2                                                              |
| Design: Rehabilitation of Road D2940 from Phiva to Mdladla (9.0km)                                                                                      | 100%                               | 100%                                | 2                                                              |
| Design: Rehabilitation and Upgrading of Road P216/1 from Embalenhle to Secunda (9.67km)                                                                 | 100%                               | 100%                                | 1                                                              |
| Design: Rehabilitation of Road D3977 from Mkhuhlu to Mathibela (3.4km)                                                                                  | 100%                               | 100%                                | 6                                                              |
| Design: Rehabilitation of Road D2953 from D2951 to D2952 (7.9km)                                                                                        | 80%                                | 80%                                 | 6                                                              |
| Design: Upgrading of Road D4400 from km 0.0 to km 6.3 – Phase 1 (6.3km)                                                                                 | 100%                               | 100%                                | 7                                                              |
| Design: Upgrading of Road D4400 from km 6.3 to km 12.0 – Phase 2 (6.0km)                                                                                | 100%                               | 100%                                | 6                                                              |
| Design: Upgrading of Road D2915 in Zithabiseni from Bundu to R25 (6km)                                                                                  | 100%                               | 100%                                | 1                                                              |
| Design: Upgrading of Road D2944 from Schulzendal to Magogeni (6.6km)                                                                                    | 93.69%                             | 93.69%                              | 7                                                              |
| Design: Upgrading of Road D3940 from R40 to km 2.23 and Upgrading of Road D3949 from Casteel to New Forest (6.0km)                                      | 100%                               | 100%                                | 6                                                              |
| Design: Rehabilitation of Road D3930 Cottondale to Manyeleti Gate from km 0.0 to km 12.0 – Phase 1 (12.0km)                                             | 100%                               | 100%                                | 5                                                              |
| Design: Rehabilitation of Road D3930 Cottondale to Manyeleti Gate from Km 12.0 to km 23.0 – Phase 2 (11.0km)                                            | 100%                               | 100%                                | 5                                                              |
| Design: Rehabilitation (D2943) (Schoemansdaal – Driekoppies – Langloop – Kamhluwa) Ring Road – Phase 1 (11.5km)                                         | 0%                                 | 0%                                  | 1                                                              |
| Design: Rehabilitation of Road D1555 from D1398 to D383 (11.1km)                                                                                        | 0%                                 | 0%                                  | 1                                                              |
| Design: Rehabilitation and Special Maintenance of Road D1411 from km 15.45 at Chuene (D2969) to km 31.12 (15.67km)                                      | 100%                               | 100%                                | 1                                                              |
| Design: Construction of Road over Rail Bridge on P100 in Emalahleni                                                                                     | 0%                                 | 0%                                  | 2                                                              |
| Design: Rehabilitation of the flood damaged Bridge at Mlumati River Crossing in Driekoppies                                                             | 0%                                 | 0%                                  | 3                                                              |
| 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%                                | 4                                                              |
| Rehabilitation of Coal Haul Road P182/1 (R542) between Van Dyksdrift and Hendrina (12.1 km) Phase 3                                                     | 100%                               | 100%                                | 4                                                              |
| Reconstruction of Kumani Bridge on Road D4422 near Thulamahashe (incl. 5.6 km of road)                                                                  | 100%                               | 100%                                | 4                                                              |
| 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%                                | 4                                                              |
| Reconstruction of road D481 between Mooiplaas and Ekulindeni (Phase 3)                                                                                  | 100%                               | 100%                                | 4                                                              |
| Upgrading of Road D4407 between Hluvukani and Timbavati (7.82km), Road D4409 at Welverdiend (6.46km) and Road D4416/2 between Timbavati and Road P194/1 | 100%                               | 100%                                | 4                                                              |
| Rehabilitation of Road P33/4 between Hazyview and Sabie (7.7km) Phase 2                                                                                 | 66%                                | 66%                                 | 4                                                              |
| Rehabilitation of Sections of Road P8/1 (R36) between Mashishing and Bambi (9km) Phase 3                                                                | 100%                               | 100%                                | 1                                                              |
| Rehabilitation of Road D2950 from R571 (km 0.0) past Mananga (6km) River Crossing                                                                       | 100%                               | 100%                                | 1                                                              |
| Upgrading of Road D4382 between Belfast and Justicia (13.60km)                                                                                          | 100%                               | 100%                                | 4                                                              |
| Upgrading of Road D3954 and D3958 between Casteel and Zoeknag (9.0km)                                                                                   | 100%                               | 100%                                | 4                                                              |
| Upgrading of Road D3960 (9.2km) and D4442 (3.6 km) Ga-Motibidi to Rainbow (12.7km)                                                                      | 100%                               | 100%                                | 4                                                              |
| Upgrading of Road D2950 from D797 to Dhludluma incl. Ring Road (8 km)                                                                                   | 100%                               | 100%                                | 4                                                              |
| Drainage Improvement on Road D2952 from Masibekela (D2950) to Thambokhulu Phase 3 (Part A)                                                              | 100%                               | 100%                                | 4                                                              |
| Construction of a Culvert on Road D935 from Limpopo boundary past Katjibane to D2740 Nokaneng - Phase 1A                                                | 40%                                | 40%                                 | 4                                                              |

| Project title                                                                                                                                          | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups that work on the project |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------------------------------|
| Rehabilitation of Road P171/1 (R577) from junction of P81/1 (Dullstroom Road) near Mashishing to D212 & D2630 towards Rossenekal / Sekhukune (18.7 km) | (Platinum Mines)                   | (Platinum Mines)                    | 4                                                              |
| Provision of monitoring and supervision services for scholar transport operations in Bohlabela and Ehlanzeni Regions                                   | None                               | None                                | 1                                                              |
| Coaching and mentoring for National Youth Services                                                                                                     | 50%                                | 50%                                 | 1                                                              |

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2025 and 31 March 2026

| Project title   | Total number of consultants that worked on project | Duration (Workdays) | Donor and contract value in Rand |
|-----------------|----------------------------------------------------|---------------------|----------------------------------|
| Not applicable. |                                                    |                     |                                  |

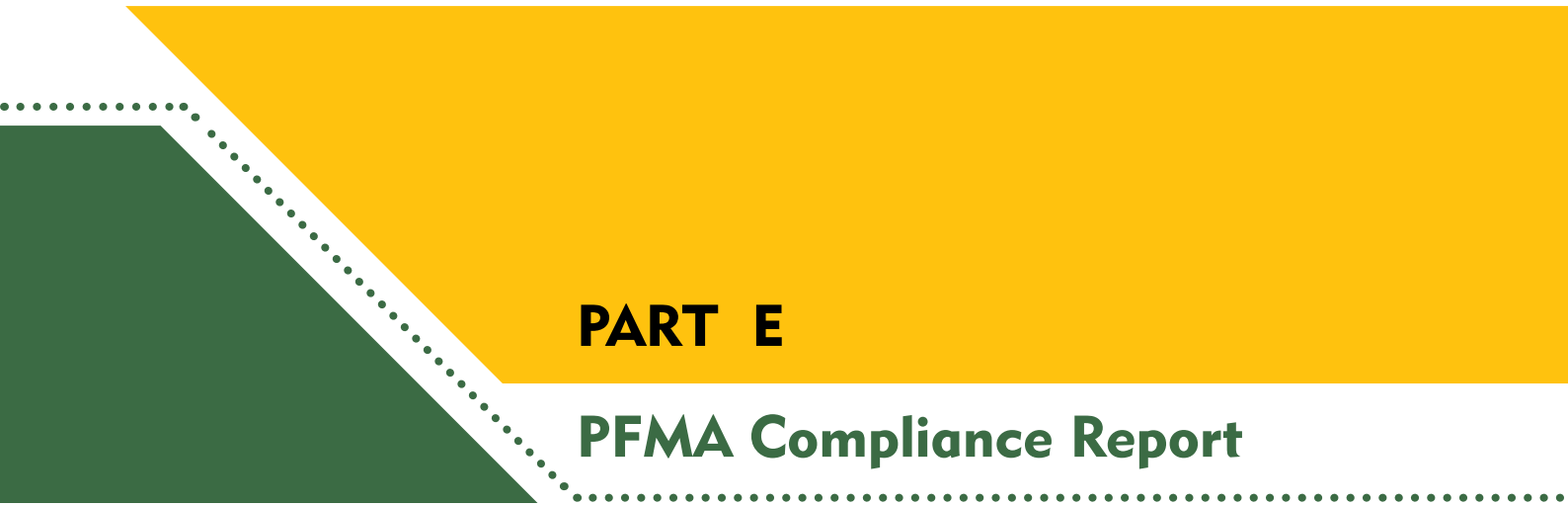
Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2025 and 31 March 2026

| 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 2025 and 31 March 2026

| 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 |
|-----------------|---------------------------------|---------------------------------------------|------------------------------------------|-------------------------------------------|
| Not applicable. |                                 |                                             |                                          |                                           |



## **PART E**

# **PFMA Compliance Report**

# 1. INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

## 1.1 Irregular expenditure

### a) Reconciliation of irregular expenditure

| Description                                                 | 2025/2026      | 2024/2025      |
|-------------------------------------------------------------|----------------|----------------|
|                                                             | R'000          | R'000          |
| Opening balance                                             | 370,183        | 1,195,655      |
| Adjustment to opening balance                               | -              | -              |
| Opening balance as restated                                 | -              | -              |
| Add: Irregular expenditure confirmed                        | 204,319        | 570,086        |
| Less: Irregular expenditure condoned                        | -              | (454,473)      |
| Less: Irregular expenditure not condoned and removed        | (127,863)      | (941,085)      |
| Less: Irregular expenditure recoverable                     | -              | -              |
| Less: Irregular expenditure not recoverable and written off | -              | -              |
| <b>Closing balance</b>                                      | <b>446,639</b> | <b>370,183</b> |

### Reconciling notes

| Description                                                                             | 2025/2026      | 2024/2025      |
|-----------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                         | R'000          | R'000          |
| Irregular expenditure that was under assessment                                         | 13,501         | -              |
| Irregular expenditure that relates to the prior year and identified in the current year | -              | -              |
| Irregular expenditure for the current year                                              | 204,319        | 570,086        |
| <b>Total</b>                                                                            | <b>204,319</b> | <b>570,086</b> |

### b) Details of irregular expenditure (under assessment, determination, and investigation)

| Description                               | 2025/2026      | 2024/2025      |
|-------------------------------------------|----------------|----------------|
|                                           | R'000          | R'000          |
| Irregular expenditure under assessment    | -              | -              |
| Irregular expenditure under determination | -              | -              |
| Irregular expenditure under investigation | 446,639        | 331,812        |
| <b>Total</b>                              | <b>446,639</b> | <b>331,812</b> |

### c) Details of irregular expenditure condoned

| Description                    | 2025/2026 | 2023/2024      |
|--------------------------------|-----------|----------------|
|                                | R'000     | R'000          |
| Irregular expenditure condoned | -         | 454,473        |
| <b>Total</b>                   | <b>-</b>  | <b>454,473</b> |

Irregular expenditure was condoned by Provincial Treasury.

### d) Details of irregular expenditure removed - (not condoned)

| Description                                    | 2025/2026      | 2024/2025      |
|------------------------------------------------|----------------|----------------|
|                                                | R'000          | R'000          |
| Irregular expenditure NOT condoned and removed | 127,863        | 941,085        |
| <b>Total</b>                                   | <b>127,863</b> | <b>941,085</b> |

The removal of the irregular expenditure was effected in terms of Paragraph 5.7 and 5.8 of National Treasury Instruction no 4 of 2022/2023.

### e) Details of irregular expenditure recoverable

| Description                       | 2024/2025 | 2023/2024 |
|-----------------------------------|-----------|-----------|
|                                   | R'000     | R'000     |
| Irregular expenditure recoverable | -         | -         |
| <b>Total</b>                      | <b>-</b>  | <b>-</b>  |

### f) Details of irregular expenditure written off (irrecoverable)

| Description                       | 2024/2025 | 2023/2024 |
|-----------------------------------|-----------|-----------|
|                                   | R'000     | R'000     |
| Irregular expenditure written off | -         | -         |
| <b>Total</b>                      | <b>-</b>  | <b>-</b>  |

## 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 irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

| Description     |
|-----------------|
| Not applicable. |

- i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

| Disciplinary steps taken                                                    |
|-----------------------------------------------------------------------------|
| No criminal steps were taken as a result of irregular expenditure.          |
| Written warnings were issued to officials who caused irregular expenditure. |

## 1.2 Fruitless and wasteful expenditure

- a) Reconciliation of fruitless and wasteful expenditure

| Description                                                              | 2025/2026     | 2024/2025     |
|--------------------------------------------------------------------------|---------------|---------------|
|                                                                          | R'000         | R'000         |
| Opening balance                                                          | 11,045        | 10,555        |
| Adjustment to opening balance                                            | -             | -             |
| Opening balance as restated                                              | 11,045        | 10,555        |
| Add: Fruitless and wasteful expenditure confirmed                        | 30,636        | 490           |
| Less: Fruitless and wasteful expenditure recoverable                     | -             | -             |
| Less: Fruitless and wasteful expenditure not recoverable and written off | -             | -             |
| <b>Closing balance</b>                                                   | <b>41,681</b> | <b>11,045</b> |

Still under investigation.

- b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

| Description                                            | 2025/2026     | 2024/2025     |
|--------------------------------------------------------|---------------|---------------|
|                                                        | R'000         | R'000         |
| Fruitless and wasteful expenditure under assessment    | 11,045        | 10,555        |
| Fruitless and wasteful expenditure under determination | -             | -             |
| Fruitless and wasteful expenditure under investigation | 30,636        | 490           |
| <b>Total</b>                                           | <b>41,681</b> | <b>11,045</b> |

- c) Details of fruitless and wasteful expenditure recoverable

| Description                                    | 2025/2026 | 2024/2025 |
|------------------------------------------------|-----------|-----------|
|                                                | R'000     | R'000     |
| Fruitless and wasteful expenditure recoverable | -         | -         |
| <b>Total</b>                                   | <b>-</b>  | <b>-</b>  |

- d) Details of fruitless and wasteful expenditure not recoverable and written off

| Description                                    | 2025/2026 | 2024/2025 |
|------------------------------------------------|-----------|-----------|
|                                                | R'000     | R'000     |
| Fruitless and wasteful expenditure written off | -         | -         |
| <b>Total</b>                                   | <b>-</b>  | <b>-</b>  |

Still under investigation.

- e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

| Disciplinary steps taken   |
|----------------------------|
| Still under investigation. |

## 1.3 Unauthorised expenditure

## a) Reconciliation of unauthorised expenditure

| Description                                             | 2025/2026 | 2024/2025 |
|---------------------------------------------------------|-----------|-----------|
|                                                         | R'000     | R'000     |
| Opening balance                                         | -         | -         |
| Adjustment to opening balance                           | -         | -         |
| Opening balance as restated                             | -         | -         |
| Add: unauthorised expenditure confirmed                 | -         | -         |
| Less: unauthorised expenditure approved with funding    | -         | -         |
| Less: unauthorised expenditure approved without funding | -         | -         |
| Less: unauthorised expenditure recoverable              | -         | -         |
| Less: unauthorised not recoverable and written off      | -         | -         |
| <b>Closing balance</b>                                  | <b>-</b>  | <b>-</b>  |

## Reconciling notes

| Description                                                                                | 2025/2026 | 2024/2025 |
|--------------------------------------------------------------------------------------------|-----------|-----------|
|                                                                                            | R'000     | R'000     |
| Unauthorised expenditure that was under assessment                                         | -         | -         |
| Unauthorised expenditure that relates to the prior year and identified in the current year | -         | -         |
| Unauthorised expenditure for the current year                                              | -         | -         |
| <b>Total</b>                                                                               | <b>-</b>  | <b>-</b>  |

## b) Details of unauthorised expenditure (under assessment, determination, and investigation)

| Description                                  | 2025/2026 | 2024/2025 |
|----------------------------------------------|-----------|-----------|
|                                              | R'000     | R'000     |
| Unauthorised expenditure under assessment    | -         | -         |
| Unauthorised expenditure under determination | -         | -         |
| Unauthorised expenditure under investigation | -         | -         |
| <b>Total</b>                                 | <b>-</b>  | <b>-</b>  |

## 1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &amp;(iii))

## a) Details of material losses through criminal conduct

| Material losses through criminal conduct | 2025/2026    | 2024/2025    |
|------------------------------------------|--------------|--------------|
|                                          | R'000        | R'000        |
| Theft                                    | 5,766        | 2,062        |
| Other material losses                    | 1            | 6,942        |
| Less: Recoverable                        | (3,220)      | (7,017)      |
| Less: Not recoverable and written off    | 2,547        | 9,003        |
| <b>Total</b>                             | <b>2,547</b> | <b>1,986</b> |

## b) Details of other material losses

| Nature of other material losses | 2025/2026    | 2024/2025    |
|---------------------------------|--------------|--------------|
|                                 | R'000        | R'000        |
| Computer equipment              | 23           | 91           |
| Transport equipment             | 293          | 8,569        |
| Office furniture and equipment  | 25           | 43           |
| Other machinery and equipment   | 5 426        | 300          |
| <b>Total</b>                    | <b>5 767</b> | <b>9,003</b> |

## c) Other material losses recoverable

| Nature of losses               | 2025/2026    | 2024/2025    |
|--------------------------------|--------------|--------------|
|                                | R'000        | R'000        |
| Computer equipment             | -            | 16           |
| Transport equipment            | -            | 6,897        |
| Office furniture and equipment | -            | 17           |
| Other machinery and equipment  | 3,220        | 88           |
| <b>Total</b>                   | <b>3,220</b> | <b>7,018</b> |

## d) Other material losses not recoverable and written off

| Nature of losses   | 2025/2026 | 2024/2025 |
|--------------------|-----------|-----------|
|                    | R'000     | R'000     |
| Computer equipment | 23        | 91        |

|                                |              |              |
|--------------------------------|--------------|--------------|
| Transport equipment            | 293          | 1,672        |
| Office furniture and equipment | 25           | 33           |
| Other machinery and equipment  | 2 206        | 187          |
| <b>Total</b>                   | <b>2 547</b> | <b>1,984</b> |

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

| Description                                                               | Number of invoices | Consolidated Value |
|---------------------------------------------------------------------------|--------------------|--------------------|
|                                                                           |                    | R'000              |
| Valid invoices received                                                   | 9,053              | -                  |
| Invoices paid <b>within 30</b> days or agreed period                      | 9,026              | -                  |
| Invoices paid <b>after 30</b> days or agreed period                       | 27                 | -                  |
| Invoices older than 30 days or agreed period (unpaid and without dispute) | -                  | -                  |
| Invoices older than 30 days or agreed period (unpaid and in dispute)      | -                  | -                  |

### 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 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------|-----------------|-------------------------|
| Extension of a contract for supply and delivery of office stationery and cartridges for the Department of Public Works, Roads and Transport at various Districts in the Mpumalanga Province                                                                               | Various Service Provider                             | Deviations                         | PWRT/1864/19/MP | Rates                   |
| Extension of a contract for supply and delivery of protective clothing for the Department of Public Works, Roads and Transport at Various Districts and Head Office in the Mpumalanga Province                                                                            | Various Service Provider                             | Deviations                         | PWRT/691/19/MP  | Rates                   |
| Extension of a contract that exceed the 15% threshold and extension of a contract for provisioning of monitoring and supervision services for scholar transport operation in Bohlabela and Ehlanzeni Districts for a period of nine (09) months                           | Vlakbult Trading Enterprise                          | Deviations                         | PWRT/2375/19/MP | Rates                   |
| Deviation from normal procurement process for the booking of broadcasting on radio, TV, and the placement of adverts on newspapers for a period one (01) year                                                                                                             | Various Media Houses                                 | Deviations                         | DPWRT/003/24/MP | Rates                   |
| Extension of a lease agreement for office accommodation with Nanfin Properties (Pty) Ltd at number 05 Magnolia Street, Nelspruit on behalf of Department of Education for a period of six months                                                                          | Nanfin Properties (Pty) Ltd                          | Deviations                         | DPWRT/474/17/MP | R2 838 113,22           |
| Extension of a lease agreement for office accommodation with Subtibex (Pty) Ltd at 15 Ferreira & Streak street, Nelspruit on behalf of Department of Education for a period of six (06) months                                                                            | Subtibex (Pty) Ltd                                   | Deviations                         |                 | R2 584 423,92           |
| Extension of a lease agreement for office accommodation with MLK Properties (Pty) Ltd at A97 Court street, Mayflower on behalf of the Department of Health for a period of three (03) years                                                                               | MLK Properties (Pty) Ltd                             | Deviations                         | PWRT/2373/20/MP | R1 369 149,20           |
| Extension of a lease agreement for office accommodation with Malagi General Trading at Nazarene Mission, Bushbuckridge on behalf of Department of Education for a period of three (03) months                                                                             | Malagi General Trading                               | Deviations                         | PWRT/2343/17/MP | R112 932,30             |
| Extension of a contract for service provider to conduct condition assessment of Immovable Asset Management in the Mpumalanga Provincial Government for a period of two (02) years                                                                                         | Council of Scientific and Industrial Research (CSIR) | Deviations                         | PWRT/2096/18/MP | Rates                   |
| Extension of a lease agreement for office accommodation with Sonjoy Properties (Pty) Ltd at Riverside House No.3, Government Boulevard, Riverside Park Nelspruit on behalf of Department of Co-operative Governance & Traditional Affairs for a period of six (06) months | Sonjoy Properties (Pty) Ltd                          | Deviations                         | PWRT/2343/17/MP | R8 591 991,90           |
| Extension of a lease agreement for office accommodation with MLK Properties (Pty) Ltd at 30 Kotze Street, Piet Retief on behalf of Department of Education in the Mpumalanga Province                                                                                     | MLK Properties (Pty) Ltd                             | Deviations                         | PWRT/2238/18/MP | R115 327,29             |
| Extension of a lease agreement for office accommodation with Ubumbano Property cc at 16B Alie Van Bergen Street, White River on behalf of Department of Education in the Mpumalanga Province                                                                              | Ubumbano Property cc                                 | Deviations                         | PWRT/2055/15/MP | R195 174,24             |
| Extension of a lease agreement for office accommodation with Trophy Hives Engraves (Pty) Ltd at 1375 Main Road, Elukwatini on behalf of Department of Community Safety, Security and Liaison (DCSSL) in the Mpumalanga Province                                           | Trophy Hives Engraves (Pty) Ltd                      | Deviations                         | PWRT/2019/16/MP | R1 400 434,56           |

| Project description                                                                                                                                                                                                                                                                | Name of supplier                  | Type of procurement by other means | Contract number     | Value of contract R'000 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------|---------------------|-------------------------|
| Extension of a lease agreement for office accommodation with Siyanda Stationeries at 42 Adelaide Tambo Street, Volksrust on behalf of Department of Education for a period of six months in the Mpumalanga Province                                                                | Siyanda Stationeries              | Deviations                         |                     | R285 843,84             |
| Extension of a lease agreement for office accommodation with Vunene Risimu Trading at Main Road, Angincourt on behalf of Department of Education for a period of six months in the Mpumalanga Province                                                                             | Vunene Risimu Trading             | Deviations                         | PWRT/2240/17/MP     | R195 480,00             |
| Extension of a contract for provision of programme management support (PMU) services to the Transport Infrastructure Division in the Department of Public Works Roads and Transport in the Mpumalanga Province for a period of twenty four (24) months                             | SML Projects                      | Deviations                         | PWRT/2460/20/MP     | R69 545 752,98          |
| Extension of a contract for supply and delivery of office stationery and cartridges for the Department of Public Works, Roads and Transport at Head Office Districts in the Mpumalanga Province                                                                                    | Various Service Provider          | Deviations                         | PWRT/1864/20/MP     | Rates                   |
| Extension of a contract for catering services at Mgwenya Building, Riverside Government Complex (Canteen and Kiosk) in Mbombela in the Mpumalanga Province                                                                                                                         | Amanyandzeni (Pty) Ltd            | Deviations                         | PWRT/1603/19/MP     | Rates                   |
| Extension of a lease agreement for office accommodation with Sombuyane Property Management at No. 32 Third street, Delmas on behalf of the Department of Agriculture, Rural Development, Land and Environmental Affairs for a period of six (06) months in the Mpumalanga Province | Sombuyane Property Management     | Deviations                         | PWRT/2314/18/MP     | R2 079 414,00           |
| Extension of a lease agreement with Maxims Construction cc for the Department of Education at No. 43 Kleyhans Street, Bethal in the Mpumalanga Province for a period of six (06) months in the Mpumalanga Province                                                                 | Maxims Construction cc            | Deviations                         | PWRT/2236/18/MP     | R310 500,00             |
| Extension of a contract with AMK Business Enterprise cc for swimming pool maintenance for Members of Executive Council, Members of Provincial Legislature and Presiding Officers in the Mpumalanga Province                                                                        | AMK Business Enterprise           | Deviations                         | PWRT/2156/16/MP     | R781 824,00             |
| Extension of a contract with extension of a contract with Sikhulekile Trading Enterprise cc for general building maintenance services at all VIP residences and the Riverside Government Complex inclusive of its extensions in Mbombela in the Mpumalanga Province                | Sikhulekile Trading Enterprise cc | Deviations                         | PWRT/MAIN/035/23/MP | Rates                   |
| Extension of a contract with Likhutsa Project cc for gardening maintenance for Members of Executive Council, Members of Provincial Legislature and Presiding Officers in the Mpumalanga Province                                                                                   | Likhutsa Project cc               | Deviations                         | PWRT/2157/16/MP     | R1 412 430,00           |
| Renewal of a lease agreement for office accommodation with Calstar Trust at Erf 44 Joubert Street, Ermelo on behalf of Department of Health in the Mpumalanga Province                                                                                                             | Calstar Trust                     | Deviations                         | PWRT/2241/18/MP     | R730 020,00             |
| Deviation from normal procurement for the implementation of the 2023/24 Welisizwe Bridges programme by allowing the utilisation of the term contractors, for appointment of term contractors to implement the 2024/25 projects: Buffelspruit Gap 1 Bridge                          | Civiscene                         | Deviations                         | PWRT/2242/22/MP(A)  | R4 636 660,67           |
| Deviation from normal procurement for the implementation of the 2023/24 Welisizwe Bridges programme by allowing the utilisation of the term contractors, for appointment of term contractors to implement the 2024/25 projects: Buffelspruit Gap 2 Bridge                          | Umfazi Omnyama Womans             | Deviations                         | PWRT/2242/22/MP(A)  | R4 636 660,67           |

| Project description                                                                                                                                                                                                                                      | Name of supplier                       | Type of procurement by other means | Contract number    | Value of contract R'000 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------|--------------------|-------------------------|
| Deviation from normal procurement for the implementation of the 2023/24 Welisizwe Bridges programme by allowing the utilisation of the term contractors, for appointment of term contractors to implement the 2024/25 projects: Boshfontein – Skoonpluis | Lwandlelwazi Trading                   | Deviations                         | PWRT/2242/22/MP(A) | R4 636 660,67           |
| Deviation from normal procurement for the implementation of the 2023/24 Welisizwe Bridges programme by allowing the utilisation of the term contractors, for appointment of term contractors to implement the 2024/25 projects: Jeppe Reef               | Phetlo Kuhle Business Enterprise       | Deviations                         | PWRT/2242/22/MP(A) | R4 636 660,67           |
| Deviation from following normal procurement process for the appointment of Dhlams and Dhlams Triponza JV to render scholar transport services in Gert Sibande District in the Mpumalanga Province on route MSTRG159, MSTRG202, MSTRG203 & MSTRG204       | Dhlams and Dhlams Triponza JV          | Deviations                         | DPWRT/120/22/MP(B) | Rates                   |
| Deviation from following normal procurement process for the appointment of Dhlams and Dhlams Triponza JV to render scholar transport services in Nkangala District in the Mpumalanga Province on route MSTRN142, MSTRN143A, MSTRN143B & MSTRN172         | Dhlams and Dhlams Triponza JV          | Deviations                         | DPWRT/120/22/MP(A) | Rates                   |
| Extension of a lease agreement for office accommodation with Nanfin Properties (Pty) Ltd at number 05 Magnolia Street, Nelspruit on behalf of Department of Education in the Mpumalanga Province                                                         | Nanfin Properties (Pty) Ltd            | Deviations                         | DPWRT/474/17/MP    | R5 676 226,44           |
| Deviation from following normal procurement process for the appointment of Khuluma Ezakho to render scholar transport services in Nkangala District in the Mpumalanga Province                                                                           | Khuluma Ezakho                         | Deviations                         | DPWRT/006/24/MP    | Rates                   |
| Deviation from following normal procurement process for the appointment of Dhludhlu's Transport and Projects to render scholar transport services in Nkangala District in the Mpumalanga Province with effect from May 2024 until December 2024.         | Dhludhlu's Transport and Projects      | Deviations                         | DPWRT/007/24/MP    | Rates                   |
| Deviation from following normal procurement process for the appointment of Khuluma Ezakho to render scholar transport services in Nkangala District in the Mpumalanga Province                                                                           | Khuluma Ezakho                         | Deviations                         | DPWRT/006/24/MP    | Rates                   |
| Deviation from following normal procurement process for the appointment of Pat Bus Services to render scholar transport services in Gert Sibande District in the Mpumalanga Province                                                                     | Pat Bus Services                       | Deviations                         | DPWRT/008/24/MP    | Rates                   |
| Extension of a lease agreement for office accommodation with Sintha Investments (Pty) Ltd at 11 De Clerq Street, Ermelo on behalf of Department of Human Settlements in the Mpumalanga Province                                                          | Sintha Investments (Pty) Ltd           | Deviations                         | PWRT/2023/12/MP    | R1 972 634,10           |
| Deviation from following normal procurement process for extension of a lease agreement with Nonosi and Riskon Properties (Pty) Ltd for office accommodation on behalf of Department of Education in Nelspruit in the Mpumalanga Province                 | Nonosi and Riskon Properties (Pty) Ltd | Deviations                         | PWRT/1667/10/MP    | R2 511 600,00           |
| Extension of a lease agreement for office accommodation with Siyanda Stationeries cc at 57 De Jager street, Ermelo on behalf of Department of Economic Development and Tourism (DEDT) for a period of six (06) months in the Mpumalanga Province         | Siyanda Stationeries cc                | Deviations                         |                    | R1 941 511,20           |
| Extension of a lease agreement for office accommodation with Ligitrops 100 (Pty) Ltd at 22 Beatty Avenue, Witbank on behalf of Department of Social Development for a period of three (03) months in the Mpumalanga Province                             | Ligitrops 100 (Pty) Ltd                | Deviations                         | PWRT/1601/16/MP    | R515 400,00             |

| Project description                                                                                                                                                                                                                                                                                                                                               | Name of supplier                   | Type of procurement by other means | Contract number                   | Value of contract R'000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-----------------------------------|-------------------------|
| Extension of a lease agreement for office accommodation with Vunene Risimu Trading at Main Road, Angincourt on behalf of Department of Education for a period of three (03) months in the Mpumalanga Province                                                                                                                                                     | Vunene Risimu Trading              | Deviations                         | PWRT/2240/17/MP                   | R97 740,00              |
| Deviation from following normal procurement process for the appointment of Albert Mash to render scholar transport services at Ehlanzeni District in the Mpumalanga Province                                                                                                                                                                                      | Albert Mash                        | Deviations                         | DPWRT/178/22/MP                   | Rates                   |
| Deviation from following normal procurement process to enter into a lease agreement with Msukaligwa Local Municipality for two (02) buildings situated at Portion 13 of the Farm Nootgedacht 268 and Drivers' License Testing Grounds situated on erf 5072 Ermelo on behalf of the Department of Community Safety Security and Liaison in the Mpumalanga Province | Msukaligwa Local Municipality      | Deviations                         | DPWRT/028/24/MP                   | R2 619 962,97           |
| Extension of six (06) months lease agreement with C & D Estates for residential accommodation on behalf of Department of Health at Elukwatini in the Mpumalanga Province                                                                                                                                                                                          | C & D Estates                      | Deviations                         | DPWRT/039/16/MP - PWRT/2438/19/MP | R1 034 556,00           |
| Extension of a lease agreement for office accommodation with Thlari Squared Property Management at 05 Van Der Byl Street, Barberton on behalf of Department of Education in the Mpumalanga Province                                                                                                                                                               | Thlari Squared Property Management | Deviations                         | PWRT/2455/20/MP                   | R234 357,54             |
| Extension of a lease agreement for office accommodation with MLK Properties (Pty) Ltd at 30 Kotze Street, Piet Retief on behalf of Department of Education in the Mpumalanga Province                                                                                                                                                                             | MLK Properties (Pty) Ltd           | Deviations                         | PWRT/2238/18/MP                   | R230 654,58             |
| Extension of a contract for Quality Assurance and review of Annual Financial Statements in the Mpumalanga Province                                                                                                                                                                                                                                                | Mkhono Africa Consulting           | Deviations                         | PWRT/2482/21/MP                   | R304 026,64             |
| Deviation from normal procurement for the implementation of the 2024/25 Welisizwe Bridges programme by allowing the utilisation of the term contractors, for appointment of term contractors to implement the 2024/25 projects: Mjeane Bridge                                                                                                                     | Gabeshe Trading                    | Deviations                         | PWRT/2242/22/MP(A)                | R4 636 660,67           |
| Extension of a lease agreement for office accommodation with Ligitprops 100 (Pty) Ltd at 22 Beatty Avenue, Witbank on behalf of Department of Social Development for a period of three (03) months in the Mpumalanga Province - Amendment of rental amount                                                                                                        | Ligitprops 100 (Pty) Ltd           | Deviations                         | PWRT/1601/16/MP                   | R534 000,00             |
| Renewal of a lease agreement for office accommodation for the Department of Economic Development and Tourism at Bushbuckridge in the Mpumalanga Province                                                                                                                                                                                                          | Come Today Trading & Projects 97   | Deviations                         | PWRT/2100/18/MP                   | R830 345,40             |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.23B Acacia Heights, The Rest Nature Estate in Mbombela                                                                                                                                | Minosa Trading & Projects          | Deviations                         | DPWRT/023/24/MP                   | R1 515 250,59           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.44 Cussons Street, River Gate Estate in Mbombela                                                                                                                                      | Obert Ntuli Inc                    | Deviations                         | DPWRT/036/24/MP                   | R1 555 837,37           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 41 Honeysuckle Street Waverly Green Complex in Mbombela                                                                                                                              | Fourz Lowveld Properties           | Deviations                         | DPWRT/010/24/MP                   | R1 298 795,14           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 27 Selati Street, Elawini in Mbombela                                                                                                                                                | Nhlokothabo                        | Deviations                         | DPWRT/037/24/MP                   | R1 555 837,67           |

| Project description                                                                                                                                                                                                               | Name of supplier             | Type of procurement by other means | Contract number | Value of contract R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------|-----------------|-------------------------|
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 13 Ntulo Estate in Mbombela                          | HK Properties and Management | Deviations                         | DPWRT/038/24/MP | R1 555 837,67           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 10 Westrock Villas in Mbombela                       | Minosa Trading & Projects    | Deviations                         | DPWRT/035/24/MP | R1 515 550,59           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.29 Merlin Cycle - Silbury Hill in Mbombela            | Anix Trading 488             | Deviations                         | DPWRT/022/24/MP | R1 555 837,67           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.33B Acacia Height, The Rest Nature Estate in Mbombela | Minosa Trading & Projects    | Deviations                         | DPWRT/027/24/MP | R1 515 250,59           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.49 Cussonia Complex in Mbombela                       | Fourz Lowveld Properties     | Deviations                         | DPWRT/011/24/MP | R1 209 156,44           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 7 & 104 Matumi Drive Estate in Mbombela              | Mena Consulting              | Deviations                         | DPWRT/022/24/MP | R1 555 837,67           |
| Procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 49 Cussonia in Mbombela - Withdrawal of a house                                                              | Fourz Lowveld Properties     | Deviations                         | DPWRT/011/24/MP | R1 298 795,14           |
| Procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No. 41 Honeysuckle Street Waverly Green Complex in Mbombela - Withdrawal of a house                              | Fourz Lowveld Properties     | Deviations                         | DPWRT/010/24/MP | R1 298 795,14           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.07 Stardust Cussonia in Mbombela                      | Fourz Lowveld Properties     | Deviations                         | DPWRT/011/24/MP | R1 488 192,53           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.44 Garden Pavilion in Mbombela                        | HK Properties and Management | Deviations                         | DPWRT/010/24/MP | R2 029 353,47           |
| Procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.33B Acacia Height, The Rest Nature Estate in Mbombela - Withdrawal of a house                                 | Minosa Trading & Projects    | Deviations                         | DPWRT/027/24/MP | R1 515 250,59           |
| Deviation from following normal procurement process for procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.05 Westrock Villas Belladonna Street in Mbombela      | Minosa Trading & Projects    | Deviations                         | DPWRT/027/24/MP | R1 515 250,59           |
| Procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.23B Acacia Heights, The Rest Nature Estate in Mbombela - Withdrawal of a house                                | Minosa Trading & Projects    | Deviations                         | DPWRT/023/24/MP | R1 515 250,59           |
| Procurement of houses without furniture for official accommodation for Members of Provincial Legislature - House No.2872 (115A) The Rest Nature Estate in Mbombela - Withdrawal of a house                                        | Minosa Trading & Projects    | Deviations                         | DPWRT/023/24/MP | R1 515 250,59           |

| Project description                                                                                                                                                                                                                                                                        | Name of supplier                                                                                                    | Type of procurement by other means | Contract number       | Value of contract R'000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------------|-------------------------|
| Deviation from following normal procurement process to enter into a lease agreement for residential accommodation for Hon. MEC TS Thomo, Member of Executive Council at house no 2 Bouzouki Street Klaat Complex, Mbombela in the Mpumalanga Province                                      | Nkekelwa Medical Institute (Pty) Ltd                                                                                | Deviations                         | DPWRT/044/24/MP       | R304 000,00             |
| Deviation from following normal procurement process to enter into a lease agreement for residential accommodation Deputy Speaker Hon. S Masango of the Mpumalanga Provincial Legislature at house No 18 Kabeljou Street, Elawini Estate Mbombela in the Mpumalanga Province                | Sina Hospitality Group (Pty) Ltd                                                                                    | Deviations                         | DPWRT/043/24/MP       | R360 000,00             |
| Deviation from normal procurement process to enter into a lease agreement with Govan Mbeki Municipality (GMM) for four buildings situated at Erf 8361 & 1539 Secunda, Erf 566 & 5668 Eendracht and Erf 10 Bethal on behalf of Department of Community Safety, Security and Liaison (DCSSL) | Govan Mbeki Local Municipality                                                                                      | Deviations                         | DPWRT/001/24/MP       | R7 377 049,31           |
| Extension of a lease agreement with Sonjoy Properties (Pty) Ltd at Riverside house No.3, Government Boulevard, Riverside Park Nelspruit for the Department of Co-Operative Governance & Traditional Affairs                                                                                | Sonjoy Properties (Pty) Ltd                                                                                         | Deviations                         | DPWRT/128/17/MP       | R8 591 991,90           |
| Deviate from following normal procurement process for the appointment of Standerton Taxi Group and SVP Consulting to render scholar transport services in Gert Sibande District in the Mpumalanga Province                                                                                 | Standerton Taxi Group and SVP Consulting                                                                            | Deviations                         | DPWRT/130/24/MP (A&B) | Rates                   |
| Deviation from following normal procurement to enter into a lease agreement with Subtibex (Pty) Ltd for office accommodation on behalf of Department of Culture, Sports and Recreation at 18 Bell street, Nelspruit                                                                        | Subtibex (Pty) Ltd                                                                                                  | Deviations                         | DPWRT/055/24/MP       | R4 489 072,84           |
| Deviation from following normal procurement process to procure residential accommodation for Hon. Member MEC KJ Macie at house No.124 The Rest Eco Estate in Mbombela                                                                                                                      | Bokmakerie Beleggings 10                                                                                            | Deviations                         | DPWRT/054/24/MP       | R304 000,00             |
| Extension of a lease agreement for office accommodation with Vunene Risimu Trading at Main Road, Angincourt on behalf of Department of Education for a period of three (03) months in the Mpumalanga Province                                                                              | Vunene Risimu Trading                                                                                               | Deviations                         | PWRT/2240/17/MP       | R97 740,00              |
| Extension of a lease agreement for office accommodation with Ligitprops 100 (Pty) Ltd at 22 Beatty Avenue, Witbank on behalf of Department of Social Development (DSD) in the Mpumalanga Province                                                                                          | Ligitprops 100 (Pty) Ltd                                                                                            | Deviations                         | PWRT/1902/16/MP       | R1 256 000,00           |
| Extension of a lease agreement with Subtibex (Pty) Ltd for office accommodation for the Department of Education at 15 Ferreira & Streak street, Nelspruit in the Mpumalanga Province                                                                                                       | Subtibex (Pty) Ltd                                                                                                  | Deviations                         | PWRT/1857/218/MP      | R1 292 211,96           |
| Extension of a general building maintenance service at all VIP Residences and Riverside Government Complex (RGC) inclusive of its Extensions in Mbombela                                                                                                                                   | Sikhulekile Trading Enterprise                                                                                      | Deviations                         | PWRT/MAIN/035/23/MP   | Rates                   |
| Extension of a contract for repair and supply of large air conditioning installations at various institutions in the Mpumalanga Province                                                                                                                                                   | Rocafusion, Wanga Power Projects, Ndiza Solutions, S and L JV                                                       | Deviations                         | PWRT/676/20/MP        | Rates                   |
| Extension of a contract for maintenance, repair and supply of transformer installations as well as switch gear at various institutions in the Mpumalanga Province                                                                                                                          | Sanerance JV Liduka, Sibongile Thembisile Florence, Dreamteam Trading 572, Mmoluzi Trading                          | Deviations                         | PWRT/1635/20/MP       | Rates                   |
| Extension of a contract for supply, maintenance and installation of kitchen equipment at various institutions in the Mpumalanga Province                                                                                                                                                   | Siyathuthuka Sonke Trading and Projects, Mzish Trading Enterprises, Atile Investment (Pty) Ltd, Ukubila Engineering | Deviations                         | PWRT/673/20/MP        | Rates                   |

| Project description                                                                                                                                                                                                                                                                                | Name of supplier                                                                                            | Type of procurement by other means | Contract number | Value of contract R'000 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------|-------------------------|
| Extension of a contract for repair and maintenance of existing cooling at various institutions in the Mpumalanga Province                                                                                                                                                                          | Rocafusion, Get it Fine Trading Enterprise, Wanga Power Projects, Siyathuthuka, Sonke Trading and Projects  | Deviations                         | PWRT/712/20/MP  | Rates                   |
| Extension of a contract for maintenance, repair and upgrading of laundry installation as well as supply of new laundry installations at various institutions in the Mpumalanga Province                                                                                                            | Sibongile Thembisile Florence Trading, Ukubila Engineering, Muravha Building and Civil JV, Atile Investment | Deviations                         | PWRT/1634/20/MP | Rates                   |
| Extension of a contract for operation of steam generating plants at various institutions in the Mpumalanga Province                                                                                                                                                                                | Nelson Progressive Construction, Amiware JV                                                                 | Deviations                         | PWRT/710/20/MP  | Rates                   |
| Extension of a lease agreement for office accommodation with for office accommodation for the Department of Education at number 43 Kleynhans Street, Bethal in the Mpumalanga Province                                                                                                             | Maxims Construction cc                                                                                      | Deviations                         | PWRT/2236/18/MP | R258 750,00             |
| Extension of a lease agreement for office accommodation with for office accommodation for the Department of Agriculture, Rural Development, Land and Environmental Affairs at number 32 Third Street, Delmas in the Mpumalanga Province                                                            | Sombuyane Property Management                                                                               | Deviations                         | PWRT/2314/18/MP | R288 807,50             |
| Extension of a lease agreement for office accommodation for the Department of Health at Erf 44 Joubert Street, Ermelo in the Mpumalanga Province                                                                                                                                                   | Calstar Trust                                                                                               | Deviations                         | PWRT/2241/18/MP | R608 350,00             |
| Extension of a lease agreement for Puttie Trading Enterprise for office accommodation for the Department of Education at number 1896 Copper street, Delmas in the Mpumalanga Province                                                                                                              | Puttie Trading Enterprise                                                                                   | Deviations                         | DPWRT/132/22/MP | R162 357,40             |
| Deviation from following normal procurement process for the appointment of Legent12 Project and Trading (Pty) Ltd to render scholar transport services in Gert Sibande District in the Mpumalanga Province                                                                                         | Legent 12 Projects and Trading (Pty) Ltd                                                                    | Deviations                         | DPWRT/056/24/MP | Rates                   |
| Extension of a contract with Ndiza Solution (Pty) Ltd for heating ventilation air-conditioning (HVAC) and refrigeration at the Riverside Government Complex (RGC), Mpumalanga Provincial Government owned buildings, leases and inclusive of VIP residences in Mbombela in the Mpumalanga Province | Ndiza Solution (Pty) Ltd                                                                                    | Deviations                         | PWRT/1610/20/MP | Rates                   |
| Extension of a lease agreement with Yacoobs Investments cc for office accommodation for the Department of Community Safety, Security and Liaison at 43 Adelaide Tambo Street, Volksrust in the Mpumalanga Province                                                                                 | Yacoobs Investments cc                                                                                      | Deviations                         | PWRT/1927/15/MP | R534 326,64             |
| Extension of a contract with Mochabane 1975 Construction cc for cleaning services at Riverside Government Complex (RGC), Building 5 Mbombela Square, 19 Jones Street and 16 Hope Street at Mbombela in the Mpumalanga Province                                                                     | Mochabane 1975 Construction cc                                                                              | Deviations                         | PWRT/1816/20/MP | Rates                   |
| Extension of a contract with Mordecai Trading for supply and delivery of hygienic services for Mgwenya and Rhino building at the Riverside Government (RGC) Complex and all DPWRT Head Office extensions in the Mpumalanga Province                                                                | Mordecai Trading                                                                                            | Deviations                         | PWRT/1604/20/MP | Rates                   |
| Extension of a contract with Mloluzi Trading cc for installation and maintenance of electrical services at the Riverside Government (RGC) Complex, all DPWRT Head Office extensions and VIP residences in the Mpumalanga Province                                                                  | Mloluzi Trading                                                                                             | Deviations                         | PWRT/1840/20/MP | Rates                   |

| Project description                                                                                                                                                                                                                                                                                                   | Name of supplier                                                   | Type of procurement by other means | Contract number            | Value of contract R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------------------------------|----------------------------|-------------------------|
| Extension of a lease agreement with Vusubheki Management Services cc for installation and maintenance of the entire electronics services and security systems at the Riverside Government Complex (RGC) in Mbombela and all Mpumalanga Provincial Government facilities and VIP residences in the Mpumalanga Province | Vusubheki Management Services cc                                   | Deviations                         | PWRT/2150/19/MP            | Rates                   |
| Extension of a contract supply and delivery of protective clothing for the Department of Public Works, Roads and Transport at Various Districts and Head Office in the Mpumalanga Province                                                                                                                            | Various Service Providers                                          | Deviations                         | PWRT/691/19/MP             | Rates                   |
| Deviate from normal procurement processes to acquire a building at Erf 198, Witbank for the Department of Social Development from Xuxu Suppliers for a period from 01 December 2024 – 30 November 2029                                                                                                                | Xuxu Suppliers                                                     | Deviations                         | DPWRT/059/24/MP            | R29 750 707,36          |
| Deviation from following normal procurement process for the appointment of TR Mabuza, Shodo Business Enterprise and Gugulezwelethu Logistics to render scholar transport services in Gert Sibande District in the Mpumalanga Province                                                                                 | TR Mabuza, Gugulezwelethu Logistics and Shodo Business Enterprise. | Deviations                         | DPWRT/06024/MP (A) (B) (C) | Rates                   |
| Deviation from following normal procurement process to enter into a lease agreement with Thami Ndalo (Pty) Ltd for residential accommodation for MEC LC Dlamini at house No 22 Kiaat Estate, Mbombela                                                                                                                 | Thami Ndalo (Pty) Ltd                                              | Deviations                         | DPWRT/691/24/MP (A)        | R157 214,10             |
| Deviation from following normal procurement process to enter into a lease agreement with Thami Ndalo (Pty) Ltd for residential accommodation for MPL TG Skhosana at house No 23 Kiaat Estate, Mbombela                                                                                                                | Thami Ndalo (Pty) Ltd                                              | Deviations                         | DPWRT/691/24/MP (B)        | R225 000,00             |
| Deviation from following normal procurement process to enter into a lease agreement with Leave Me Alone (Pty) Ltd for residential accommodation for Chairperson of the House of Traditional Leaders at house No 51 Ntulo Estate, Mbombela                                                                             | Leave Me Alone (Pty) Ltd                                           | Deviations                         | DPWRT/014/23/MP            | R1 155 646,80           |
| Deviation from following normal procurement process to enter into a lease agreement with HK Properties and Management for residential accommodation for MEC LM Mabuza at house No 31 Stardust Street, Cussonia Complex in Mbombela                                                                                    | HK Properties and Management                                       | Deviations                         | DPWRT/062/24/MP            | R304 000,00             |
| Extension of a lease agreement for office accommodation with Sintha Investments (Pty) Ltd at 11 De Clerq Street, Ermelo on behalf of Department of Human Settlements in the Mpumalanga Province                                                                                                                       | Sintha Investments (Pty) Ltd                                       | Deviations                         | PWRT/2023/12/MP            | R1 315 089,40           |
| Extension of a contract with Gabeshe Trading Enterprise cc for provision of waste management at Riverside Government Complex, Nelspruit at all Head Office extensions in the Mpumalanga Province                                                                                                                      | Gabeshe Trading Enterprise                                         | Deviations                         | PWRT/1602/20/MP            | Rates                   |
| Extension of a contract for catering services at Mgwanya Building, Riverside Government Complex (Canteen and Kiosk) in Mbombela in the Mpumalanga Province                                                                                                                                                            | SSSM Group                                                         | Deviations                         | PWRT/1603/19/MP            | Rates                   |
| Deviation from following normal procurement process to enter into a lease agreement with Seliter Construction Expert for residential accommodation for Inkosi Yende, the Deputy Chairperson of the House of Traditional Leaders at house No 21 Mandarine Golf View, Mbombela                                          | Seliter Construction Expert                                        | Deviations                         | DPWRT/094/21/MP            | R1 530 876,62           |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. S Manzini at 42 Creset Guinifoul, Shandon                                | Isicebi Trading 101 cc                                             | Deviations                         | DPWRT/054/16/MP            | R202 248,00             |

| Project description                                                                                                                                                                                                                                                                           | Name of supplier          | Type of procurement by other means | Contract number | Value of contract R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------|-----------------|-------------------------|
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. SK Mashilo at House No. 73 Outeniqua Street      | SMB Development Planet    | Deviations                         | DPWRT/110/16/MP | R214 380,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. NE Hlophe at House 24 Kiaat                      | Thami Ndalo Pty (Ltd)     | Deviations                         | DPWRT/175/22/MP | R225 780,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. SS Mahlangu at House No. 11 Baroque Klapperkruin | Gaby Glass Construction   | Deviations                         | DPWRT/072/17/MP | R153 642,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. RJ Sithole at House No. 93 Hillside Manor        | Kellaprince Properties    | Deviations                         |                 | R132 558,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. B Grobler at House No. 107 Hillside Manor        | Kellaprince Properties    | Deviations                         | DPWRT/074/17/MP | R143 922,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. Weber at 1926 Skhukhuza The Rest                 | MDK Holdings              | Deviations                         | DPWRT/259/19/MP | R134 832,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. N Maselela at 1927 Skhukhuza The Rest            | MDK Holdings              | Deviations                         |                 | R134 832,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. TS Mashiane at 18 Adiago Str Klapperkruin        | SLK Success (Pty) Ltd     | Deviations                         | DPWRT/005/21/MP | R151 494,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. NC Bhungane at 1928 Skhukhuza The Rest           | MDK Holdings              | Deviations                         |                 | R134 832,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. SJ Masango at 75 Blue Rigde Ntulo                | Baitsiba Trading          | Deviations                         | DPWRT/179/22/MP | R146 280,00             |
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. PV Mkhatswa at 46 Clarinet Hewilsig Estate       | Netshituni Azwibali Group | Deviations                         | DPWRT/323/20/MP | R164 358,00             |

| Project description                                                                                                                                                                                                                                                              | Name of supplier                                                 | Type of procurement by other means | Contract number | Value of contract R'000 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------|-----------------|-------------------------|
| Extension of lease agreement for residential accommodation for (VIP) on behalf of the Members of the Executive Council, Members of the Mpumalanga Provincial Legislature as well as the Presiding Officers in the Mpumalanga Province - Hon. Malatjie at 12 Accordian Huelwelsig | Gaby Glass Construction                                          | Deviations                         | DPWRT/155/22/MP | R155 052,00             |
| Extension of lease agreement for office accommodation with Siyanda Stationeries cc at 57 De Jager Street, Ermelo on behalf of Department of Economic Development and Tourism (DEDT) in the Mpumalanga Province                                                                   | Nonosi and Riskon Properties (Pty) Ltd                           | Deviations                         |                 | R473 129,12             |
| Extension of a contract for maintenance, repair and supply of autoclave installations at various institutions in the Mpumalanga Province                                                                                                                                         | Sugar Creek Trading 29 (Pty) Ltd, Juza JV                        | Deviations                         | PWRT/711/20/MP  | Rates                   |
| Extension of a contract for supply, repair and maintenance of electric motor and pump installation at various institutions in the Mpumalanga Province                                                                                                                            | Ndiza Solution, YBS Projects T/A Hydroequip, Ukubila Engineering | Deviations                         | PWRT/666/20/MP  | Rates                   |
| Deviation from following normal procurement process to enter into a lease agreement with SLK Success (Pty) Ltd for residential accommodation for MEC LM Mabuza at house No 94 Balule Crescent, The Rest Mbombela                                                                 | SLK Success (Pty) Ltd                                            | Deviations                         | DPWRT/062/24/MP | R228 000,00             |
| extension of a lease agreement for office accommodation with Subtibex (Pty) Ltd at 15 Ferreira & Streak street, Nelspruit on behalf of Department of Education in the Mpumalanga Province                                                                                        | Subtibex (Pty) Ltd                                               | Deviations                         | PWRT/1857/18/MP | R1 292 211,96           |
| Extension of a lease agreement with Thlari Squared Property Management (Pty) Ltd for office accommodation for the Department of Education at 05 Van Der Byl Street, Barberton in the Mpumalanga Province                                                                         | Thlari Squared Property Management (Pty) Ltd                     | Deviations                         | PWRT/2455/20/MP | R117 178,77             |
| Extension of a lease agreement for office accommodation with MLK Properties (Pty) Ltd at 30 Kotze Street, Piet Retief on behalf of Department of Education (DOE) in the Mpumalanga Province                                                                                      | MLK Properties (Pty) Ltd                                         | Deviations                         | PWRT/2238/18/MP | R115 327,29             |
| Deviation from following normal procurement process to enter into lease agreement with 209 Omphile Development and Housing for residential accommodation for Hon. Member DL Moela, house no. 25 Vintage Drive Whiteriver Country Estate, Whiteriver in the Mpumalanga Province   | 209 Omphile Development and Housing                              | Deviations                         | DPWRT/066/24/MP | R150 000,00             |
| Extension of a lease agreement for office accommodation with Siyanda Stationeries cc at 42 Adelaide Tambo, Volksrust on behalf of Department of Education in the Mpumalanga Province                                                                                             | Siyanda Stationeries cc                                          | Deviations                         |                 | R142 921,62             |
| Extension of the lease agreement with Come Today Trading & Project 97 for office accommodation on behalf of Department of Economic Development and Tourism, Bushbuckridge in the Mpumalanga Province                                                                             | Come Today Trading & Project 97                                  | Deviations                         |                 | R830 345,40             |
| Extension of a contract with Ndiza Solutions (Pty) Ltd for the supply, delivery, installation and installation testing new bulk electrical connection at the Riverside Government Complex in Mbombela                                                                            | Ndiza Solution (Pty) Ltd                                         | Deviations                         | PWRT/2517/22/MP | Rates                   |
| Extension of a lease agreement for office accommodation with Siyanda Stationeries cc at 20 De Clerq Street, Ermelo on behalf of Department of Culture, Sports and Recreation in the Mpumalanga Province                                                                          | Siyanda Stationeries cc                                          | Deviations                         | PWRT/2122/15/MP | R709 693,68             |
| Extension of a lease agreement for office accommodation with Sombuyana property development & projects at number 32 Third Street, Delmas on behalf of Department of Agriculture, Rural Development, Land and Environmental Affairs in the Mpumalanga Province                    | Sombuyane Property Management                                    | Deviations                         | PWRT/2314/18/MP | R346 569,00             |

| Project description                                                                                                                                                                                                                                                                                | Name of supplier                                                                 | Type of procurement by other means | Contract number | Value of contract R'000 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------|-----------------|-------------------------|
| Extension of a lease agreement for office accommodation with Nanfin Properties (Pty) Ltd at 05 Magnolia street, Nelspruit on behalf of Department of Education in the Mpumalanga Province                                                                                                          | Nanfin Properties (Pty) Ltd                                                      | Deviations                         | DPWRT/474/17/MP | R5 688 226,44           |
| Extension of a lease agreement for office accommodation with Sonjoy Properties (Pty) Ltd at Riverside House No.3, Government Boulevard, Riverside Park Nelspruit on behalf of Department of Co-operative Governance & Traditional Affairs in the Mpumalanga Province                               | Sonjoy Properties (Pty) Ltd                                                      | Deviations                         | DPWRT/128/17/MP | R8 591 991,90           |
| Extension of a lease agreement for office accommodation with Puttie Trading Enterprise at number 1896 Copper Street, Delmas on behalf of Department of Education in the Mpumalanga Province                                                                                                        | Puttie Trading Enterprise                                                        | Deviations                         | DPWRT/132/22/MP | R194 828,88             |
| Extension of a lease agreement for office accommodation with Siyanda Stationeries cc at 20 De Clerq Street, Ermelo on behalf of Department of Culture, Sports and Recreation in the Mpumalanga Province                                                                                            | Siyanda Stationeries cc                                                          | Deviations                         | PWRT/695/19/MP  | R1 204 304,52           |
| Extension of a contract with Mochabane 1975 Construction cc for cleaning services at Riverside Government Complex (RGC), Building 5 Mbombela Square, 19 Jones Street and 16 Hope Street at Mbombela in the Mpumalanga Province                                                                     | Mochabane 1975 Construction cc                                                   | Deviations                         | PWRT/1816/20/MP | Rates                   |
| Extension of a contract for provision of waste management at Riverside Government Complex, Nelspruit at all Head Office extensions in the Mpumalanga Province                                                                                                                                      | Gabeshe Trading Enterprise                                                       | Deviations                         | PWRT/1602/20/MP | Rates                   |
| Extension of a contract for maintenance and installation of electrical services at the Riverside Government Complex in Mbombela and all its extension buildings and VIP residences in the Mpumalanga Province                                                                                      | Mnoluzi Trading                                                                  | Deviations                         | PWRT/1840/20/MP | Rates                   |
| Extension of a contract with Ndiza Solution (Pty) Ltd for heating ventilation air-conditioning (HVAC) and refrigeration at the Riverside Government Complex (RGC), Mpumalanga Provincial Government owned buildings, leases and inclusive of VIP residences in Mbombela in the Mpumalanga Province | Ndiza Solution (Pty) Ltd                                                         | Deviations                         | PWRT/1610/20/MP | Rates                   |
| Extension of a contract for preparation of steam generating plants for inspection according to the Occupation Health and Safety Act (Act 85 of 1993) as well as general maintenance, repair and installation of new steam generating plants at various institutions in the Mpumalanga Province     | Ukubila Engineering, Ndiza Solution                                              | Deviations                         | PWRT/1636/20/MP | Rates                   |
| Extension of a contract for service, maintenance and repair of two complete continuous washing systems with driers at the Middelburg and Bethal laundry in Mpumalanga Province                                                                                                                     | Muravha Building and Civil JV                                                    | Deviations                         | PWRT/1871/20/MP | Rates                   |
| Extension of a contract for supply, repair and maintenance of medical gas installations at various installation at various institutions in the Mpumalanga Province                                                                                                                                 | Rocafusion, Dabenkho General Trading JV, Siyathuthuka Sonke Trading and Projects | Deviations                         | PWRT/674/20/MP  | Rates                   |
| Extension of a contract with Mordecai Trading for supply and delivery of hygienic services for Mgwenvya and Rhino building at the Riverside Government (RGC) Complex and all DPWRT Head Office extensions in the Mpumalanga Province                                                               | Mordecai Trading                                                                 | Deviations                         | PWRT/1604/20/MP | Rates                   |
| Extension of a contract with Ndiza Solution (Pty) Ltd for heating ventilation air-conditioning (HVAC) and refrigeration at the Riverside Government Complex (RGC), Mpumalanga Provincial Government owned buildings, leases and inclusive of VIP residences in Mbombela in the Mpumalanga Province | Ndiza Solution (Pty) Ltd                                                         | Deviations                         | PWRT/2517/22/MP | Rates                   |

| Project description                                                                                                                                                                                                   | Name of supplier                  | Type of procurement by other means | Contract number | Value of contract R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------|-----------------|-------------------------|
| Deviate from following normal procurement process to enter into a lease agreement with NDZ Projects T/A Xan Family Trust for residential accommodation for Hon. N Mkhabela at house No. 03 Elawini Estate in Mbombela | NDZ Projects T/A Xan Family Trust | Deviations                         | DPWRT/088/17/MP | R147 000,00             |

### 3.2 Contract variations and expansions

| Project description                                                                                                                                                                                                                                                                                     | Name of supplier                         | Contract number | Original contract value R'000 | Value of previous contract expansion/s or variation/s (if applicable) R'000 | Value of current contract expansion or variation R'000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------|-------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------|
| Upgrading of bridge (87m) and bridge approaches (30m) on road D4400 over Sand River near Rolle Village in Ehlanzeni District of the Mpumalanga Province – Application for utilisation of contingencies, additional funding – Application for extension of time and CPA provision (VO 4 and EOT Claim)   | Sizampilo Projects (Pty) Ltd             | PWRT/2494/21/MP | 21 135                        | 1 169                                                                       | 27 201                                                 |
| Implementation of Welisizwe Bridges programme, (Bailey bridges) for the 2043/25 projects in the Mpumalanga Province - VO No.1 - Payment of outstanding contractor's invoice                                                                                                                             | Mobile Oil (Pty) Ltd                     | PWRT/2212/16/MP | R4 962 400,00                 | R1 751 355,12                                                               | R6 443 755,56                                          |
| Implementation of Welisizwe Bridges programme, (Bailey bridges) for the 2043/25 projects in the Mpumalanga Province - VO No.1 - Payment of outstanding contractor's invoice                                                                                                                             | Sibaka Construction (Pty) Ltd            | PWRT/2212/16/MP | R4 962 400,00                 | R3 204 780,08                                                               | R7 897 180,52                                          |
| Upgrade of road D4407 between Hluvukani and Timbavati (7.82km), road D4409 at Welverdiend (6.46) and road D4416/2 between and road P194/1 (1.19km) in Ehlanzeni District of the Mpumalanga Province - Application for utilisation of contingencies for extension of time claim and CPA                  | Mpfumemelo Business Enterprise (Pty) Ltd | PWRT/2388/21/MP | R129 726 892,23               | R17 603 134,17                                                              | R137 770 196,46                                        |
| Upgrade of road D4407 between Hluvukani and Timbavati (7.82km), road D4409 at Welverdiend (6.46) and road D4416/2 between and road P194/1 (1.19km) in Ehlanzeni District of the Mpumalanga Province - Application for VO.1 & 2                                                                          | Mpfumemelo Business Enterprise (Pty) Ltd | PWRT/2388/21/MP | R129 726 892,23               | R4 095 131,60                                                               | R141 865 328,06                                        |
| Rehabilitation of coal haulage road P36/1 (R50) from km 62.6 to km 71.7 between Delmas and the N12, in Nkangala Region of the Mpumalanga Province - Application for Claim No.02 for extension of time (EOT) with costs due to inclement weather and change in nature of the works                       | Actophambili Roads (Pty) Ltd             | PWRT/2430/19/MP | R130 000 000,00               | R1 228 199,98                                                               | R183 225 730,46                                        |
| The upgrade (gravel to bituminous surface) of Ga-Motibidi access road (5.3km) from intersection with road D4442 / D3960 to R40-5 (36.2N) in Bushbuckridge in Ehlanzeni District Municipality of the Mpumalanga Province - Application for VO No.1 for payment of outstanding invoices by Klus Civils JV | Klus Civils JV                           | PWRT/2539/23/MP | R59 543 094,60                | R831 385,40                                                                 | R60 374 480,00                                         |
| Term contract for milling and resealing as well as other related road repairs as and when required in the Mpumalanga Province - Scope of variation and project cost variation of asphalt overlay on road D2943 (7km) - VO No.1                                                                          | Sitamelase Trading                       | PWRT/2213/16/MP | R18 110 182,75                | R2 170 029,42                                                               | R20 280 212,17                                         |
| Extension of scope of work for swimming pool maintenance services in favour of AMK Business Enterprise cc for official for official accommodation for Members of Provincial Legislature to include four (04) houses in Mbombela                                                                         | AMK Business Enterprise                  | PWRT/2156/16/MP | Rates                         | R121 617,16                                                                 | Rates                                                  |

| Project description                                                                                                                                                                                                                                                                                                      | Name of supplier                         | Contract number | Original contract value | Value of previous contract expansion/s or variation/s (if applicable) | Value of current contract expansion or variation |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------|-------------------------|-----------------------------------------------------------------------|--------------------------------------------------|
| Upgrade of road d4407 between Hluvkani and Timbavati (7.82km), road D4409 at Welverdiend (6.46) and road D4416/2 between and road P194/1 (1.19km) in Ehlanzeni District of the Mpumalanga Province - Application for utilisation of contingencies for extension of time (EoT) Claim No.03 and variation (VO) No.3 & No.4 | Mpfumemelo Business Enterprise (Pty) Ltd | PWRT/2388/21/MP | R129 726 892,23         | R14 825 489,61                                                        | R156 690 817,70                                  |
| Term contract for milling and resealing as well as other related road repairs as and when required in the Mpumalanga Province - Scope of variation and project cost variation of asphalt overlay on road D2943 (7km) - VO No.2                                                                                           | Sitamelative Trading                     | PWRT/2213/16/MP | R18 110 182,75          | R1 120 842,80                                                         | R21 401 084,97                                   |
| Rehabilitation of road P33/4 and slip failure at km 19.4 between Hazyview and Sabie from km 36.0 to km 43.7 (Phase 1) (7.7km) in Bohlabela Region of the Mpumalanga Province - Additional for additional funds for escalation: CPA and variation in cost for special materials VO No.6                                   | Lonerock Construction (Pty) Ltd          | PWRT/2542/23/MP | R168 337 299,12         | R3 397 388,85                                                         | R172 244 296,29                                  |
| Rehabilitation of road P33/4 and slip failure at km 19.4 between Hazyview and Sabie from km 36.0 to km 43.7 (Phase 1) (7.7km) in Bohlabela Region of the Mpumalanga Province - Additional funds for urgent safety maintenance – Sabie Bridge 2309/1977                                                                   | Lonerock Construction (Pty) Ltd          | PWRT/2542/23/MP | R168 337 299,12         | R1 302 955,75                                                         | R169 640 254,87                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for Variation Order (VO No.01)                                                                                                                                  | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R619 580,23                                                           | R172 078 034,44                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for Variation Order (VO No.02)                                                                                                                                  | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R2 072 229,29                                                         | R174 150 263,73                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for Variation Order (VO No.03)                                                                                                                                  | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R578 175,68                                                           | R174 815 165,76                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.01)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R4 991 688,63                                                         | R179 806 854,39                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.02)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R896 678,94                                                           | R180 703 533,33                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.03)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R2 063 505,27                                                         | R182 767 038,60                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.04)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R1 307 656,79                                                         | R184 074 695,39                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.05)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R1 793 357,89                                                         | R185 868 053,28                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.06)                                                                                                                                             | Edwin Construction                       | PWRT/2491/21/MP | R171 458 454,21         | R1 307 656,79                                                         | R187 175 710,07                                  |

| Project description                                                                                                                                                                                                                                                                 | Name of supplier                                     | Contract number     | Original contract value | Value of previous contract expansion/s or variation/s (if applicable) | Value of current contract expansion or variation |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------|-------------------------|-----------------------------------------------------------------------|--------------------------------------------------|
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for Variation Order (VO No.04)                                                                                             | Edwin Construction                                   | PWRT/2491/21/<br>MP | R171 458 454,21         | R5 567 321,11                                                         | R192 315 728,42                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for Variation Order (VO No.06)                                                                                             | Edwin Construction                                   | PWRT/2491/21/<br>MP | R171 458 454,21         | R35 235 775,81                                                        | R227 551 504,23                                  |
| Rehabilitation (selective treatment) of road P8/1 from Mashishing to Bambi (Phase 3) (11km) in Bohlabela Region of the Mpumalanga Province - Application for EOT (EoT No.07 A & B)                                                                                                  | Edwin Construction                                   | PWRT/2491/21/<br>MP | R171 458 454,21         | R1 307 656,79                                                         | R187 175 710,07                                  |
| The upgrade (gravel to bituminous surface) of Ga-Motibidi access road (5.3km) from intersection with road D4442 / D3960 to R40-5 (36.2N) in Bushbuckridge in Ehlanzeni District Municipality of the Mpumalanga Province - Application for extension of time No.1 (EoT) without cost | Matlala Nyapele Investment & Properties (Plant Hire) | PWRT/2539/23/<br>MP | R59 543 094,60          | R0,00                                                                 | R59 543 094,60                                   |
| Upgrading and rehabilitation of road D2950 (Phase 1) in Mananga in Ehlanzeni Region of the Mpumalanga Province (6km 240m River Crossing) - Extension of time (EoT) No.4                                                                                                             | Whitehazy Building and Construction (Pty) Ltd        | PWRT/2496/21/<br>MP | R113 131 376,04         | R1 837 156,11                                                         | R113 131 376,04                                  |
| Upgrading of rural access road D4422 near Thulamahashe (5.63km) in the Bohlabela Region of the Mpumalanga Province - Request for contract rate balancing                                                                                                                            | Khulane Quality Construction                         | PWRT/2492/22/<br>MP | R114 276 251,87         | R0,00                                                                 | R114 276 251,87                                  |
| Upgrading of rural access road D4422 near Thulamahashe (5.63km) in the Bohlabela Region of the Mpumalanga Province - Application for CPA provision (Variation Order No.1)                                                                                                           | Khulane Quality Construction                         | PWRT/2492/22/<br>MP | R114 276 251,87         | R14 184 469,06                                                        | R128 480 717,13                                  |
| Upgrading of rural access road D4422 near Thulamahashe (5.63km) in the Bohlabela Region of the Mpumalanga Province - Application for extension of time (EoT) No. 2, 3, 4                                                                                                            | Nkomaba and Diff JV                                  | PWRT/2492/21/<br>MP | R126 182 794,93         | R4 610 118,90                                                         | R138 724 821,47                                  |
| Upgrading of rural access road D4422 near Thulamahashe (5.63km) in the Bohlabela Region of the Mpumalanga Province - Application for additional CPA                                                                                                                                 | Nkomaba and Diff JV                                  | PWRT/2492/21/<br>MP | R126 182 794,93         | R6 931 907,64                                                         | R133 114 702,57                                  |





## **PART F**

## **Financial Report**

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

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

1. I have audited the financial statements of the Mpumalanga Department of Public Works, Roads and Transport (the department) set out on pages 155 - 201, which comprise the appropriation statement, statement of financial position as at 31 March 2026, 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.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mpumalanga Department of Public Works, Roads and Transport as at 31 March 2026 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 2 of 2025 (Dora).

### Basis for opinion

3. 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.
4. 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

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

### Material underspending of the vote

7. As disclosed in the appropriation statement, the department materially underspent the budget by R104,7 million on Programme 3: Transport infrastructure.

### Restatement of corresponding figures

8. As disclosed in note 26 to the financial statements, the corresponding figures for 31 March 2025 were restated as a result of an error in the financial statements of the department at and for the year ended 31 March 2026.

### Responsibilities of the accounting officer for the financial statements

9. 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.

10. 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 financial statements

11. 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.
12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 153 - 154, forms part of my auditor's report.

## REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

13. 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 the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
14. I selected the following programmes presented in the annual performance report for the year ended 31 March 2026 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

| Programme                                       | Page Numbers | Purpose                                                                                                                                                                                                                                                                  |
|-------------------------------------------------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Programme 2: Public Works Infrastructure</b> | 33           | The purpose of this programme is to provide balanced and equitable provincial government-building infrastructure by promoting accessibility that is sustainable, integrated and environmentally sensitive and that supports economic development and social empowerment. |

| Programme                                    | Page Numbers | Purpose                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Programme 3: Transport Infrastructure</b> | 37           | The purpose of this programme is to promote accessibility and 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.                                                             |
| <b>Programme 4: Transport Operations</b>     | 41           | The purpose of this programme is to plan, regulate and facilitate the provision of integrated land transport services through coordination and cooperation with national planning authorities, community-based organisations, non-governmental organisations and the private sector to enhance the mobility of all communities, particularly those currently without or with limited access. |

15. 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.
16. 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
  - all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so 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 those 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 and is comparable and understandable
  - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
17. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
18. I did not identify any material findings on the reported performance information for the selected programmes

## Other matters

19. I draw attention to the matters below.

## Achievement of planned targets

20. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.
21. The tables that follow provide information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 36, 40 and 43.

## Public works infrastructure

| <i>Targets achieved: 67 %</i><br><i>Budget spent: 96%</i>                       |                |                      |
|---------------------------------------------------------------------------------|----------------|----------------------|
| Key indicator not achieved                                                      | Planned target | Reported achievement |
| Number of infrastructure designs completed (DoH)                                | 6              | 5                    |
| Number of infrastructure designs completed (DCSR)                               | 8              | 7                    |
| Number of capital projects completed (DoH)                                      | 6              | 2                    |
| Number of capital projects completed (DSD)                                      | 6              | 3                    |
| Number of capital projects completed (special projects – parliamentary village) | 3              | 0                    |

## Transport infrastructure

| <i>Targets achieved: 87%</i><br><i>Budget spent: 97%</i>       |                |                      |
|----------------------------------------------------------------|----------------|----------------------|
| Key indicator not achieved                                     | Planned target | Reported achievement |
| Number of Welisizwe bridges completed                          | 19             | 7                    |
| Kilometres of gravel roads upgraded to surfaced roads (paving) | 4              | 3,83                 |

## Transport operations

| <i>Targets achieved: 80%</i><br><i>Budget spent: 100%</i> |                |                      |
|-----------------------------------------------------------|----------------|----------------------|
| Key indicator not achieved                                | Planned target | Reported achievement |
| Number of vehicle kilometres subsidised                   | 26 546 796     | 26 478 630           |

## REPORT ON COMPLIANCE WITH LEGISLATION

22. 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.
23. 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.

24. 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.
25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### **Annual financial statements, performance management and annual report**

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

### **Expenditure management**

27. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 19 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 unjustifiable deviations and extension of lease contracts without following procurement processes.
28. Effective steps were not taken to prevent fruitless and wasteful expenditure, as disclosed in note 19 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

### **Utilisation of conditional grants**

29. I was unable to obtain sufficient appropriate audit evidence that the Provincial Roads Maintenance Grant was spent for the purposes stipulated in the schedule, as required by section 16(1) of Division of Revenue Act (Act 2 of 2025).

### **OTHER INFORMATION IN THE ANNUAL REPORT**

30. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information 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.
31. My opinion on the financial statements and my reports on the audit of the annual performance report and 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.
32. 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.
33. 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.
34. I have nothing to report in this regard.

### **INTERNAL CONTROL DEFICIENCIES**

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. 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 compliance with legislation included in this report.
37. The accounting officer and the senior management did not adequately monitor and review the key areas in the audit. This resulted in recurring instances of non-compliance with legislation and material misstatements in the financial statements. In addition, the incorrect application of MCS requirements and insufficient reconciliation of transactions resulted in misstatements in certain financial statement items, which were subsequently corrected.
38. Management did not implement effective internal controls to detect and prevent irregular expenditure arising from non-compliance with supply chain management regulations, reflecting a systemic gap in oversight and compliance monitoring.

### **MATERIAL IRREGULARITIES**

39. 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**

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

### **Status of previously reported material irregularities**

#### **Prepayments not recovered through goods and services**

41. Payments were made before goods and services were received in contravention of treasury regulation 15.10.1.2(c).
42. Between 2017 and 2021, the department failed to ensure that there is adequate sound financial management. This resulted in the department processing prepayments to contractors for projects when it was not required in terms of the contract. As disclosed in note 8.3, the prepayments resulted in overpayments as the department did not receive goods and/or services for the payments made. The overpayments are likely to result in a material financial loss to the department if the money is not recovered.
43. The accounting officer was notified of the material irregularity on 30 August 2022. The following actions have been taken to resolve the material irregularity:
- In September 2022, the accounting officer appointed an external service provider to investigate the irregularities identified in the material irregularity. The investigation was concluded in January 2023.
  - From 2022-23, the accounting officer established and implemented internal controls for the monitoring and reconciliation of infrastructure contract budgets,

ensuring that all expenditures remain in alignment with the approved contractual amounts for each project.

- In June 2024, the accounting officer referred the irregularity to the Special Investigation Unit (SIU) for further investigation. In April 2026, the SIU notified the accounting officer that its internal case assessment committee has recommended drafting a motivation for proclamation, based on the forensic report submitted.

44. I concluded that appropriate actions have been taken to resolve the material irregularity.
45. I will continue to monitor the SIU investigation's progress and any further steps required of the department in subsequent audits.

#### Overpayments to initial contractor on upgrade of road D4407

46. During 2021-22, the department made overpayments to the contractor on preliminaries and general costs, material on site removed, contract price adjustments and work not done, which was identified when re-measuring took place after the contract was terminated, in contravention of treasury regulation 8.1.1. The department did not receive value for money for the expenditure incurred on goods and services. The overpayments are likely to result in a material financial loss to the department if the money is not recovered.
47. The accounting officer was notified of the material irregularity on 12 September 2024. The following actions have been taken to resolve the material irregularity:
  - In May 2025, the accounting officer issued summons to the performance guarantor and the contractor to recover the overpayments made to the contractor.
  - In 2025-26, the accounting officer established and implemented internal controls comprising monthly reconciliations, quarterly expenditure reviews, retention policies and site progress monitoring. This was to ensure payments to contractors are aligned to the actual progress on site and to provide financial safeguards to the department.

48. I concluded that appropriate actions have been taken to resolve the material irregularity.

49. I will continue to monitor the actions/steps implemented to address the material irregularity as well as those currently in progress or not yet completed, during the subsequent audits.

#### OTHER REPORTS

50. 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.
51. The Public Protector South Africa (PPSA) investigated a complaint that officials at the department abused departmental petrol cards. Section 7(9)(a) notices were issued to the implicated officials and the head of department in August 2025, with responses received over the following months, the last on 3 October 2025.
52. The PPSA found all three allegations to be substantiated, attributing improper conduct and maladministration to the officials directly involved as well as to supervisory staff and the head of department for failing to monitor, investigate, or hold officials accountable. Remedial action includes disciplinary steps against several officials, a departmental audit of fleet and fuel records, and referral of the matter to the Directorate for Priority Crime Investigation.

Auditor General

**Auditor-General  
Mbombela  
31 July 2026**



*Auditing to build public confidence*

#### 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

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

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 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 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 the 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

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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, paragraphs or regulations                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Public Finance Management Act 1 of 1999 (PFMA)                                                          | Sections 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b)                                                                                                                                                                                                                                                                                                                           |
| Treasury Regulations for departments, trading entities, constitutional institutions and public entities | Regulations 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A 6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4 |

| Legislation                                                                   | Sections, paragraphs or regulations                                   |
|-------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Construction Industry Development Board Regulations, 2004                     | Regulations 17; 25(7A); 25(9)(a); 25(10)                              |
| Division of Revenue Act 2 of 2025                                             | Sections 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); 16(3)(a)(ii)(bb) |
| National Treasury Supply Chain Management (SCM) Instruction No. 4A of 2016/17 | Paragraph 6                                                           |
| National Treasury SCM Instruction No. 03 of 2021/22                           | Paragraphs 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6                  |
| National Treasury SCM Instruction No. 2 of 2021/22                            | Paragraphs 3.2.1; 3.2.4; 3.2.4(a); 3.3.1                              |
| National Treasury Practice Note 5 of 2009/10                                  | Paragraph 3.3                                                         |
| National Treasury Practice Note 7 of 2009/10                                  | Paragraph 4.1.2                                                       |
| Preferential Procurement Regulation, 2022                                     | Regulations 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4                    |
| Prevention and Combating of Corrupt Activities Act 12 of 2004                 | Section 34(1)                                                         |
| Public Service Regulations, 2016                                              | Regulations 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)                  |
| State Information Technology Agency Act 88 of 1998                            | Section 7(3)                                                          |



**MPUMALANGA PROVINCIAL GOVERNMENT**  
**Department of Public Works, Roads and Transport**

**VOTE NO. 08**

**ANNUAL FINANCIAL STATEMENTS**  
**2025/2026 FINANCIAL YEAR**



**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

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**TABLE OF CONTENTS**

|                                                                          |           |
|--------------------------------------------------------------------------|-----------|
| Appropriation Statement                                                  | 158 - 171 |
| Notes to the Appropriation Statement                                     | 172- 173  |
| Statement of Financial Performance                                       | 174       |
| Statement of Financial Position                                          | 175       |
| Statement of Changes in Net Assets                                       | 176       |
| Cash Flow Statement                                                      | 177       |
| Accounting Policies                                                      | 178- 181  |
| Notes to the Financial Statements                                        | 182 - 201 |
| Annexures to the Financial Statements- Unaudited Supplementary Schedules | 202 - 209 |

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Appropriation Statement

| Figures in Rand thousand               |   |                        |                   | 2025/2026 |                     |                    | 2024/2025 |                                         |                     |                    |
|----------------------------------------|---|------------------------|-------------------|-----------|---------------------|--------------------|-----------|-----------------------------------------|---------------------|--------------------|
|                                        |   | Adjusted Appropriation | Shifting of Funds | Virement  | Final Appropriation | Actual Expenditure | Variance  | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| Appropriation per programme            |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
| Programme                              |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
| ADMINISTRATION                         | 1 | 378,477                | -                 | (5,769)   | 372,708             | 372,707            | 1         | 100.00 %                                | 361,650             | 361,622            |
| PUBLIC WORKS INFRASTRUCTURE            | 2 | 1,218,897              | -                 | 24,603    | 1,243,500           | 1,190,153          | 53,347    | 95.71 %                                 | 1,191,806           | 1,148,517          |
| TRANSPORT INFRASTRUCTURE               | 3 | 3,040,870              | -                 | (21,289)  | 3,019,581           | 2,914,833          | 104,748   | 96.53 %                                 | 2,681,677           | 2,516,936          |
| TRANSPORT OPERATIONS                   | 4 | 1,660,803              | -                 | (620)     | 1,660,183           | 1,658,511          | 1,672     | 99.90 %                                 | 1,493,985           | 1,493,898          |
| COMMUNITY BASED PROGRAMMES             | 5 | 83,701                 | -                 | 3,075     | 86,776              | 86,775             | 1         | 100.00 %                                | 70,506              | 70,395             |
| Programme subtotal                     |   | 6,382,748              | -                 | -         | 6,382,748           | 6,222,979          | 159,769   | 97.50 %                                 | 5,799,624           | 5,591,368          |
| Total                                  |   | 6,382,748              | -                 | -         | 6,382,748           | 6,222,979          | 159,769   | 97.50 %                                 | 5,799,624           | 5,591,368          |
| Reconciliation with                    |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
| Add:                                   |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
| Add:                                   |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
| Actual amounts per (total expenditure) |   |                        |                   |           |                     |                    |           |                                         |                     |                    |
|                                        |   |                        |                   |           |                     | 6,222,979          |           |                                         |                     | 5,591,368          |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                             |                        |                   |          | 2025/2026           |                    | 2024/2025 |                                         |                     |                    |
|------------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|-----------|-----------------------------------------|---------------------|--------------------|
|                                                      | 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                                   | 1,071,248              | (14,586)          | (4,127)  | 1,052,535           | 1,052,535          | -         | 100.00 %                                | 1,009,208           | 1,009,208          |
| Social contributions                                 | 206,426                | 14,586            | 236      | 221,248             | 221,248            | -         | 100.00 %                                | 208,017             | 208,017            |
|                                                      | 1,277,674              | -                 | (3,891)  | 1,273,783           | 1,273,783          | -         | 100.00 %                                | 1,217,225           | 1,217,225          |
| Goods and services                                   |                        |                   |          |                     |                    |           |                                         |                     |                    |
| Administrative fees                                  | 2,103                  | (98)              | (23)     | 1,982               | 1,982              | -         | 100.00 %                                | 1,625               | 1,625              |
| Advertising                                          | 2,750                  | (949)             | (5)      | 1,796               | 1,796              | -         | 100.00 %                                | 1,184               | 1,184              |
| Minor assets                                         | 1,825                  | (1,161)           | -        | 664                 | 664                | -         | 100.00 %                                | 1,157               | 1,157              |
| Audit costs: External                                | 14,345                 | 2,622             | -        | 16,967              | 16,967             | -         | 100.00 %                                | 15,568              | 15,568             |
| Catering: Departmental activities                    | 2,016                  | (9)               | -        | 2,007               | 2,007              | -         | 100.00 %                                | 1,314               | 1,314              |
| Communication                                        | 14,196                 | 4,924             | 11,296   | 30,416              | 30,414             | 2         | 99.99 %                                 | 17,660              | 20,114             |
| Computer services                                    | 1,126                  | (379)             | -        | 747                 | 747                | -         | 100.00 %                                | 681                 | 681                |
| Consultants: Business and advisory services          | 12,741                 | (7,240)           | -        | 5,501               | 5,501              | -         | 100.00 %                                | 11,356              | 11,356             |
| Infrastructure and planning services                 | 156,798                | 8,295             | (35,360) | 129,733             | 129,733            | -         | 100.00 %                                | 104,172             | 104,174            |
| Legal services                                       | 18,735                 | (5,927)           | -        | 12,808              | 12,808             | -         | 100.00 %                                | 9,211               | 9,211              |
| Contractors                                          | 849,663                | (3,087)           | (52,260) | 794,316             | 819,550            | (25,234)  | 103.18 %                                | 619,807             | 658,686            |
| Agency and support / outsourced services             | 65,792                 | (3,792)           | (14,505) | 47,495              | 47,495             | -         | 100.00 %                                | 63,123              | 63,123             |
| Fleet services                                       | 83,995                 | (13,882)          | (4,900)  | 65,213              | 65,213             | -         | 100.00 %                                | 68,598              | 68,598             |
| Inventory: Clothing material and supplies            | 21,313                 | (3,694)           | (113)    | 17,506              | 17,506             | -         | 100.00 %                                | 15,185              | 15,213             |
| Inventory: Fuel, oil and gas                         | 17,854                 | (4,588)           | -        | 13,266              | 13,266             | -         | 100.00 %                                | 20,197              | 20,197             |
| Inventory: Materials and supplies                    | 106,376                | (6,606)           | -        | 99,770              | 99,770             | -         | 100.00 %                                | 96,818              | 96,818             |
| Inventory: Other supplies                            | 291                    | (291)             | -        | -                   | -                  | -         | - %                                     | 243                 | 243                |
| Consumable supplies                                  | 7,889                  | 5,686             | (139)    | 13,436              | 13,436             | -         | 100.00 %                                | 16,451              | 16,534             |
| Consumable: Stationery, printing and office supplies | 8,758                  | (890)             | -        | 7,868               | 7,868              | -         | 100.00 %                                | 6,497               | 6,497              |
| Operating leases                                     | 36,116                 | 12,377            | 619      | 49,112              | 49,112             | -         | 100.00 %                                | 36,450              | 36,450             |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                    |                        | 2025/2026         |                 |                     |                    | 2024/2025       |                                         |                     |                    |
|---------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|-----------------|-----------------------------------------|---------------------|--------------------|
|                                             | Adjusted Appropriation | Shifting of Funds | Virement        | Final Appropriation | Actual Expenditure | Variance        | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| Property payments                           | 160,176                | (8,392)           | 11,062          | 162,846             | 162,846            | -               | 100.00 %                                | 142,868             | 142,868            |
| Transport provided: Departmental activity   | 618,043                | 5,145             | -               | 623,188             | 621,976            | 1,212           | 99.81 %                                 | 510,164             | 510,164            |
| Travel and subsistence                      | 64,899                 | 31,997            | 1,491           | 98,387              | 98,387             | -               | 100.00 %                                | 99,070              | 99,070             |
| Training and development                    | 22,226                 | (5,464)           | -               | 16,762              | 16,762             | -               | 100.00 %                                | 9,539               | 9,428              |
| Operating payments                          | 5,765                  | (4,935)           | 85              | 915                 | 915                | -               | 100.00 %                                | 1,180               | 1,180              |
| Venues and facilities                       | 337                    | (39)              | -               | 298                 | 298                | -               | 100.00 %                                | 219                 | 219                |
|                                             | <b>2,296,128</b>       | <b>(377)</b>      | <b>(82,752)</b> | <b>2,212,999</b>    | <b>2,237,019</b>   | <b>(24,020)</b> | <b>101.09 %</b>                         | <b>1,870,337</b>    | <b>1,911,672</b>   |
| <b>Total current payments</b>               | <b>3,573,802</b>       | <b>(377)</b>      | <b>(86,643)</b> | <b>3,486,782</b>    | <b>3,510,802</b>   | <b>(24,020)</b> | <b>100.69 %</b>                         | <b>3,087,562</b>    | <b>3,128,897</b>   |
| <b>Transfers and subsidies</b>              |                        |                   |                 |                     |                    |                 |                                         |                     |                    |
| Provinces and municipalities                | 336,257                | -                 | (1,544)         | 334,713             | 334,713            | -               | 100.00 %                                | 273,449             | 273,449            |
| Public corporations and private enterprises | 858,656                | -                 | (46)            | 858,610             | 858,149            | 461             | 99.95 %                                 | 824,741             | 824,654            |
| Households                                  | 15,366                 | 223               | 11,778          | 27,367              | 27,367             | -               | 100.00 %                                | 26,371              | 26,101             |
| <b>Total transfers and subsidies</b>        | <b>1,210,279</b>       | <b>223</b>        | <b>10,188</b>   | <b>1,220,690</b>    | <b>1,220,229</b>   | <b>461</b>      | <b>99.96 %</b>                          | <b>1,124,561</b>    | <b>1,124,204</b>   |
| <b>Payments for capital assets</b>          |                        |                   |                 |                     |                    |                 |                                         |                     |                    |
| <b>Buildings and other fixed structures</b> |                        |                   |                 |                     |                    |                 |                                         |                     |                    |
| Buildings                                   | 230,202                | -                 | 2,095           | 232,297             | 178,951            | 53,346          | 77.04 %                                 | 284,677             | 239,272            |
| Other fixed structures                      | 1,274,804              | 2                 | 77,790          | 1,352,596           | 1,222,614          | 129,982         | 90.39 %                                 | 1,258,724           | 1,055,373          |
|                                             | <b>1,505,006</b>       | <b>2</b>          | <b>79,885</b>   | <b>1,584,893</b>    | <b>1,401,565</b>   | <b>183,328</b>  | <b>88.43 %</b>                          | <b>1,543,401</b>    | <b>1,294,645</b>   |
| <b>Machinery and equipment</b>              |                        |                   |                 |                     |                    |                 |                                         |                     |                    |
| Transport equipment                         | 5,707                  | 964               | (11)            | 6,660               | 6,660              | -               | 100.00 %                                | 34,674              | 34,661             |
| Other machinery and equipment               | 87,538                 | (812)             | (3,419)         | 83,307              | 83,307             | -               | 100.00 %                                | 9,426               | 8,961              |
|                                             | <b>93,245</b>          | <b>152</b>        | <b>(3,430)</b>  | <b>89,967</b>       | <b>89,967</b>      | <b>-</b>        | <b>100.00 %</b>                         | <b>44,100</b>       | <b>43,622</b>      |
| Software and other intangible assets        | 416                    | -                 | -               | 416                 | 416                | -               | 100.00 %                                | -                   | -                  |
| <b>Total payments for capital assets</b>    | <b>1,598,667</b>       | <b>154</b>        | <b>76,455</b>   | <b>1,675,276</b>    | <b>1,491,948</b>   | <b>183,328</b>  | <b>89.06 %</b>                          | <b>1,587,501</b>    | <b>1,338,267</b>   |
| <b>Total</b>                                | <b>6,382,748</b>       | <b>-</b>          | <b>-</b>        | <b>6,382,748</b>    | <b>6,222,979</b>   | <b>159,769</b>  | <b>97.50 %</b>                          | <b>5,799,624</b>    | <b>5,591,368</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                    |                        | 2025/2026         |          |                     | 2024/2025          |          |                                         |                     |                    |
|---------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|-----------------------------------------|---------------------|--------------------|
|                                             | 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                           | 13,574                 | (916)             | 19       | 12,677              | 12,677             | -        | 100.00 %                                | 12,692              | 12,692             |
| MANAGEMENT OF THE DEPARTMENT                | 6,153                  | (360)             | (327)    | 5,466               | 5,466              | -        | 100.00 %                                | 5,844               | 5,844              |
| CORPORATE SUPPORT                           | 337,403                | 1,659             | (4,621)  | 334,441             | 334,441            | -        | 100.00 %                                | 320,643             | 320,632            |
| DEPARTMENTAL STRATEGY                       | 21,347                 | (383)             | (840)    | 20,124              | 20,123             | 1        | 100.00 %                                | 22,471              | 22,454             |
| Subtotal                                    | 378,477                | -                 | (5,769)  | 372,708             | 372,707            | 1        | 100.00 %                                | 361,650             | 361,622            |
| Economic classification                     |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Current payments                            |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Compensation of employees                   |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Salaries and wages                          | 191,467                | 1,209             | (750)    | 191,926             | 191,926            | -        | 100.00 %                                | 184,268             | 184,268            |
| Social contributions                        | 34,278                 | (1,208)           | (400)    | 32,670              | 32,670             | -        | 100.00 %                                | 30,979              | 30,979             |
|                                             | 225,745                | 1                 | (1,150)  | 224,596             | 224,596            | -        | 100.00 %                                | 215,247             | 215,247            |
| Goods and services                          |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Administrative fees                         | 1,455                  | (28)              | -        | 1,427               | 1,427              | -        | 100.00 %                                | 1,061               | 1,061              |
| Advertising                                 | 2,452                  | (792)             | -        | 1,660               | 1,660              | -        | 100.00 %                                | 1,180               | 1,180              |
| Minor assets                                | 8                      | 78                | -        | 86                  | 86                 | -        | 100.00 %                                | 49                  | 49                 |
| Audit costs: External                       | 14,345                 | 2,622             | -        | 16,967              | 16,967             | -        | 100.00 %                                | 15,226              | 15,226             |
| Catering: Departmental activities           | 675                    | 340               | -        | 1,015               | 1,015              | -        | 100.00 %                                | 806                 | 806                |
| Communication                               | 2,675                  | 467               | -        | 3,142               | 3,141              | 1        | 99.97 %                                 | 3,350               | 3,350              |
| Computer services                           | 1,099                  | (352)             | -        | 747                 | 747                | -        | 100.00 %                                | 639                 | 639                |
| Consultants: Business and advisory services | 2,542                  | (1,155)           | -        | 1,387               | 1,387              | -        | 100.00 %                                | 1,852               | 1,852              |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                             |                        | 2025/2026         |                |                     |                    | 2024/2025 |                                         |                     |                    |
|------------------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|-----------|-----------------------------------------|---------------------|--------------------|
|                                                      | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance  | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| Legal services                                       | 15,938                 | (3,377)           | -              | 12,561              | 12,561             | -         | 100.00 %                                | 9,144               | 9,144              |
| Contractors                                          | 1,000                  | (407)             | -              | 593                 | 593                | -         | 100.00 %                                | 690                 | 690                |
| Agency and support / outsourced services             | 16                     | (5)               | -              | 11                  | 11                 | -         | 100.00 %                                | 9                   | 9                  |
| Fleet services                                       | 74,087                 | (13,448)          | (4,900)        | 55,739              | 55,739             | -         | 100.00 %                                | 62,414              | 62,414             |
| Inventory: Clothing material and supplies            | 166                    | (71)              | -              | 95                  | 95                 | -         | 100.00 %                                | 79                  | 79                 |
| Inventory: Fuel, oil and gas                         | 172                    | (172)             | -              | -                   | -                  | -         | - %                                     | 2                   | 2                  |
| Inventory: Materials and supplies                    | -                      | 645               | -              | 645                 | 645                | -         | 100.00 %                                | 3                   | 3                  |
| Consumable supplies                                  | 1,373                  | (93)              | -              | 1,280               | 1,280              | -         | 100.00 %                                | 1,270               | 1,270              |
| Consumable: Stationery, printing and office supplies | 7,265                  | (1,637)           | -              | 5,628               | 5,628              | -         | 100.00 %                                | 5,291               | 5,291              |
| Operating leases                                     | 3,150                  | 324               | -              | 3,474               | 3,474              | -         | 100.00 %                                | 2,530               | 2,530              |
| Travel and subsistence                               | 7,908                  | 18,973            | -              | 26,881              | 26,881             | -         | 100.00 %                                | 27,735              | 27,735             |
| Training and development                             | 3,074                  | (1,143)           | -              | 1,931               | 1,931              | -         | 100.00 %                                | 1,633               | 1,633              |
| Operating payments                                   | 1,412                  | (822)             | -              | 590                 | 590                | -         | 100.00 %                                | 935                 | 935                |
| Venues and facilities                                | 148                    | 53                | -              | 201                 | 201                | -         | 100.00 %                                | 154                 | 154                |
|                                                      | 140,960                | -                 | (4,900)        | 136,060             | 136,059            | 1         | 100.00 %                                | 136,052             | 136,052            |
| <b>Total current payments</b>                        | <b>366,705</b>         | <b>1</b>          | <b>(6,050)</b> | <b>360,656</b>      | <b>360,655</b>     | <b>1</b>  | <b>100.00 %</b>                         | <b>351,299</b>      | <b>351,299</b>     |
| <b>Transfers and subsidies</b>                       |                        |                   |                |                     |                    |           |                                         |                     |                    |
| <b>Provinces and municipalities Provinces</b>        |                        |                   |                |                     |                    |           |                                         |                     |                    |
| Provincial Revenue Funds                             | 2,298                  | -                 | 429            | 2,727               | 2,727              | -         | 100.00 %                                | 1,923               | 1,923              |
| <b>Households</b>                                    |                        |                   |                |                     |                    |           |                                         |                     |                    |
| Social benefits                                      | 2,914                  | -                 | 371            | 3,285               | 3,285              | -         | 100.00 %                                | 3,179               | 3,179              |
| <b>Total transfers and subsidies</b>                 | <b>5,212</b>           | <b>-</b>          | <b>800</b>     | <b>6,012</b>        | <b>6,012</b>       | <b>-</b>  | <b>100.00 %</b>                         | <b>5,102</b>        | <b>5,102</b>       |
| <b>Payments for capital assets</b>                   |                        |                   |                |                     |                    |           |                                         |                     |                    |
| <b>Machinery and equipment</b>                       |                        |                   |                |                     |                    |           |                                         |                     |                    |
| Transport equipment                                  | 4,284                  | -                 | (11)           | 4,273               | 4,273              | -         | 100.00 %                                | 3,996               | 3,985              |
| Other machinery and equipment                        | 2,276                  | (1)               | (508)          | 1,767               | 1,767              | -         | 100.00 %                                | 1,253               | 1,236              |
|                                                      | <b>6,560</b>           | <b>(1)</b>        | <b>(519)</b>   | <b>6,040</b>        | <b>6,040</b>       | <b>-</b>  | <b>100.00 %</b>                         | <b>5,249</b>        | <b>5,221</b>       |
| <b>Total</b>                                         | <b>378,477</b>         | <b>-</b>          | <b>(5,769)</b> | <b>372,708</b>      | <b>372,707</b>     | <b>1</b>  | <b>100.00 %</b>                         | <b>361,650</b>      | <b>361,622</b>     |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                    |                        | 2025/2026         |                |                     |                    | 2024/2025     |                                         |                     |                    |
|---------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|---------------|-----------------------------------------|---------------------|--------------------|
|                                             | Adjusted Appropriation | Shifting of Funds | Virement       | Final Appropriation | Actual Expenditure | Variance      | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| <b>2. PUBLIC WORKS INFRASTRUCTURE</b>       |                        |                   |                |                     |                    |               |                                         |                     |                    |
| <b>Sub programme</b>                        |                        |                   |                |                     |                    |               |                                         |                     |                    |
| PROGRAMME SUPPORT                           | 6,695                  | 94                | (189)          | 6,600               | 6,600              | -             | 100.00 %                                | 4,056               | 4,009              |
| PLANNING                                    | 8,500                  | (820)             | (1,786)        | 5,894               | 5,894              | -             | 100.00 %                                | 6,546               | 6,546              |
| DESIGN                                      | 18,037                 | (219)             | 477            | 18,295              | 18,295             | -             | 100.00 %                                | 18,003              | 18,003             |
| CONSTRUCTION                                | 237,985                | 97                | 2,125          | 240,207             | 193,508            | 46,699        | 80.56 %                                 | 277,553             | 232,205            |
| MAINTENANCE                                 | 355,550                | 3,732             | 9,794          | 369,076             | 362,428            | 6,648         | 98.20 %                                 | 357,894             | 357,797            |
| IMMOVABLE ASSET MANAGEMENT                  | 459,547                | (3,767)           | 9,174          | 464,954             | 464,954            | -             | 100.00 %                                | 388,486             | 390,636            |
| FACILITY OPERATIONS                         | 132,583                | 883               | 5,008          | 138,474             | 138,474            | -             | 100.00 %                                | 139,268             | 139,321            |
| <b>Subtotal</b>                             | <b>1,218,897</b>       | <b>-</b>          | <b>24,603</b>  | <b>1,243,500</b>    | <b>1,190,153</b>   | <b>53,347</b> | <b>95.71 %</b>                          | <b>1,191,806</b>    | <b>1,148,517</b>   |
| <b>Economic classification</b>              |                        |                   |                |                     |                    |               |                                         |                     |                    |
| Current payments                            |                        |                   |                |                     |                    |               |                                         |                     |                    |
| Compensation of employees                   |                        |                   |                |                     |                    |               |                                         |                     |                    |
| Salaries and wages                          | 316,009                | (3,073)           | (2,682)        | 310,254             | 310,254            | -             | 100.00 %                                | 309,638             | 309,638            |
| Social contributions                        | 60,210                 | 3,073             | (769)          | 62,514              | 62,514             | -             | 100.00 %                                | 59,602              | 59,602             |
|                                             | <b>376,219</b>         | <b>-</b>          | <b>(3,451)</b> | <b>372,768</b>      | <b>372,768</b>     | <b>-</b>      | <b>100.00 %</b>                         | <b>369,240</b>      | <b>369,240</b>     |
| <b>Goods and services</b>                   |                        |                   |                |                     |                    |               |                                         |                     |                    |
| Administrative fees                         | 150                    | (68)              | -              | 82                  | 82                 | -             | 100.00 %                                | 224                 | 224                |
| Minor assets                                | 1,031                  | (716)             | -              | 315                 | 315                | -             | 100.00 %                                | 1,088               | 1,088              |
| Catering: Departmental activities           | 6                      | 68                | -              | 74                  | 74                 | -             | 100.00 %                                | 61                  | 61                 |
| Communication                               | 10,171                 | 3,480             | 11,296         | 24,947              | 24,947             | -             | 100.00 %                                | 12,585              | 15,039             |
| Computer services                           | -                      | -                 | -              | -                   | -                  | -             | - %                                     | 42                  | 42                 |
| Consultants: Business and advisory services | 3,155                  | (1,646)           | -              | 1,509               | 1,509              | -             | 100.00 %                                | 2,445               | 2,445              |
| Infrastructure and planning services        | 2,358                  | (2,358)           | -              | -                   | -                  | -             | - %                                     | 404                 | 404                |
| Legal services                              | 2,797                  | (2,550)           | -              | 247                 | 247                | -             | 100.00 %                                | 67                  | 67                 |
| Contractors                                 | 19,243                 | (6,296)           | -              | 12,947              | 12,947             | -             | 100.00 %                                | 6,683               | 6,683              |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

### Appropriation Statement

| Figures in Rand thousand                             |                        | 2025/2026         |               |                     |                    | 2024/2025 |                                         |                     |                    |
|------------------------------------------------------|------------------------|-------------------|---------------|---------------------|--------------------|-----------|-----------------------------------------|---------------------|--------------------|
|                                                      | 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             | -                      | 1,912             | -             | 1,912               | 1,912              | -         | 100.00 %                                | 2,304               | 2,304              |
| Fleet services                                       | 144                    | (144)             | -             | -                   | -                  | -         | - %                                     | -                   | -                  |
| Inventory: Clothing material and supplies            | 715                    | 572               | -             | 1,287               | 1,287              | -         | 100.00 %                                | 1,289               | 1,317              |
| Inventory: Fuel, oil and gas                         | 4,082                  | (1,363)           | -             | 2,719               | 2,719              | -         | 100.00 %                                | 3,625               | 3,625              |
| Inventory: Materials and supplies                    | 7,092                  | (338)             | -             | 6,754               | 6,754              | -         | 100.00 %                                | 5,981               | 5,981              |
| Consumable supplies                                  | 1,572                  | 4,362             | -             | 5,934               | 5,934              | -         | 100.00 %                                | 8,364               | 8,447              |
| Consumable: Stationery, printing and office supplies | -                      | 98                | -             | 98                  | 98                 | -         | 100.00 %                                | 177                 | 177                |
| Operating leases                                     | 32,966                 | 12,053            | 619           | 45,638              | 45,638             | -         | 100.00 %                                | 33,920              | 33,920             |
| Property payments                                    | 160,176                | (8,392)           | 11,062        | 162,846             | 162,846            | -         | 100.00 %                                | 142,868             | 142,868            |
| Travel and subsistence                               | 21,633                 | 5,222             | 1,891         | 28,746              | 28,746             | -         | 100.00 %                                | 31,863              | 31,863             |
| Training and development                             | 543                    | (540)             | -             | 3                   | 3                  | -         | 100.00 %                                | 3                   | 3                  |
| Operating payments                                   | 3,446                  | (3,356)           | 86            | 176                 | 176                | -         | 100.00 %                                | 157                 | 157                |
| <b>Total current payments</b>                        | <b>271,280</b>         | <b>-</b>          | <b>24,954</b> | <b>296,234</b>      | <b>296,234</b>     | <b>-</b>  | <b>100.00 %</b>                         | <b>254,150</b>      | <b>256,715</b>     |
| <b>Transfers and subsidies</b>                       | <b>647,499</b>         | <b>-</b>          | <b>21,503</b> | <b>669,002</b>      | <b>669,002</b>     | <b>-</b>  | <b>100.00 %</b>                         | <b>623,390</b>      | <b>625,955</b>     |
| <b>Provinces and municipalities</b>                  |                        |                   |               |                     |                    |           |                                         |                     |                    |
| <b>Municipalities</b>                                |                        |                   |               |                     |                    |           |                                         |                     |                    |
| Municipal bank accounts                              | 333,959                | -                 | (1,973)       | 331,986             | 331,986            | -         | 100.00 %                                | 271,526             | 271,526            |
| <b>Public corporations and private enterprises</b>   |                        |                   |               |                     |                    |           |                                         |                     |                    |
| <b>Public corporations</b>                           |                        |                   |               |                     |                    |           |                                         |                     |                    |
| Other transfers to public corporations               | 88                     | -                 | (46)          | 42                  | 41                 | 1         | 97.62 %                                 | 84                  | 83                 |
| <b>Households</b>                                    |                        |                   |               |                     |                    |           |                                         |                     |                    |
| Social benefits                                      | 2,996                  | (1)               | 2,370         | 5,365               | 5,365              | -         | 100.00 %                                | 6,236               | 6,236              |
| Other transfers to households                        | -                      | 1                 | 2,285         | 2,286               | 2,286              | -         | 100.00 %                                | -                   | -                  |
| <b>Total transfers and subsidies</b>                 | <b>337,043</b>         | <b>-</b>          | <b>2,636</b>  | <b>339,679</b>      | <b>339,678</b>     | <b>1</b>  | <b>100.00 %</b>                         | <b>277,846</b>      | <b>277,845</b>     |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                    |                        | 2025/2026         |               |                     |                    | 2024/2025     |                                         |                     |                    |
|---------------------------------------------|------------------------|-------------------|---------------|---------------------|--------------------|---------------|-----------------------------------------|---------------------|--------------------|
|                                             | Adjusted Appropriation | Shifting of Funds | Virement      | Final Appropriation | Actual Expenditure | Variance      | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| <b>Payments for capital assets</b>          |                        |                   |               |                     |                    |               |                                         |                     |                    |
| <b>Buildings and other fixed structures</b> |                        |                   |               |                     |                    |               |                                         |                     |                    |
| Buildings                                   | 230,202                | -                 | 2,095         | 232,297             | 178,951            | 53,346        | 77.04 %                                 | 284,677             | 239,272            |
| <b>Machinery and equipment</b>              |                        |                   |               |                     |                    |               |                                         |                     |                    |
| Other machinery and equipment               | 3,737                  | -                 | (1,631)       | 2,106               | 2,106              | -             | 100.00 %                                | 5,893               | 5,445              |
| Software and other intangible assets        | 416                    | -                 | -             | 416                 | 416                | -             | 100.00 %                                | -                   | -                  |
| <b>Total payments for capital assets</b>    | <b>234,355</b>         | <b>-</b>          | <b>464</b>    | <b>234,819</b>      | <b>181,473</b>     | <b>53,346</b> | <b>77.28 %</b>                          | <b>290,570</b>      | <b>244,717</b>     |
| <b>Total</b>                                | <b>1,218,897</b>       | <b>-</b>          | <b>24,603</b> | <b>1,243,500</b>    | <b>1,190,153</b>   | <b>53,347</b> | <b>95.71 %</b>                          | <b>1,191,806</b>    | <b>1,148,517</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

### Appropriation Statement

| Figures in Rand thousand                  |                        | 2025/2026         |                 |                     |                    | 2024/2025      |                                         |                     |                    |
|-------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|----------------|-----------------------------------------|---------------------|--------------------|
|                                           | Adjusted Appropriation | Shifting of Funds | Virement        | Final Appropriation | Actual Expenditure | Variance       | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| <b>3. TRANSPORT INFRASTRUCTURE</b>        |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| <b>Sub programme</b>                      |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| PROGRAMME SUPPORT                         | 656                    | 459               | -               | 1,115               | 1,115              | -              | 100.00 %                                | 983                 | 983                |
| INFRASTRUCTURE PLANNING                   | 98,076                 | (3,928)           | (24,688)        | 69,460              | 69,460             | -              | 100.00 %                                | 60,941              | 60,941             |
| DESIGN                                    | 60,895                 | (1,441)           | 6,484           | 65,938              | 65,938             | -              | 100.00 %                                | 69,470              | 69,470             |
| CONSTRUCTION                              | 1,251,879              | 3,993             | 57,753          | 1,313,625           | 1,209,877          | 103,748        | 92.10 %                                 | 1,208,572           | 1,068,397          |
| MAINTENANCE                               | 1,629,364              | 917               | (60,838)        | 1,569,443           | 1,568,443          | 1,000          | 99.94 %                                 | 1,341,711           | 1,317,145          |
| <b>Subtotal</b>                           | <b>3,040,870</b>       | <b>-</b>          | <b>(21,289)</b> | <b>3,019,581</b>    | <b>2,914,833</b>   | <b>104,748</b> | <b>96.53 %</b>                          | <b>2,681,677</b>    | <b>2,516,936</b>   |
| <b>Economic classification</b>            |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| <b>Current payments</b>                   |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| <b>Compensation of employees</b>          |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| Salaries and wages                        | 382,515                | (6,148)           | (2,881)         | 373,486             | 373,486            | -              | 100.00 %                                | 362,599             | 362,599            |
| Social contributions                      | 87,840                 | 6,147             | -               | 93,987              | 93,987             | -              | 100.00 %                                | 88,417              | 88,417             |
|                                           | <b>470,355</b>         | <b>(1)</b>        | <b>(2,881)</b>  | <b>467,473</b>      | <b>467,473</b>     | <b>-</b>       | <b>100.00 %</b>                         | <b>451,016</b>      | <b>451,016</b>     |
| <b>Goods and services</b>                 |                        |                   |                 |                     |                    |                |                                         |                     |                    |
| Administrative fees                       | 269                    | (63)              | -               | 206                 | 206                | -              | 100.00 %                                | 145                 | 145                |
| Minor assets                              | 51                     | 159               | -               | 210                 | 210                | -              | 100.00 %                                | 20                  | 20                 |
| Audit costs: External                     | -                      | -                 | -               | -                   | -                  | -              | - %                                     | 342                 | 342                |
| Catering: Departmental activities         | 497                    | (168)             | -               | 329                 | 329                | -              | 100.00 %                                | 48                  | 48                 |
| Communication                             | 1,025                  | 108               | -               | 1,133               | 1,133              | -              | 100.00 %                                | 1,163               | 1,163              |
| Infrastructure and planning services      | 154,440                | 10,653            | (35,360)        | 129,733             | 129,733            | -              | 100.00 %                                | 103,768             | 103,770            |
| Contractors                               | 827,801                | 3,088             | (52,260)        | 778,629             | 803,863            | (25,234)       | 103.24 %                                | 612,434             | 651,313            |
| Agency and support / outsourced services  | 65,006                 | (4,918)           | (14,505)        | 45,583              | 45,583             | -              | 100.00 %                                | 60,809              | 60,809             |
| Fleet services                            | 9,764                  | (562)             | -               | 9,202               | 9,202              | -              | 100.00 %                                | 5,638               | 5,638              |
| Inventory: Clothing material and supplies | 15,330                 | (2,654)           | -               | 12,676              | 12,676             | -              | 100.00 %                                | 9,283               | 9,283              |
| Inventory: Fuel, oil and gas              | 13,600                 | (3,053)           | -               | 10,547              | 10,547             | -              | 100.00 %                                | 16,568              | 16,568             |
| Inventory: Materials and supplies         | 99,284                 | (7,106)           | -               | 92,178              | 92,178             | -              | 100.00 %                                | 90,535              | 90,535             |
| Consumable supplies                       | 4,142                  | 1,203             | -               | 5,345               | 5,345              | -              | 100.00 %                                | 6,525               | 6,525              |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                             |                        |                   |                  | 2025/2026           |                    |                 | 2024/2025                               |                     |                    |
|------------------------------------------------------|------------------------|-------------------|------------------|---------------------|--------------------|-----------------|-----------------------------------------|---------------------|--------------------|
|                                                      | 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 | 4                      | 263               | -                | 267                 | 267                | -               | 100.00 %                                | 19                  | 19                 |
| Travel and subsistence                               | 17,401                 | 3,113             | -                | 20,514              | 20,514             | -               | 100.00 %                                | 21,250              | 21,250             |
| Training and development                             | 103                    | (6)               | -                | 97                  | 97                 | -               | 100.00 %                                | 69                  | 69                 |
| Operating payments                                   | 99                     | (58)              | -                | 41                  | 41                 | -               | 100.00 %                                | 84                  | 84                 |
| Venues and facilities                                | -                      | -                 | -                | -                   | -                  | -               | - %                                     | 1                   | 1                  |
| <b>Total current payments</b>                        | <b>1,208,816</b>       | <b>(1)</b>        | <b>(102,125)</b> | <b>1,106,690</b>    | <b>1,131,924</b>   | <b>(25,234)</b> | <b>102.28 %</b>                         | <b>928,701</b>      | <b>967,582</b>     |
|                                                      | <b>1,679,171</b>       | <b>(2)</b>        | <b>(105,006)</b> | <b>1,574,163</b>    | <b>1,599,397</b>   | <b>(25,234)</b> | <b>101.60 %</b>                         | <b>1,379,717</b>    | <b>1,418,598</b>   |
| <b>Transfers and subsidies</b>                       |                        |                   |                  |                     |                    |                 |                                         |                     |                    |
| <b>Households</b>                                    |                        |                   |                  |                     |                    |                 |                                         |                     |                    |
| Social benefits                                      | 1,450                  | 2,265             | 3,508            | 7,223               | 7,223              | -               | 100.00 %                                | 5,967               | 5,697              |
| Other transfers to households                        | 6,200                  | (2,265)           | 3,305            | 7,240               | 7,240              | -               | 100.00 %                                | 9,828               | 9,828              |
|                                                      | <b>7,650</b>           | <b>-</b>          | <b>6,813</b>     | <b>14,463</b>       | <b>14,463</b>      | <b>-</b>        | <b>100.00 %</b>                         | <b>15,795</b>       | <b>15,525</b>      |
| <b>Payments for capital assets</b>                   |                        |                   |                  |                     |                    |                 |                                         |                     |                    |
| <b>Buildings and other fixed structures</b>          |                        |                   |                  |                     |                    |                 |                                         |                     |                    |
| Other fixed structures                               | 1,274,804              | 2                 | 77,790           | 1,352,596           | 1,222,614          | 129,982         | 90.39 %                                 | 1,258,724           | 1,055,373          |
| <b>Machinery and equipment</b>                       |                        |                   |                  |                     |                    |                 |                                         |                     |                    |
| Transport equipment                                  | -                      | 964               | -                | 964                 | 964                | -               | 100.00 %                                | 25,989              | 25,988             |
| Other machinery and equipment                        | 79,245                 | (964)             | (886)            | 77,395              | 77,395             | -               | 100.00 %                                | 1,452               | 1,452              |
|                                                      | <b>79,245</b>          | <b>-</b>          | <b>(886)</b>     | <b>78,359</b>       | <b>78,359</b>      | <b>-</b>        | <b>100.00 %</b>                         | <b>27,441</b>       | <b>27,440</b>      |
| <b>Total payments for capital assets</b>             | <b>1,354,049</b>       | <b>2</b>          | <b>76,904</b>    | <b>1,430,955</b>    | <b>1,300,973</b>   | <b>129,982</b>  | <b>90.92 %</b>                          | <b>1,286,165</b>    | <b>1,082,813</b>   |
| <b>Total</b>                                         | <b>3,040,870</b>       | <b>-</b>          | <b>(21,289)</b>  | <b>3,019,581</b>    | <b>2,914,833</b>   | <b>104,748</b>  | <b>96.53 %</b>                          | <b>2,681,677</b>    | <b>2,516,936</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

### Appropriation Statement

| Figures in Rand thousand                    |                        | 2025/2026         |              |                     |                    | 2024/2025    |                                         |                     |                    |
|---------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
|                                             | Adjusted Appropriation | Shifting of Funds | Virement     | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| <b>4. TRANSPORT OPERATIONS</b>              |                        |                   |              |                     |                    |              |                                         |                     |                    |
| <b>Sub programme</b>                        |                        |                   |              |                     |                    |              |                                         |                     |                    |
| PROGRAMME SUPPORT                           | 4,596                  | (81)              | 33           | 4,548               | 4,548              | -            | 100.00 %                                | 2,521               | 2,521              |
| PUBLIC TRANSPORT SERVICES                   | 1,491,326              | 3,459             | (537)        | 1,494,248           | 1,492,576          | 1,672        | 99.89 %                                 | 1,349,809           | 1,349,723          |
| OPERATOR LICENSES & PERMITS                 | 15,962                 | (844)             | 569          | 15,687              | 15,687             | -            | 100.00 %                                | 13,694              | 13,694             |
| TRANSPORT SAFETY AND COMPLIANCE             | 134,784                | (1,696)           | (905)        | 132,183             | 132,183            | -            | 100.00 %                                | 113,271             | 113,270            |
| TRANSPORT SYSTEMS                           | 7,019                  | 49                | 425          | 7,493               | 7,493              | -            | 100.00 %                                | 6,082               | 6,082              |
| INFRASTRUCTURE OPERATIONS                   | 7,116                  | (887)             | (205)        | 6,024               | 6,024              | -            | 100.00 %                                | 8,608               | 8,608              |
| <b>Subtotal</b>                             | <b>1,660,803</b>       | <b>-</b>          | <b>(620)</b> | <b>1,660,183</b>    | <b>1,658,511</b>   | <b>1,672</b> | <b>99.90 %</b>                          | <b>1,493,985</b>    | <b>1,493,898</b>   |
| <b>Economic classification</b>              |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Current payments                            |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Compensation of employees                   |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Salaries and wages                          | 135,521                | (4,937)           | (2,025)      | 128,559             | 128,559            | -            | 100.00 %                                | 108,330             | 108,330            |
| Social contributions                        | 18,641                 | 4,937             | 1,405        | 24,983              | 24,983             | -            | 100.00 %                                | 22,417              | 22,417             |
|                                             | <b>154,162</b>         | <b>-</b>          | <b>(620)</b> | <b>153,542</b>      | <b>153,542</b>     | <b>-</b>     | <b>100.00 %</b>                         | <b>130,747</b>      | <b>130,747</b>     |
| <b>Goods and services</b>                   |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Administrative fees                         | 166                    | (21)              | -            | 145                 | 145                | -            | 100.00 %                                | 130                 | 130                |
| Advertising                                 | 3                      | (3)               | -            | -                   | -                  | -            | - %                                     | 4                   | 4                  |
| Minor assets                                | 379                    | (326)             | -            | 53                  | 53                 | -            | 100.00 %                                | -                   | -                  |
| Catering: Departmental activities           | 471                    | (141)             | -            | 330                 | 330                | -            | 100.00 %                                | 251                 | 251                |
| Communication                               | 64                     | 323               | -            | 387                 | 387                | -            | 100.00 %                                | 305                 | 305                |
| Consultants: Business and advisory services | 1,441                  | (1,441)           | -            | -                   | -                  | -            | - %                                     | 4,561               | 4,561              |
| Contractors                                 | 1,132                  | (1,132)           | -            | -                   | -                  | -            | - %                                     | -                   | -                  |
| Agency and support / outsourced services    | -                      | (11)              | -            | (11)                | (11)               | -            | 100.00 %                                | -                   | -                  |
| Fleet services                              | -                      | 272               | -            | 272                 | 272                | -            | 100.00 %                                | 546                 | 546                |
| Inventory: Clothing material and supplies   | 4,500                  | (2,579)           | -            | 1,921               | 1,921              | -            | 100.00 %                                | 3,454               | 3,454              |
| Inventory: Fuel, oil and gas                | -                      | -                 | -            | -                   | -                  | -            | - %                                     | 2                   | 2                  |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                                                   |                        |                   |              | 2025/2026           |                    |              | 2024/2025                               |                     |                    |
|----------------------------------------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|--------------|-----------------------------------------|---------------------|--------------------|
|                                                                            | Adjusted Appropriation | Shifting of Funds | Virement     | Final Appropriation | Actual Expenditure | Variance     | Expenditure as % of final appropriation | Final Appropriation | Actual Expenditure |
| Inventory: Other supplies                                                  | 291                    | (291)             | -            | -                   | -                  | -            | - %                                     | 243                 | 243                |
| Consumable supplies                                                        | 800                    | (800)             | -            | -                   | -                  | -            | - %                                     | 3                   | 3                  |
| Consumable: Stationery, printing and office supplies                       | 1,207                  | 588               | -            | 1,795               | 1,795              | -            | 100.00 %                                | 1,010               | 1,010              |
| Transport provided: Departmental activity                                  | 618,043                | 5,043             | -            | 623,086             | 621,874            | 1,212        | 99.81 %                                 | 510,164             | 510,164            |
| Travel and subsistence                                                     | 14,833                 | 532               | -            | 15,365              | 15,365             | -            | 100.00 %                                | 12,418              | 12,418             |
| Training and development                                                   | 238                    | (238)             | -            | -                   | -                  | -            | - %                                     | -                   | -                  |
| Operating payments                                                         | 346                    | (249)             | -            | 97                  | 97                 | -            | 100.00 %                                | 4                   | 4                  |
| Venues and facilities                                                      | -                      | 97                | -            | 97                  | 97                 | -            | 100.00 %                                | 64                  | 64                 |
|                                                                            | <b>643,914</b>         | <b>(377)</b>      | <b>-</b>     | <b>643,537</b>      | <b>642,325</b>     | <b>1,212</b> | <b>99.81 %</b>                          | <b>533,159</b>      | <b>533,159</b>     |
| <b>Total current payments</b>                                              | <b>798,076</b>         | <b>(377)</b>      | <b>(620)</b> | <b>797,079</b>      | <b>795,867</b>     | <b>1,212</b> | <b>99.85 %</b>                          | <b>663,906</b>      | <b>663,906</b>     |
| <b>Transfers and subsidies Public corporations and private enterprises</b> |                        |                   |              |                     |                    |              |                                         |                     |                    |
| <b>Private enterprises</b>                                                 |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Other transfers to private enterprises                                     | 858,568                | -                 | -            | 858,568             | 858,108            | 460          | 99.95 %                                 | 824,657             | 824,571            |
| <b>Households</b>                                                          |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Social benefits                                                            | 1,671                  | 223               | -            | 1,894               | 1,894              | -            | 100.00 %                                | 478                 | 478                |
| <b>Total transfers and subsidies</b>                                       | <b>860,239</b>         | <b>223</b>        | <b>-</b>     | <b>860,462</b>      | <b>860,002</b>     | <b>460</b>   | <b>99.95 %</b>                          | <b>825,135</b>      | <b>825,049</b>     |
| <b>Payments for capital assets</b>                                         |                        |                   |              |                     |                    |              |                                         |                     |                    |
| <b>Machinery and equipment</b>                                             |                        |                   |              |                     |                    |              |                                         |                     |                    |
| Transport equipment                                                        | 1,423                  | -                 | -            | 1,423               | 1,423              | -            | 100.00 %                                | 4,689               | 4,688              |
| Other machinery and equipment                                              | 1,065                  | 154               | -            | 1,219               | 1,219              | -            | 100.00 %                                | 255                 | 255                |
|                                                                            | <b>2,488</b>           | <b>154</b>        | <b>-</b>     | <b>2,642</b>        | <b>2,642</b>       | <b>-</b>     | <b>100.00 %</b>                         | <b>4,944</b>        | <b>4,943</b>       |
| <b>Total</b>                                                               | <b>1,660,803</b>       | <b>-</b>          | <b>(620)</b> | <b>1,660,183</b>    | <b>1,658,511</b>   | <b>1,672</b> | <b>99.90 %</b>                          | <b>1,493,985</b>    | <b>1,493,898</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

| Figures in Rand thousand                    |                        |                   |          | 2025/2026           |                    |          | 2024/2025                               |                     |                    |
|---------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|-----------------------------------------|---------------------|--------------------|
|                                             | 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                           | 2,900                  | (881)             | -        | 2,019               | 2,019              | -        | 100.00 %                                | 2,140               | 2,140              |
| COMMUNITY DEVELOPMENT                       | 45,651                 | 2,536             | 4,010    | 52,197              | 52,196             | 1        | 100.00 %                                | 38,982              | 38,871             |
| INNOVATION AND EMPOWERMENT                  | 10,671                 | (1,034)           | (98)     | 9,539               | 9,539              | -        | 100.00 %                                | 8,771               | 8,771              |
| EPWP CO-ORDINATION AND MONITORING           | 24,479                 | (621)             | (837)    | 23,021              | 23,021             | -        | 100.00 %                                | 20,613              | 20,613             |
| Subtotal                                    | 83,701                 | -                 | 3,075    | 86,776              | 86,775             | 1        | 100.00 %                                | 70,506              | 70,395             |
| Economic classification                     |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Current payments                            |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Compensation of employees                   |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Salaries and wages                          | 45,736                 | (1,637)           | 4,211    | 48,310              | 48,310             | -        | 100.00 %                                | 44,373              | 44,373             |
| Social contributions                        | 5,457                  | 1,637             | -        | 7,094               | 7,094              | -        | 100.00 %                                | 6,602               | 6,602              |
|                                             | 51,193                 | -                 | 4,211    | 55,404              | 55,404             | -        | 100.00 %                                | 50,975              | 50,975             |
| Goods and services                          |                        |                   |          |                     |                    |          |                                         |                     |                    |
| Administrative fees                         | 63                     | 82                | (23)     | 122                 | 122                | -        | 100.00 %                                | 65                  | 65                 |
| Advertising                                 | 295                    | (154)             | (5)      | 136                 | 136                | -        | 100.00 %                                | -                   | -                  |
| Minor assets                                | 356                    | (356)             | -        | -                   | -                  | -        | - %                                     | -                   | -                  |
| Catering: Departmental activities           | 367                    | (108)             | -        | 259                 | 259                | -        | 100.00 %                                | 148                 | 148                |
| Communication                               | 261                    | 546               | -        | 807                 | 806                | 1        | 99.88 %                                 | 257                 | 257                |
| Computer services                           | 27                     | (27)              | -        | -                   | -                  | -        | - %                                     | -                   | -                  |
| Consultants: Business and advisory services | 5,603                  | (2,998)           | -        | 2,605               | 2,605              | -        | 100.00 %                                | 2,498               | 2,498              |
| Contractors                                 | 487                    | 1,660             | -        | 2,147               | 2,147              | -        | 100.00 %                                | -                   | -                  |
| Agency and support / outsourced services    | 770                    | (770)             | -        | -                   | -                  | -        | - %                                     | 1                   | 1                  |
| Inventory: Clothing material and supplies   | 602                    | 1,038             | (113)    | 1,527               | 1,527              | -        | 100.00 %                                | 1,080               | 1,080              |
| Inventory: Materials and supplies           | -                      | 193               | -        | 193                 | 193                | -        | 100.00 %                                | 299                 | 299                |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Appropriation Statement**

|                                                      |               |          |              |               |               |          |                 |               |               |
|------------------------------------------------------|---------------|----------|--------------|---------------|---------------|----------|-----------------|---------------|---------------|
| Consumable supplies                                  | 2             | 1,014    | (139)        | 877           | 877           | -        | 100.00 %        | 289           | 289           |
| Consumable: Stationery, printing and office supplies | 282           | (202)    | -            | 80            | 80            | -        | 100.00 %        | -             | -             |
| Transport provided: Departmental activity            | -             | 102      | -            | 102           | 102           | -        | 100.00 %        | -             | -             |
| Travel and subsistence                               | 3,124         | 4,157    | (400)        | 6,881         | 6,881         | -        | 100.00 %        | 5,804         | 5,804         |
| Training and development                             | 18,268        | (3,537)  | -            | 14,731        | 14,731        | -        | 100.00 %        | 7,834         | 7,723         |
| Operating payments                                   | 462           | (450)    | (1)          | 11            | 11            | -        | 100.00 %        | -             | -             |
| Venues and facilities                                | 189           | (189)    | -            | -             | -             | -        | - %             | -             | -             |
|                                                      | <b>31,158</b> | <b>1</b> | <b>(681)</b> | <b>30,478</b> | <b>30,477</b> | <b>1</b> | <b>100.00 %</b> | <b>18,275</b> | <b>18,164</b> |
| <b>Total current payments</b>                        | <b>82,351</b> | <b>1</b> | <b>3,530</b> | <b>85,882</b> | <b>85,881</b> | <b>1</b> | <b>100.00 %</b> | <b>69,250</b> | <b>69,139</b> |
| <b>Transfers and subsidies</b>                       |               |          |              |               |               |          |                 |               |               |
| <b>Households</b>                                    |               |          |              |               |               |          |                 |               |               |
| Social benefits                                      | 135           | -        | (61)         | 74            | 74            | -        | 100.00 %        | 683           | 683           |
| <b>Payments for capital assets</b>                   |               |          |              |               |               |          |                 |               |               |
| <b>Machinery and equipment</b>                       |               |          |              |               |               |          |                 |               |               |
| Other machinery and equipment                        | 1,215         | (1)      | (394)        | 820           | 820           | -        | 100.00 %        | 573           | 573           |
| <b>Total</b>                                         | <b>83,701</b> | <b>-</b> | <b>3,075</b> | <b>86,776</b> | <b>86,775</b> | <b>1</b> | <b>100.00 %</b> | <b>70,506</b> | <b>70,395</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

## Notes to the Appropriation Statement

### 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 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 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 financial statements.

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

##### 4.1 Per programme

|                             | Final<br>Appropriation | Actual<br>Expenditure | Variance | Variance as<br>a % of Final<br>Appropriation |
|-----------------------------|------------------------|-----------------------|----------|----------------------------------------------|
|                             | R '000                 | R '000                | R '000   | %                                            |
| ADMINISTRATION              | 372,708                | 372,707               | 1        | - %                                          |
| PUBLIC WORKS INFRASTRUCTURE | 1,243,500              | 1,190,153             | 53,347   | 4.3 %                                        |
| TRANSPORT INFRASTRUCTURE    | 3,019,581              | 2,914,833             | 104,748  | 3.5 %                                        |
| TRANSPORT OPERATIONS        | 1,660,183              | 1,658,511             | 1,672    | 0.1 %                                        |
| COMMUNITY BASED PROGRAMMES  | 86,776                 | 86,775                | 1        | - %                                          |

Programme 2: The variance relates to mainly slower than anticipated expenditure progress on three strategic infrastructure projects due to implementation sequencing, operational dependencies and site-related challenges.

Programme 3: The variance mainly relates to the implementation complexities associated with the Welisizwe Rural Bridges Programme, as well as disaster-related infrastructure funding received during the Second Adjustment Budget, which could not be fully spent within the financial year under review due to the timing of the allocation.

Notes to the Appropriation Statement

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

## Notes to the Appropriation Statement

### 4.2 Per economic classification

|                                             | Final<br>Appropriation | Actual<br>Expenditure | Variance | Variance as<br>a % of Final<br>Appropriation |
|---------------------------------------------|------------------------|-----------------------|----------|----------------------------------------------|
|                                             | R '000                 | R '000                | R '000   | %                                            |
| <b>Current payments</b>                     |                        |                       |          |                                              |
| Compensation of employees                   | 1,273,783              | 1,273,783             | -        | - %                                          |
| Goods and services                          | 2,212,999              | 2,237,019             | (24,020) | (1)%                                         |
| <b>Transfers and subsidies</b>              |                        |                       |          |                                              |
| Provinces and municipalities                | 334,713                | 334,713               | -        | - %                                          |
| Public corporations and private enterprises | 858,610                | 858,149               | 461      | - %                                          |
| Households                                  | 27,367                 | 27,367                | -        | - %                                          |
| <b>Payments for capital assets</b>          |                        |                       |          |                                              |
| Buildings and other fixed structures        | 1,584,893              | 1,401,565             | 183,328  | 12 %                                         |
| Machinery and equipment                     | 89,967                 | 89,967                | -        | - %                                          |
| Intangible assets                           | 416                    | 416                   | -        | - %                                          |

Buildings and other fixed structures: The variance relates to mainly on three slower than anticipated expenditure progress strategic infrastructure projects due to implementation sequencing, operational dependencies and site-related challenges. The implementation complexities associated with the Welisizwe Rural Bridges Programme, as well as disaster-related infrastructure funding received during the Second Adjustment Budget, which could not be fully spent within the financial year under review due to the timing of the allocation.

### 4.3 Per conditional grant

|                                                 | Final<br>Appropriation | Actual<br>Expenditure | Variance | Variance as<br>a % of Final<br>Appropriation |
|-------------------------------------------------|------------------------|-----------------------|----------|----------------------------------------------|
|                                                 | R '000                 | R '000                | R '000   | %                                            |
| Provincial Roads Maintenance Grant              | 1,936,214              | 1,839,889             | 96,325   | 5 %                                          |
| Public Transport Operations Grant               | 810,568                | 810,123               | 445      | - %                                          |
| Expanded Public Works Programme Incentive Grant | 7,650                  | 7,650                 | -        | - %                                          |

Provincial Roads Maintenance Grant: The variance mainly relates to the implementation complexities associated with the Welisizwe Rural Bridges Programme, as well as disaster-related infrastructure funding received during the Second Adjustment Budget, which could not be fully spent within the financial year under review due to the timing of the allocation. Statement of Financial Performance

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Statement of Financial Performance**

|                                                             | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|-------------------------------------------------------------|---------|---------------------|---------------------|
| <b>Revenue</b>                                              |         |                     |                     |
| Annual appropriation                                        | 1       | 6,382,748           | 5,799,624           |
| <b>Expenditure</b>                                          |         |                     |                     |
| <b>Current expenditure</b>                                  |         |                     |                     |
| Compensation of employees                                   | 3       | 1,273,783           | 1,217,225           |
| Goods and services                                          | 4       | 2,237,019           | 1,911,672           |
| <b>Total current expenditure</b>                            |         | <b>3,510,802</b>    | <b>3,128,897</b>    |
| <b>Transfers and subsidies</b>                              |         |                     |                     |
| Transfers and subsidies                                     | 5       | 1,220,229           | 1,124,202           |
| <b>Expenditure for capital assets</b>                       |         |                     |                     |
| Tangible assets                                             | 6       | 1,491,532           | 1,338,267           |
| Intangible assets                                           | 6       | 416                 | -                   |
| <b>Total expenditure for capital assets</b>                 |         | <b>1,491,948</b>    | <b>1,338,267</b>    |
| <b>Total expenditure</b>                                    |         | <b>6,222,979</b>    | <b>5,591,366</b>    |
| <b>Surplus for the year</b>                                 |         | <b>159,769</b>      | <b>208,258</b>      |
| <b>Reconciliation of Net Surplus/(Deficit) for the year</b> |         |                     |                     |
| Voted funds                                                 |         |                     |                     |
| Annual appropriation                                        |         | 62,999              | 43,617              |
| Conditional grants                                          |         | 96,770              | 164,639             |
|                                                             |         | <b>159,769</b>      | <b>208,258</b>      |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Statement of Financial Position as at March 31, 2026**

|                                                                              | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|------------------------------------------------------------------------------|---------|---------------------|---------------------|
| <b>Assets</b>                                                                |         |                     |                     |
| <b>Current Assets</b>                                                        |         |                     |                     |
| Cash and cash equivalents                                                    | 7       | 83,269              | 137,600             |
| Receivables                                                                  | 8       | 104,783             | 98,918              |
|                                                                              |         | <b>188,052</b>      | <b>236,518</b>      |
| <b>Total Assets</b>                                                          |         | <b>188,052</b>      | <b>236,518</b>      |
| <b>Liabilities</b>                                                           |         |                     |                     |
| <b>Current Liabilities</b>                                                   |         |                     |                     |
| Voted funds to be surrendered to the Revenue Fund / (Voted funds receivable) | 9       | 159,769             | 208,256             |
| Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund  | 10      | 8,274               | 6,288               |
| Payables                                                                     | 11      | 5,714               | 6,218               |
|                                                                              |         | <b>173,757</b>      | <b>220,762</b>      |
| <b>Total Liabilities</b>                                                     |         | <b>173,757</b>      | <b>220,762</b>      |
|                                                                              |         | <b>14,295</b>       | <b>15,756</b>       |
| <b>Represented by:</b>                                                       |         |                     |                     |
| Recoverable revenue                                                          |         | 14,295              | 15,757              |

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Statement of Changes in Net Assets

|                                        | Note | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|----------------------------------------|------|---------------------|---------------------|
| <b>Recoverable revenue</b>             |      |                     |                     |
| Opening balance                        |      | 15,757              | 1,426               |
| Transfers:                             |      |                     |                     |
| Debts revised                          |      | (46)                | -                   |
| Debts recovered (incl in dept revenue) |      | (1,589)             | (1,822)             |
| Debts raised                           |      | 173                 | 16,153              |
| <b>Closing balance</b>                 |      | <b>14,295</b>       | <b>15,757</b>       |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Cash Flow Statement**

|                                                          | Note(s)   | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|----------------------------------------------------------|-----------|---------------------|---------------------|
| <b>Cash flows from operating activities</b>              |           |                     |                     |
| <b>Receipts</b>                                          |           |                     |                     |
| Annual appropriated funds received                       | 1.1       | 6,382,748           | 5,799,624           |
| Departmental revenue received                            | 2         | 44,805              | 31,299              |
| Interest received                                        | 2.3       | 7,782               | 7,914               |
|                                                          |           | <b>6,435,335</b>    | <b>5,838,837</b>    |
| Net (increase)/ decrease in working capital              |           | (6,369)             | (42,877)            |
| (Surrendered to) / Received from the Revenue Fund        | 9&10      | (263,496)           | (137,872)           |
| Current payments                                         |           | (3,510,802)         | (3,128,898)         |
| Transfers and subsidies paid                             |           | (1,220,229)         | (1,124,202)         |
| <b>Net cash flow available from operating activities</b> | <b>12</b> | <b>1,434,439</b>    | <b>1,404,988</b>    |
| <b>Cash flows from investing activities</b>              |           |                     |                     |
| Payments for capital assets                              | 6         | (1,491,948)         | (1,338,267)         |
| Proceeds from sale of capital assets                     | 2.4       | 4,639               | 1,201               |
| <b>Net cash flows from investing activities</b>          |           | <b>(1,487,309)</b>  | <b>(1,337,066)</b>  |
| <b>Cash flows from financing activities</b>              |           |                     |                     |
| Increase/ (decrease) in net assets                       |           | (1,462)             | 14,331              |
| Net increase/ (decrease) in cash and cash equivalents    |           | (54,332)            | 82,253              |
| Cash and cash equivalents at beginning of year           |           | 137,601             | 55,348              |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>13</b> | <b>83,269</b>       | <b>137,601</b>      |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

## Accounting Policies

### Summary of significant accounting policies

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

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

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

#### 1. Basis of preparation

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

#### 2. Going concern

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

#### 3. Presentation currency

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

#### 4. Rounding

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

#### 5. Comparative information

##### 5.1 Prior period comparative information

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

##### 5.2 Current year comparison with budget

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

### 6 Revenue

#### 6.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation, which are direct charges against the Revenue Fund authorised in terms of enabling legislation).

Appropriated funds are recognised as revenue 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.

Appropriated funds are measured at the amounts receivable. 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. Revenue (continued)

#### 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. Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

#### 7.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

#### 7.4 Leases

##### 7.4.1 Operating leases

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

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

## **Accounting Policies**

lease payments received are recognised as departmental revenue.

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

### **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 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 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 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 financial statements at cost, or fair value [or R1000 for specific assets per MCS 11.72A] where the cost cannot be determined reliably. Immovable assets acquired in a non-

exchange transaction are recorded at fair value at the date of acquisition.

Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

#### **13.2 Movable capital assets**

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

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

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

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

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use. Capital assets (continued)

#### **13.3 Intangible assets**

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

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

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

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

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

#### **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.

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

## Accounting Policies

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 financial statements when a present legal or constructive obligation exists as a result of past events, 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.

#### 14.2 Contingent liabilities

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

#### 14.3 Contingent assets

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

#### 14.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

### 15. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise of:

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised expenditure incurred in the current year.

### 16. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

### 17. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

### 18. Changes in accounting estimates and errors

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.

### 19. Events after the reporting date

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

### 20. 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.

### 21. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

### 22. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

### **Accounting Policies**

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.

### **23. Employee benefits**

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits 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**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**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:

|                             | 2025/2026        |                       | 2024/2025        |                        |
|-----------------------------|------------------|-----------------------|------------------|------------------------|
|                             | Final budget     | Actual funds received | Final budget     | Appropriation received |
|                             | R '000           | R '000                | R '000           | R '000                 |
| <b>Programmes</b>           |                  |                       |                  |                        |
| ADMINISTRATION              | 372,708          | 372,708               | 361,650          | 361,650                |
| PUBLIC WORKS INFRASTRUCTURE | 1,243,500        | 1,243,500             | 1,191,806        | 1,191,806              |
| TRANSPORT INFRASTRUCTURE    | 3,019,581        | 3,019,581             | 2,681,677        | 2,681,677              |
| TRANSPORT OPERATIONS        | 1,660,183        | 1,660,183             | 1,493,985        | 1,493,985              |
| COMMUNITY BASED PROGRAMMES  | 86,776           | 86,776                | 70,506           | 70,506                 |
| <b>Total</b>                | <b>6,382,748</b> | <b>6,382,748</b>      | <b>5,799,624</b> | <b>5,799,624</b>       |

**1.2 Conditional grants\*\***

|                       |    |           |           |
|-----------------------|----|-----------|-----------|
| Total grants received | 27 | 2,754,432 | 2,454,367 |
|-----------------------|----|-----------|-----------|

**2. Departmental revenue**

|                                                       |     |          |          |
|-------------------------------------------------------|-----|----------|----------|
| Sales of goods and services other than capital assets | 2.1 | 12,884   | 11,157   |
| Fines, penalties and forfeits                         | 2.2 | 29,329   | 16,665   |
| Interest, dividends and rent on land                  | 2.3 | 7,782    | 7,914    |
| Sales of capital assets                               | 2.4 | 4,639    | 1,201    |
| Transactions in financial assets and liabilities      | 2.5 | 2,592    | 3,477    |
| Less: Own revenue included in appropriation           | 10  | 57,226   | 40,414   |
| <b>Departmental revenue collected</b>                 |     | <b>-</b> | <b>-</b> |

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

|                                                               |               |               |
|---------------------------------------------------------------|---------------|---------------|
| Sales by market establishment                                 | 3,941         | 4,048         |
| Administrative fees                                           | 5,105         | 4,193         |
| Other sales                                                   | 3,742         | 2,887         |
| <b>Sales of goods and services produced by the department</b> | <b>12,788</b> | <b>11,128</b> |
| Sales of scrap, waste and other used current goods            | 96            | 29            |
| <b>Total</b>                                                  | <b>12,884</b> | <b>11,157</b> |

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        | 29,329   | 16,657        |
| Forfeits     | -        | 8             |
| <b>Total</b> | <b>2</b> | <b>16,665</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                 | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|-------------------------------------------------|---------|---------------------|---------------------|
| <b>2.3 Interest, dividends and rent on land</b> |         |                     |                     |
| Interest                                        |         | 7,782               | 7,914               |
| <b>2.4 Sales of capital assets</b>              |         |                     |                     |
| <b>Tangible assets</b>                          |         |                     |                     |
| Machinery and equipment                         |         | 4,231               | 1,201               |
| Land and subsoil assets                         |         | 408                 | -                   |
|                                                 |         | <b>4,639</b>        | <b>1,201</b>        |

**2.5 Transactions in financial assets and liabilities**

|                                              |          |              |              |
|----------------------------------------------|----------|--------------|--------------|
| Receivables                                  |          | 1,738        | 1,927        |
| Other receipts including recoverable revenue |          | 854          | 1,550        |
| <b>Total</b>                                 | <b>2</b> | <b>2,592</b> | <b>3,477</b> |

"Other receipts" including recoverable revenue includes cash surpluses and debts recovered.

**2.6 Transfers received**

2.6.1 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

|           |  |    |       |
|-----------|--|----|-------|
| Donations |  | 19 | 6,521 |
|-----------|--|----|-------|

**3. Compensation of employees**

**3.1 Salaries and wages**

|                                  |  |                  |                  |
|----------------------------------|--|------------------|------------------|
| Basic salary                     |  | 798,193          | 779,255          |
| Service based                    |  | 2,369            | 2,725            |
| Compensative/circumstantial      |  | 88,474           | 72,497           |
| Other non-pensionable allowances |  | 163,499          | 154,731          |
| <b>Total</b>                     |  | <b>1,052,535</b> | <b>1,009,208</b> |

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

**3.2 Social contributions**

|                                        |  |                  |                  |
|----------------------------------------|--|------------------|------------------|
| Employer contributions                 |  |                  |                  |
| Pension                                |  | 102,131          | 99,912           |
| Medical                                |  | 108,489          | 99,309           |
| Bargaining council                     |  | 356              | 323              |
| Insurance                              |  | 10,272           | 8,473            |
| <b>Total</b>                           |  | <b>221,248</b>   | <b>208,017</b>   |
| <b>Total compensation of employees</b> |  | <b>1,273,783</b> | <b>1,217,225</b> |
| Average number of employees            |  | 2,447            | 2,515            |

The average number of employees is 2,447 inclusive of 17 contracted employees. The total compensation of employees includes expenditure for 97 interns.

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                           | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|-----------------------------------------------------------|---------|---------------------|---------------------|
| <b>4. Goods and services</b>                              |         |                     |                     |
| Administrative fees                                       |         | 1,982               | 1,625               |
| Advertising                                               |         | 1,796               | 1,184               |
| Minor assets                                              | 4.1     | 664                 | 1,157               |
| Catering                                                  |         | 2,007               | 1,314               |
| Communication                                             |         | 30,414              | 20,114              |
| Computer services                                         | 4.2     | 747                 | 681                 |
| Consultants: Business and advisory services               |         | 5,501               | 11,356              |
| Infrastructure and planning services                      |         | 129,733             | 104,174             |
| Legal services                                            |         | 12,808              | 9,211               |
| Contractors                                               |         | 819,550             | 658,686             |
| Agency and support / outsourced services                  |         | 47,495              | 63,123              |
| Audit cost - external                                     | 4.3     | 16,967              | 15,568              |
| Fleet services                                            |         | 65,213              | 68,598              |
| Inventory                                                 | 4.4     | 130,542             | 132,471             |
| Consumables                                               | 4.5     | 21,304              | 23,031              |
| Operating leases                                          |         | 49,112              | 36,450              |
| Property payments                                         | 4.6     | 162,846             | 142,868             |
| Transport provided as part of the departmental activities |         | 621,976             | 510,164             |
| Travel and subsistence                                    | 4.7     | 98,387              | 99,070              |
| Venues and facilities                                     |         | 298                 | 219                 |
| Training and development                                  |         | 16,762              | 9,428               |
| Other operating expenditure                               | 4.8     | 915                 | 1,180               |
| <b>Total</b>                                              |         | <b>2,237,019</b>    | <b>1,911,672</b>    |

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

**4.1 Minor assets****Tangible assets**

|                         |     |       |
|-------------------------|-----|-------|
| Machinery and equipment | 664 | 1,157 |
|-------------------------|-----|-------|

**4.2 Computer services**

|                                     |          |            |
|-------------------------------------|----------|------------|
| SITA computer services              | 546      | 510        |
| External computer service providers | 201      | 171        |
| <b>Total</b>                        | <b>4</b> | <b>747</b> |

**4.3 Audit cost - external**

|                   |          |               |
|-------------------|----------|---------------|
| Regularity audits | 16,967   | 15,226        |
| Investigations    | -        | 342           |
| <b>Total</b>      | <b>4</b> | <b>16,967</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                   | Note(s)  | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|-----------------------------------|----------|---------------------|---------------------|
| <b>4.4 Inventory</b>              |          |                     |                     |
| Clothing material and accessories |          | 17,507              | 15,212              |
| Fuel, oil and gas                 |          | 13,266              | 20,197              |
| Materials and supplies            |          | 99,769              | 96,819              |
| Other supplies                    | 4.4.1    | -                   | 243                 |
| <b>Total</b>                      | <b>4</b> | <b>130,542</b>      | <b>132,471</b>      |

**4.4.1 Other supplies**

|                                  |   |     |
|----------------------------------|---|-----|
| Ammunition and security supplies | - | 243 |
|----------------------------------|---|-----|

**4.5 Consumables**

|                                          |          |               |               |
|------------------------------------------|----------|---------------|---------------|
| Uniform and clothing                     |          | 9,108         | 9,876         |
| Household supplies                       |          | 4,250         | 6,540         |
| IT consumables                           |          | 27            | 21            |
| Other consumables                        |          | 50            | 99            |
| <b>Consumable supplies</b>               |          | <b>13,435</b> | <b>16,536</b> |
| Stationery, printing and office supplies |          | 7,869         | 6,495         |
| <b>Total</b>                             | <b>4</b> | <b>21,304</b> | <b>23,031</b> |

The "other consumables" item comprises of gifts and awards, bags and accessories, medical kit.

**4.6 Property payments**

|                          |          |                |                |
|--------------------------|----------|----------------|----------------|
| Municipal services       |          | 51,931         | 55,106         |
| Property management fees |          | 870            | -              |
| Other                    |          | 110,045        | 87,762         |
| <b>Total</b>             | <b>4</b> | <b>162,846</b> | <b>142,868</b> |

The "other" item comprises of cleaning services, contracted maintenance of property, deeds, firefighting/protection services, gardening services, gas and pest control / fumigation services.

**4.7 Travel and subsistence**

|       |  |        |        |
|-------|--|--------|--------|
| Local |  | 98,387 | 99,070 |
|-------|--|--------|--------|

**4.8 Other operating expenditure**

|                                                       |          |            |              |
|-------------------------------------------------------|----------|------------|--------------|
| Professional bodies, membership and subscription fees |          | 148        | 184          |
| Resettlement costs                                    |          | 197        | 128          |
| Other                                                 |          | 570        | 868          |
| <b>Total</b>                                          | <b>4</b> | <b>915</b> | <b>1,180</b> |

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

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                             | Note(s)     | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|---------------------------------------------|-------------|---------------------|---------------------|
| <b>5. Transfers and subsidies</b>           |             |                     |                     |
| Provinces and municipalities                | 28, 29      | 334,713             | 273,449             |
| Public corporations and private enterprises | Annexure 1D | 858,149             | 824,654             |
| Households                                  | Annexure 1G | 27,367              | 26,099              |
| <b>Total</b>                                |             | <b>1,220,229</b>    | <b>1,124,202</b>    |

**6. Expenditure for capital assets****Tangible capital assets**

|                                      |    |                  |                  |
|--------------------------------------|----|------------------|------------------|
| Buildings and other fixed structures | 25 | 1,401,565        | 1,294,645        |
| Machinery and equipment              | 23 | 89,967           | 43,622           |
|                                      |    | <b>1,491,532</b> | <b>1,338,267</b> |

**6.1 Analysis of funds utilised to acquire capital assets - 2025/2026**

|                                      | Voted funds<br>R '000 | Total<br>R '000  |
|--------------------------------------|-----------------------|------------------|
| <b>Tangible capital assets</b>       |                       |                  |
| Buildings and other fixed structures | 1,401,565             | 1,401,565        |
| Machinery and equipment              | 89,967                | 89,967           |
|                                      | <b>1,491,532</b>      | <b>1,491,532</b> |

**Intangible capital assets**

|              |                  |                  |
|--------------|------------------|------------------|
| Software     | 416              | 416              |
| <b>Total</b> | <b>1,491,948</b> | <b>1,491,948</b> |

**6.2 Analysis of funds utilised to acquire capital assets - 2024/2025**

|                                      | Voted funds<br>R '000 | Total<br>R '000  |
|--------------------------------------|-----------------------|------------------|
| <b>Tangible capital assets</b>       |                       |                  |
| Buildings and other fixed structures | 1,294,645             | 1,294,645        |
| Machinery and equipment              | 43,622                | 43,622           |
|                                      | <b>1,338,267</b>      | <b>1,338,267</b> |

**7. Cash and cash equivalents**

|                                        |               |                |
|----------------------------------------|---------------|----------------|
| Consolidated paymaster general account | 122,744       | 184,420        |
| Disbursements                          | (39,475)      | (46,821)       |
| Cash on hand                           | -             | 1              |
| <b>Total</b>                           | <b>83,269</b> | <b>137,600</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                                                        |      | Note(s)        | 2025/2026<br>R '000 | 2024/2025<br>R '000 |                 |
|----------------------------------------------------------------------------------------|------|----------------|---------------------|---------------------|-----------------|
| <b>8. Receivables</b>                                                                  |      |                |                     |                     |                 |
|                                                                                        |      |                | 2025/2026           | 2024/2025           |                 |
|                                                                                        | Note | Current        | Total               | Current             | Total           |
|                                                                                        |      | R '000         | R '000              | R '000              | R '000          |
| Claims recoverable                                                                     | 8.1  | 44,356         | 44,356              | 36,156              | 36,156          |
| Staff debt                                                                             | 8.2  | 209            | 209                 | 159                 | 159             |
| Other receivables                                                                      | 8.3  | 60,218         | 60,218              | 62,603              | 62,603          |
| <b>Total</b>                                                                           |      | <b>104,783</b> | <b>104,783</b>      | <b>98,918</b>       | <b>98,918</b>   |
| <b>8.1 Claims recoverable</b>                                                          |      |                |                     |                     |                 |
| Provincial departments                                                                 |      |                |                     | 44,356              | 36,156          |
| <b>8.2 Staff debt</b>                                                                  |      |                |                     |                     |                 |
| Employees                                                                              |      |                |                     | 209                 | 159             |
| <b>8.3 Other receivables</b>                                                           |      |                |                     |                     |                 |
| Suppliers                                                                              |      |                |                     | 58,893              | 60,374          |
| Rental (Business and Housing)                                                          |      |                |                     | 807                 | 830             |
| Ex-Employees                                                                           |      |                |                     | 4                   | 20              |
| Sal: Tax Debt: CA                                                                      |      |                |                     | 39                  | 38              |
| Sal: Reversal Control: CA                                                              |      |                |                     | 462                 | 1,323           |
| Sal: Deduction Disallowance: CA                                                        |      |                |                     | 13                  | 18              |
| <b>Total</b>                                                                           |      |                | 8                   | <b>60,218</b>       | <b>62,603</b>   |
| <b>9. Voted funds to be surrendered to the Revenue Fund / (Voted funds receivable)</b> |      |                |                     |                     |                 |
| Opening balance                                                                        |      |                |                     | 208,256             | 100,375         |
| Transferred from statement of financial performance (as restated)                      |      |                |                     | 159,769             | 208,256         |
| Received / (Paid) during the year                                                      |      |                |                     | (208,256)           | (100,375)       |
| <b>Closing balance</b>                                                                 |      |                |                     | <b>159,769</b>      | <b>208,256</b>  |
| <b>9.1 Reconciliation of unspent conditional grants</b>                                |      |                |                     |                     |                 |
| Opening balance                                                                        |      |                |                     | 164,639             | 72,939          |
| Total conditional grants received                                                      |      | 1.2            |                     | 2,754,432           | 2,454,367       |
| Total conditional grants spent                                                         |      |                |                     | (2,657,662)         | (2,289,728)     |
| <b>Unspent conditional grants to be surrendered</b>                                    |      |                |                     | <b>261,409</b>      | <b>237,578</b>  |
| Approved for rollover                                                                  |      |                |                     | (163,268)           | (72,824)        |
| Not approved for rollover                                                              |      |                |                     | (1,371)             | (115)           |
| <b>Less: Paid to the Provincial Revenue Fund by Provincial department</b>              |      |                |                     | <b>(164,639)</b>    | <b>(72,939)</b> |
| <b>Closing balance</b>                                                                 |      |                | 9                   | <b>96,770</b>       | <b>164,639</b>  |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                                                        | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|----------------------------------------------------------------------------------------|---------|---------------------|---------------------|
| <b>10. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund</b> |         |                     |                     |
| Opening balance                                                                        |         | 6,288               | 3,371               |
| Own revenue included in appropriation                                                  | 2       | 57,226              | 40,414              |
| Paid during the year                                                                   |         | (55,240)            | (37,497)            |
| <b>Closing balance</b>                                                                 |         | <b>8,274</b>        | <b>6,288</b>        |
| <b>11. Payables - current</b>                                                          |         |                     |                     |
| Clearing accounts                                                                      | 11.1    | 1,587               | 969                 |
| Other payables                                                                         | 11.2    | 4,127               | 5,249               |
| <b>Total</b>                                                                           |         | <b>5,714</b>        | <b>6,218</b>        |
| <b>11.1 Clearing accounts</b>                                                          |         |                     |                     |
| Sal: ACB Recall: CA                                                                    |         | 59                  | 74                  |
| Sal: Income Tax: CL                                                                    |         | 1,157               | 85                  |
| Sal: GEHS Refund Control Acc: CL                                                       |         | 356                 | 805                 |
| Sal: Pension Fund: CL                                                                  |         | 15                  | 5                   |
| <b>Total</b>                                                                           | 11      | <b>1,587</b>        | <b>969</b>          |
| <b>11.2 Other payables</b>                                                             |         |                     |                     |
| Auctions Payable to Departments                                                        |         | 4,122               | 5,249               |
| Pension Recoverable                                                                    |         | 5                   | -                   |
| <b>Total</b>                                                                           | 11      | <b>4,127</b>        | <b>5,249</b>        |
| <b>12. Net cash flow available from operating activities</b>                           |         |                     |                     |
| Net surplus as per Statement of Financial Performance                                  |         | 159,769             | 208,258             |
| Add back non cash/ cash movements not deemed operating activities                      |         |                     |                     |
| (Increase)/ decrease in receivables                                                    |         | (5,865)             | (27,539)            |
| Increase/ (decrease) in payables – current                                             |         | (504)               | (15,339)            |
| Proceeds from sale of capital assets                                                   |         | (4,639)             | (1,201)             |
| Expenditure on capital assets                                                          |         | 1,491,948           | 1,338,267           |
| Surrenders to / Received from the Revenue Fund                                         |         | (263,496)           | (137,872)           |
| Own revenue included in appropriation                                                  |         | 57,226              | 40,414              |
| <b>Net cash flow generated by operating activities</b>                                 |         | <b>1,434,439</b>    | <b>1,404,988</b>    |
| <b>13. Reconciliation of cash and cash equivalents for cash flow purposes</b>          |         |                     |                     |
| Consolidated paymaster general account                                                 |         | 122,744             | 184,421             |
| Disbursements                                                                          |         | (39,475)            | (46,821)            |
| Cash on hand                                                                           |         | -                   | 1                   |
| <b>Total</b>                                                                           |         | <b>83,269</b>       | <b>137,601</b>      |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**14.1 Contingent liabilities**

| Liable to                     | Nature |             |         |         |
|-------------------------------|--------|-------------|---------|---------|
| Claims against the department |        | Annexure 3B | 440,000 | 338,414 |

The settlement of the contingent liabilities disclosed contain elements of uncertainties relating to the amount or timing of any outflow, due to reliance to the verdicts by courts which cannot be predetermined. The amount disclosed in contingent liabilities of the department comprises of litigations using the latest available best estimate based on previously settled claims that are classified as follows:

=> Roads matters estimated at 6.52%,  
=> General matters estimated at 0%,  
=> Government Motor Vehicles matters estimated at 37.55%,  
=> Pothole claims matters estimated at 51.57%,  
=> Departmental matters estimated at 67%, => Labour matters estimated at 0%,  
=> Transport matters estimated at 15.46%.

**15. Capital commitments**

|                                      |                  |                |
|--------------------------------------|------------------|----------------|
| Buildings and other fixed structures | 1,193,269        | 977,269        |
| Intangible assets                    | 1,733            | 2,149          |
| <b>Total</b>                         | <b>1,195,002</b> | <b>979,418</b> |

**16. Accruals and payables not recognised**

**16.1 Accruals**

|  | 2025/2026         |                    | 2024/2025       |                 |
|--|-------------------|--------------------|-----------------|-----------------|
|  | 30 Days<br>R '000 | 30+ Days<br>R '000 | Total<br>R '000 | Total<br>R '000 |

**Listed by economic classification**

|                         |                |                |                |                |
|-------------------------|----------------|----------------|----------------|----------------|
| Goods and services      | 83,166         | 40,455         | 123,621        | 140,963        |
| Transfers and subsidies | 40,486         | 476,065        | 516,551        | 355,566        |
| Capital assets          | 10,289         | -              | 10,289         | 14,018         |
| Other                   | 3,578          | 1,165          | 4,743          | 3,095          |
| <b>Total</b>            | <b>137,519</b> | <b>517,685</b> | <b>655,204</b> | <b>513,642</b> |

|                                                            |                   |    |   |
|------------------------------------------------------------|-------------------|----|---|
| Intergovernmental payables not recognised (included above) | <b>Annexure 5</b> | 74 | - |
|------------------------------------------------------------|-------------------|----|---|

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**16.2 Payables not recognised**

|  | 30 Days<br>R '000 | 2025/2026<br>30+ Days<br>R '000 | Total<br>R '000 | 2024/2025<br>Total<br>R '000 |
|--|-------------------|---------------------------------|-----------------|------------------------------|
|--|-------------------|---------------------------------|-----------------|------------------------------|

**Listed by economic classification**

|                    |          |          |          |               |
|--------------------|----------|----------|----------|---------------|
| Goods and services | -        | -        | -        | 11,839        |
| Capital assets     | -        | -        | -        | 131           |
| <b>Total</b>       | <b>-</b> | <b>-</b> | <b>-</b> | <b>11,970</b> |

|                                                            |                   |   |     |
|------------------------------------------------------------|-------------------|---|-----|
| Intergovernmental payables not recognised (included above) | <b>Annexure 5</b> | - | 533 |
|------------------------------------------------------------|-------------------|---|-----|

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements****17. Employee benefits**

|                   |                |                |
|-------------------|----------------|----------------|
| Leave entitlement | 86,625         | 80,065         |
| Service bonus     | 33,911         | 32,906         |
| Capped leave      | 45,241         | 52,133         |
| Other             | 2,191          | 2,554          |
| <b>Total</b>      | <b>167,968</b> | <b>167,658</b> |

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 amounting to R222 thousand which arise 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.

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**18. Lease commitments****18.1 Operating leases****2025/2026**

|                                              | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total         |
|----------------------------------------------|-----------------------------------------------|-------------------------------|---------------|
|                                              | R '000                                        | R '000                        | R '000        |
| Not later than 1 year                        | 34,454                                        | 2,146                         | 36,600        |
| Later than 1 year and not later than 5 years | 62,005                                        | 979                           | 62,984        |
| <b>Total lease commitments</b>               | <b>96,459</b>                                 | <b>3,125</b>                  | <b>99,584</b> |

**2024/2025**

|                                              | Buildings<br>and other<br>fixed<br>structures | Machinery<br>and<br>equipment | Total          |
|----------------------------------------------|-----------------------------------------------|-------------------------------|----------------|
|                                              | R '000                                        | R '000                        | R '000         |
| Not later than 1 year                        | 34,603                                        | 2,157                         | 36,760         |
| Later than 1 year and not later than 5 years | 90,373                                        | 2,471                         | 92,844         |
| <b>Total lease commitments</b>               | <b>124,976</b>                                | <b>4,628</b>                  | <b>129,604</b> |

The operating leases are for office accommodation, members of parliament residences and labour serving devices (photocopier machines).

**19. Unauthorised, Irregular and Fruitless and wasteful expenditure**

|                                    |                |                |
|------------------------------------|----------------|----------------|
| Irregular expenditure              | 204,319        | 570,086        |
| Fruitless and wasteful expenditure | 30,636         | 490            |
| <b>Total</b>                       | <b>234,955</b> | <b>570,576</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

**20. Related party transactions**

There is no related party transaction within the MEC's portfolio however all departments are related and the above is disclosed as an additional information in line with Treasury Regulations 21.2.4.

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

|                       |                                                                 |
|-----------------------|-----------------------------------------------------------------|
| 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 |
| 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.

**21. Key management personnel**

|                                                 |               |               |
|-------------------------------------------------|---------------|---------------|
| Political office bearers (provide detail below) | 2,306         | 2,273         |
| Level 15 to 16                                  | 8,061         | 2,492         |
| Level 14 (incl. CFO if at a lower level)        | 14,944        | 16,925        |
| Other                                           | 2,502         | 2,592         |
| <b>Total</b>                                    | <b>27,813</b> | <b>24,282</b> |

The "other" item includes Director: Risk Management and Director: Internal Audit.

**22. Provisions**

|                               |                |                |
|-------------------------------|----------------|----------------|
| Retentions                    | 218,659        | 236,607        |
| Claims against the department | 17,506         | -              |
| <b>Total</b>                  | <b>236,165</b> | <b>236,607</b> |

**22.1 Reconciliation of movement in provisions - 2025/2026**

|                         | Retention      | Claims against the department | Total provisions |
|-------------------------|----------------|-------------------------------|------------------|
|                         | R '000         | R '000                        | R '000           |
| Opening balance         | 236,607        | -                             | 236,607          |
| Increase in provision   | 52,376         | 17,506                        | 69,882           |
| Settlement of provision | (70,324)       | -                             | (70,324)         |
| <b>Closing balance</b>  | <b>218,659</b> | <b>17,506</b>                 | <b>236,165</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026 | 2024/2025 |
|--|---------|-----------|-----------|
|  |         | R '000    | R '000    |

**22.2 Reconciliation of movement in provisions - 2024/2025**

|                         | Retention      | Claims<br>against the<br>department | Total<br>provisions |
|-------------------------|----------------|-------------------------------------|---------------------|
|                         | R '000         | R '000                              | R '000              |
| Opening balance         | 212,999        | 8,751                               | 221,750             |
| Increase in provision   | 65,338         | -                                   | 65,338              |
| Settlement of provision | (41,730)       | (8,751)                             | (50,481)            |
| <b>Closing balance</b>  | <b>236,607</b> | <b>-</b>                            | <b>236,607</b>      |

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

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**23. Movable tangible capital assets**

**Movement in movable tangible capital assets per asset register for the year ended March 31, 2026**

|                                              | Opening<br>balance<br>R '000 | Additions<br>R '000 | Disposals<br>R '000 | Closing<br>balance<br>R '000 |
|----------------------------------------------|------------------------------|---------------------|---------------------|------------------------------|
| <b>Machinery and equipment</b>               |                              |                     |                     |                              |
| Transport assets                             | 572,194                      | 8,185               | 13,466              | 566,913                      |
| Computer equipment                           | 28,707                       | 4,771               | 3,999               | 29,479                       |
| Furniture and office equipment               | 26,279                       | 1,815               | 2,543               | 25,551                       |
| Other machinery and equipment                | 241,702                      | 76,783              | 4,539               | 313,946                      |
|                                              | <b>868,882</b>               | <b>91,554</b>       | <b>24,547</b>       | <b>935,889</b>               |
| <b>Specialised military assets</b>           |                              |                     |                     |                              |
| Specialised military assets                  | 4,439                        | -                   | -                   | 4,439                        |
| <b>Total movable tangible capital assets</b> | <b>873,321</b>               | <b>91,554</b>       | <b>24,547</b>       | <b>940,328</b>               |

**23.1 Movement for 2024/2025**

**Movement in movable tangible capital assets per asset register for the year ended March 31, 2025**

|                                              | Opening<br>balance<br>R '000 | Additions<br>R '000 | Disposals<br>R '000 | Closing<br>balance<br>R '000 |
|----------------------------------------------|------------------------------|---------------------|---------------------|------------------------------|
| <b>Machinery and equipment</b>               |                              |                     |                     |                              |
| Transport assets                             | 545,674                      | 37,262              | 10,742              | 572,194                      |
| Computer equipment                           | 28,060                       | 2,961               | 2,314               | 28,707                       |
| Furniture and office equipment               | 22,456                       | 4,105               | 282                 | 26,279                       |
| Other machinery and equipment                | 239,553                      | 8,491               | 6,342               | 241,702                      |
|                                              | <b>835,743</b>               | <b>52,819</b>       | <b>19,680</b>       | <b>868,882</b>               |
| <b>Specialised military assets</b>           |                              |                     |                     |                              |
| Specialised military assets                  | 4,439                        | -                   | -                   | 4,439                        |
| <b>Total movable tangible capital assets</b> | <b>840,182</b>               | <b>52,819</b>       | <b>19,680</b>       | <b>873,321</b>               |

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

## Notes to the Financial Statements

## 23.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at March 31, 2026

|                                   | Machinery<br>and<br>equipment | Total         |
|-----------------------------------|-------------------------------|---------------|
|                                   | R '000                        | R '000        |
| Opening balance                   | 27,514                        | 27,514        |
| Additions                         | 664                           | 664           |
| Disposals                         | (2,254)                       | (2,254)       |
| <b>Total minor capital assets</b> | <b>25,924</b>                 | <b>25,924</b> |

|                                     | Machinery<br>and<br>equipment | Total         |
|-------------------------------------|-------------------------------|---------------|
|                                     | R '000                        | R '000        |
| Number of R1 minor assets           | 2,341                         | 2,341         |
| Number of minor assets at cost      | 19,284                        | 19,284        |
| <b>Total number of minor assets</b> | <b>21,625</b>                 | <b>21,625</b> |

Movement in minor capital assets per the asset register for the year ended as at March 31, 2025

|                                   |         | Other<br>machinery<br>and<br>equipment | Total               |
|-----------------------------------|---------|----------------------------------------|---------------------|
|                                   |         | R '000                                 | R '000              |
|                                   | Note(s) | 2025/2026<br>R '000                    | 2024/2025<br>R '000 |
| Opening balance                   |         | 27,405                                 | 27,405              |
| Additions                         |         | 1,167                                  | 1,167               |
| Disposals                         |         | (1,058)                                | (1,058)             |
| <b>Total minor capital assets</b> |         | <b>27,514</b>                          | <b>27,514</b>       |

|                                     | Other<br>machinery<br>and<br>equipment | Total         |
|-------------------------------------|----------------------------------------|---------------|
|                                     | R '000                                 | R '000        |
| Number of R1 minor assets           | 2,533                                  | 2,533         |
| Number of minor assets at cost      | 20,705                                 | 20,705        |
| <b>Total number of minor assets</b> | <b>23,238</b>                          | <b>23,238</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**24. Intangible capital assets**

**Movement in intangible capital assets per asset register for the year ended March 31, 2026**

|          | Opening<br>balance<br>R '000 | Closing<br>balance<br>R '000 |
|----------|------------------------------|------------------------------|
| Software | 2,169                        | 2,169                        |

**24.1 Movement for 2024/2025**

**Movement in intangible capital assets per asset register for the year ended March 31, 2025**

|          | Opening<br>balance<br>R '000 | Closing<br>balance<br>R '000 |
|----------|------------------------------|------------------------------|
| Software | 2,169                        | 2,169                        |

**24.2 Intangible capital assets: Capital work-in-progress**

**Capital work-in-process for the year ended as at March 31, 2026**

|                   | R '000 | R '000 | R '000 | R '000 |
|-------------------|--------|--------|--------|--------|
| Intangible assets | 1,987  | 416    | -      | 2,403  |

**Capital work-in-process for the year ended as at March 31, 2025**

| Note              | Opening<br>balance<br>April 1, 2025<br>R '000 | Prior period<br>errors<br>R '000 | Current year<br>capital WIP<br>R '000 | Ready for<br>use (Assets<br>to the<br>AR) /<br>Contracts<br>terminated<br>R '000 | Closing<br>balance<br>March 31,<br>2026<br>R '000 |
|-------------------|-----------------------------------------------|----------------------------------|---------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------|
| Intangible assets | 1,987                                         | -                                | -                                     | -                                                                                | 1,987                                             |

**25. Immovable tangible capital assets**

**Movement in immovable tangible capital assets per asset register for the year ended March 31, 2026**

|  | Opening<br>balance<br>R '000 | Additions<br>R '000 | Disposals<br>R '000 | Closing<br>balance<br>R '000 |
|--|------------------------------|---------------------|---------------------|------------------------------|
|--|------------------------------|---------------------|---------------------|------------------------------|

**Buildings and other fixed structures**

|                           |                   |                  |                     |                   |
|---------------------------|-------------------|------------------|---------------------|-------------------|
| Dwellings                 | 430,468           | -                | -                   | 430,468           |
| Non-residential buildings | 6,579,052         | 829,631          | -                   | 7,408,683         |
| Other fixed structures    | 54,010,621        | 1,460,370        | (11,529,604)        | 43,941,387        |
|                           | <b>61,020,141</b> | <b>2,290,001</b> | <b>(11,529,604)</b> | <b>51,780,538</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                | Note(s)           | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|------------------------------------------------|-------------------|---------------------|---------------------|
| <b>Land and subsoil assets</b>                 |                   |                     |                     |
| Land                                           | 244,702           | 51,680              | -                   |
| <b>Total immovable tangible capital assets</b> | <b>61,264,843</b> | <b>2,341,681</b>    | <b>(11,529,604)</b> |
|                                                |                   |                     | <b>52,076,920</b>   |

**25.1 Movement for 2024/2025****Movement in immovable tangible capital assets per asset register for the year ended March 31, 2025**

|                                             | Opening<br>balance<br>R '000 | Additions<br>R '000 | Closing<br>balance<br>R '000 |
|---------------------------------------------|------------------------------|---------------------|------------------------------|
| <b>Buildings and other fixed structures</b> |                              |                     |                              |
| Dwellings                                   | 430,426                      | 42                  | 430,468                      |
| Non-residential buildings                   | 6,577,249                    | 1,803               | 6,579,052                    |
| Other fixed structures                      | 53,614,176                   | 396,445             | 54,010,621                   |
|                                             | <b>60,621,851</b>            | <b>398,290</b>      | <b>61,020,141</b>            |

|                                                |                   |                |                   |
|------------------------------------------------|-------------------|----------------|-------------------|
| <b>Land and subsoil assets</b>                 |                   |                |                   |
| Land                                           | 244,702           | -              | 244,702           |
| <b>Total immovable tangible capital assets</b> | <b>60,866,553</b> | <b>398,290</b> | <b>61,264,843</b> |

**25.1.1 Prior period error**

|  | Note | 2024/2025<br>R '000 |
|--|------|---------------------|
|--|------|---------------------|

**Nature of prior period error**

Relating to 2023/2024 (affecting the opening balance)

Building and other fixed structures (Infrastructure projects completed in prior years were not included in the Immovable Tangible Capital Assets as at 31 March 2024)

6,641

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|  | Note(s) | 2025/2026<br>R '000 | 2024/2025<br>R '000 |
|--|---------|---------------------|---------------------|
|--|---------|---------------------|---------------------|

**25.2 Immovable tangible capital assets: Capital work-in-progress**

**Capital work-in-progress as at March 31, 2026**

|                                      | Note | Opening<br>balance | Current year<br>WIP | Ready for<br>use<br>(Assets to<br>the AR) /<br>Contracts<br>terminated | Closing<br>balance |
|--------------------------------------|------|--------------------|---------------------|------------------------------------------------------------------------|--------------------|
|                                      |      | R '000             | R '000              | R '000                                                                 | R '000             |
| Buildings and other fixed structures |      | 3,850,636          | 1,401,566           | 2,191,249                                                              | 3,060,953          |

**Payables not recognised relating to capital work-in-progress**

|                                                                                                                                      |  |        |        |
|--------------------------------------------------------------------------------------------------------------------------------------|--|--------|--------|
| [Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress] |  | 18,664 | 13,272 |
|--------------------------------------------------------------------------------------------------------------------------------------|--|--------|--------|

**Capital work-in-progress as at March 31, 2025**

| Note                                 | Opening balance |           | Current year<br>WIP | Ready for<br>use<br>(Assets to<br>the AR) /<br>Contracts<br>terminated | Closing<br>balance |
|--------------------------------------|-----------------|-----------|---------------------|------------------------------------------------------------------------|--------------------|
|                                      |                 | R '000    | R '000              | R '000                                                                 | R '000             |
| Buildings and other fixed structures |                 | 2,952,801 | 1,294,645           | 396,810                                                                | 3,850,636          |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements****25.3 Immovable assets (additional information)****a) Unsurveyed land**

|            | Estimated completion date | Annexure 9 | Area | Area |
|------------|---------------------------|------------|------|------|
| Mpumalanga | 2025-2026                 |            |      |      |

**b) Properties deemed vested**

|              | Annexure 9 | Number | Number |
|--------------|------------|--------|--------|
| Land parcels |            | 8,422  | 8,422  |

**Facilities****c) Facilities on unsurveyed land**

|                  | Duration of use | Annexure 9 | Number | Number |
|------------------|-----------------|------------|--------|--------|
| Schools          |                 |            | 892    | 832    |
| Clinics          |                 |            | 167    | 167    |
| Hospitals        |                 |            | 8      | 8      |
| Office buildings |                 |            | 105    | 104    |
| Dwellings        |                 |            | 139    | 139    |
| Other            |                 |            | 13     | 13     |

**d) Facilities on right to use land**

|                  | Duration of use | Annexure 9 | Number | Number |
|------------------|-----------------|------------|--------|--------|
| Schools          |                 |            | 403    | 403    |
| Clinics          |                 |            | 23     | 23     |
| Hospitals        |                 |            | 3      | 2      |
| Office buildings |                 |            | 17     | 16     |
| Dwellings        |                 |            | 20     | 20     |
| Other            |                 |            | 1      | 1      |

**e) Agreement of custodianship**

| <b>Facilities</b> | Annexure 9 | Number | Number |
|-------------------|------------|--------|--------|
| Schools           |            | 506    | 506    |
| Clinics           |            | 50     | 50     |
| Hospitals         |            | 2      | 2      |
| Office buildings  |            | 34     | 40     |
| Dwellings         |            | 234    | 234    |
| Other             |            | 16     | 10     |

The movement of properties are properties transfer by the Municipalities and NDPI to MPG

Facilities on unsurveyed land: "Other" consist of Businesses, Weighbridges, Environmental centres, Farms, Museums, Filling Stations, Research Centres.

Facilities on right to use land: "Other" consist of Weighbridge.

Agreement of custodianship: "Other" consist of Emergency Medical Service Stations, Dam, Cultural Village, Weighbridges, Farms, Museums, Filling Stations, Research Centres.

Agreement of custodianship refers to Surveyed Unregistered land (not vested).

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

|                                                     |                                   | Note(s)                                     | 2025/2026<br>R '000             | 2024/2025<br>R '000          |
|-----------------------------------------------------|-----------------------------------|---------------------------------------------|---------------------------------|------------------------------|
| 26.                                                 | Prior period errors               |                                             |                                 |                              |
| 26.1                                                | Correction of prior period errors |                                             |                                 |                              |
| 2024/2025                                           |                                   |                                             |                                 |                              |
|                                                     | Note                              | Amount<br>bef error<br>correction<br>R '000 | Prior period<br>error<br>R '000 | Restated<br>amount<br>R '000 |
| Expenditure:                                        |                                   |                                             |                                 |                              |
| Goods and Services: Contractors                     |                                   | 595,510                                     | 63,176                          | 658,686                      |
| Payments for Capital Assets: Other Fixed Structures |                                   | 1,118,549                                   | (63,176)                        | 1,055,373                    |
| Net effect                                          |                                   | 1,714,059                                   | -                               | 1,714,059                    |

Expenditure discovered in the current financial year relating to prior years in the payments for capital assets identified as abnormal costs on infrastructure projects to be expensed on goods and services (current expenditure).

|                                                                                                           | Note | Amount<br>bef error<br>correction<br>R '000 | Prior period<br>error<br>R '000 | Restated<br>amount<br>R '000 |
|-----------------------------------------------------------------------------------------------------------|------|---------------------------------------------|---------------------------------|------------------------------|
| <b>Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)</b> |      |                                             |                                 |                              |
| Key Management Personnel                                                                                  | 21   | 21,690                                      | 2,592                           | 24,282                       |
| Capital Commitments                                                                                       | 15   | 995,157                                     | (15,739)                        | 979,418                      |
| Immovable Tangible Asset Register: Work In Progress                                                       | 25   | 2,978,473                                   | (25,672)                        | 2,952,801                    |
| <b>Net effect</b>                                                                                         |      | <b>3,995,320</b>                            | <b>(38,819)</b>                 | <b>3,956,501</b>             |

There were omission of influential personnel for the department discovered in the current financial year relating to prior years.

Capital Commitments were overstated by contracts awarded in the prior year.

Work In Progress opening balance oversated as a result of abnormal costs (current expenditure: goods and services) incurred in prior years included in the payments for capital assets.

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

**27. Statement of conditional grants received**

| Name of grant                                    | Grant allocation                           |                |                   |                  | Spent                         |                            | 2024/2025              |                                          |
|--------------------------------------------------|--------------------------------------------|----------------|-------------------|------------------|-------------------------------|----------------------------|------------------------|------------------------------------------|
|                                                  | Division of Revenue Act/ Provincial Grants | Roll Overs     | Other Adjustments | Total Available  | Amount received by department | Amount spent by department | Under / (Overspending) | % of available funds spent by department |
|                                                  | R '000                                     | R '000         | R '000            | R '000           | R '000                        | R '000                     | R '000                 | %                                        |
| Provincial Roads Maintenance Grant               | 1,672,581                                  | 163,268        | 100,365           | 1,936,214        | 1,936,214                     | 1,839,889                  | 96,325                 | 95 %                                     |
| Public Transport Operation Grant                 | 810,568                                    | -              | -                 | 810,568          | 810,568                       | 810,123                    | 445                    | 100 %                                    |
| Expanded Public Works Programme Incentive Grant. | 7,650                                      | -              | -                 | 7,650            | 7,650                         | 7,650                      | -                      | - %                                      |
|                                                  | <b>2,490,799</b>                           | <b>163,268</b> | <b>100,365</b>    | <b>2,754,432</b> | <b>2,754,432</b>              | <b>2,657,662</b>           | <b>96,770</b>          |                                          |
|                                                  |                                            |                |                   |                  |                               |                            | <b>2,454,367</b>       | <b>2,289,728</b>                         |

**28. Statement of conditional grants paid to the provinces**

| Name of Grant                     | Grant allocation        |                 |        | Transfer        |                         | 2024/2025       |        |
|-----------------------------------|-------------------------|-----------------|--------|-----------------|-------------------------|-----------------|--------|
|                                   | Division of Revenue Act | Total Available | R '000 | Actual Transfer | Division of Revenue Act | Actual Transfer | R '000 |
|                                   | R '000                  | R '000          | R '000 | R '000          | R '000                  | R '000          | R '000 |
| <b>Summary by province</b>        |                         |                 |        |                 |                         |                 |        |
| Mpumalanga                        | 2,727                   | 2,727           | 2,727  | 2,727           | 1,923                   | 1,923           | 1,923  |
| <b>Summary by grant</b>           |                         |                 |        |                 |                         |                 |        |
| Division of Revenue Act           | 2,727                   | 2,727           | 2,727  | 2,727           | 1,923                   | 1,923           | 1,923  |
| <b>1. Division of Revenue Act</b> |                         |                 |        |                 |                         |                 |        |
| Mpumalanga                        | 2,727                   | 2,727           | 2,727  | 2,727           | 1,923                   | 1,923           | 1,923  |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Notes to the Financial Statements**

**29. Statement of other transfers to municipalities**

| Name of municipality | 2025/2026                |                |                 |                  |                | 2024/2025      |                  |                |
|----------------------|--------------------------|----------------|-----------------|------------------|----------------|----------------|------------------|----------------|
|                      | Grant allocation         |                | Expenditure     |                  |                | Division of    |                  |                |
|                      | DoRA and other transfers | Adjustments    | Total Available | Actual Trans-fer |                | Revenue Act    | Actual Trans-fer |                |
|                      | R '000                   | R '000         | R '000          | R '000           | R '000         | R '000         | R '000           | R '000         |
| Albert Luthuli       | 20,599                   | 3,539          | 24,138          | 24,138           | 21,032         | 21,032         | 21,032           | 21,032         |
| Msukaligwa           | 10,180                   | 3,705          | 13,885          | 13,885           | 12,309         | 12,309         | 12,309           | 12,309         |
| Mkhondo              | 9,668                    | (1,042)        | 8,626           | 8,626            | 7,237          | 7,237          | 7,237            | 7,237          |
| Pixley Ka-Seme       | 5,206                    | (1,028)        | 4,178           | 4,178            | 3,418          | 3,418          | 3,418            | 3,418          |
| Lekwa                | 21,866                   | 118            | 21,984          | 21,984           | 18,622         | 18,622         | 18,622           | 18,622         |
| Dipaleseng           | 4,832                    | (2,999)        | 1,833           | 1,833            | 1,661          | 1,661          | 1,661            | 1,661          |
| Goven Mbeki          | 14,414                   | (3,201)        | 11,213          | 11,213           | 9,985          | 9,985          | 9,985            | 9,985          |
| Victor Khanye        | 12,642                   | (6,624)        | 6,018           | 6,018            | 5,643          | 5,643          | 5,643            | 5,643          |
| Emalahleni           | 22,787                   | 4,800          | 27,587          | 27,587           | 12,279         | 12,279         | 12,279           | 12,279         |
| Steve Tshwete        | 12,276                   | (2,190)        | 10,086          | 10,086           | 11,757         | 11,757         | 11,757           | 11,757         |
| Emakhazeni           | 5,580                    | 158            | 5,738           | 5,738            | 6,120          | 6,120          | 6,120            | 6,120          |
| Thembisile Hani      | 9,797                    | 6,653          | 16,450          | 16,450           | 10,104         | 10,104         | 10,104           | 10,104         |
| Dr JS Moroka         | 23,513                   | (2,801)        | 20,712          | 20,712           | 12,199         | 12,199         | 12,199           | 12,199         |
| Thaba Chweu          | 14,927                   | 3,629          | 18,556          | 18,556           | 10,552         | 10,552         | 10,552           | 10,552         |
| Nkomazi              | 13,317                   | 3,186          | 16,503          | 16,503           | 15,094         | 15,094         | 15,094           | 15,094         |
| Bushbuckridge        | 60,599                   | (4,689)        | 55,910          | 55,910           | 51,861         | 51,861         | 51,861           | 51,861         |
| City of Mbombela     | 71,756                   | (3,187)        | 68,569          | 68,569           | 61,653         | 61,653         | 61,653           | 61,653         |
| <b>Total</b>         | <b>333,959</b>           | <b>(1,973)</b> | <b>331,986</b>  | <b>331,986</b>   | <b>271,526</b> | <b>271,526</b> | <b>271,526</b>   | <b>271,526</b> |

## Annexures to the Financial Statements - Unaudited

## Statement of transfers/ subsidiaries to public corporations and private enterprises

| Transfer allocation                                  |                 |             |                 |                 |                                  |           | Expenditure    |                 |
|------------------------------------------------------|-----------------|-------------|-----------------|-----------------|----------------------------------|-----------|----------------|-----------------|
| Name of public corporations/ private enterprise      | Adjusted budget | Adjustments | Total available | Actual transfer | % of Available funds transferred | Current   | Final budget   | Actual transfer |
|                                                      | R '000          | R '000      | R '000          | R '000          | %                                | R '000    | R '000         | R '000          |
| <b>Public corporations</b>                           |                 |             |                 |                 |                                  |           |                |                 |
| <b>Transfers</b>                                     |                 |             |                 |                 |                                  |           |                |                 |
| Independent Communications Authority of South Africa | 88              | (46)        | 42              | 41              | 97.6 %                           | 84        | 84             | 83              |
| <b>Private enterprises</b>                           |                 |             |                 |                 |                                  |           |                |                 |
| <b>Subsidies</b>                                     |                 |             |                 |                 |                                  |           |                |                 |
| Buscor                                               | 666,340         | -           | 666,340         | 666,142         | 100.0 %                          | -         | 638,459        | 638,373         |
| Great North Transport                                | 33,428          | -           | 33,428          | 33,429          | 100.0 %                          | -         | 31,995         | 31,995          |
| Megabus T/A Unitrans                                 | 85,077          | -           | 85,077          | 84,863          | 99.7 %                           | -         | 80,806         | 80,806          |
| Putco                                                | 4,051           | -           | 4,051           | 4,019           | 99.2 %                           | -         | 3,848          | 3,848           |
| Taxi Association                                     | 12,500          | -           | 12,500          | 12,500          | 100.0 %                          | -         | 12,000         | 12,000          |
| Thembalethu Bus Service                              | 9,866           | -           | 9,866           | 9,865           | 100.0 %                          | -         | 9,406          | 9,406           |
| Tilly's Bus Service                                  | 11,806          | -           | 11,806          | 11,806          | 100.0 %                          | -         | 11,298         | 11,298          |
| Provincial Bus Subsidies                             | 35,500          | -           | 35,500          | 35,484          | 100.0 %                          | -         | 36,845         | 36,845          |
| <b>Total</b>                                         | <b>858,568</b>  | <b>(46)</b> | <b>858,568</b>  | <b>858,108</b>  |                                  | <b>-</b>  | <b>824,657</b> | <b>824,571</b>  |
|                                                      | <b>858,656</b>  |             | <b>858,610</b>  | <b>858,149</b>  |                                  | <b>84</b> | <b>824,741</b> | <b>824,654</b>  |

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Annexures to the Financial Statements - Unaudited

Annexure 1G

Statement of transfers to households

| Households                               | Transfer allocation |               |                 | Expenditure     |                                  | 2024/2025     |                 |
|------------------------------------------|---------------------|---------------|-----------------|-----------------|----------------------------------|---------------|-----------------|
|                                          | Adjusted budget     | Adjustments   | Total available | Actual transfer | % of Available funds transferred | Final budget  | Actual transfer |
|                                          | R '000              | R '000        | R '000          | R '000          | %                                | R '000        | R '000          |
| <b>Transfers</b>                         |                     |               |                 |                 |                                  |               |                 |
| Employee Social Benefits: Injury on Duty | 2,791               | (647)         | 2,144           | 2,144           | 100 %                            | 768           | 768             |
| Employee Social Benefits: Leave Gratuity | 6,375               | 9,322         | 15,697          | 15,697          | 100 %                            | 15,861        | 15,505          |
| Claims Against State (Cash)              | 6,200               | 3,326         | 9,526           | 9,526           | 100 %                            | 9,828         | 9,828           |
|                                          | <b>15,366</b>       | <b>12,001</b> | <b>27,367</b>   | <b>27,367</b>   |                                  | <b>26,457</b> | <b>26,101</b>   |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Annexures to the Financial Statements - Unaudited****Annexure 1H****Statement of gifts, donations and sponsorships received**

|                            |                                                                     | 2025/2026 | 2024/2025    |
|----------------------------|---------------------------------------------------------------------|-----------|--------------|
| Name of organisation       | Nature of gifts, donations and sponsorships                         | R '000    | R '000       |
| <b>Received in kind</b>    |                                                                     |           |              |
| <b>Donations</b>           |                                                                     |           |              |
| People's Republic of China | 7 x 150KWh Diesel Generators                                        | -         | 2,450        |
| People's Republic of China | 5 x 100KWh Off-grid photovoltaic energy storage power supply system | -         | 2,000        |
| People's Republic of China | 7 x 200KWh Off-grid photovoltaic energy storage power supply system | -         | 1,750        |
| Zutari Impact Engineered   | 10 Desktop - Computer Hardware and System                           | -         | 226          |
| Zutari Impact Engineered   | 18 Desktop - Printing Equipment                                     | -         | 95           |
| Buscor (Pty) Ltd           | 5 Wheelchairs, 5 Crutches and 150 crutch rubbers                    | 19        | -            |
| <b>Total donations</b>     |                                                                     | <b>19</b> | <b>6,521</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Annexures to the Financial Statements - Unaudited**

**Annexure 3B**

**Statement of contingent liabilities as at March 31, 2026**

|                                      | Opening<br>balance<br>April 1, 2025 | Liabilities<br>incurred<br>during the<br>year | Liabilities<br>paid/<br>cancelled/<br>reduced<br>during the<br>year | Closing<br>balance<br>March 31,<br>2026 |
|--------------------------------------|-------------------------------------|-----------------------------------------------|---------------------------------------------------------------------|-----------------------------------------|
| Nature of liabilities                | R '000                              | R '000                                        | R '000                                                              | R '000                                  |
| <b>Claims against the department</b> |                                     |                                               |                                                                     |                                         |
| Road Matters                         | 38,900                              | 1,829                                         | 31,031                                                              | 9,698                                   |
| General Matters                      | 26,421                              | 3,042                                         | 29,463                                                              | -                                       |
| Government Motor Vehicle Matters     | 655                                 | 11                                            | 238                                                                 | 428                                     |
| Pothole Claims Matters               | 2,898                               | 6,983                                         | 5,848                                                               | 4,033                                   |
| Departmental Matters                 | 160,615                             | 263,231                                       | 7,108                                                               | 416,738                                 |
| Labour Matters                       | 981                                 | 1,541                                         | 2,522                                                               | -                                       |
| Transport Matters                    | 107,944                             | -                                             | 98,841                                                              | 9,103                                   |
| <b>Subtotal</b>                      | <b>338,414</b>                      | <b>276,637</b>                                | <b>175,051</b>                                                      | <b>440,000</b>                          |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Annexures to the Financial Statements - Unaudited****Annexure 4****Claims recoverable**

| Government entity                                                 | Confirmed balance outstanding |            | Unconfirmed balance outstanding |               | Total         |               |
|-------------------------------------------------------------------|-------------------------------|------------|---------------------------------|---------------|---------------|---------------|
|                                                                   | 2025/2026                     | 2024/2025  | 2025/2026                       | 2024/2025     | 2025/2026     | 2024/2025     |
|                                                                   | R '000                        | R '000     | R '000                          | R '000        | R '000        | R '000        |
| <b>Department</b>                                                 |                               |            |                                 |               |               |               |
| Agriculture and Rural Development                                 | 3,682                         | -          | 283                             | 3,539         | 3,965         | 3,539         |
| Community Safety, Security and Liaison (Mpumalanga)               | 119                           | -          | 1,013                           | 79            | 1,132         | 79            |
| Economic Development and Tourism                                  | -                             | -          | 301                             | 103           | 301           | 103           |
| Education                                                         | -                             | -          | 2,528                           | 14,210        | 2,528         | 14,210        |
| Co-Operative Governance, Human Settlement and Traditional Affairs | -                             | -          | 1,307                           | 856           | 1,307         | 856           |
| Mpumalanga Provincial Legislature                                 | -                             | -          | 1,896                           | 2,178         | 1,896         | 2,178         |
| Health (Mpumalanga)                                               | -                             | -          | 3,818                           | 4,156         | 3,818         | 4,156         |
| Office of the Premier                                             | 3,074                         | 342        | -                               | -             | 3,074         | 342           |
| Social Development                                                | -                             | -          | 19,215                          | 6,985         | 19,215        | 6,985         |
| South African Police Services                                     | -                             | -          | -                               | 50            | -             | 50            |
| Culture, Sport and Recreation                                     | 6,202                         | -          | 189                             | 2,424         | 6,391         | 2,424         |
| Mpumalanga Provincial Treasury                                    | 532                           | -          | 197                             | 1,232         | 729           | 1,232         |
| Mpumalanga Tourism and Parks Agency                               | -                             | -          | -                               | 2             | -             | 2             |
| <b>Subtotal</b>                                                   | <b>13,609</b>                 | <b>342</b> | <b>30,747</b>                   | <b>35,814</b> | <b>44,356</b> | <b>36,156</b> |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Annexures to the Financial Statements - Unaudited**

**Annexure 5**

**Inter-government contingent liabilities, accruals, payables not recognised and employee benefits**

| Government entity                                                  | Confirmed balance<br>outstanding |            | Total     |            |
|--------------------------------------------------------------------|----------------------------------|------------|-----------|------------|
|                                                                    | 2025/2026                        | 2024/2025  | 2025/2026 | 2024/2025  |
|                                                                    | R '000                           | R '000     | R '000    | R '000     |
| <b>Departments</b>                                                 |                                  |            |           |            |
| <b>Payables not recognised</b>                                     |                                  |            |           |            |
| Office of the Premier                                              | -                                | 466        | -         | 466        |
| <b>Total Departments</b>                                           |                                  |            |           |            |
| Payables not recognised                                            | -                                | 466        | -         | 466        |
| <b>Other government entity</b>                                     |                                  |            |           |            |
| <b>Contingent liabilities</b>                                      |                                  |            |           |            |
| <b>Accruals</b>                                                    |                                  |            |           |            |
| State Information Technology Agency (SITA)                         | 74                               | -          | 74        | -          |
| <b>Payables not recognised</b>                                     |                                  |            |           |            |
| State Information Technology Agency (SITA)                         | -                                | 67         | -         | 67         |
| <b>Total Other government entity</b>                               |                                  |            |           |            |
| Accruals                                                           | 74                               | -          | 74        | -          |
| Payables not recognised                                            | -                                | 67         | -         | 67         |
|                                                                    | <b>74</b>                        | <b>67</b>  | <b>74</b> | <b>67</b>  |
| <b>Total inter-government accruals and payables not recognised</b> | <b>74</b>                        | <b>533</b> | <b>74</b> | <b>533</b> |

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT  
VOTE 08  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

## Annexures to the Financial Statements - Unaudited

## Annexure 6

## Inventories

## Inventory for the year ended March 31, 2026

|                                                                                 | Note | Construction<br>and<br>Maintenance<br>Inventory | Total     |
|---------------------------------------------------------------------------------|------|-------------------------------------------------|-----------|
|                                                                                 |      | R '000                                          | R '000    |
| Add: Additions/Purchases - Cash                                                 |      | 243,539                                         | 243,539   |
| (Less): Issues                                                                  |      | (244,830)                                       | (244,830) |
| Add/(Less): Received current, not paid (Paid current year, received prior year) |      | 1,303                                           | 1,303     |
| <b>Closing balance</b>                                                          |      | <b>12</b>                                       | <b>12</b> |

|                                                                                 | Note | Construction<br>and<br>Maintenance<br>Inventory | Total     |
|---------------------------------------------------------------------------------|------|-------------------------------------------------|-----------|
|                                                                                 |      | R '000                                          | R '000    |
| Opening balance                                                                 |      | 25                                              | 25        |
| Add/(Less): Adjustments to prior year balances                                  |      | (317)                                           | (317)     |
| Add: Additions/Purchases - Cash                                                 |      | 259,296                                         | 259,296   |
| (Less): Issues                                                                  |      | (198,270)                                       | (198,270) |
| Add/(Less): Received current, not paid (Paid current year, received prior year) |      | (61,030)                                        | (61,030)  |
| Add/(Less): Adjustments                                                         |      | 296                                             | 296       |
| <b>Closing balance</b>                                                          |      | <b>-</b>                                        | <b>-</b>  |

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**  
**VOTE 08**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**

**Annexures to the Financial Statements - Unaudited**

**Annexure 7**

**Movement in capital work-in-progress**

**Movement in capital-work-in progress for the year ended March 31, 2026**

|                           | Opening<br>balance | Current year<br>Capital WIP | Ready for<br>use (Asset<br>register)/<br>Contract<br>terminated | Closing<br>balance |
|---------------------------|--------------------|-----------------------------|-----------------------------------------------------------------|--------------------|
|                           | R '000             | R '000                      | R '000                                                          | R '000             |
| Dwellings                 | 558,897            | 84,825                      | -                                                               | 643,722            |
| Non-residential buildings | 754,720            | 94,126                      | 730,879                                                         | 117,967            |
| Other fixed structures    | 2,537,019          | 1,222,615                   | 1,460,370                                                       | 2,299,264          |
|                           | <b>3,850,636</b>   | <b>1,401,566</b>            | <b>2,191,249</b>                                                | <b>3,060,953</b>   |
| <b>Computer software</b>  |                    |                             |                                                                 |                    |
| Computer Software         | 1,987              | 416                         | -                                                               | 2,403              |
| <b>Total</b>              | <b>3,852,623</b>   | <b>1,401,982</b>            | <b>2,191,249</b>                                                | <b>3,063,356</b>   |

**Movement in capital work-in-progress for the year ended March 31, 2025**

|                                             | Opening<br>balance | Current year<br>Capital WIP | Ready for<br>use (Asset<br>register)/<br>Contract<br>terminated | Closing<br>balance |
|---------------------------------------------|--------------------|-----------------------------|-----------------------------------------------------------------|--------------------|
|                                             | R '000             | R '000                      | R '000                                                          | R '000             |
| <b>Buildings and other fixed structures</b> |                    |                             |                                                                 |                    |
| Dwellings                                   | 453,403            | 105,536                     | 42                                                              | 558,897            |
| Non-residential buildings                   | 621,307            | 133,736                     | 323                                                             | 754,720            |
| Other fixed structures                      | 1,878,091          | 1,055,373                   | 396,445                                                         | 2,537,019          |
|                                             | <b>2,952,801</b>   | <b>1,294,645</b>            | <b>396,810</b>                                                  | <b>3,850,636</b>   |
| <b>Computer software</b>                    |                    |                             |                                                                 |                    |
| Computer Software                           | 1,987              | -                           | -                                                               | 1,987              |
| <b>Total</b>                                | <b>2,954,788</b>   | <b>1,294,645</b>            | <b>396,810</b>                                                  | <b>3,852,623</b>   |

