

**Department of Public Transport,
Roads and Works**

Annual Report

2005





Public Transport, Roads and Works

ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2005





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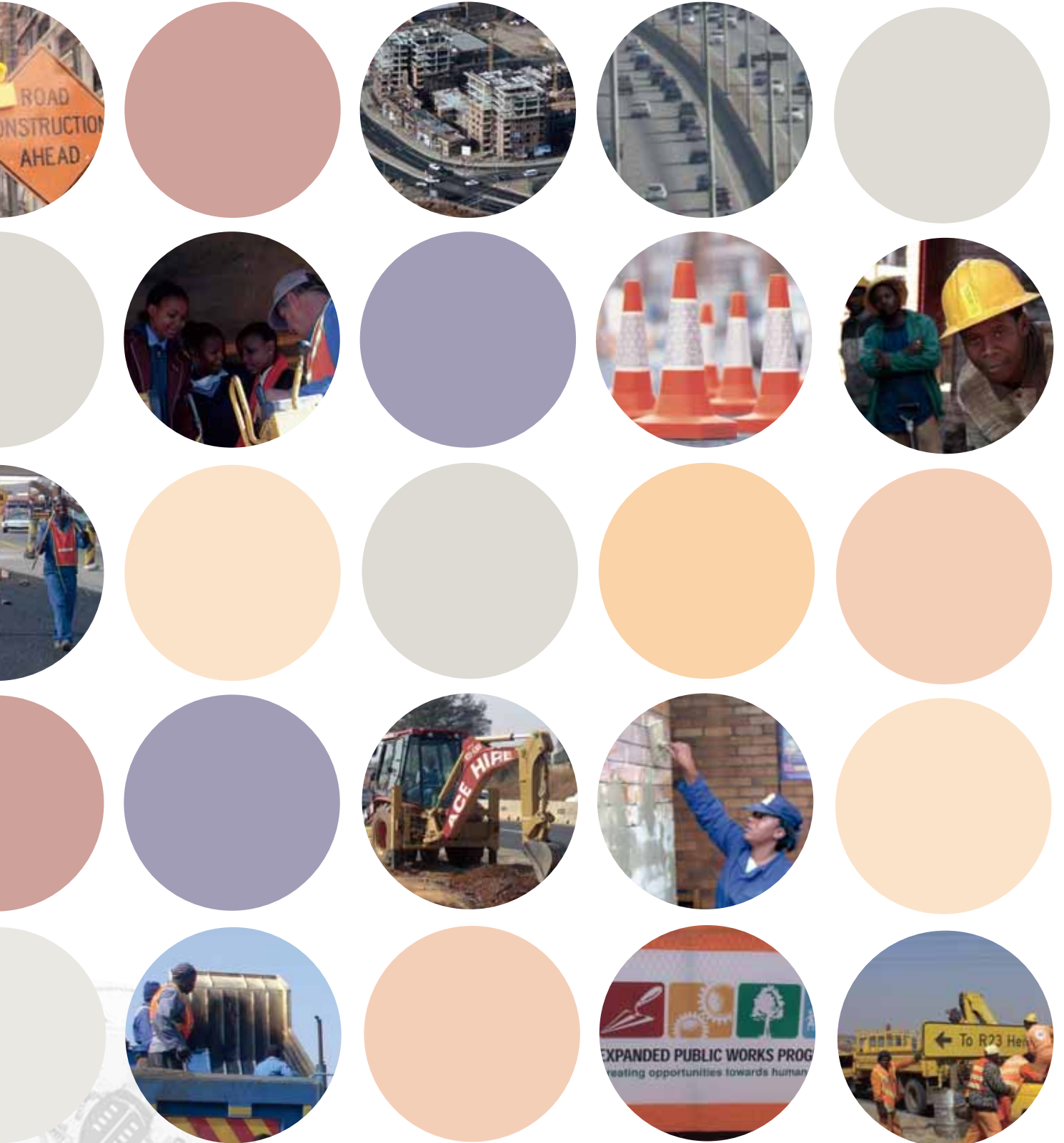
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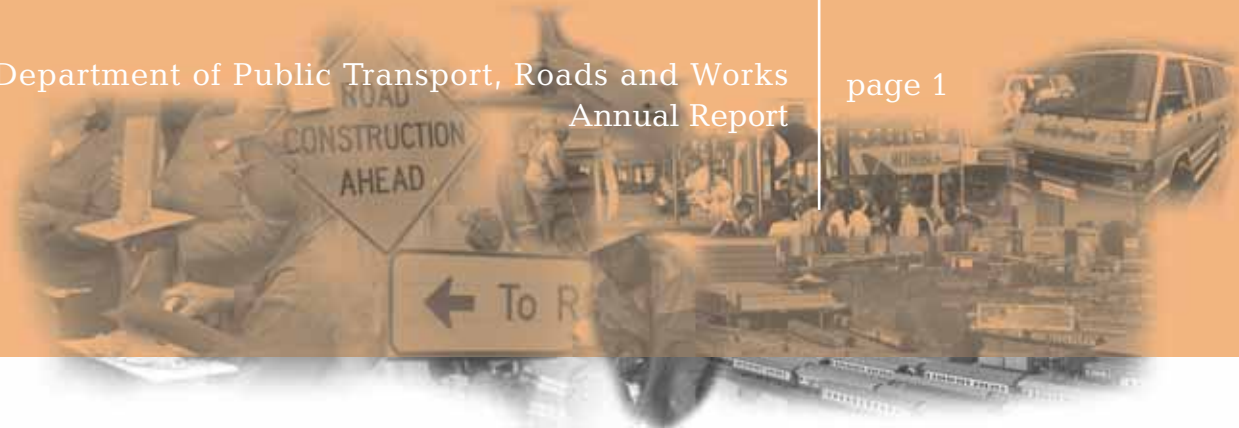
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LIST OF ACRONYMS

- MEC	Member of Executive Council
- HOD	Head of Department
- GDPTRW	Gauteng Department of Public Transport, Roads and Works
- PFMA	Public Finance Management Act
- NLTTA	National Land Transport Transition Act
- MTA	Metropolitan Transport Areas
- TAT	Transport Appeal Tribunal
- CIDB	Construction Industry Development Board
- DAC	Departmental Acquisition Committee
- DTEC	Departmental Tender Committee
- BMT	Broad Management Team
- EMT	Executive Management Team
- SCM	Supply Chain Management
- BB BEE	Broad Based Black Economic Empowerment
- SMME	Small, Medium (Micro) Enterprise
- ITP	Integrated Transport Plans
- GSPTN	Gauteng Strategic Public Transport Network
- PTP	Public Transport Plans
- PLTF	Provincial Land Transport Framework
- GIS	Geographical Information System
- BLC	Be Legal Campaign
- OLAS	Operating License Administration System
- BPM	Best Practice Model
- GOLB	Gauteng Operating License Board
- GTCF	Gauteng Transport Consultative Forum
- TCC	Transport Co-ordination Committee
- OHS	Occupational Health and Safety
- GDS	Growth and Development Strategy
- DFEA	Department of Finance and Economic Affairs
- MinMEC	Minister and Member of Executive Council
- CBPWP	Community Based Public Works Programme
- EPWP	Expanded Public Works Programme
- LIP	Labour Intensive Programme
- CFO	Chief Finance Officer
- IT	Information Technology
- PEC	Performance Evaluation Committee
- EESRC	Employment Equity and Skills Retention Committees
- NRC	Nominations and Remuneration Committee
- GPG	Gauteng Provincial Government
- CBP	Community-Based Programme
- PMRG	Project Management Resource Groups



Section One: GENERAL INFORMATION

1.1 Submission of the Annual Report to the Executive Authority

The Accounting Officer hereby presents the Annual Report for the year ended 31 March 2005 to the Executive Authority.

1.2 Foreword by the Member of the Executive Council

The financial year under review coincided with the ushering in of the country's third successful, democratic and peaceful elections. In taking over leadership of the Gauteng Department of Public Transport, Roads and Works, I have, in concurrence with senior managers in my Department, reviewed the progress made in the first decade of democracy; analysed the ongoing transport and socio-economic infrastructure challenges facing the Province and developed a 5 year Strategic Plan that will allow the GDPTRW to address the challenges and build on the successes.

My Department's goal and objectives are informed by the national and provincial priorities of halving poverty and unemployment by 2014, and creating sustainable jobs. Our approach is informed by the principles of integrated, holistic infrastructure development, the building of sustainable communities and working in partnership with all sectors of society.

We have ensured that all our programmes are geared to achieving these goals and objectives, and that the spending of our R1.7 billion budget for the 2004/5 financial year allowed us to deliver on all these programmes.

In delivering our programmes, we created over 2000 jobs and awarded 1000 long-term contracts that will be implemented over a number of years to SMME's and BB BEE enterprises, to the value of R7 billion. Our continued contribution to poverty reduction and job creation is reflected in the 5 year procurement targets we have set for ourselves in respect of BB BEE and SMME's (80%), local labour (40%), youth (5%), women (30%) and people with disabilities (5%).

My Department has registered noteworthy implementation of all our transport and public works projects, ranging from approval of local government Integrated Transport Plans to the completion of 18 Public Works projects as part of our Partnership Programme. Some of the achievements reflected in this Annual Report surpassed targets and laid a firm foundation for enhanced and increased delivery in respect of all six of our objectives.



The achievements of the 2004/5 period have contributed to:

- increasing the mobility and accessibility of Gauteng residents, particularly the poor, to transport and socio-economic infrastructure that facilitates their meaningful participation in economic and social activities;
- development of efficient and effective approaches in terms of our transport and socio-economic institutions, systems and processes towards improving the quality of services we deliver;
- increased involvement and participation of previously disadvantaged individuals in economic activities;
- further provision of essential services such as schools, clinics, water and sanitation, to the poor in our province;
- bridging the gap between the 1st and 2nd economies;
- integrating and addressing transport issues as part of overall socio-economic development plans;
- drawing significant numbers of the unemployed into productive work through the EPWP projects; and
- the Department operating as an effective and efficient service manager.

It is common knowledge that successful implementation of our programmes and sound financial management are inter-linked and inter-dependent. The alignment of our budget to our goal and strategic objectives is the first step, and I am proud to announce that the Department has completed this exercise. The establishing and implementation of effective financial management accounting and control systems is the next. I am of the opinion that these systems should serve a very important dual function of complying with the PFMA and related financial regulations, as well as internally facilitating and monitoring expenditure against delivery of services and achievement of objectives. I am also of the opinion that this approach should apply not only to our Budget Vote but also to the Major Road Plant Fund and the Government Motor Transport Trading Account for which we are responsible. In this regard, the Department continued to face challenges and work still needs to be done to ensure that our accounting and control systems for all three areas of responsibility are fully compliant and facilitative of service delivery. My Department has begun to address these challenges and as part of this process, we have created a dedicated Finance Branch and tasked them with reviewing, assessing and establishing the required financial control and accounting systems within the next financial year.

I am confident, when looking back on the past year, that my Department can and will achieve what we have set out to accomplish in the coming year, and that my dedicated and committed staff and I, will stop at nothing in terms of achieving our goal and objectives.



Ignatius P. Jacobs
MEC, Gauteng Public Transport Roads and Works



1.3 Introduction by the Head of the Department

During the 2004/5 financial year, GDPTRW successfully re-engineered its Strategic Plan, structure and operational systems at the same time as implementing a host of projects and activities aimed at attaining its goal and objectives of creating a better life for all by working together – in a people’s contract – to fight poverty and create jobs.

In the past year, we made significant progress in terms of our objective of providing accessible, affordable, reliable, integrated and environmentally sustainable public transport system. Our achievements in this regard include effective administration of the bus subsidy system, continued transformation of the taxi industry, ongoing management of vehicle registration and licensing, completion of the Gauteng Freight Databank, building and upgrading of several roads and the approval of local government Integrated Transport Plans.

Our initiatives to ensure the effective management of transport and socio-economic infrastructure related institutions and systems is reflected in the continued functioning of structures such as the Gauteng Transport Consultative Forum and the Transport Co-ordinating Committee; the establishment of transport authorities in metropolitan and district municipalities, convening and co-ordination of the Rail Planning Co-ordination Committee, implementation of the Public Passenger Liability Insurance; re-designing of bus contracts, piloting of an inter-modal facility and our Public Works Partnership Programme.

GDPTRW’s involvement in the inter-departmental team that investigated the costs and benefits of spatial planning in terms of low cost housing, its implementation of the CIDB Act, maintenance of the provincial property portfolio and completion of its Public Works Projects are some of the successes that can be attributed to the Department’s objective of supporting economic growth and investments through the provision of appropriate transport systems and socio-economic structure.

Likewise, the Department’s active participation in the drafting of Gauteng’s Growth and Development Strategy, preparations for the convening of the Inter-governmental Infrastructure Development Summit and its participation and contribution to all intergovernmental structures and processes attests to the achievement of its goal related to integrating transport and socio-economic infrastructure systems into the Gauteng Growth and Development Strategy and development plans of other spheres of government.

We have started delivering on our objective of implementing the Expanded Public Works Programme (EPWP) in a manner that optimizes employment and addresses the economic and social needs of the poor. In the past year, we continued implementation of the Community Based Public Works Programme, provided on-the-job and formal training,





provided facilitation support to some programmes and completed 36 community based projects that created 643 jobs. Just under 300 of the jobs created were taken up by women and 402 people were trained.

Without the effective and efficient management of the Department, as provided by our Corporate Services and Finance Branches, we would not have been able to deliver on any of our other objectives. The achievements of these two Branches have created a working environment that is supportive of, conducive and responsive to the demands and challenges that the Department faces in terms of accomplishing its goal and objectives. Sound management systems, processes and organisational policies and structures have been developed and established to ensure the effectiveness of GDPTRW in respect of corporate governance and corporate services.

Our Finance Branch continues to work tirelessly to consolidate and enhance the Department's financial management systems in order to achieve full compliance with the PFMA and other financial regulations and ensure 100% delivery of departmental services and implementation of its programmes. The financial management challenges facing the Department include inadequate financial personnel capacity to establish and implement the required systems and control, inappropriate placement of the government garage functions in the Transport Branch, and insufficient supporting human resource capacity and systems. The Department's decision to create a high level Finance Branch, shift the responsibilities and functions pertaining to the Major Road Plant Fund, the Government Motor Transport Trading Account and Asset Management to the Finance Branch was informed by these challenges. The placement of Supply Chain Management (SCM) function within the Finance Branch is to ensure compliance with the SCM Act. The challenges relating to the capacity of personnel will be addressed through filling of posts and staff development in the next financial year.

In conclusion, I wish to express my sincere appreciation and gratitude to all the staff in my Department for their contributions to making the 2004/5 financial year a successful and results producing period.

A handwritten signature in black ink, appearing to read 'S.B. Buthelezi'.

S.B. Buthelezi
Head of the Department
18 August 2005



1.4 Departmental Overview

The Gauteng Department of Public Transport, Roads and Works (GDPTRW) is responsible for creating the necessary transport and socio-economic infrastructural conditions that allow all the people of the Province to actively participate in economic and social life.

Goal, Vision and Mission of GDPTRW

The Goal of the Department is to:

“Ensure increased mobility and accessibility of Gauteng residents, particularly the poor, to transport and socio-economic infrastructure that facilitates their meaningful participation in economic and social activities”.

The Vision of the Department is:

“For socio-economic growth, development and an enhanced quality of life for all people in Gauteng”.

The Mission of the Department is to:

“Develop integrated, sustainable infrastructure, which promotes a people-centred, innovative, developmental public works and an accessible, safe and affordable movement of people, goods and services”.

Strategic Objectives of GDPTRW

The Department has identified six (6) strategic priorities towards achieving its goal and addressing the transport and socio-economic infrastructure development challenges of Gauteng; namely:

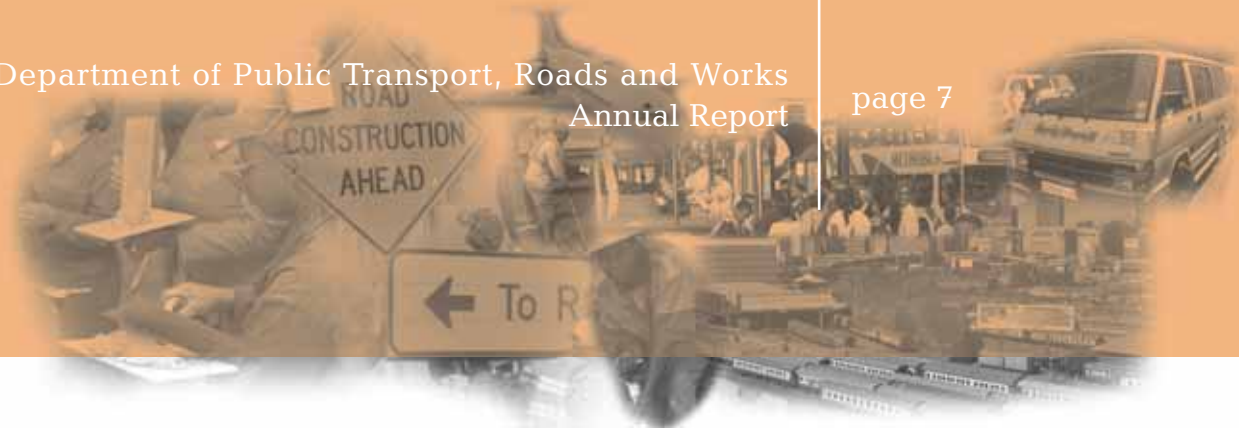
- ***Provision of an accessible, affordable, reliable, integrated and environmentally sustainable public transport system.***

The aim of this objective is to ensure a reduction in transport costs and travel time, transformation of the entire transport system, the introduction of multi-modal systems, commuter and transport carrier subsidies and the provision of quality, modern and efficient public transport that opens opportunities and access to economic activity, business and the labour market thus contributing to poverty alleviation.

- ***Effective management of transport and socio-economic infrastructure related institutions, systems and processes.***

This objective sets out to achieve a more efficient and effective approach to financing, procurement and building of transport and socio-economic infrastructure, ensure the overall management of the entire transport and socio-economic infrastructure sector and ensure that the industry operates within a framework of sound professional and business principles; delivery of appropriate services on time and at the least cost and that is representative and inclusive of all previously disadvantaged people.





- **Support economic growth and investments through the provision of appropriate transport systems and socio-economic infrastructure.**

The aim of this objective is to ensure that our transport and socio-economic infrastructure programmes support economic growth and investment within a framework that benefits the poor in our province at the same time as supporting the challenges of the mainstream economy.

- **Integrate transport systems and socio-economic infrastructure systems in the Gauteng Growth and Development Strategy and development plans of other spheres of government.**

The aim of this objective is to ensure that all future provincial and local government development plans reflect transport systems and networks as a necessary means to an end in terms of improving the quality of lives of all our citizens.

- **Implement the Expanded Public Works Programmes in a manner that optimizes employment and addresses economic and social needs of the poor.**

The aim of this objective is to provide tangible socio-economic infrastructure that addresses the needs of the poor and creates jobs, skills and ability towards sustainable involvement in the economy, in a manner that is timely, qualitative and inclusive.

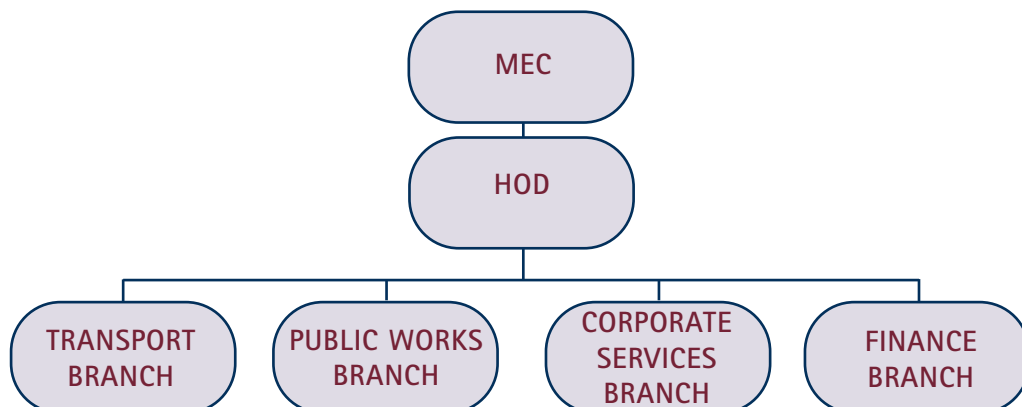
- **Efficient and Effective Management of the Department.**

The aim of this objective is to ensure that strategic and operational management of the GDPTRW is structured and functions in a manner that enables it to deliver on its strategic objectives and overall goal.



Structure of Department:

GDPTRW has realigned its structure to deliver on its goal and objectives. The new high level structure of the Department is described in the following organogram:





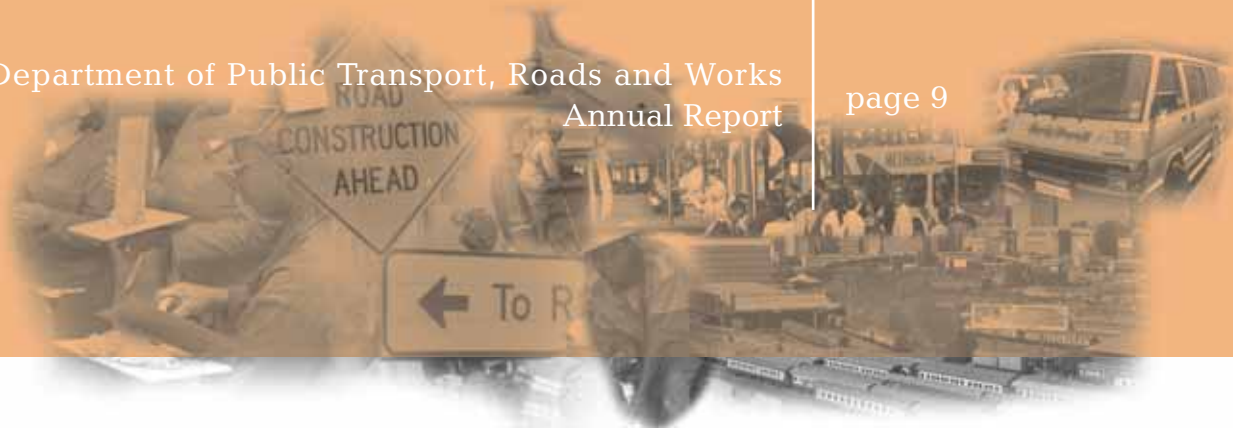
1.5 LEGISLATIVE MANDATE

The legislative mandate of the Department is derived from the Constitution of the Republic of South Africa, the Public Finance Management Act (PFMA Act) of 1999, the Public Service Act (1994) and a host of other national and provincial legislation; namely:

National Policy and Legislative Mandates:

- White Paper on National Transport Policy which addressed the issue of provision of “safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being environmentally and economically sustainable.”
- Moving South Africa which provides a vision for transport in 2020 that meet the needs of freight and passenger customers for accessible, affordable, safe, frequent, high quality, reliable, efficient and seamless transport operations and infrastructure.
- National Land Transport Strategic Framework which embodies the overarching, national five-year (2002 to 2007) land transport strategy, including guidance on transport planning and land transport delivery by national government, provinces and municipalities for this five-year period.
- National Land Transport Transition Act (NLTTA), Act 22 of 2000 which provides for metropolitan municipalities and other large municipalities to form transport authorities and makes allowance for transport areas and hence transport authorities that extend across provincial boundaries.
- Urban Transport Act, Act 78 of 1977, which provides for the planning and provision of adequate urban transport facilities, including the establishment of Transport Funds, Metropolitan Transport Areas (MTAs) and Metropolitan Transport Advisory Boards.
- Transport Appeal Tribunal Act (TAT Act), Act 39 of 1998, which establishes a Transport Appeal Tribunal to hear appeals in relation to cross-border and inter provincial services.
- Cross-Border Road Transport Act, Act 4 of 1998, which established a Cross-Border Road Transport Agency to regulate road transport (passengers and freight) across South Africa’s borders.
- Road Traffic Act, Act 29 of 1989 and National Road Traffic Act, Act 93 of 1996. The NLTTA refers to the Road Traffic Act of 1989 and National Road Traffic Act of 1996 or replacing road traffic legislation as regards vehicle standards, driver and vehicle fitness and related issues, and is intended to function within the ambit of that legislation.
- Public Finance Management Act, Act 1 of 1999, which regulates financial management in national and provincial government.
- Construction Industry Development Board Act (CIDB Act), Act 38 of 2000, which provides for the establishment of the Construction Industry Development board, which is responsible for the implementation of an integrated strategy for the reconstruction, growth and development of the contractors’ industry.
- Environmental Conservation Act, No 73 of 1989, which provides for the effective protection and controlled utilisation of the environment and for matters incidental thereto.





- Rating of State Property Act 79 of 1984, which repeals certain Acts granting exemption in respect of certain State property from rates levied on immovable property by Local Authorities; makes provision for rebates in respect of such rates levied on State property; and provide for matters connected therewith.
- Road Traffic Management Corporation Act of 1999, which provides for co-operative and coordinated governance and strategic planning, regulation, facilitation and law enforcement in respect of road traffic matters by the National, Provincial and Local Audit Officers of Government.
- Administrative Adjudication of Road Traffic Offences Act No 46 of 1998, which promotes road traffic quality.
- White Paper – Public Works: Towards the 21st Century which provides a durable strategy setting out the key Departmental programmes and demonstrates how South Africa's broader socio-economic objectives will be met through expanded investments in public works.

Provincial Policy and Legislative Mandates

- Gauteng White Paper on Transport Policy which lists a number of functional focus areas, which form the transport objectives for Gauteng.
- Gauteng Transport Legislative Framework which establishes a single over arching Transport Act for Gauteng.
- Gauteng Transport Framework Revision Act, Act No 8 of 2002, which replaces part of Chapter 3 of the NLTTA with legislation particularly relevant to Gauteng's unique circumstances and deals with transport planning systems and processes and institutional arrangements in Gauteng.
- Gauteng Public Passenger Road Transport Act, Act No. 7 of 2001, which repeals and replaces the provisions of the Gauteng Minibus Taxi-Type Services Act, and ensures that all public transport operators are registered and regulates professional operating practices and efficient law enforcement.
- Gauteng Transport Infrastructure Act, Act No.8 of 2001, which deals with the declaration of provincial roads by the MEC responsible for transport matters, including route determination, route planning, preliminary and detail design prior to the construction of provincial roads.
- Gauteng Legislation on Development Planning which provides for a single system of development, planning and management in the Province.



Section Two: PROGRAMME PERFORMANCE

2.1 Voted Funds

Appropriation R'000	Main Appropriation R'000	Adjusted Appropriation R'000	Actual Amount Spent R'000	Over/Under Expenditure R'000
1,787,446	1,581,727	1,787,446	1,751,532	35,914

Responsible MEC Mr. Ignatius Jacobs

Administering
Department Department of Public Transport, Roads and Works

Accounting Officer Mr. Sibusiso Buthelezi

2.2 Aim of the Vote

Socio-economic growth, development and an enhanced quality of life for all people in Gauteng.

2.3 Summary of Programmes

Programme	Sub-Programme
Administration	Office of the MEC Management Corporate Support
Public Works	Maintenance Property Management Workfare Job Creation
Road Infrastructure	Planning Design Construction Maintenance Job Creation: Roads Development Projects
Transport	Empowerment and Institutional maintenance Regulation and Control
Community-Based Programme (CBP)	Community Development
Traffic Management	Transport Administration and Licensing

2.4 OVERVIEW OF THE SERVICE DELIVERY, POLICY AND ORGANISATIONAL ENVIRONMENT FOR 2004/2005 – PER DEPARTMENTAL STRATEGIC OBJECTIVE

OBJECTIVE 1- Provision of an accessible, affordable, reliable, integrated and environmentally sustainable public transport system.

In the period under review the Department successfully completed a number of projects towards ensuring increased mobility and accessibility of Gauteng residents, particularly the poor to transport that facilitates their meaningful participation in economic and social



activities. Below is a summary of some of the key achievements.

- All Integrated Transport Plans (ITP's) prepared by Metropolitan and District Municipalities were submitted to the Department for approval. The plans were tested for compliance with planning requirements and guidelines. The process indicates significant progress with regard to ensuring integrated transport planning.
- The Department revisited and improved where necessary the Gauteng Strategic Road Network. Approximately 3 500 applications for township development, road accesses and relaxation of building lines were received and dealt within the statutory time frames of 21 days and 60 days, respectively.
- Steady progress was registered regarding implementation of the Gauteng Strategic Public Transport Network (GSPTN) which is the first step towards integrating minibus-taxi, bus and rail transport routes, providing commuters with accurate service information and linking all marginalized areas with the main employment centres. The GSPTN report was completed in October 2004 and the strategic public transport network developed in consultation with metropolitan and district municipalities.
- During this period the main rail co-ordination focus was passenger rail infrastructure development.
- The plan for the Germiston Station Accessibility Project was completed and construction of the footbridge at the station will commence soon. The Department has also funded the Metsweding District Council to conduct a rail passenger feasibility study with an emphasis on Rail Commuter Services.
- A status quo and situational analysis report on Airports and Airspace was completed and the Department co-ordinated role players involved in the extension of Road K97, which will improve accessibility to Wonderboom Airport. An air cargo report was also developed.
- On 5 March 2004, Provincial Departments of Transport received a mandate to promulgate their own legislation regulating the safe use of Inland Waters for recreational and other purposes. The Department developed and completed a status quo report on Inland Waters in Gauteng in January 2004, and was part of a National Steering Committee developing legislation for the regulating of all inland waters in South Africa.
- The Gauteng Freight Databank was completed and a draft freight framework compiled. Following the development of the databank, a freight transport corridor study was conducted, with information mapped on a geographical information system (GIS). The Department was part of a stakeholder task team recommending improvements at the City Deep Container Terminal.
- In respect of Public and Passenger Liability Insurance, a policy document was drafted and applicants under the Be Legal Campaign (BLC) collected their permits. During the year under review, 4 402 permits were collected.
- The management of vehicle registrations and licensing, driving license testing and the testing of vehicles for roadworthiness in Gauteng is the responsibility of the Department. Barring motor vehicle owners from doing any transactions on NaTIS when license fees are outstanding had the desired effect. The unlicensed vehicle population decreased from 93 074 in April 2004 to 80 243 at the end of March 2005. The implementation of the new operating license system called Operating License Administration System (OLAS), as required by the National Department of Transport, progressed well. A Best Practice Model (BPM), intended to eliminate fraud and corruption, reduce the turn around time and improve productivity, was advanced in the year under review. A document tracking





system, which is intended to track progress of applications and the performance of staff members, was piloted for implementation during the next financial year.

- In terms of the taxi industry 149 of the 194 primary associations operating within Gauteng were conditionally registered and the Gauteng Operating License Board (GOLB) has granted operating licenses to applicants. The process of legalising operators in the metered taxi industry is underway. Capacity building initiatives with the taxi industry, ranging from funding for public transport to negotiation, mediation and dispute resolution skills was continued.
- In terms of buses, the Department continued to administer bus subsidies worth R788 500 000 for more than one million commuters travelling to work. This translates to 24 tendered and 7 interim contracts serviced by approximately 2 000 buses. The Bus Rationalisation and Restructuring Plan for the City of Tshwane was developed.
- In terms of modal integration, the development of a provincial accessible transport strategy was started, a database for the registration of learner transport operators was created and a learner transport strategy was developed.
- The total amount (R 132,917 million) of the conditional grant received from National Treasury for maintenance of transport infrastructure purposes was spent on various rehabilitation and resurfacing projects. The rehabilitation of road P139/1 is 40% complete and the rehabilitation of road K69 is completed. The resurfacing of roads P156/2 & P202/1 is 60% complete and that of P66/2 phase 2 is 40% complete. The resurfacing of roads 83, 1321, 1132 and P174/1 has been completed.
- The budget of the directorate responsible for design was reduced by 6%, impacting on its delivery. Despite this, the Department assisted local authorities to improve roads in previously disadvantaged areas and signed agreements for almost the full allocated amount. The design of Roads D540, D101 and the K26 in the Cradle of Humankind was completed and construction of these roads was started.

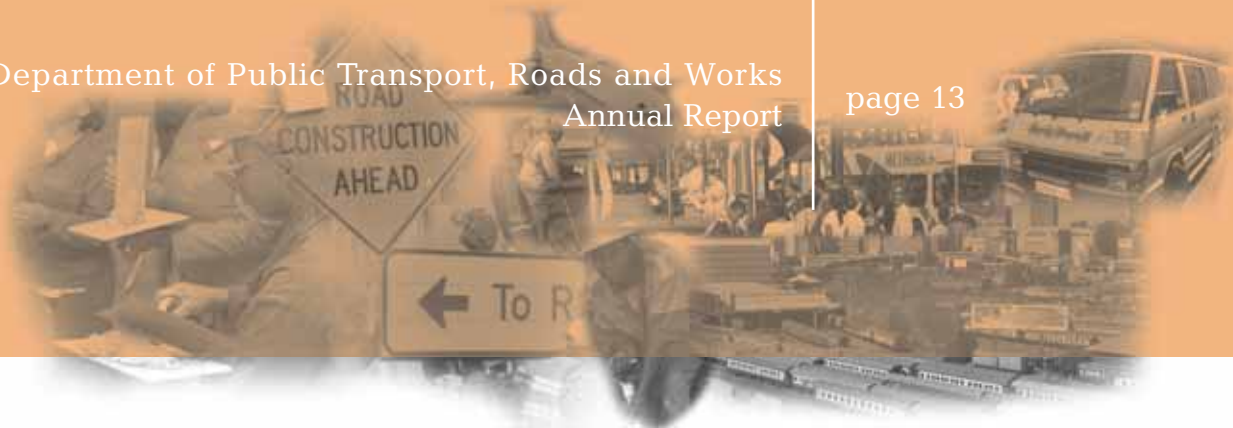
In the period under review, functions related to traffic management was moved from GDPTRW to the Department of Community Safety. The budget for this function was transferred during August 2004.

OBJECTIVE 2: Effective management of transport and socio-economic infrastructure related institutions, systems and processes.

In terms of effective management of transport institutions, systems and processes, the Department registered the following achievements:

- The Gauteng Transport Consultative Forum (GTCF) and the Transport Co-ordination Committee (TCC) continued to meet and perform their functions. A literature study and status quo report on the methodology and implementation of developer contributions by municipalities was completed and the literature study for the Traffic Impact Assessment Manual, plus an investigation into current practice in South Africa, was started.
- In terms of the creation of transport authorities in each metropolitan and district municipality in the Province, the Cities of Johannesburg and Tshwane Metropolitan Councils presented their proposals regarding the establishment of transport authorities to the MEC. The Ekurhuleni Metropolitan Council and the West Rand District Municipality also started investigating the implications of creating a transport authority





for their areas of jurisdiction.

- In terms of rail, the Department convenes and co-ordinates the Rail Planning Co-ordination Committee which includes all the relevant role players.
- The Department continued to administer, regulate and control public passenger road transport as outlined in the Gauteng Public Passenger Road Transport Act, 2001, and provide support services to the GOLB and the Gauteng Provincial Transport Registrar.
- The Department implemented the Compulsory Public Passenger Liability Insurance project to promote and enable professionalism in transportation of commuters and safe and reliable public transport; implement one common Liability Insurance for all operators and commuters; curb illegal operations and provide minimum requirements and standards in relation to insurance related issues.
- To ensure service delivery closer to communities, the Department has established Metropolitan/District Council Administrative Offices, referred to as TOLABS. The TOLAB in Ekurhuleni Metro was established. The process of establishing TOLABS in the West Rand District Municipality, Sedibeng District Municipality and the City of Johannesburg was started in the year under review.
- The bus subsidy payment system was implemented, and bus contracts were redesigned in line with passenger demand processes and integrated transport planning.
- To enhance modal integration, a stakeholder platform and database was developed to ensure effective implementation of the intermodal facility pilot projects in Gauteng.

In terms of institutions, processes and systems relating to Public Works and socio-economic infrastructure, the Department's achievements include:

- Working closely with other departments and with local government to develop an integrated approach to social infrastructure development projects, and co-funded some projects such as the building of a sports centre in Orange Farm.
- The Partnership Programme, aimed at forming working relations with other spheres of government and the private sector, implemented a total of 18 projects, of which 17 were jointly done with other departments and local government. The construction of a library and community hall in White City, Soweto included a partnership between Johannesburg Metro and Vodacom.
- The Department convened monthly progress meetings with Client Departments and with project managers and co-ordinators to ensure joint monitoring of implementation of their public works projects,
- The Department appointed a number of Project Management Resource Groups to assist Project Managers in the implementation of projects.

OBJECTIVE 3: Support economic growth and investments through the provision of appropriate transport systems and socio-economic infrastructure.

The Department was involved in an inter-departmental investigation into the costs and benefits of spatial planning in terms of low cost housing, which has traditionally translated into new settlements being located in areas which are remote from public transport services and job opportunities. The completed study included recommendations that a significant portion of the dwelling units should be provided at increased residential densities to meet the housing backlog; the higher density housing should be delivered in the most cost-beneficial areas of medium and high suitability land; cost data should be augmented; and funding levels



should be increased. This approach will significantly reduce travel distances, times and the cost of transport to householders, and will make the supply of more frequent public transport services viable.

The CIDB Act, which introduced categories for improved adjudication of contractors at tender evaluation stages facilitated improved service delivery through better selection of capable contractors to undertake capital works. Furthermore, the Act simplified the contractual environment for new entrants into the industry. The adoption of the JBCC contract model for capital works implementation also improved service delivery as no cash guarantee was required and contractors were able to dedicate more financial resources to actual construction activities.

The Department continued to efficiently maintain the provincial property portfolio by engaging both internal resources and external service providers. Mechanical and electrical work was outsourced on periodic contracts, resulting in a minimisation of the Department's risk regarding compliance to the Occupational Health and Safety Act (OHS Act) requirements.

In particular, the Public Works Branch of the Department:

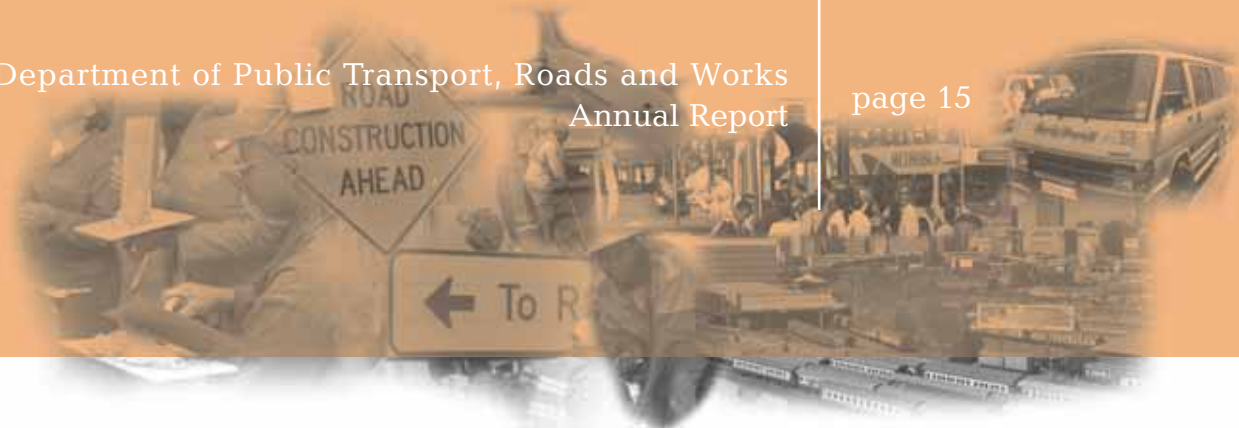
- compiled databases of "as built" drawings for 4 institutions;
- produced 5 site development plans per institution;
- developed standardised designs for building of clinics, etc;
- Completed 6 project plans per institution;
- Implemented 20 high content labour intensive projects to budget;
- Approved 21 technical documents and handed over 15 sites to contractors;
- Ensured 32% labour content in projects;
- Implemented 10 job specific training interventions;
- Conducted 125 construction project visits;
- Completed 18 infrastructure backlog projects; and
- Created 1285 jobs, of which 34% went to youth and 22% to women.

South Africa's hosting of the 2010 FIFA World Cup creates extensive transport and socio-economic infrastructure needs and opportunities. In the past year, the Department appointed a Task Team to co-ordinate transport arrangements in preparation for the World Cup. To further enhance this process a provincial task team was set up to ensure a coordinated approach between local and provincial government, and identify legacy projects.

OBJECTIVE 4: Integrate transport systems and socio-economic infrastructure systems in the Gauteng Growth and Development Strategy and development plans of other spheres of government.

During the period under review, GDPTRW actively participated in the development and drafting of Gauteng's Growth and Development Strategy (GDS). As a member of the drafting task team working under the leadership of the Gauteng Department of Finance and Economic Affairs (DFEA), the Department significantly contributed to the development of the draft GDS and its presentation at a multi-stakeholder Summit that was convened in November 2004. The Summit, attended by over 200 stakeholders discussed and debated the Draft GDS and mandated the Gauteng Provincial Government (GPG) to finalise and launch the GDS by April 2005. In particular the Department's contributions relating to transport and socio-economic





infrastructure systems and plans are reflected in the mechanisms and strategic levers listed in the GDS.

In the year under review, the Department also began preparations for an Inter-Governmental Infrastructure Development Summit that was scheduled to be convened in the new financial year.

The Department continued to actively and consistently participate in MinMEC meetings and other such inter-governmental structures towards ensuring that transport and socio-economic infrastructure issues are integrated into the systems and development plans of all spheres of government; and enhancing cooperative governance.

OBJECTIVE 5: Implement the Expanded Public Works Programmes in a manner that optimizes employment and addresses economic and social needs of the poor.

The Community Based Public Works Programme (CBPWP) continued to be implemented with noteworthy success in terms of the conceptualisation, planning and implementation of community infrastructure such as multi- purpose centres, sports facilities, access roads etc. Implementation continued within the framework of good quality infrastructure that addresses basic needs of the community, using highly labour – intensive construction methods, in a cost effective manner; promoting a high degree of community participation, thereby leading to community empowerment and community ownership of assets; targeting the most needy and contributing to capacity building of beneficiary communities through on-the-job training and formal training. The CBPWP also provided facilitation support to implementation of Labour Intensive Projects (LIP) and management support to the implementation of Zivuseni Programme. Seven (7) projects were completed in Johannesburg Metro, nine (9) in Merafong, Mogale and Randfontein, seven (7) in Ekurhuleni Metro, four (4) in Sedibeng, Emfuleni and Midvaal; eight (8) in Tshwane Metro and one (1) in Mtesweding. A total of 643 jobs were created in these CBPW Programmes, with just under 300 allocated to women. In addition, 402 people were trained as part of the Department’s capacity building and community empowerment initiatives.

In addition, the Department continued to support CBPWP/EPWP initiatives such as Women in Construction, the Incubator Programme, the Emerging Contractor Development Programme and the Gauteng LIP.

Most importantly, the Department engaged in all the necessary processes regarding conversion of all CBPWP into EPWP; establishing EPWP management and coordination structures; identifying new projects, setting targets and development of project plans towards ensuring that EPWP does indeed significantly contribute to reducing poverty and unemployment.

OBJECTIVE 6: Efficient and Effective Management of the Department.

The Corporate Services and the Finance (CFO) Branches of the Department focused its activities on ensuring that all the strategic operational and financial management mechanisms and systems required for delivery of GDPTRW’s goal and objectives were established and functioning at optimal efficiency and ensuring that the Code of Ethics in respect of the 8





Batho Pele principles were adhered to. These branches are also ultimately responsible for ensuring that the Department achieves its transformation targets and priorities, thereby contributing to national transformation targets and priorities, particularly in respect of reducing poverty and unemployment and creating long-term sustainable jobs.

Noteworthy achievements during the period under review include:

- The development of a Strategic Plan for the Department with a clearly defined goal and 6 strategic objectives that are aligned to national and GPG's political priorities.
- The re-alignment of the Department's budget to the Strategic Plan.
- The appointment of the entire complement of high level senior managers.
- The creation of the Finance Branch to comply with the requirements of the SCM Act that makes the CFO responsible and accountable for departmental supply chain management, and to address the challenges the Department faces in respect of its financial management systems.
- The realignment of the Corporate Services Branch to address all issues related to sound human resource management; the provision of relevant and effective communication, liaison and Information Technology (IT) services to the MEC and the Department; integrated district coordination; the provision of appropriate policy, legislation, other legal services, research and analysis to the MEC and the Department.
- Enhanced good corporate governance practices of the Department through the development of a number of organisational policy documents and charters and the establishment of structures to ensure appropriate internal controls, risk management and focus on service delivery.
- The development and implementation of an internal and external communication strategy that ensures the regular and accurate provision of information on the Departments service delivery projects to the public and other stakeholders.
- The review, assessment and re-design of internal controls and systems to ensure the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the Departments assets, including the establishing of a Financial Inspections Unit within its Risk Management Directorate.
- The approval and implementation of the Department's Risk Management Strategy, Supply Chain Management (Procurement) Policy; Tender Adjudication Policy and financial delegations.
- The establishment of the EMT, the BMT, the DAC; the DTEC; the Performance Evaluation Committee (PEC), the Employment Equity and Skills Retention Committee (EESRC). The Moveable Assets Committee (MAC) and the Nominations and Remuneration Committee (NRC).
- The setting of 5 year procurement targets in respect of BB BEE and SMME's (80%), local labour (40%), youth (5%), women (30%) and people with disabilities (5%).
- The granting of 200 long-term contracts (i.e. to be implemented over a few years) to SMME's to the value of R2.5 billion or 45% of total contracts value.
- The awarding of 800 long-term contracts (i.e. to be implemented over a few years) to BB BEE to the value of R4.5 billion or 60% of total contracts value.
- Implementation of the Incubator Programme, in collaboration with accredited training institutes, to assist SMME's to participate in the main stream economy and the Department's tender processes.
- The registering of 2 035 contractors in terms of the CIDB.



The total staff complement of the Department for the period under review was 5005. Thirty-three (33) of the (forty nine (49) professional and managerial posts were filled. The Department did not have any excess staff in this period.

Summary of post vacancies and supernumeraries

Staff Categories	Number			Average Annual change
	2003	2004	2005	
Total staff complement	4119	4000	3118	-22,05%
Number of professional and managerial posts	33	37	49	32,43%
Number of professional and managerial posts filled	28	29	33	13,79%
Number of excess staff	Nil	Nil	Nil	Nil

Key expenditure indicators

Category of expenditure	Percentages or Rand (000's)			Average Annual change
	2003	2004	2005	
Personnel expenditure as % of total expenditure	315 676	416 423	301 332	-27.64%
Expenditure on maintenance of buildings as a % of total expenditure	185 994	195 705	362 284	85.12%
Expenditure on maintenance of road infrastructure as a % of total expenditure	389 200	306 742	348 252	13.53%

Progress with promoting SMMEs and BEE

Category of expenditure	Percentage/Rands/Numbers			Average Annual change
	2003	2004	2005	
Encouragement of Small business				
Number of contracts to SMMEs	400	600	800	33,3%
Total value of contracts to SMMEs	R 500 000	R 800 000	R 2 500 000	212,5%
% of total contracts to SMME's by value	30%	40%	45%	15%
Encouragement of Black Economic Empowerment				
Number of contracts to BEE	200	350	800	128,6%
Total value of contracts to BEE	R 1 500 000	R 2 500 000	R 4 500 000	80%
% of total contracts to BEE by value	40%	55%	60%	20%
% of total budget to BEE	30%	50%	60%	





2.5 CHALLENGES AND RESPONSES

The key challenges experienced by the Department and managements responses to them are listed in the table below:

CHALLENGES	RESPONSES
Debt collection for provision of Government vehicles.	Client Liaison officers were appointed to deal Finance Branch.
Retention of scarce skills.	Developing a skills retention Strategy for implementation in the 2005/2006 financial year. Strategy based on DPSA framework of 2004.
Implementation of the HR information system.	Liaison with GSSC to activate and complete SAP system for monthly management reports.
Decrease in internal technical capacity to maintain the Provincial property portfolio.	Outsourcing of mechanical and electrical work on periodic contracts.
Insufficient planning and project management capacity within the Department to implement Public Works projects.	Appointment of Project Management Resource Groups (PMRG) to assist project managers in implementation of projects.
Effective monitoring and evaluation of EPWP projects.	Convening of monthly meetings with client departments, project managers and project coordinators. Engaging national EPWP to utilize its monitoring system.
Inadequate financial management accounting and control systems	Creation of high level Finance Branch. Transfer of Major Road Plant Fund and Government Motor Transport Trading Account functions to the Finance Branch. Inclusion of Supply Chain Management (SCM) functions within the Finance Branch to ensure compliance with the SCM Act. Review and re-design of all systems. Staff development plan to address capacity issues.

2.6 OUTLOOK FOR THE COMING YEAR


In the coming year, the Department plans to intensify and increase its service delivery outputs in respect of transport, public works and socio-economic infrastructure and consolidate its management systems and processes. The achievements of the past year will be enhanced, and some new projects will be initiated to ensure achievement of the Department's goal and objectives and in particular, the Department's contribution to reducing poverty and unemployment and creating jobs.

OBJECTIVE 1: Provision of accessible, affordable, integrated and environmentally sustainable public transport system.

In the next financial year, the Department will:

- Continue to develop a public transport system that fits in with rapid urbanization and development as well continues to contribute to building sustainable communities.
- Continue to issue operating licenses, advertise applications and convene GOLB meetings.
- Work towards meeting its targets of a 5% reduction in costs for users of public transport; 5% reduction in traveling time using public transport and 5% reduction in transferring during public transport trips.
- Begin implementation of the Gautrain Project which can serve as a catalyst for public transport transformation.



- 
- Implement a pilot project for the taxi recapitalization process by September 2005.
 - Complete the doubling of the William Nichol highway by April 2006.
 - Update the detailed design for the doubling of the K15 by the end of 2005 and begin construction by March 2006.
 - Double the Heidelberg Road from a single to dual carriageway in Brakpan by September 2005.
 - In partnership with the JRA and Sunninghill Forum, upgrade Rivonia Road in the vicinity of Sunninghill in Sandton.
 - In partnership with the JRA upgrade the K29 from Kya Sands to Sandspruit.
 - Complete the rehabilitation of the staggered intersection between Krugersdorp and Ventersdorp by July 2005.
 - Complete the rehabilitation and upgrading of the K14, by October 2006, in partnership with DACE.
 - Develop and implement a policy with respect to ensuring efficiency and the protection of commuters and our roads. The policy will also deal with the key inland port for freight which may be located in City Deep.

OBJECTIVE 2: Effective management of transport and socio-economic infrastructure related institutions, systems and processes.

- Intensify its Be Legal Campaign in the media to notify applicants that their permit/operating licenses are due for collection. This is aimed at increasing the number of permits collected.
- Launch and functioning of a fully-fledged Taxi Academy, in conjunction with the Transport Education and Training Authority, by January 2006.
- Conduct an awareness campaign on the new sectoral determination aimed at bringing the taxi industry in line with all other sectors
- Transform our administration of the bus subsidy to provide better service for commuters and increase the number of bus providers that tender for services.
- Restructure and align the new bus contracts to other transport services by March 2006.
- Develop the key pillars of an integrated transport system by November 2005.
- In partnership with SANRAL, implement the intelligent transport systems pilot project on the Ben Schoeman freeway by the end of the next year.
- Establish the necessary Public Works and EPWP management and coordinating structures.

OBJECTIVE 3: Support economic growth and investment through the provision of appropriate transport systems and socio-economic infrastructure

- Convene the Inter-Governmental Infrastructure Development Summit towards ensuring integrated socio-economic infrastructure planning and development between all spheres of government.
- Ensure that all our transport and socio-economic infrastructure programmes continue to support economic growth and investment within a framework that contributes to bridging the gap between our 1st and 2nd economies.
- Gauteng Provincial Government and Local Government in the Province will collectively invest about R50 billion over the next 5 years for infrastructure development across the Province.
- Ensure that the provision of appropriate transport systems and socio-economic infrastructure contributes the following in respect of reduction of poverty and



unemployment and creation of jobs: 120 000 jobs, 5% reduction in poverty levels, 40% procurement spend on BB BEE and SMME, 50% increase each, in involvement of women, youth and people with disabilities.

- Create 4105 jobs in its roads programme in the coming year.
- Ensure a minimum labour content of 15% in all public works programmes by April 2006.
- Establish an Integrated Capital Infrastructure Planning, Monitoring and Reporting System for Gauteng by the end of 2005

OBJECTIVE 4: Integrate transport systems and socio-economic infrastructure systems in the Gauteng Growth and Development Strategy and development plans of other spheres of government.

- Contribute to the finalization of the GDS and the launch thereof.
- Ensure that transport systems and networks are intertwined into over-all socio-economic development in Gauteng and that socio-economic development occurs within a holistic, inclusive and sustainable framework and approach.
- Continue to actively participate in all inter-governmental coordinating structures and processes; and where necessary, lead on these.
- Implement the transport and public works related strategic levers identified in the GDS.

OBJECTIVE 5: Implement the expanded works programmes in a manner that optimizes employment and addresses economic and social needs of the poor.

- Continue contributing to broadening access to infrastructure services, job creation and generally raising the standard of living of previously economically and socially disadvantaged groups.
- Finalise and adopt a provincial EPWP strategy and programme.
- Establish the management structure required for appropriate centralized co-ordination and speedy, qualitative service delivery.
- Establish an EPWP Unit to monitor and co-ordinate the ongoing implementation and expansion of the programme at all levels.
- Launch EPWP projects to the value of at least R100 million in targeted underdeveloped zones, by September 2005.
- Complete the evaluation of all current CBPWP projects and ensure their facilitation, transformation and implementation into the Department's broader EPWP strategy and framework, by March 2006.
- Increase in BB BEE and SMME participation in EPWP projects, including of youth, women, people with disabilities and local labour.
- Work towards achieving its EPWP targets in respect of number of projects, job creation, poverty reduction, etc.
- Deliver on its Public Works Service Level Agreements with client departments.

OBJECTIVE 6: Efficient and effective management of the Department

- Ensure that the Department is functioning with a full quota of staff by continuously ensuring that all vacant posts are filled.
- Ensure continued alignment of the Department's budget and operational plans to its Strategic Plan.
- Review, assess and re-design all financial accounting and control systems to enhance sound financial management, reporting and accountability of the Department in



- compliance with the PFMA and other financial policies and regulations.
- Ensure achievement of the Department's targets in respect of BB BEE & SMME's; local labour, women, youth and people with disabilities.
 - Enhance sound human resource management of the Department.
 - Enhance good corporate governance of the Department.
 - Ensure that the policies, legislation, legal opinions and services of the Department is supported by research and analysis
 - Ensure that the Department's IT systems are functioning at optimal level
 - Increase the regular and accurate communication and liaison regarding Departmental programmes to the public and other stakeholders.

2.7 DEPARTMENTAL RECEIPTS

The table below reflects the Department's revenue collection for the period under review. License fees to the value of R1 159 941 120 was collected for the 2004/2005 financial year. This amount exceeds the target of R1 009 362 000.

Departmental Revenue R'000	Actual Collection 2004	Budget Collection 2005	Actual Collection 2005	% Deviation from Target
Current Revenue				
Tax revenue	944 929	761 155	786 806	3%
Non-tax revenue	31 866	17 572	24 897	42%
Capital Revenue		14 831	21 540	45%
Departmental revenue	976 795	761 560	833 243	9%

2.8 DEPARTMENTAL PAYMENTS

The table below reflects Departmental payments for the period under review.

Programmes	Voted 2004/5	Roll-overs and Adjustments	Virement	Total voted	Actual Expenditure	Variance
Administration	103 667	-	919	104 586	105 457	(871)
Public Works	938 004	-	(36 905)	901 099	870 181	30 918
Road Infrastructure	570 694	-	35 986	606 680	606 680	-
Public Transport	66 498	-	-	66 498	64 697	1 801
Traffic Management	63 196	-	-	63 196	63 106	90
Community Based Programmes	45 387	-	-	45 387	41 412	3 975
Total	1 787 446	-	-	1 787 446	1 751 532	35 914



2.9 SERVICE DELIVERY ACHIEVEMENTS

The Province's Property Portfolio by Department

State Owned Portfolio	Land ¹				Buildings	
	Number of properties	Number of vacant urban properties	Number of unutilised rural properties	Total number of hectares	Number of properties with buildings	Square Meters of building
Health Department	-	-	-	-	2	33,596
Social Development Department	-	-	-	-	2	5,700
DPTRW	-	-	-	-	1	21,887
Premiers Office	-	-	-	-	1	16,331
GSSC	-	-	-	-	1	35,557
Community Safety	-	-	-	-	1	46,786
Local Government	-	-	-	-	1	22,704
Other Clients Combined	-	-	-	-	3	32,372
Unutilised (Vacant)	-	-	-	-	6	15,937

The Province's Leased Portfolio by Department

Leased Portfolio	Land ²		Building		Cost to Government in R'000
	Number of properties leased	Total number of hectares	Number of buildings	Square meters of building	
Health Department	-	-	49	39,370	1,342
Education Department	-	-	21	78,544	3,306
Social Development Department	-	-	49	33,732	1,254
Other clients combined	-	-	52	230,484	6,006
Unutilised	-	-	-	-	-

The condition of Government Buildings by Department

	Condition of State Owned Buildings (Number and Percentage)										Total
	Very Good		Good		Fair		Poor		Very Poor		
Health Department	1	1%	8	8%	52	52%	23	23%	16	16%	100%
Education Department											
Social Development Dept.			9	53%	4	23,5%	1	6%	3	17,5%	100%
Other clients combined	13	3,5%	25	6,8%	136	37%	173	47%	21	5,7%	100%
Utilised											

¹ The Department of Public Transport, Roads and Works are the custodian of immovable assets with the exclusion of land which is being administered by the Provincial Local Government as per the Gauteng Land Administration Act of 1996

² Please refer to the above

Demand for New Space

New demand for space	Number of square metres	Planned Capital Expenditure 2004/05			
		Budget R'000	Actual	Deviation from Target	
				Unit	%
Health Department total		327,667	186,933	140,734	43%
• Hospitals (specify by name)					
Chris Hanu Bara	5	54,176	25,963	28,213	52%
Coronation	1	6,149	3,452	2,697	44%
Edenvale	1	1,398	303	1,095	78%
Far East Rand	1	2,964	3,304	-340	-11%
Garankuwa	1	900	83	817	91%
JHB Gen	1	1,808	1,543	265	15%
Germiston Hospital	1	5,080	1,507	3,573	70%
Kalafong	2	29,472	17,552	11,920	40%
Mamelodi		18,873	10,664	8,209	43%
Pretoria Academic	1	24,923	21,892	3,031	12%
Sebokeng		10,034	5,036	4,998	50%
Sizwe		3,089	2,253	836	27%
Sterkfontein		754	1,062	-308	-41%
Tambo Memorial		527	566	-39	-7%
Tembisa	3	1,963	6,306	-4,343	-221%
Weskoppies	2	13,123	8,273	4,850	37%
Zola	1		5,310	-5,310	-100%
• Clinics (give number)	8				
• Other		33,837	20,005	13,832	41%
Various alterations and refurbishments		118,597	51,859	66,738	56%
Education Department total					
• Primary schools					
• Secondary schools					
• Other					
Social Development Department total		6,571,000	3,342,871		49%
Secure Care facilities	5	6,571,000	3,342,871		49%
Other					
Other clients combined					
• Details by department					
DACEL		30,885,227	6,318,612	24,566,615	80%
SRAC		851,173	2,233,558	-1,382,385	-162%
PTR&W		27,808,058	27,890,117	-82,059	0,30%
LIP		17,309,000	12,432,299	4,876,701	28%
GG Precinct		0	7,405,354	-7,405,354	-100%



Community Based Public Works Programme

The programme was to deliver the following Key Performance Areas:

Key Performance Area	Objective	Target	Archieved
Addressing infrastructure backlog	Completed, functioning facilities utilised for their intended purpose	18 Projects	18
Capacity building and community empowerment	Developed skills utilised for construction of projects	540 trainees to be trained	402 trained
Extension of facilitation to other programmes	Ensure that community development runs smoothly	3 Programmes	3 Programmes
Facilitation of job creation	Creation of short-term employment and sustainable jobs	1260 jobs to be created	1285 created
Facilitation of partnership projects with local government, other departments and private sector	Implement the Intergrated Development plan	18 Projects	18 Projects
Financial controls and budgeting	Allocated budget spent in a financial year	R45 387 000	R44 407 146
Human Resource development	Providing relevant training to the staff	15	11

The condition of government buildings by department

Performance Measure	Actual Outputs 2004	Target Outputs 2005	Actual Outputs 2005	% Deviation from target	
				unit	%
GAUTENG PROVINCE					
Highways (no of km)					
Surfaced Roads (excluding highways) (no of km)	15	19	10	km	52.6
Gravel Roads (no of km)					
Un-surfaced dirt roads (no of km)					
Bridges with span - 6 metre (no.)	1	5	5	No	0



Maintenance of Road Infrastructure

Measurable Objective	Performance Measure or Indicator	Base year 2004		2005	
		Target	Actual	Target	Actual
Input					
MTEF Budget	Rand	376 086	376 086	391 682	406 929
Process					
Multi year program and routine	Timeframe and km	1 756	1 756	1 846	1 846
Output					
Reseal tarred roads	No of km	124	124	100	90
Rehabilitation of tarred roads	No of km	31	31	110	99
Blade roads	No of km	1 481	1 481	1 481	1 481
Re-gravel roads	No of km	120	120	155	155
Labour content	%	18%	18%	30%	30%
Quality					
Projects completed according to OCTO specifications	Indicators according to COTO specifications - %	100	100	100	100
Efficiency					
% of projects completed according to Multi year program	%	100	100	100	100
Outcome					
Condition of the existing road network	%	32%	41%	43%	35%

Demand for and performance of Community Projects by Region

Magisterial Districts	Number of unemployed people			Community based programmes			
	Female	Male	Total	Number of projects 2005	Number of person days employment created		
					Female	Male	Total
JHB Metro	35,8%	64,1%	100%	7	24 jobs	43 jobs	67 jobs
Merafong, Mogale City and Randfontein	75,1%	24,8%	100%	9	139 jobs	46 jobs	185 jobs
Ekurhuleni Metro	42,2%	57,6%	100%	7	36 jobs	49 jobs	85 jobs
Sedibeng, Emfuleni and Midvaal	22,7%	77,2%	100%	4	10 jobs	34 jobs	44 jobs
Tshwane Metro	35,8%	64,1%	100%	8	82 jobs	147 jobs	229 jobs
Metsweding		100%	100%	1	0 jobs	33 jobs	33 jobs



Poverty Eradication and Emerging Contractor Development

Measurable Objective	Performance Measure	Actual Outputs 2004	Target Outputs 2005	Actual Outputs 2005	Deviation from Target	
					Unit	%
Input						
Process						
Number of training programmes	540 local people to be trained	420	540	402	138	26%
Output						
Number of employment days created	1260 jobs to be created	506	1260	1285	(25)	102%
% of employment days going to youth	25%	21%	25%	34%	(9%)	136%
% of employment days going to Females	45%	28,06%	45%	22%	23%	51%
Quality						
Average daily wage paid	R50.00 - R80.00	R50.00 - R80.00	R50.00 - R80.00	R50.00 - R80.00		
Efficiency						
Cost per day employment created	R98 000	R149 440	R100 800	R102 800	R 2000	102%
Average daily wage as % of cost per employment day	100%	153%	100%	102%	2%	102%
Outcome						

2.10 Transfer Payments

Transfer for Design

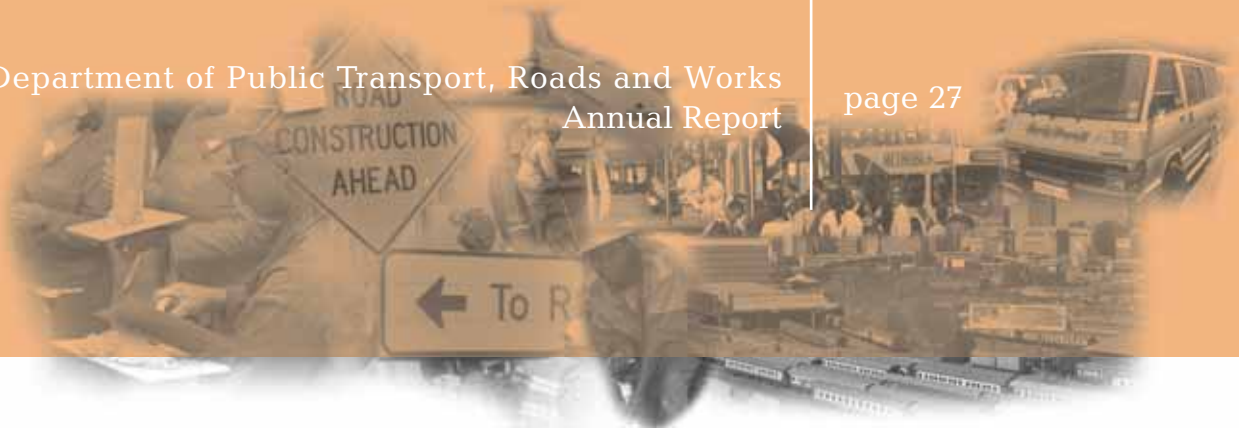
NAME OF INSTITUTION	AMOUNT TRANSFERRED R'000
Metsweding District Municipality	650
Johannesburg Road Agency	6 438
West Rand District Municipality	1 084
TOTAL	8 172

Transfer for Job Creation Roads

NAME OF INSTITUTION	AMOUNT TRANSFERRED R'000
Ekurhuleni	3 953
City of Johannesburg	4 887
Tshwane	1 502
Metsweding	1 995
Sedibeng	5 156
TOTAL	17 492

2.11 CONDITIONAL GRANTS

The department received a conditional grant for maintenance of transport infrastructure to the amount of R132 917 million. The total amount was spent on various rehabilitation and resurfacing projects. For details on projects see section 2.4 on overview.





Annual Financial Statements
for the year ended 31 March 2005

Department Of Public Transport, Roads and Works





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Report by the Accounting Officer to the Executive Authority and Legislature of Gauteng.

1. General review of the state of financial affairs

During the year under review the Department continued to implement plans to provide the citizens of Gauteng with safe, affordable and efficient public transport and transportation system. The Department continued to work with other departments and local government in developing integrated infrastructure plans.

The Department set up a directorate to capacity building, innovation, management and monitoring of all provincial Expanded Public Works Programmes. The transformation agenda of the Department relating to BBBEE, Emerging Contractor Development Programme, Women and Youth in Construction was strengthened.

Significant events that took place in the year under review are as follows:

Expanded Public Works Programme Launch

The purpose was to launch the Gauteng Expanded Public Works Programme as announced by the President and the Premier in their annual state of the nation and province addresses.

Hand over of a clinic and opening of roads Ratanda

The purposes of the event were to handover a local clinic in Ratanda to local government, and also open new roads which had been constructed by the department.

BBBEE Construction Industry Workshop

The purpose of the workshop was to present the 5 year strategic plan of the department, to the small construction companies, with a view of demonstrating opportunities for them in the department.

Provincial Imbizo

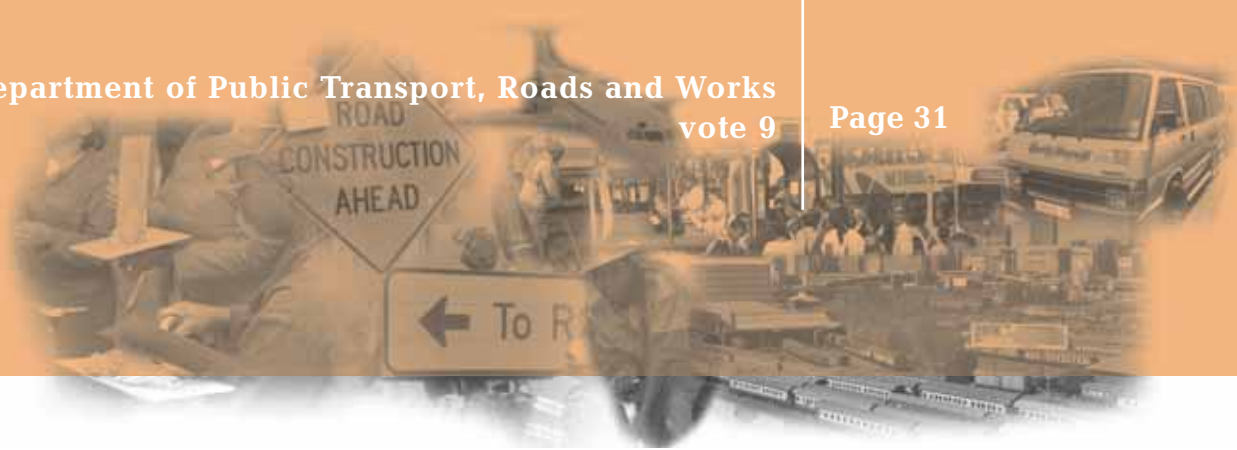
The department held two Imbizo's, the one to present Gauteng Provincial Governments strategic priorities for the next five years, whilst the other one was to present Premiers' state of the province address. It was also to establish the challenges faced by communities.

- Major Projects undertaken by the Department

Public Works

During the current financial year the following Public Works projects were completed: the Pretoria Academic Hospital (Total project costs is R500 million), Hillbrow Community Centre was in the finishing stages (project costs totaled R40 million), the labour intensive programme dedicated to creating sporting facilities in schools involving parents from the local communities was completed at a cost of R15 million, and a new operating theatre bloc at Kalafong hospital was completed at a cost of R25 million. In conjunction with the





Department of Finance and Economic Affairs we managed to obtain Treasury Approval 1 for the Gauteng Provincial Government office building project.

Roads

The following roads projects were completed in the year under review:

Project name	Description/Name	Project cost in millions
Rehabilitation K69	Hans Strydom in Pretoria from the N4 (Swartkopies interchange) to the NI at waterkloof. Route M10.	R55 049
Reseal II32	Route M32 from Pomona interchange to Petit.	R16 340
Reseal 83, I32I	Route R54 from Vereeniging past the Vaaldam to Villiers.	R27 050
Reseal PI74-I	Route R550 from Nigel to Devon.	R11 905
Rehabilitation P4 – I & 2	Route R23 from Heidleberg to Balfour.	R22 300
Reseal PIII-I Phase 2	Route R50I from Carletonville to Welverdiend.	R19 800

At the end of the financial year 2004/05 the Department had 13 projects which were in their completion stage. These included 2 service relocation and infrastructure projects, 4 on rehabilitation, 6 road resealing projects and 1 Brandvlei road.

- The Department spent R1 751 532 000 (2004: R 1 518 576 000) of the voted funds, which represents 98% of the current year's budget. An amount of R 726 728 000 was spend on capital infrastructure and this figure represents 104% of the capital budget.
- The net revenue collected amounted to R 833 242 000 (2004: R 774 029 000). This represents an 8 % growth from prior year. This clearly demonstrates that the Department has spent and monitored the allocated resources effectively and efficiently.

2. Services rendered by the department

The Department delivers the following services to the Province:

- In co-ordination with local authorities, the department designs, develops and maintains transport infrastructure in the province.
- Transportation management which entails management of public transport facilities
e.g. taxi regulation and on an agency basis, the management of bus subsidies which amount to R750 million per annum. The Department continues to play a pivotal role in conflict management within the transport industry. Consultation with all stake holders in this sector has already started, including taxi drivers and commuter organizations.
- New development and maintenance of buildings, roads and other infrastructure



within the Gauteng Province.

- Manages the Precinct project on behalf of the Gauteng Provincial Government.
- Collection of vehicle license fees, management of vehicle roadworthiness and drivers licenses. The day-to-day running of these functions is contracted to the local authorities within the Gauteng Province.
- The department's tariff policy is adjusted annually based on the expected inflation as determined by the Reserve bank of South Africa.
- Co-ordination of all Expanded Public Works Programmes within the Gauteng Province, this includes Zivuseni project which focuses on poverty alleviation and skills training for the unemployed.
- The department rendered no free services during the year under review.

3. Capacity constraints

The department continues to experience problems with the unavailability of professional staff in the engineering and technical fields. To address the situation the Department has embarked on a long-term strategy to sensitize and assist learners in the technical fields, also through learnerships and internships. The performance of the Department is seriously affected by the vacancy rates that continue to haunt the specialized areas of our work. The situation is however mitigated by employing contract workers and utilizing consultants in some areas to ensure that there is no total breakdown in service delivery. The Department has introduced Project Management Resource Groups to increase project management capacity of the Department.

The Department continues to experience more deterioration of road conditions due to overloading of heavy vehicles, among other reasons. This leads to an increase in the maintenance backlog of our roads network and puts pressure on the available financial resources. The increases in conditional grants for infrastructure maintenance are having a major impact in the reduction of the backlogs.

4. Trading entities/public entities

The Department has the following trading accounts:

- Government Garage
- Major Road Plant Fund

The trading accounts were established under the following Legislation:

- Government Garage – Treasury regulations and the PFMA Act.
- Major Road Plant Fund – Ordinance 10 of 1960, Treasury regulations and the PFMA Act.

The Government Garage hires out motor vehicles on the following basis to client departments within government:

- Permanently allocated vehicles
- Pool vehicles and a taxi service to clients as and when required
- VIP vehicles to specific clients





The Major Road Plant Fund procures and hires out road building equipment to the Department. Equipment is charged out on an hourly or daily basis depending on the type of equipment or type of construction project. Charge out rates are revised annually. The Head of the Department is ultimately accountable for the two trading accounts. The day-to-day running of the operations is delegated to the Manager: Mechanical. Separate financial statements are drawn up for each of the trading accounts and reported in the same annual report as Vote 9. Comparative information and any developments are reported in these financial statements. No losses were reported by these entities in the current year and no guarantees were provided by the Department in respect of these entities.

5. Other organisations to whom transfer payments have been made

A transfer to one non-profit organisations occurred during the year.

These funds were transferred to the CSIR for utilisation on the following:

- Supervision of Roads design
- Field operations
- Testing
- Operations
- Lab Testing

The Department has a service level agreement with the CSIR relating to the management of the transfers. Various project managers are responsible to ensure performance standards are met for each specific job handled in terms of this agreement.

6. Public Private Partnerships

In 2001 the Gauteng Provincial Government (GPG) took a decision to create an office accommodation precinct within the Johannesburg central business district. The decision underwent various stages of approval and ultimately the precinct area was identified. Various buildings falling within the precinct area were identified and procured. Of the eleven (11) buildings that were purchased eight (8) have already been transferred at a cost of R135 880 000.00. The transfer of the remaining three (3) buildings is expected to happen soon after year-end at a cost of R130 416 000.00. The remaining purchase price will be paid via the transferring attorneys with funds deposited to facilitate the transfer of the buildings.

The GPG precinct office accommodation will be managed through a PPP contract for which conditional Treasury Approval 1(TA1) has already been obtained. The environmental impact assessment will be completed shortly in order to obtain full TA1 approval.

7. Corporate governance arrangements

The Department inclusive of the Trading Accounts has a fraud prevention policy in place. We also have an internal inspection unit that assists management to ensure that all units comply with the guidelines, policies and procedures within the Department and trading accounts. The Internal Audit function is performed by the GSSC. The Department also has an Audit



Committee that ensures compliance to corporate governance.

The Department continued with the Risk Management strategy implementation and assisted managers to implement procedures to reduce the risk areas as identified in the risk assessment. The department has created a post of a Director: Risk Management to strengthen its efforts to effectively deal with risk issues facing the organization.

8. Events after the reporting date

In terms of the decision taken by the Provincial government the construction unit of the Department of Education will be transferred to public Works in September 2005.

9. Progress with financial management improvement

The Department has implemented the Budget and Expenditure Management System in the current year. The system has enhanced the budget capturing as well as the monthly expenditure reporting process throughout the Department. The PFMA implementation is progressing according to schedule.

10. Performance information

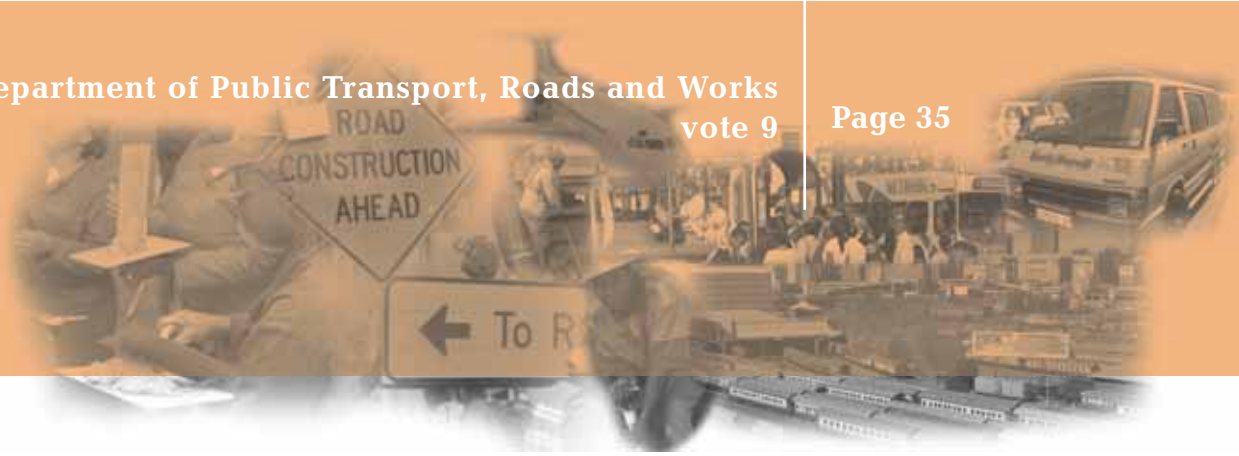
The Department compiles a quarterly report on the actual delivery vs. the strategic plan. This combined with the monthly financial reports provide management and the MEC with information to assess the Departments performance.

11. Discontinued activities

The Traffic Management unit was transferred to the Department of safety and Security as determined by the Gauteng Provincial Legislature after the last elections. In terms of the Public Finance Management Act 1 of 1999 as amended the budget of this Department was reduced as follows:

2004/05 R'000	2005/06 R'000	2006/07 R'000
138 135	131 798	134 490





12. Special Committee on Public Accounts resolutions

The following are Scopa resolutions for the previous financial years and the progress that has been made by the Department in resolving issues raised by the Auditor General's report:

COMMITTEE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF PUBLIC TRANSPORT, ROADS AND WORKS FOR THE YEAR ENDED 31 MARCH 2004.		
Audit report and Scopa resolutions	Subject	Findings on progress
The Committee notes the difference of R1 313 446.56 between the debt account and receivable income account due to BAS not allowing for accrual of debtors.	The department urgently moves to ensure that their systems are compliant with accrual accounting.	The conversion of the BAS financial system is a project run by the National Treasury Department, and the department is moving in line with the national reform agenda. The conversion is planned to be completed in the year 2013.
For the financial year under review, the department exceeded its budget by the following amounts: In programme 3 - R 11 554 960 In programme 4 - R 121 590 In programme 5 - R 15 291 600	The MEC must act in terms of Section 40 (1) (c), 43 (c), 81, 83 of the PFMA to investigate the unauthorised expenditure of programme 3 and 5.	In investigating the reported unauthorised expenditure in programme 3 and 5 the department found that there was approval obtained from the Provincial Treasury to increase personnel budget using current funds from use of goods and service and social benefits. The increase in the personnel budget was necessitated by the arbitration award. The appropriation account also indicates that the programmes in total were not overspent.
The Committee notes that the Department did not submit their annual financial statement timeously, which is in contravention of Section 40 (1) (c) of the Public Finance Management (Act No. 1 of 1999)		The Department is ready to submit their annual financial statement in time.

Approval

The annual financial statements set out on pages 44 to 95 have been approved by the Accounting Officer.

S. B. Buthelezi
Head of Department
19 August 2005



Report of the Audit Committee - Cluster 4

We are pleased to present our report for the financial year ended 31 March 2005.

Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and meets a minimum of two times per annum as per its approved terms of reference. During the current year meetings were held on 5 occasions in terms of the charter. Meetings were held on the following dates: 02 April 2004, 2 July 2004, 16 August 2004, 11 November 2004 and 28 February 2005.

Name of Member	Number of Meetings Attended
John Modiko - External – resigned	2
Alethea Whitfield - (Chairperson) External	5
Haroun Moolla - External	5
Jack van der Merwe – resigned	1
Jason Sishuba - resigned	1
Linda Mvanana - resigned	1
Oupa Seabi – appointed	2
Sibusiso Buthelezi	2
Oupa Mbokodo – appointed	1

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal control is satisfactory as the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, the matters of emphasis and management letter of the Auditor-General have not reported any significant or material non compliance with prescribed policies and procedures other than for those items detailed in the attached report of the Auditor-General. A risk assessment has been performed during the financial year under review.

The quality of in year management and monthly / quarterly reports submitted in terms of the Act and the Division of Revenue Act

The Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review.





Evaluation of Financial Statements

The Audit Committee has:

Reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report;

Reviewed the Auditor-General's management letter and management response where significant issues were raised;

Reviewed significant adjustments resulting from the audit.

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

A handwritten signature in black ink, consisting of a stylized name followed by a horizontal line.

Chairperson of the Audit Committee
27 August 2005



REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 9 – DEPARTMENT OF PUBLIC TRANSPORT, ROADS AND WORKS FOR THE YEAR ENDED 31 MARCH 2005

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 44 to 95 for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

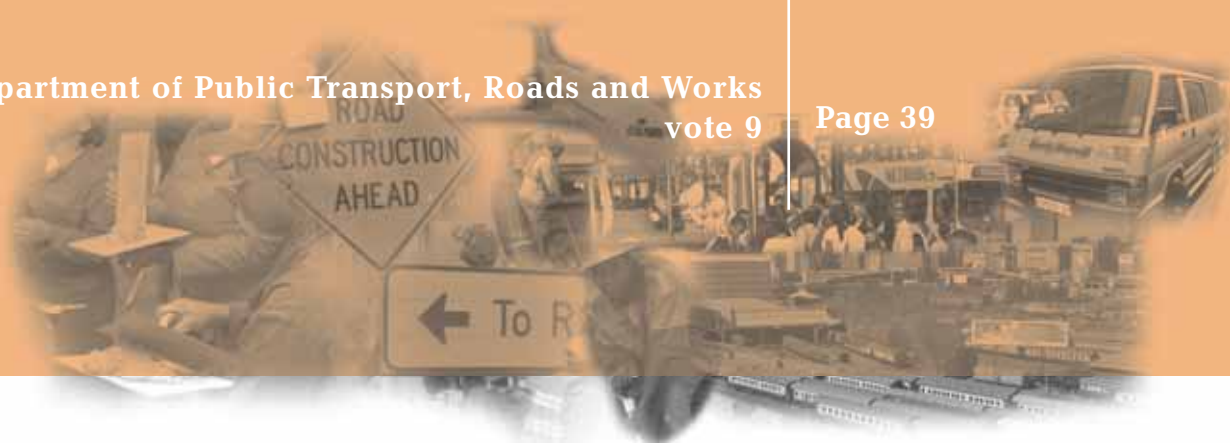
3. QUALIFICATION

3.1 Precinct projects

3.1.1 Irregular expenditure

The department was responsible for the acquisition of office buildings on behalf of the Gauteng Provincial Government, known as the Kopanong Precinct. Contrary to Treasury Regulation 8.1.1, an amount of R138 624 000 was paid by the department to an attorney, before the transfer of the buildings were registered. These payments could be regarded as irregular expenditure. As at the date of this report, all the properties have not yet been transferred.





Accordingly,

- The amount was incorrectly recorded as capital expenditure in the Statement of Financial Performance and Annexure 3.
- The recorded surplus for the year was misstated.
- The amount to be surrendered was misstated.

3.1.2 Precinct buildings rental revenue

The completeness of revenue (rental) could not be verified.

3.2 Provincial Urban Transport Fund

In accordance with section 55 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), financial statements must be prepared and presented for audit. The Department of Public Transport, Roads and Works (the Department) did not submit financial statements of the Provincial Urban Transport Fund for the current or previous years for audit.

Furthermore, contrary to section 38(1)(m) of the PFMA, the Department could not furnish audit with the written consent of the National Treasury for the establishment of the Provincial Urban Transport Fund.

3.3 Accounts receivable

Due to the Basic Accounting System (BAS) off-setting the debt account and the debt receivable income account, debtors were disclosed at a net amount. This had resulted in an understatement of the debtors balance in the annual financial statements. The debt account amounting to R87 158 393 was offset by the debt receivable income account of R86 325 652. Furthermore, the difference between these accounts was not reconciled at year-end. This matter was also reported in the 2003-04 financial year.

3.4 Adjustments to manual trial balance not made on Basic Accounting System (BAS)

The department made manual adjustments to the trial balance which were not reflected on the Basic Accounting System (BAS). This was due to the inability of the Basic Accounting System (BAS) to record current expenditure (goods and services) which were capitalised to projects. The adjustments amounted to R448 509 000, but had no impact on the reported surplus for the year.

4. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in paragraph 3, the financial statements fairly present, in all material respects, the financial position of the Department of Public Transport, Roads and Works at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999).



5. EMPHASIS OF MATTER

Without further qualifying the audit opinion expressed above, attention is drawn to the following matters:

5.1 Unauthorised expenditure

Unauthorised expenditure of R261 975 960,03 occurred during the year due to the budgeted amounts of the following main divisions being exceeded:

Programme	Programme description	R
1	Administration (transfers and subsidies)	4 492 794,98
2	Public Works (transfers and subsidies)	200 577 727,72
3	Road Infrastructure (transfers and subsidies)	12 468 464,22
4	Transport (current)	7 534 703,93
5	Community based programmes (transfers and subsidies)	38 867 027,32
6	Traffic management (transfers and subsidies)	<u>35 241,86</u>
Total		<u>261 975 960,03</u>

5.2 Prior year expenditure

Due to a lack of proper expenditure control, certain material payments made during the financial year related to expenditure incurred and budgeted for in the previous years.

5.3 Misallocation of payments

Various expenditure items were misallocated in the ledger accounts. This was largely attributed to a lack of understanding of the nature of the ledger accounts and the expenditure categories, by officials of the department.

5.4 Capital projects

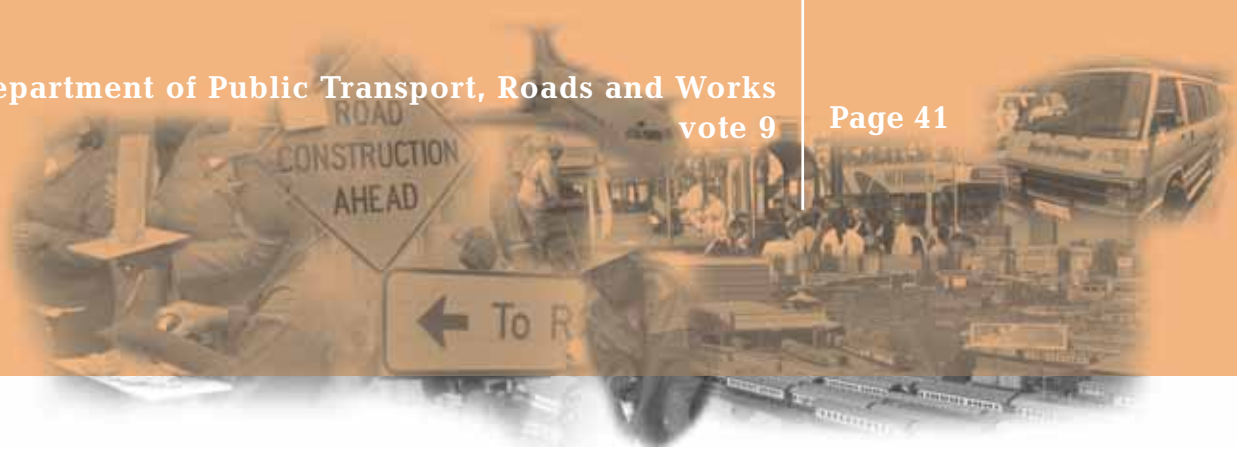
The following shortcomings were identified during the audit of capital projects:

- Over expenditure of approved contract amounts resulting in irregular expenditure.
- Funds allocated to project expenditure that was budgeted for in the current financial year were spent on project expenditure that was budgeted for in the previous financial year. This was due to a lack of proper management control over the unspent capital funds in respect of the Community Based Public Works Programme.

5.5 Adopted basis of accounting

The Major Road Plant Fund was a trading entity of the Gauteng Department of Public Transport, Roads and Works – Vote 9. Contrary to the Public Finance Management Act, 1999 (Act No. 1 of 1999) and Treasury Regulations and as described in Note 7 and Note 12, various accounting arrangements were made between the trading entity and the department for practical purposes which impacted on the fair presentation of the annual financial statements. These included:





- (a) The Major Road Plant Fund utilised the bank account of the Vote.
- (b) Accruals for costs of the Major Road Plant Fund were raised by the department.
- (c) Services were rendered by the Major Road Plant Fund to the Vote on a cost-plus basis and not on an arms length market rate.
- (d) Fuel and spares stock were carried by the Vote.
- (e) Employment costs were borne by the Vote and transferred to the Major Road Plant Fund.
- (f) Costs were not borne by the Major Road Plant Fund for the use of the department's facilities.

Due to the relationship between the Department of Transport and the Major Road Plant Fund the full accounting standard in terms of accruals was not complied with resulting in liabilities being understated in the annual financial statements of the Major Road Plant Fund.

5.6 Bus subsidies

The required reporting schedule for bus subsidies submitted to the National Department of Transport and for audit purposes did not agree to the amount per the financial statements and the Basic Accounting System (BAS) report. The department did not account for bus subsidy revenue or expenditure in its statement of financial performance as the subsidies were treated on an agency basis.

5.7 Commitments

A schedule of commitments at year-end was provided, however, the accuracy and/or completeness of the schedule could not be verified. A lack of understanding of the nature of commitments by the department was observed.

5.8 Accruals

Various expenditure incurred before year-end, were not included on the accrual listing. Accordingly, accruals were misstated.

5.9 Leave administration

The following control weaknesses were identified in the leave system:

- (a) Many leave transactions were incorrectly captured or captured late on the PERSAL system, and
- (b) The leave report did not reflect opening balances and leave movements.

Due to the above, the leave balances and related leave provision could be misstated.

5.10 Information system audit of the general controls surrounding the Information Technology Environment

The audit indicated that although some controls were in place, the following weaknesses existed in the general control environment:



Department of Public Transport, Roads and Works Annual Financial Statements Vote 9 Report of the Auditor-General

- (a) A formal documented Disaster Recovery Plan and Business Continuity Plan did not exist,
- (b) Service level agreements between the Department of Transport and third parties were not finalised and approved to clarify the respective parties' responsibilities,
- (c) A lack of controls surrounding user account management on Basic Accounting System (BAS) existed,
- (d) Back-ups were not adequately performed and offsite storage did not exist.
- (e) An Information Technology Steering Committee was not established.
- (f) Adequate programme change control did not exist,
- (g) The information security officer's role and the service level manager's role were not defined.
- (h) A network security package and network monitoring package did not exist.
- (i) An information technology strategy was not documented

Weaknesses pertaining to change control and user account management raised concerns regarding the integrity of the data.

5.11 Submission of annual financial statements

The annual financial statements of the Department of Public Transport, Roads and Works were submitted on 31 May 2005. Due to material audit findings the financial statements were withdrawn and a final set was resigned on 19 August 2005 and presented for audit.

5.12 Late completion of audit

Section 40 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) prescribes the accounting officers' reporting responsibilities whilst section 40(2) requires that the Auditor-General must audit the financial statements and submit an audit report on those statements to the accounting officer within two months of receipt of the statements.

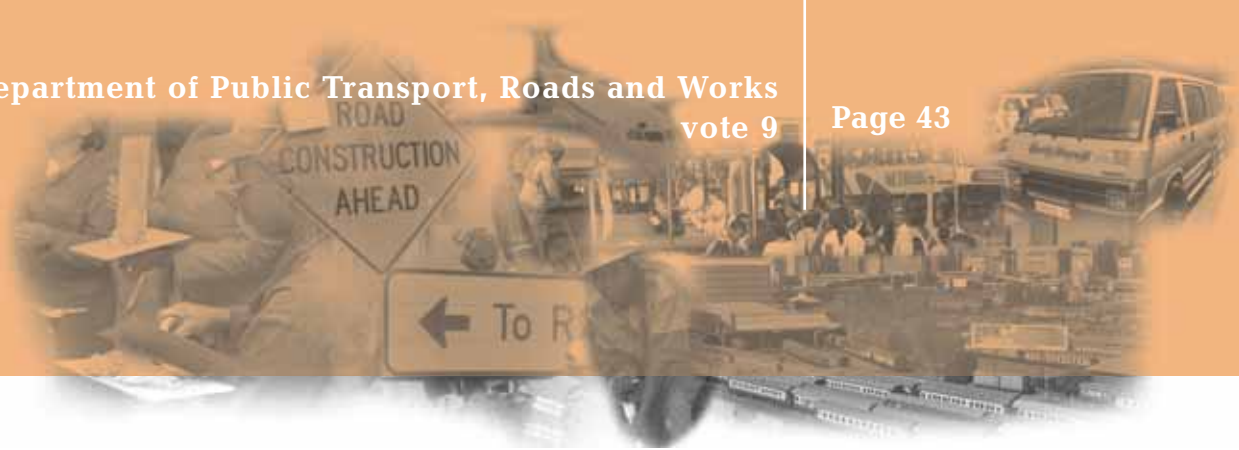
The audit was only completed on 26 August 2005 due to the following:

- (a) Late submission of final annual financial statements.
- (b) Poor preparation of annual financial statements.
- (c) Incorrect management representations.
- (d) Delays in the presentation of audit information.
- (e) Significant audit issues and delays in the finalisation thereof.

5.13 Traffic migration

The migration process of the Traffic Directorate, from the Department of Public Transport, Roads and Works to the Department of Community Safety was not completed as at 31 March 2005. Assets, personnel and intellectual resources held by the former directorate were consequently not formally transferred to the Department of Community Safety, although already in use by that department.





6. APPRECIATION

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

A handwritten signature in black ink, appearing to read 'I. Vanker'.

I. Vanker for Auditor-General
Johannesburg
26 August 2005



ACCOUNTING POLICIES

For the year ended 31 March 2005

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2004. The following issued, but not yet effective Standards of Generally Recognised Accounting Practice have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

Revenue

Appropriated funds

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund, unless otherwise stated.

Departmental revenue

Tax revenue

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the statement of financial performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the statement of financial performance on receipt of the funds.

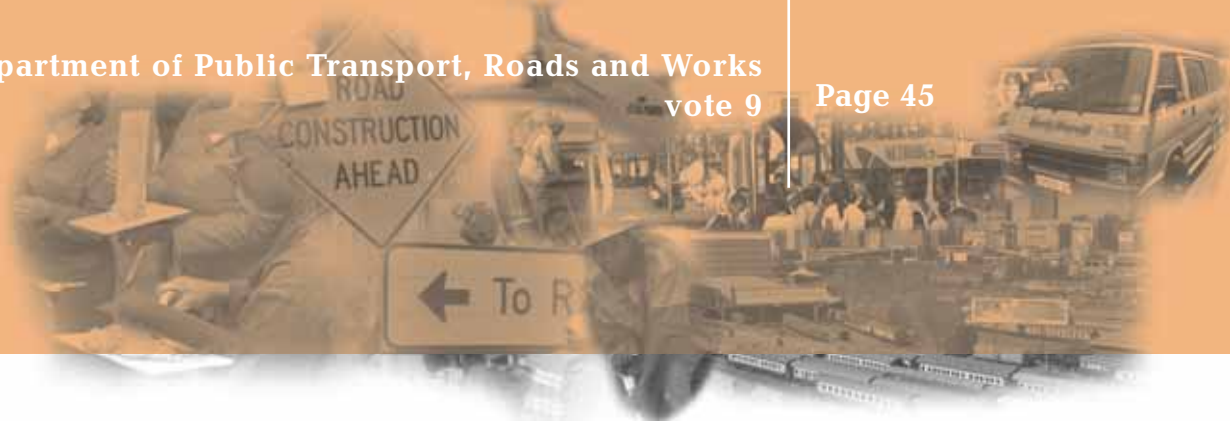
Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the statement of financial performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the Statement of Financial Performance of the





department and then transferred to the National/Provincial Revenue Fund. Revenue received from the rent of land is recognised in the statement of financial performance on receipt of the funds.

Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the statement of financial performance on receipt of the funds.

Financial transactions in assets and liabilities

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

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

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the department is allowed to retain surplus funds, these funds are shown as a reserve.

Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis, on capital projects during the financial year. All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.



Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the department.

Post employment retirement benefits

The department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system. No provision is made for retirement benefits in the Annual Financial Statements of the department. Any potential liabilities are disclosed in the Annual Financial Statements of the National/Provincial Revenue Fund and not in the Annual Financial Statements of the employer department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expense is classified as capital if the goods and services were used on a capital project.

Interest and rent on land

Interest and rental payments resulting from the use of land, are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. This item excludes rental on the use of buildings or other fixed structures.

Financial transactions in assets and liabilities

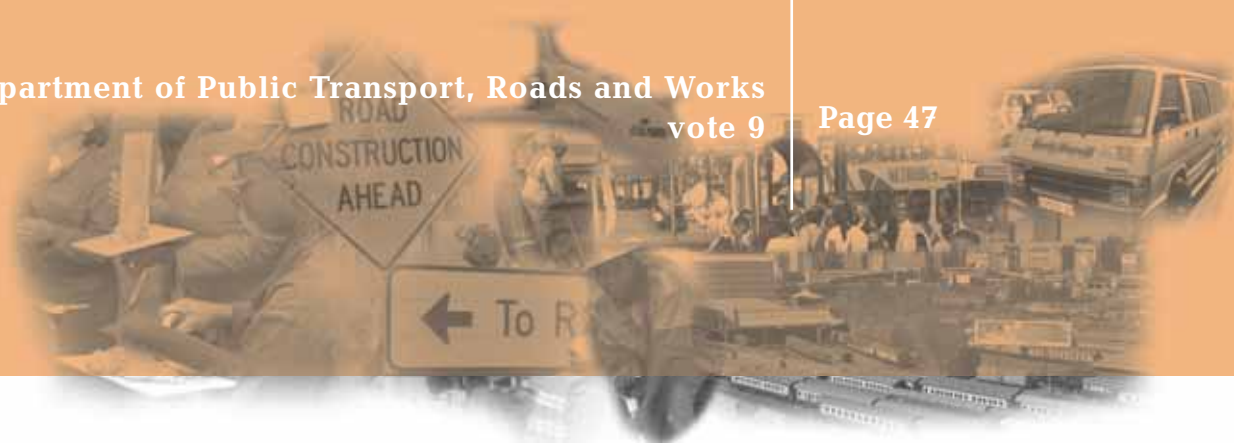
Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending available to the department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

Unauthorised expenditure

Unauthorised expenditure, is defined as:

- The overspending of a vote or a main division within a vote, or
- Expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.





Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is approved by the relevant authority, recovered or written off as irrecoverable.

Irregular expenditure

Irregular expenditure, is defined as :

expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure, is defined as:

expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore

- it must be recovered from a responsible official (a debtor account should be raised), or
- the vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Investments

Investments include; Investments in Associates; Joint ventures; Investments in controlled entities and Other investments.

Investments are shown at cost. On disposal of an investment, the surplus/(deficit) is recognised as revenue in the Statement of Financial Performance.

Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments



that are recoverable from another party, when the payments are made. Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances received that are due to the Provincial/National Revenue Fund or another party.

Lease commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting.

Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

Accruals

This amount represents goods/services that have been received, but no invoice has been received from the supplier at the reporting date, OR an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

Contingent liability

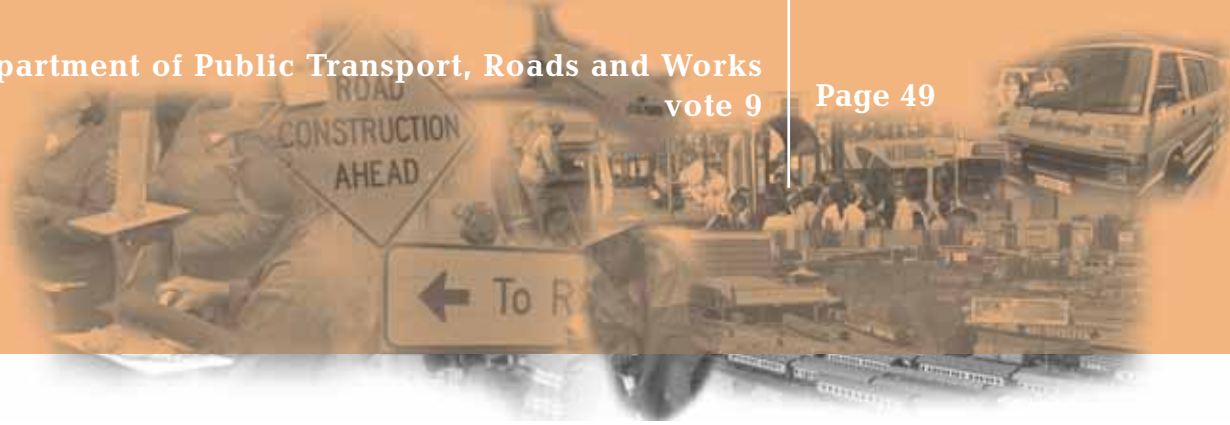
This is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.





Commitments

This amount represents goods/services that have been approved and/or contracted, but no delivery has taken place at the reporting date. These amounts are not recognised in the Statement of financial position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investment and/or loans capitalised. On disposal, repayment or recovery, such amounts are transferred to the Revenue Fund.

Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

Comparative figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the department may reasonably have available for reporting. Reclassification of expenditure has occurred due to the implementation of the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements as this would involve reclassification of amounts dating back to the 2002/03 year-end.



Appropriation per programme									
	Adjusted Appropriation	2004/05						2003/04	
		Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as of % final appropriation	Final appropriation	Actual Payment
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
8. Programme 8									
Persal Transfer Payments MRE	-	-	-	-	-	-	-	-	-
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	6	-6	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
9. Programme 9									
Special Functions									
Current payment									6,806
Transfers and subsidies									
Payment for capital assets									
	1,787,446	-	-	1,787,446	1,751,532	35,914	98%	1,528,929	1,518,576
Statutory Appropriation									
Current payment									
Transfers and subsidies									
Payment for capital assets									
TOTAL	1,787,446	-	-	1,787,446	1,751,532	35,914	98%	1,528,929	1,518,576
Reconciliation with Statement of Financial Performance									
Prior year unauthorised expenditure approved with funding								98,166	
Departmental revenue received				833,242				774,029	
Local and foreign aid assistance received									
Actual amounts per Statements of Financial Performance (Total revenue)				2,620,688				2,401,124	
Investments acquired and capitalised during the current financial year, but expensed for appropriation purposes									
Other payments in Appropriation Statement, not accounted for in Statement of Financial Performance									
Local and foreign aid assistance									
Prior year unauthorised expenditure approved									98,166
Prior year fruitless and wasteful expenditure condoned									
Actual amounts per Statements of Financial Performance (Total expenditure)					1,751,523				1,616,742



APPROPRIATION STATEMENT for the year ended 31 March 2005

Appropriation per Economic Classification									
	Adjusted Appropriation	2004/05					2003/04		
		Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	380,476	-	-	380,476	316,783	63,693	83,3%	350,038	408,996
Goods and services	708,270	-	-	708,270	437,940	270,330	61,8%	515,216	432,020
Interest and rent on land	-	-	-	-	-	-	-	-	24,502
Financial transactions in assets and liabilities	-	-	-	-	5,641	-5,641	-	-	6,806
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	9,963	-9,963	-	3,531	7,167
Departmental agencies and accounts	-	-	-	-	3	-3	-	15,100	15,100
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	2,660	-2,660	-	198,875	187,211
Non-profit institutions	-	-	-	-	-	-	-	28,400	27,900
Households	60	-	-	60	251,814	-251,754	4196,9%	111	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	272,853	-	-	272,853	362,284	-89,431	132,8%	166,658	158,414
Machinery and equipment	425,787	-	-	425,787	363,122	62,665	85,3%	251,000	250,460
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	28	-28	-	-	-
Land and subsoil assets	-	-	-	-	1,294	-1,294	-	-	-
Total	1,787,446			1,787,446	1,751,532	35,914	98,0%	1,528,929	1,518,576

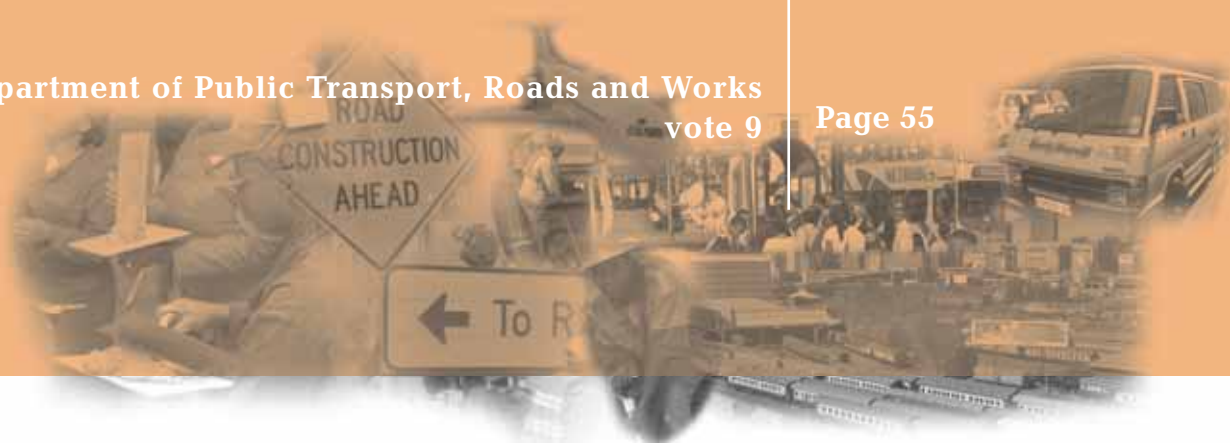




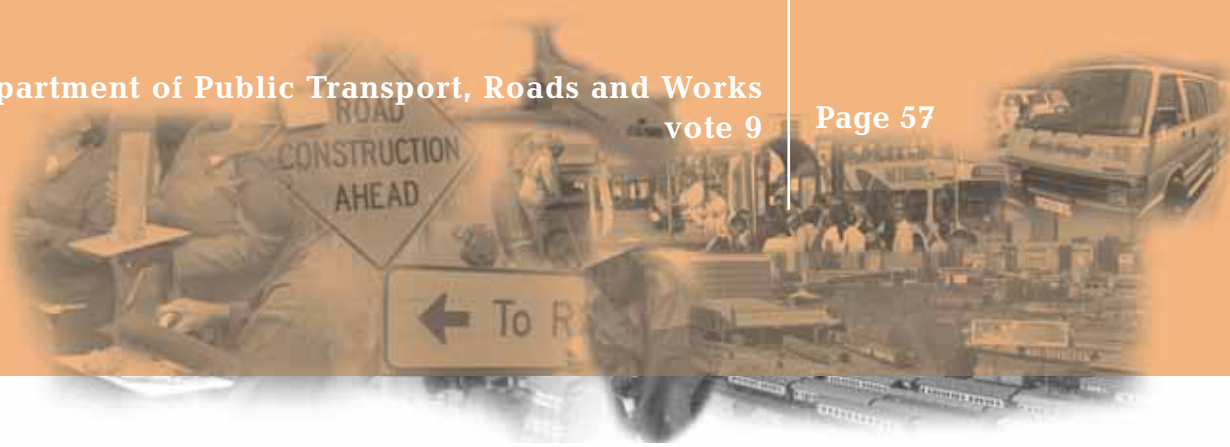
DETAIL PER PROGRAMME 1 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
I.1 Office of the MEC									
Current payment	6,661	-	-	6,661	6,362	299	95,5%	4,778	3,918
Transfers and subsidies	-	-	-	-	1	-1	-	-	-
Payment for capital assets	649	-	-	649	243	406	37,4%	-	-
I.2 Top Management									
Current payment	12,338	-	919	13,257	15,675	-2,418	118,2%	173,831	170,424
Transfers and subsidies	-	-	-	-	1	-1	-	-	-
Payment for capital assets	71	-	-	71	306	-235	431,0%	-	-
I.3 Corporate Services									
Current payment	70,385	-	-	70,385	64,832	5,553	92,1%	38,047	35,508
Transfers and subsidies	-	-	-	-	4,256	-4,256	-	-	-
Payment for capital assets	13,563	-	-	13,563	12,441	1,122	91,7%	-	-
I.4 Persal Transfer Payments (I)									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	360	-360	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
I.5 Special Functions									
Current payment	-	-	-	-	109	-109	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
TOTAL	103,667		919	104,586	104,586		100,0%	216,656	209,850




DETAIL PER PROGRAMME 1 for the year ended 31 March 2005

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	29,182	-	-	29,182	39,015	-9,833	133,7%	46,841	54,837
Goods and services	60,202	-	919	61,121	47,821	13,300	78,2%	71,765	33,672
Interest and rent on land	-	-	-	-	-	-	-	-	24,502
Financial transactions in assets and liabilities	-	-	-	-	142	-142	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	125	-125	-	-	-
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	2
Non-profit institutions									
Households	-	-	-	-	4,493	-4,493	-	61	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	1,989	989
Machinery and equipment	14,283	-	-	14,283	12,962	1,321	90,8%	96,000	95,848
Biological or cultivated assets									
Software and other intangible assets	-	-	-	-	28	-28	-	-	-
Land and subsoil assets									
Total	103,667		919	104,586	104,586		100,0%	216,656	209,850



Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.II Communications									
Current payment								5,365	5,018
Transfers and subsidies									
Payment for capital assets									
TOTAL	938,004	-	-36,905	901,099	870,181	30,918	96,6%	78,380	78,652

DETAIL PER PROGRAMME 2 for the year ended 31 March 2005

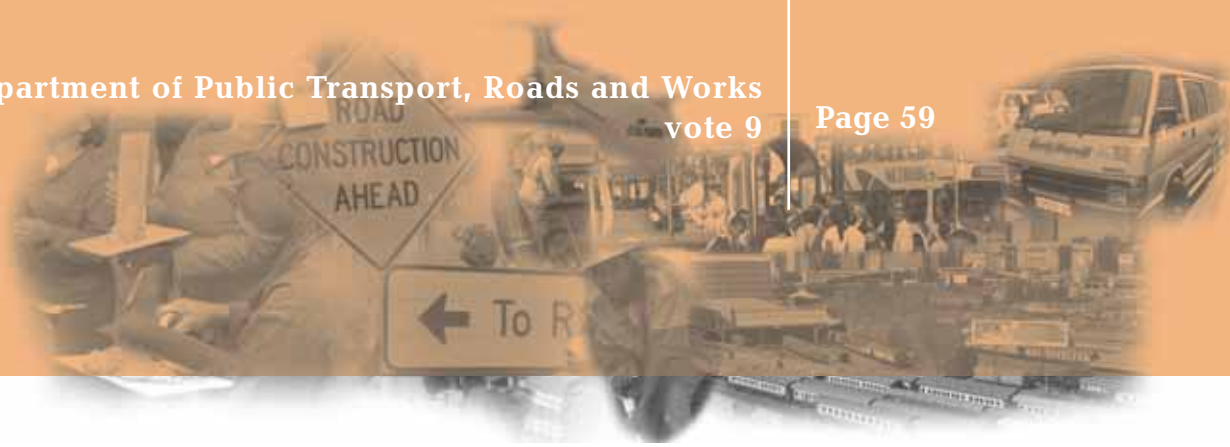
Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	170,394	-	-	170,394	152,654	17,740	89,6%	18,647	18,512
Goods and services	375,057	-	-919	374,138	145,993	228,145	39,0%	47,352	43,247
Interest and rent on land									
Financial transactions in assets and liabilities	-	-	-	-	563	-563	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	7,075	-7,075	-	3,531	7,167
Departmental agencies and accounts					I	-I			
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	I
Non-profit institutions	-	-	-	-	-	-	-	-	I
Households	-	-	-	-	200,577	-200,577	-	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	272,853	-	-	272,853	362,284	-89,431	132,8%	3,850	5,112
Machinery and equipment	119,700	-	-35,986	83,714	1,034	82,680	1,2%	5,000	4,612
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	938,004	-	-36,905	901,099	870,181	30,918	96,6%	78,380	78,652



DETAIL PER PROGRAMME 3 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Planning									
Current payment	28,347	-	-	28,347	24,173	4,174	85,3%		
Transfers and subsidies	-	-	-	-	-	-	-		
Payment for capital assets	100	-	-	100	26	74	26,0%		
3.2 Design									
Current payment	56,348			56,348	33,240	23,108	59,0%	17,538	16,714
Transfers and subsidies	-			-	5,317	-5,317	-	-	-
Payment for capital assets	2,572			2,572	2,014	558	78,3%	42,585	33,395
3.3 Construction									
Current payment	24,679	-	-	24,679	22,570	2,109	91,5%	134,569	146,948
Transfers and subsidies	-	-	-	-	-	-	-	165,939	159,794
Payment for capital assets	60,479	-	-	60,479	55,373	5,106	91,6%	-	-
3.4 Maintenance									
Current payment	95,086	-	-	95,086	59,136	35,950	62,2%	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	226,044	-	35,986	262,030	335,032	-73,003	127,9%	94,321	91,961
3.5 Job Creation: Roads									
Current payment	13,809	-	-	13,809	19,701	-5,892	142,7%	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	15,000	14,713
3.6 Development Projects									
Current payment	18,413	-	-	18,413	225	18,188	1,2%	-	-
Transfers and subsidies	-	-	-	-	-	-	1,2%	-	-
Payment for capital assets	-	-	-	-	(8,382)	(-8,382)	-	20,000	23,374
3.7 Programme Support									
Current payment	43,423	-	-	43,423	39,818	3,605	91,7%	-	-
Transfers and subsidies	-	-	-	-	32	-32	-	-	-
Payment for capital assets	1,394	-	-	1,394	658	736	47,2%	-	-
3.8 Persal Transfer Payment (3)									
Current payment									
Transfers and subsidies	-	-	-	-	983	-983	-	-	-
Payment for capital assets									
TOTAL	570,694	-	35,986	606,680	606,680	-	100,0%	489,952	486,899





DETAIL PER PROGRAMME 3 for the year ended 31 March 2005

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	115,080	-	-	115,080	89,916	25,164	78,1%	70,489	85,942
Goods and services	164,715	-	-	164,715	148,435	16,280	90,1%	220,862	207,248
Interest and rent on land									
Financial transactions in assets and liabilities	-	-	-	-	4,071	-4,071	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	2,245	-2,245	-	-	-
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	2,660	-2,660	-	35,518	31,400
Non-profit institutions	-	-	-	-	-	-	-	4,400	4,525
Households	-	-	-	-	9,807	-9,807	-	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	8,683	7,784
Machinery and equipment	290,899	-	35,986	326,885	348,252	-21,367	106,5%	150,000	150,000
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets	-	-	-	-	1,294	-1,294	-	-	-
Total	570,694	-	35,986	606,680	606,680	-	100,0%	489,952	486,899

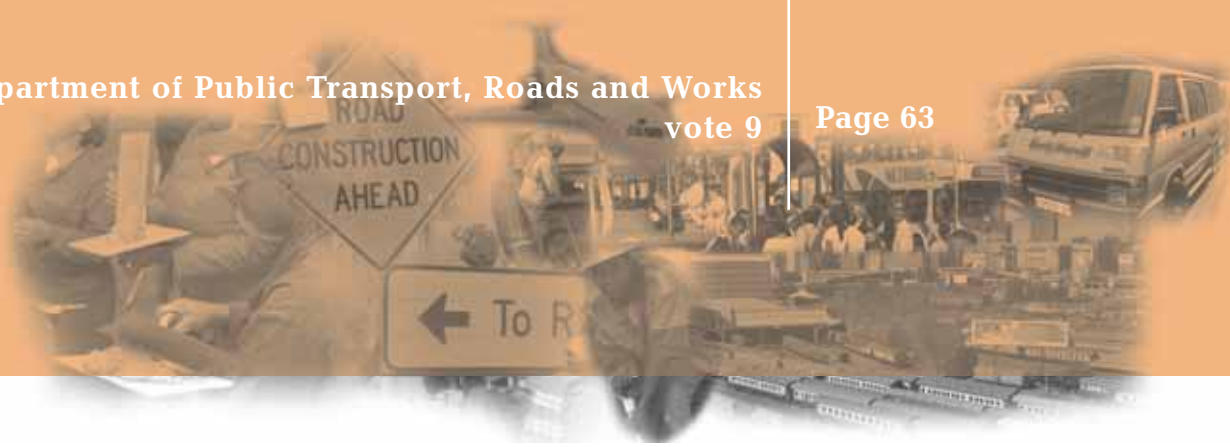


DETAIL PER PROGRAMME 4 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.I Empowerment and Institutional Management									
Current payment	56,780	-	-	56,780	55,586	1,194	97,9%	-	-
Transfers and subsidies									
Payment for capital assets	618	-	-	618	562	56	90,9%	-	-
4.2 Regulation and Control									
Current payment	-	-	-	-	-	-	-	17,895	17,360
Transfers and subsidies									
Payment for capital assets									
4.3 Transportation Engineering									
Current payment	8,753	-	-	8,753	7,430	1,323	84,9%	-	-
Transfers and subsidies	60	-	-	60	17	43	28,3%	-	-
Payment for capital assets	287	-	-	287	-	287	-	-	-
4.4 Programme Support									
Current payment	-	-	-	-	963	-963	-	-	-
Transfers and subsidies									
Payment for capital assets	-	-	-	-	17	-17	-	-	-
4.5 Persal Transfer Payments (4)									
Current payment									
Transfers and subsidies	-	-	-	-	122	-122	-	-	-
Payment for capital assets									
4.6 Buses									
Current payment	-	-	-	-	-	-	-	11,555	10,043
Transfers and subsidies									
Payment for capital assets									
4.7 Rail									
Current payment	-	-	-	-	-	-	-	8,398	8,206
Transfers and subsidies									
Payment for capital assets									
4.8 Taxis									
Current payment	-	-	-	-	-	-	-	8,262	12,557
Transfers and subsidies									
Payment for capital assets									
4.9 Modal Integration									
Current payment	-	-	-	-	-	-	-	4,483	3,828
Transfers and subsidies									
Payment for capital assets									
4.10 Traffic Management									
Current payment	-	-	-	-	-	-	-	112,062	110,509
Transfers and subsidies									
Payment for capital assets									
TOTAL	66,498	-	-	66,498	64,697	1,801	97,3%	162,655	162,503


DETAIL PER PROGRAMME 4 for the year ended 31 March 2005

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	25,362	-	-	25,362	25,839	-477	101,9%	78,310	96,570
Goods and services	40,171	-	-	40,171	38,139	2,032	94,9%	79,968	62,624
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	86	-86	-	-	-
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	355	746
Non-profit institutions									
Households	60	-	-	60	36	24	60,0%	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	4,022	2,563
Machinery and equipment	905	-	-	905	597	308	66,0%	-	-
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	66,498	-	-	66,498	64,697	1,801	80,7%	162,655	162,503



Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.II Dacel North									
Current payment	-	-	-	-	-	-	-	689	769
Transfers and subsidies									
Payment for capital assets									
5.I2 Dacel South									
Current payment	-	-	-	-	-	-	-	-	237
Transfers and subsidies	-	-	-	-	-	-	-	599	27
Payment for capital assets									
5.I3 Sport North									
Current payment	-	-	-	-	-	-	-	-	13
Transfers and subsidies									
Payment for capital assets									
TOTAL	45,387	-	-	45,387	41,412	3,975	91,2%	434,640	434,640

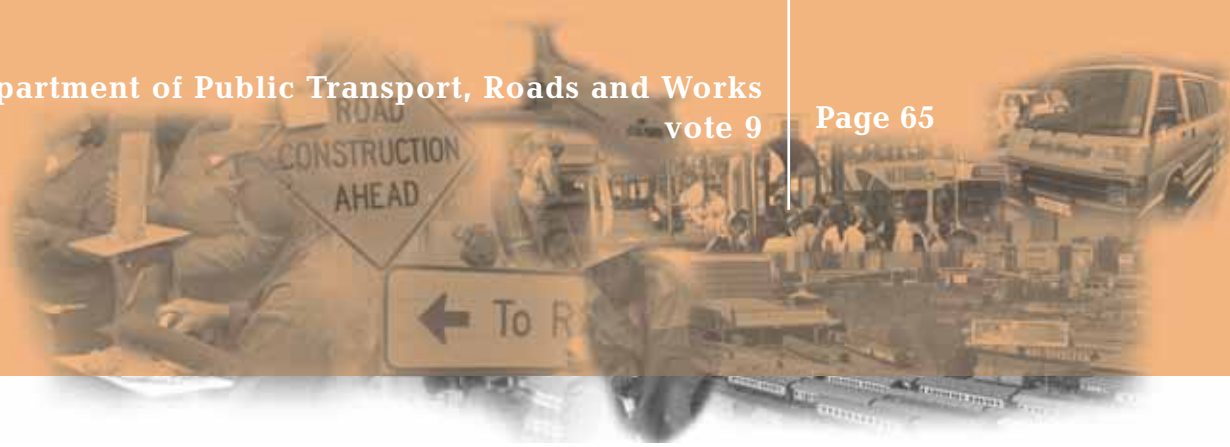
DETAIL PER PROGRAMME 5 for the year ended 31 March 2005

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	3,621			3,621	-703	4,324	-19,4%	120,631	139,987
Goods and services	41,766			41,766	4,997	36,769	12,0%	64,613	55,290
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities					7	-7			
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises								163,002	155,062
Non-profit institutions								24,000	23,374
Households					36,868	-36,868			
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures								62,394	60,927
Machinery and equipment					243	-243			
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	45,387	-	-	45,387	41,412	3,975	91,2%	434,640	434,640



DETAIL PER PROGRAMME 6 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.I Traffic Law Enforcement									
Current payment	-	-	-	-	798	-798	-	-	-
Transfers and subsidies									
Payment for capital assets									
6.2 Traffic Admin & Licencing									
Current payment	57,553	-	-	57,553	49,683	7,870	86,3%	-	-
Transfers and subsidies	356	-	-	356	263	93	73,9%	-	-
Payment for capital assets	-	-	-	-	34	-34	-	-	-
6.3 Programme Support									
Current payment	5,287	-	-	5,287	12,135	-6,848	229,5%	-	-
Transfers and subsidies									
Payment for capital assets	-	-	-	-	I	-I	-	-	-
6.4 Persal Transfer Payments(6)									
Current payment									
Transfers and subsidies	-	-	-	-	191	-191	-	-	-
Payment for capital assets									
6.5 Project Management East									
Current payment	-	-	-	-	-	-	-	7,110	3,816
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	6,512	4,761
6.6 Project Management West									
Current payment	-	-	-	-	-	-	-	6,829	7,333
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	6,920	13,072
6.7 Project Development Facilities									
Current payment	-	-	-	-	-	-	-	9,363	6,809
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	-	4,579
6.8 GG Precinct									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	50,100	54,508
6.9 Job Creation									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	15,000	22,044
6.I0 Social Services East									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	4,212	1,708



Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.II Social Services West									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	10,788	7,300
6.I2 Dacel East									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	6,207	3,820
6.I3 Dacel west									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	19,605	7,014
6.I4 Dacel Facilities									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	-	47
6.I5 Sport West									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	4,000	2,397
6.I6 Sport East									
Current payment									
Transfers and subsidies									
Payment for capital assets	-	-	-	-	-	-	-	-	18
TOTAL	63,196	-	-	63,196	63,105	91	-	146,646	139,226

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DETAIL PER PROGRAMME 6 for the year ended 31 March 2005

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	36,837	-	-	36,837	10,062	26,775	27,3%	15,120	13,148
Goods and services	26,359	-	-	26,359	52,555	-26,196	199,4%	30,656	29,939
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	419	-419	-	-	-
Departmental agencies and accounts	-	-	-	-	2	-2	-	15,100	15,100
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	-	-	-	-	33	-33	-	50	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	85,720	81,039
Machinery and equipment	-	-	-	-	34	-34	-	-	-
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	63,196	-	-	63,196	63,105	91	-	146,646	139,226




DETAIL PER PROGRAMME 7 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.I Theft and Losses									
Current payment	-	-	-	-	865	-865	-	-	-
Transfers and subsidies									
Payment for capital assets									
TOTAL	-	-	-	-	865	-865	-	-	-

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees									
Goods and services									
Interest and rent on land									
Financial transactions in assets and liabilities	-	-	-	-	865	-865	-	-	-
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	-	-	-	-	865	-865	-	-	-



DETAIL PER PROGRAMME 8 for the year ended 31 March 2005

Program per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
8.I Persal Tranfer Payments MRE									
Current payment									
Transfers and subsidies	-	-	-	-	6	-6	-	-	-
Payment for capital assets									
TOTAL	-	-	-	-	6	-6	-	-	-

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as of % final appropriation	Final appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees									
Goods and services									
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts	-	-	-	-	6	-6	-	-	-
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	-	-	-	-	6	-6	-	-	-



NOTES TO THE APPROPRIATION STATEMENT

For the year ended 31 March 2005

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

Detail of these transactions can be viewed in note 8 (Transfers and subsidies) and Annexure 1 (A-F) to the Annual Financial Statements.

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

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

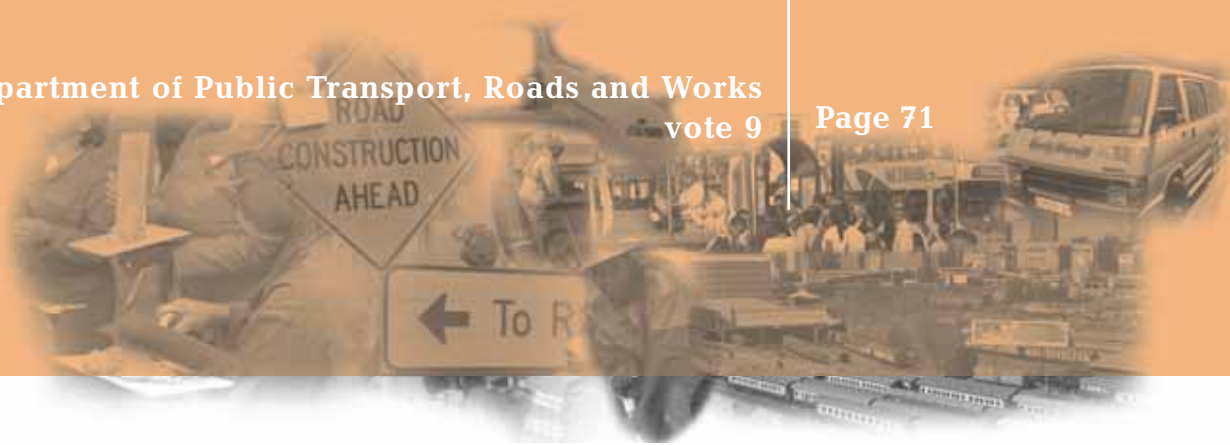
3. Detail on financial transactions in assets and liabilities

Detail of these transactions per group of items can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per Programme	Voted Funds after virement	Actual Expenditure	R'000	%
Programme 1	104,586	104,586	0	0
Programme 2	901,099	870,181	30,918	3
Programme 3	606,680	606,680	0	0
Programme 4	66,498	64,697	1,801	3
Programme 5	45,387	41,412	3,975	9
Programme 6	63,196	63,106	90	0
Programme 7	-	865	-865	-100
Programme 8	-	6	-6	-100

4.2 Per Programme	Explanations per programme
Programme 1	-
Programme 2	The under spend is due to committed capital projects not yet completed at year-end. Roll-overs have been requested.
Programme 3	-
Programme 4	Anticipated projects in respect of taxi capitalisation failed to materialise on time due to National Transport's interventions.
Programme 5	Under spend is due to unprocessed payments at year-end resulting from incorrect banking details from beneficiary.
Programme 6	This variance is considered immaterial.
Programme 7	The variance is due to special functions transactions which are not normally budgeted for. E.g. amounts written off.
Programme 8	This variance is considered immaterial.



4.3 Per Economic classification	R'000
Current payment:	
Compensation of employees	316,783
Goods and services	437,940
Interest and rent on land	-
Financial transactions in assets and liabilities	5,641
Transfers and subsidies:	
Provinces and municipalities	9,963
Departmental agencies and accounts	3
Universities and Technikons	-
Public corporations and private enterprises	2,660
Foreign governments and international organisations	-
Non-profit institutions	251,814
Households	-
Payments for capital assets:	
Buildings and other fixed structures	362,284
Machinery and equipment	363,122
Heritage assets	-
Biological or cultivated assets	-
Software and other intangible assets	28
Land and subsoil assets	1,294



STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2005

	Note	2004/05	2003/04
		R'000	R'000
REVENUE			
Annual appropriation	1	1,787,446	1,528,929
Appropriation for unauthorised expenditure approved		-	98,166
Departmental revenue	2	833,242	774,029
TOTAL REVENUE		2,620,688	2,401,124
EXPENDITURE			
Current expenditure			
Compensation of employees	3	316,783	408,996
Goods and services	4	437,940	432,020
Interest and rent on land	5	-	24,502
Financial transactions in assets and liabilities	6	5,641	6,806
Unauthorised expenditure approved	7	-	98,166
Total current expenditure		760,364	970,490
Transfers and subsidies	8	264,440	237,378
Expenditure for capital assets			
Buildings and other fixed structures	9	362,284	158,414
Machinery and Equipment	9	363,122	250,460
Software and other intangible assets	9	28	-
Land and subsoil assets	9	1,294	-
Total expenditure for capital assets		726,728	408,874
TOTAL EXPENDITURE		1,751,532	1,616,742
NET SURPLUS/(DEFICIT)		869,156	784,382
Add back unauthorised expenditure		261,976	-
NET SURPLUS/(DEFICIT) FOR THE YEAR		1,131,132	784,382
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund/unutilised	I3	297,890	10,353
Departmental receipts to be surrendered to the Revenue Fund	I4	833,242	774,029
NET SURPLUS/(DEFICIT) FOR THE YEAR		1,131,132	784,382



STATEMENT OF FINANCIAL POSITION

at 31 March 2005

	Note	2004/05	2003/04
		R'000	R'000
ASSETS			
Current assets		583,962	175,286
Unauthorised expenditure	7	288,944	-
Cash and cash equivalents	10	247,943	166,361
Prepayments and advances	11	641	752
Receivables	12	46,434	8,173
TOTAL ASSETS		583,962	175,286
LIABILITIES			
Current liabilities		583,962	175,286
Voted funds to be surrendered to the Revenue Fund	13	297,890	10,353
Departmental revenue to be surrendered to the Revenue Fund	14	74,335	-38
Payables	15	211,737	164,971
TOTAL LIABILITIES		583,962	175,286



CASH FLOW STATEMENT

for the year ended 31 March 2005

	Note	2004/05
		R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		2,582,376
Annual appropriated funds received		1,787,446
Departmental revenue received		833,080
Net (increase)/decrease in working capital		-38,150
		<u>2,582,376</u>
Surrendered to Revenue Fund		-796,190
Current payments		-713,598
Transfers and subsidies paid		-264,440
Net cash flow available from operating activities	16	<u>808,148</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		-726,728
Proceeds from sale of capital assets	2	162
Net cash flows from investing activities		<u>-726,566</u>
Net increase/(decrease) in cash and cash equivalents		81,582
Cash and cash equivalents at the beginning of the period		166,361
Cash and cash equivalents at end of period	10	<u>247,943</u>



1. Annual Appropriation

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

	Final Appropriation	Actual Payments	Variance over/(under)	Total Appropriation 2003/04
	R'000	R'000	R'000	R'000
Programme 1	104,586	104,586	-	209,850
Programme 2	901,099	870,181	30,918	78,380
Programme 3	606,680	606,680	-	489,952
Programme 4	66,498	64,697	1,801	162,655
Programme 5	45,387	41,412	3,975	434,640
Programme 6	63,196	63,105	91	146,646
Programme 7		865	-865	
Programme 8		6	-6	
Programme 9				6,806
Total	1,787,446	1,751,532	35,914	1,528,929

For explanations of variances refer to note 4.2 "Notes to the appropriation statement".

Rollover for 2005/06

	R'000
Agriculture	R 19 442
Social Welfare	R 3 022
	<u>R 22 464</u>

1.2 Conditional grants

	Note	2004/05	2003/04
Total grants received	Annex IA	R132,917	R94,321

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



2. Departmental revenue to be surrendered to revenue fund

Description	Note	2004/05	2003/04
		R'000	R'000
Tax revenue		-	-
Sales of goods and services other than capital assets		814,655	773,962
Fines, penalties and forfeits		188	-
Interest, dividends and rent on land		-3,302	-
Sales of capital assets		162	-
Financial transactions in assets and liabilities	2.1	21,539	67
Total revenue collected		833,242	774,029
Departmental revenue collected		833,242	774,029

2.1 Financial transactions in assets and liabilities

Nature of loss recovered

Cheques written back	-	67
Other	21,539	-
	21,539	67

3. Compensation of employees

	Note	2004/05	2003/04
		R'000	R'000
3.1 Salaries and Wages			
Basic salary		197,019	276,866
Performance award		7,399	28,941
Service Based		17,410	1,615
Compensative/circumstantial		41,972	17,954
Periodic payments		-	27,622
Other non-pensionable allowances		7,720	2,878
		271,520	355,876
3.2 Social contributions			
3.2.1 Short-term employee benefits			
Pension		31,686	35,418
Medical		13,483	17,702
Bargaining council		93	-
Insurance		1	-
		45,263	53,120
Total compensation of employees		316,783	408,996
Average number of employees		3,271	4,395

4. Goods and services

	Note	2004/05	2003/04
		R'000	R'000
Advertising		4,827	4,420
Attendance fees (including registration fees)		562	798
Bank charges and card fees		266	260
Bursaries (employees)		943	5,158
Communication		22,297	22,407
Computer services		31,289	44,693
Consultants, contractors and special services		63,163	128,948
Drivers' licences and permits		765	521
Entertainment		348	18
External audit fees	4.1	2,534	4,020
Equipment less than R5000		4,316	4,748
Inventory	4.2	25,378	60,959
Learnerships		7	-
Legal fees		4,605	2,662
Maintenance, repairs and running cost		73,320	60,269
Operating leases		78,425	-
Photographic services		16	-
Plant flowers and other decorations		18	-
Printing and publications		258	-
Professional bodies and membership fees		3	-
Resettlement cost		37	94
Subscriptions		139	8
Owned leasehold property expenditure		79,907	34,163
Translations and transcriptions		19	35
Transport provided as part of the departmental activities		183	455
Travel and subsistence	4.3	24,994	40,859
Venues and facilities		5,215	4,421
Protective, special clothing & uniforms		125	-
Training & staff development		13,981	12,104
		437,940	432,020

	2004/05	2003/04
	R'000	R'000
4.1 External audit fees		
Regularity audits	2,376	3,216
Performance audits	-	804
Other audits	158	-
Total external audit fees	2,534	4,020



	Note	2004/05	2003/04
		R'000	R'000
4.2 Inventory (purchased during the year)			
Strategic stock		-	-
Agricultural		3,237	4,661
Domestic consumables		370	558
Learning and teaching support material		190	-
Food and food supplies		2,503	2,773
Fuel, oil and gas		448	4,228
Laboratory consumables		-	423
Other consumables		11	1,124
Parts and other maintenance material		5,261	14,090
Stationery and printing		12,005	13,624
Road construction and supplies		1,348	19,456
Medical supplies		5	22
		25,378	60,959
4.3 Travel and subsistence			
Local		24,333	40,859
Foreign		661	-
Total travel and subsistence		24,994	40,859
5. Interest and rent on land			
Rent on land		-	24,502
Total interest and rent on land		-	24,502
6. Financial transactions in assets and liabilities			
Material losses through criminal conduct	6.1	59	280
Other material losses written off	6.2	5,582	187
Debts written off	6.3	-	6,339
		5,641	6,806
6.1 Material losses through criminal conduct			
Nature of losses			
Cheque Fraud		59	280
		59	280
6.2 Other material losses written off			
Nature of losses			
Breach of contract		4,670	119
State Guarantees		-	13
Ex-Employees		-	53
Other		-	2
		5,582	187



	Note	2004/05	2003/04
		R'000	R'000

6.3 Bad debts written off

Nature of debts written off

Other Debtors		912	6,338
Unauthorised Expenditure		-	I
		<u>912</u>	<u>6,339</u>

7. Unauthorised expenditure

7.1 Reconciliation of unauthorised expenditure

Opening balance		-	98,166
Unauthorised expenditure – current year		261,976	-
Parliament/Legislature – current expenditure		-	-98,166
Unauthorised expenditure awaiting authorisation		26,968	-
		<u>288,944</u>	<u>-</u>

8. Transfers and subsidies

Provinces and municipalities	Annex IB	9,963	7,167
Departmental agencies and accounts	Annex IC	3	15,100
Public corporations and private enterprises	Annex ID	2,660	187,211
Non-profit institutions		-	27,900
Households	Annex IE	251,814	-
		<u>264,440</u>	<u>237,378</u>

9. Expenditure for capital assets

Buildings and other fixed structures	Annex 3	362,284	158,413
Machinery and equipment	Annex 3	363,122	250,461
Land and subsoil assets	Annex 3	1294	-
Software and other intangible assets	Annex 4	28	-
Total		<u>726,728</u>	<u>408,874</u>

The following amount for Compensation of employees has been included in expenditure for capital assets

	-	7,427
--	---	-------

10. Cash and cash equivalents

Consolidated Paymaster General Account	247,797	166,294
Disbursements	88	-
Cash on hand	58	67
	<u>247,943</u>	<u>166,361</u>

11. Prepayments and advances

Travel and subsistence	641	752
	<u>641</u>	<u>752</u>

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12. Receivables	Notes one year	Less than years	One to three three years	Older than	2004/05 R'000	2003/04 R'000
Amounts owing by other entities	Annex 5	45,181			45,181	45,181
Staff debtors	12,1	930			930	2,838
Clearing Accounts	12,2	323			323	-
Other debtors	12,3	-			-	117
		<u>46,434</u>			<u>46,434</u>	<u>8,173</u>

Note	2004/05 R'000	2003/04 R'000
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12. Receivables

12.1 Staff debtors

Breach of Contract	69	415
Employee	156	141
Ex-Employee	303	1,368
State Guarantee	56	299
Subsidized Transport	7	73
Travel and Subsistence	332	385
GG Accident	5	113
Other	-	42
Telephone	2	2
	<u>930</u>	<u>2,838</u>

12.2 Clearing accounts

Other Receivables	323	-
	<u>323</u>	<u>-</u>

12.3 Other debtors

Suppliers	-	117
	<u>-</u>	<u>117</u>

13. Voted funds to be surrendered to the Revenue Fund

Opening balance	10,353	-
Transfer from Statement of Financial Performance	297,890	10,353
Voted funds not requested/not received	26,968	-
Paid during the year	-37,321	-
Closing balance	<u>297,890</u>	<u>10,353</u>

14. Departmental receipts to be surrendered to the Revenue Fund

Opening balance	-38	27,463
Transfer from Statement of Financial Performance	833,242	774,029
Paid during the year	-758,869	-801,530
Closing balance	<u>74,335</u>	<u>-38</u>

**Amount not used at end of project, which donors allow department to maintain should be paid over to the Revenue Fund.



15. Payables – Current

I5. Payables - Current	Notes	30 Days	30+ Days	2004/05 R'000	2003/04 R'000
I5. Payables					
Amounts owing to other departments	Annex 6	172,323	-	172,323	139,694
Advances received	15,1	39,258	-	39,258	19,351
Other payables	15,2	156	-	156	5,926
		211,737	-	211,737	164,971

	Note	2004/05 R'000	2003/04 R'000
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15.1 Advances received

Guarantees	40,311	19,351
	40,311	19,351

15.2 Other payables

Description

Over recovery on debtors	-	1,236
Other payables	156	4,690
	156	5,926

16. Reconciliation of net cash flow from operating activities to surplus/(deficit)

Net surplus/(deficit) as per Statement of Financial Performance	869,156
(Increase)/decrease in receivables – current	-38,261
(Increase)/decrease in prepayments and advances	111
(Increase)/decrease in other current assets	-26,968
Increase/(decrease) in payables – current	46,766
Proceeds from sale of equipment	-162
Surrenders	-796,190
Capital expenditure	726,728
Voted funds not requested/not received	26,968
Net cash flow generated by operating activities	808,148

17. Appropriated funds and departmental revenue surrendered

Departmental revenue surrendered	-758,907	-801,530
	-758,907	-801,530



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

18. Contingent liabilities

Liable to	Nature	Note	2004/05 R'000	2003/04 R'000
Motor vehicle guarantees	Employees	Annex 2	70	260
Housing loan guarantees	Employees	Annex 2	5,251	6,230
Community safety			2,217	-
			7,538	6,490

Note	2004/05 R'000	2003/04 R'000

19. Commitments per programme

Current expenditure		
Approved and contracted	-	1,213
	-	1,213
Capital expenditure		
Approved and contracted	154,843	324,317
	154,843	324,317
Total Commitments	154,843	325,530

		2004/05 R'000	2003/04 R'000
	30 Days	30+ Days	Total
			Total

20. Accruals

Goods and services	4,200	4,200	9,702
		4,200	9,702

Listed by programme level

Programme 1:	909	1,273
Programme 2:	419	2,150
Programme 3:	2,318	3,462
Programme 4:	509	1,198
Programme 5:	I	1,491
Programme 6:	44	128
	4,200	9,702

21. Employee benefits

Leave entitlement	8,866	44,208
Thirteenth cheque	16,300	7,943
Performance bonus	7,347	-
	32,513	52,151

Lease Commitments

22. Operating Leases

	Buildings and other fixed structures	Machinery and equipment	Total	Total
Not later than 1 year	22,334	547	22,881	56
Later than 1 year and not later than 3 years	24,982	1,643	26,625	144
Later than 3 years	589		27,589	246
Total present value of lease liabilities	47,905	2,190	50,095	446

Note	2004/05	2003/04
	R'000	R'000

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

Opening balance	22	22
Irregular expenditure – current year	-	-
	22	22
Analysis		
Prior years	22	22
	22	22

24. Senior management personnel

Remuneration.

I	Member of the Executive Council	R 623,754
I	Head of Department	R 348,500
4	Deputy Director Generals	R1,345,683

25. Public Private Partnership

In 2001 the Gauteng Provincial Government (GPG) took a decision to create an office accommodation precinct within the Johannesburg central business district. The decision underwent various stages of approval and ultimately the precinct area was identified. Various buildings falling within the precinct area were identified and procured. Of the eleven (11) buildings that were purchased eight (8) have already been transferred at a cost of R135 880 000.00. The transfer of the remaining three (3) buildings is expected to happen soon after year-end at a cost of R130 416 000.00. The remaining purchase price will be paid via the transferring attorneys with funds deposited to facilitate the transfer of the buildings.

Treasury Approval 1(TA1) has already been obtained. The environmental impact assessment will be completed shortly in order to obtain full TA1 approval.



26. Related Parties

Government Motor Transport

The Department holds a controlling interest in Government Motor Transport. During the current year it has incurred R26 315 000 (R33 212 000) for hiring vehicles. These transactions occurred under terms that were no less favourable than those available in similar arm's length dealings with other government departments.

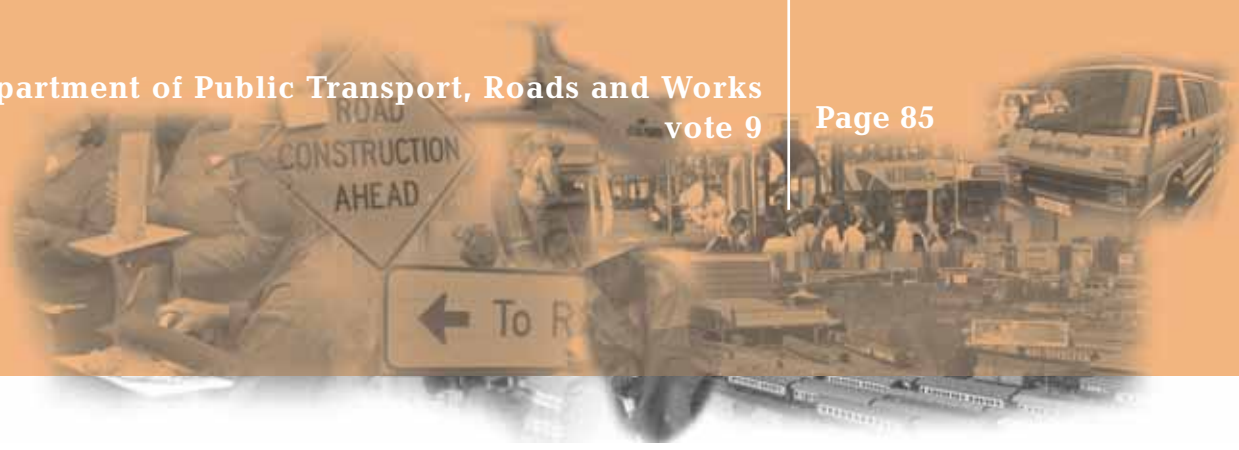
Major Road Plant Fund

The Department also holds a controlling interest in Major Road Plant Fund. During the current year it has incurred R32 552 000 (R30 702 000) for hiring construction machinery and equipment. These transactions occurred under terms that were not available in similar arm's length dealings.

27. Fruitless and Wasteful expenditure

	2004/05 R'000	2003/04 R'000
27.I Reconciliation of Fruitless and Wasteful expenditure		
Opening balance	-	-
Fruitless and Wasteful expenditure – current year	94	-
Fruitless and Wasteful expenditure awaiting condonement	94	-
Analysis		
Current	94	-
	94	-







**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION				Amount received by department
	Division of Revenue Act	Roll Overs	DORA Adjustments	Total Available	
	R'000	R'000	R'000	R'000	R'000
National Treasury Road Infrastructure	132,917			132,917	132,917
	132,917			132,917	132,917

ANNEXURE 1B

Payments for Rates and Taxes / Regional Service Council Levies to Municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER	
	Division of Revenue Act	Roll Overs	DORA Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	
Ekurhuleni	-	-	-	-	-	
Johannesburg	-	-	-	-	-	
Tshwane	-	-	-	-	-	
Sedibeng	-	-	-	-	-	
West Rand	-	-	-	-	-	
Metsweding	-	-	-	-	-	
Claim against State Prov Dept	-1,949	-	-	-1,949	-1,949	
Fines&Penalties	-	-	-	-	-	
Mun Rates & Taxes Ekurhuleni	-3	-	-	-3	3	
Mun Rates and Taxes Johannesburg	9	-	-	-	9	
Mun Rates and Taxes Midvaal	-5	-	-	-	5	
Mun Rates and Taxes Tshwane	-6,439	-	-	-	6,439	
RSCL East Rand	-178	-	-	-	178	
RSCL Tshwane	184	-	-	-	184	
RSCL Johannesburg	94	-	-	-	94	
RSCL Sedibeng	61	-	-	-	61	
RSCL West Rand	32	-	-	-	32	
RSCL Metsweding	-11	-	-	-	11	
Vehicle Licence Tshwane	1	-	-	-	1	
Vehicle Licence Ekurhuleni	270	-	-	-	270	
	-7,934			-7,934	7,934	



SPENT		2003/04	
Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
R'000	%	R'000	R'000
132,917	0%	94,321	91,361
132,917	0%	94,321	91,361

% of available funds transferred	SPENT			2003/04
	Amount received by	Amount spent by municipality	% of available funds spent by	Division of Revenue Act
%	R'000	%	R'000	R'000
-	-	-	-	1,520
-	-	-	-	2,564
-	-	-	-	1,503
-	-	-	-	567
-	-	-	-	506
-	-	-	-	507
-	1,949	-	-	-
-	-	-	-	-
-	3	-	-	-
-	9	-	-	-
-	5	-	-	-
-	6,440	-	-	-
-	178	-	-	-
-	184	-	-	-
-	213	-	-	-
-	33	-	-	-
-	49	-	-	-
-	11	-	-	-
-	1	-	-	-
-	261	-	-	-
	9,963			7,167



ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER	
	Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	
Compensation Commissioner	-3	-	-	-3	3	
Treasury Transfer	-	-	-	-	-	
	-	-	-	-	-	
	-3	-	-	-3	3	

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

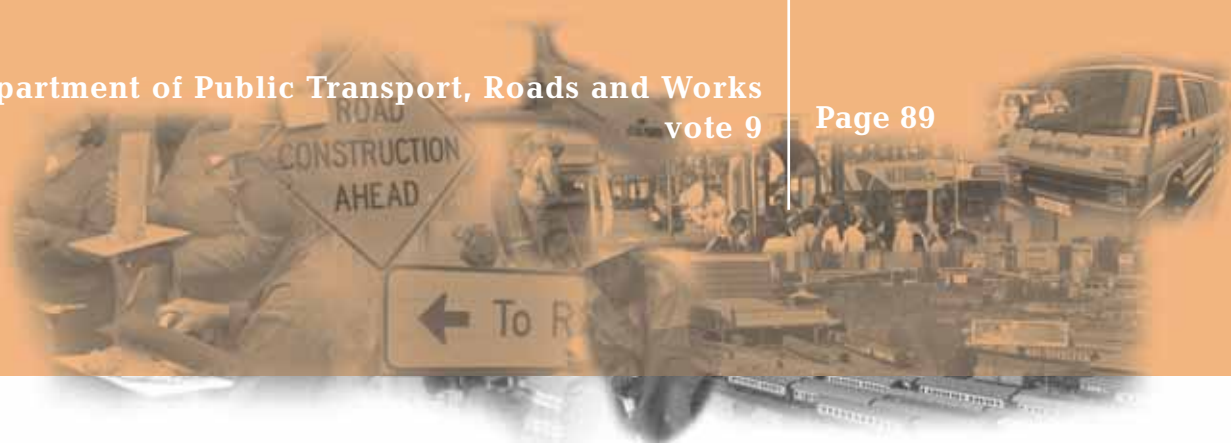
NAME OF PUBLIC CORPORATION	TRANSFER ALLOCATION				TRANSFER	
	Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	
Public Corporations						
Transfers						
Council for Scientific Industrial Research	-2,660	-	-	-2,660	2,660	
Total	-2,660	-	-	-2,660	2,660	

ANNEXURE 1E

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSE HOLDS	TRANSFER ALLOCATION				EXPENDITURE	
	Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	
Transfers						
H/H Empl Social Benefits	-	-	-	-	238,458	
Bursaries (Non-Empl)	-	-	-	-	4,265	
Claims against State	-	-	-	-	9,091	
Total	-	-	-	-	251,814	





	2003/04
% of available funds transferred	Appropriation Act
%	R'000
-	-
-	15,100
-	-
-	15,100

			2003/04
% of available funds transferred	Capital	Current	Appropriation Act
%	R'000	R'000	R'000
-	-	2,660	187,211
-	-	2,660	187,211

	2003/04
% of available funds transferred	Appropriation Act
%	R'000
-	-
-	-
-	-
-	-

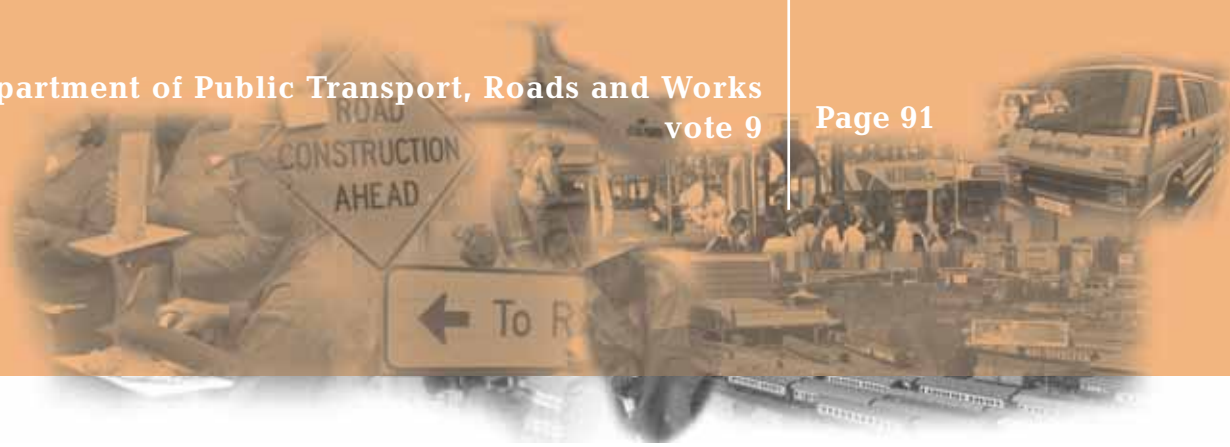


ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 – LOCAL

Guarantor Institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance I April 2004	Guarantees issued during the year	
		R'000	R'000	R'000	
Stannic	Motor vehicles		260	-	
			260	-	
Permanent Bank	Housing		624	-	
Saambou			686	-	
Standard Bank			982	12	
Peoples Bank			413	-	
Peoples Bank NBS			433	-	
BOE Bank			86	-	
African Bank			140	-	
Community Bank			37	-	
Nedcor Inv Bank			11	-	
ABSA			1,653	-	
Nedbank Ltd			482	-	
Firststrand Ltd			443	-	
Old Mutual Bank			220	-	
Mpumalanga			10	-	
Investec			10	-	
Unique Finance			-	64	
FNB (Former Saambou)			-	599	
Old Mutual (NBS/PERM)			-	553	
Total			6,490	1,228	





Guarantees released during the year	Guaranteed interest for year ended 31 March 2005	Closing balance 31 March 2005	Realised losses i.r.o. claims paid out
R'000	R'000	R'000	R'000
190		70	
190		70	
624		-	
686		-	
-		924	
151		262	
111		322	
41		45	
140		-	
20		17	
-		11	
267		1,386	
104		378	
9		434	
54		166	
-		10	
-		10	
-		64	
-		559	
		553	
2,397	-	5,321	

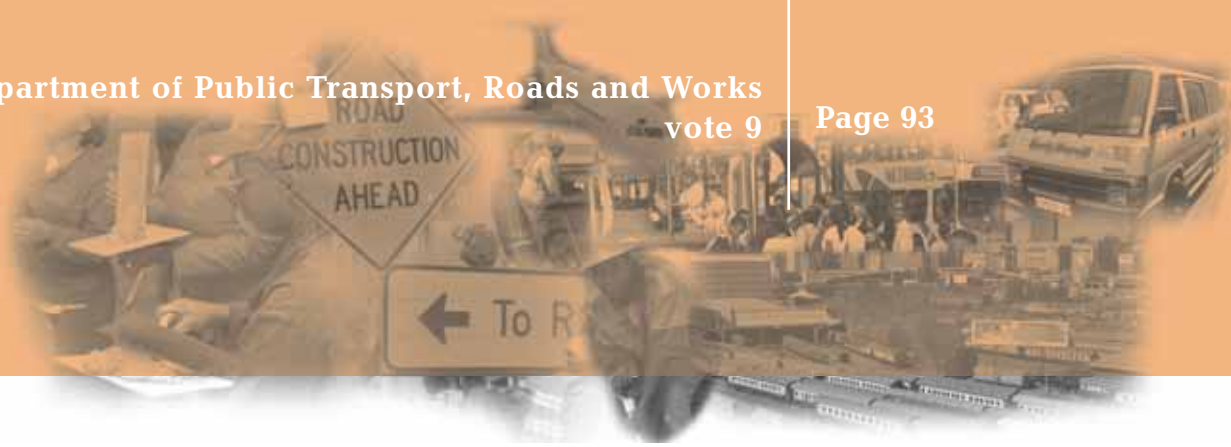


ANNEXURE 3

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	362,284				13,362,284
Dwellings	-					-
Non-residential buildings	-					-
Investment properties	-	362,284				362,284
Other structures (Infrastructure assets)	-					-
Capital work in progress						
Heritage assets						
MACHINERY AND EQUIPMENT	-	363,122				363,122
Computer equipment	-					-
Furniture and office equipment						
Other machinery and equipment	-	363,122				363,122
Specialised military assets						
Transport assets						
BIOLOGICAL OR CULTIVATED ASSETS						
LAND AND SUBSOIL ASSETS	-	1,294				1,294
Land	-	1,294				1,294
Mineral and similar non regenerative resources ⁷	-	-				-
	-	726,700	-	-	-	726,700





ANNEXURE 3 (CONT.)

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2004

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	158,413				158,413
Dwellings	-					-
Non-residential buildings	-					-
Investment properties	-	158,413				158,413
Other structures (Infrastructure assets)	-					-
Capital work in progress						
Heritage assets						
MACHINERY AND EQUIPMENT	-	250,461				250,461
Computer equipment	-	4,613				4,613
Furniture and office equipment	-	245,848				245,848
Other machinery and equipment						
Specialised military assets						
Transport assets						
BIOLOGICAL OR CULTIVATED ASSETS						
LAND AND SUBSOIL ASSETS						
Land						
Mineral and similar non regenerative resources						
	-	408,874	-	-	-	408,874



ANNEXURE 4

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2005

	Opening balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000
Computer Software	-	28	-	-	-	28
	-	28	-	-	-	28

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2004

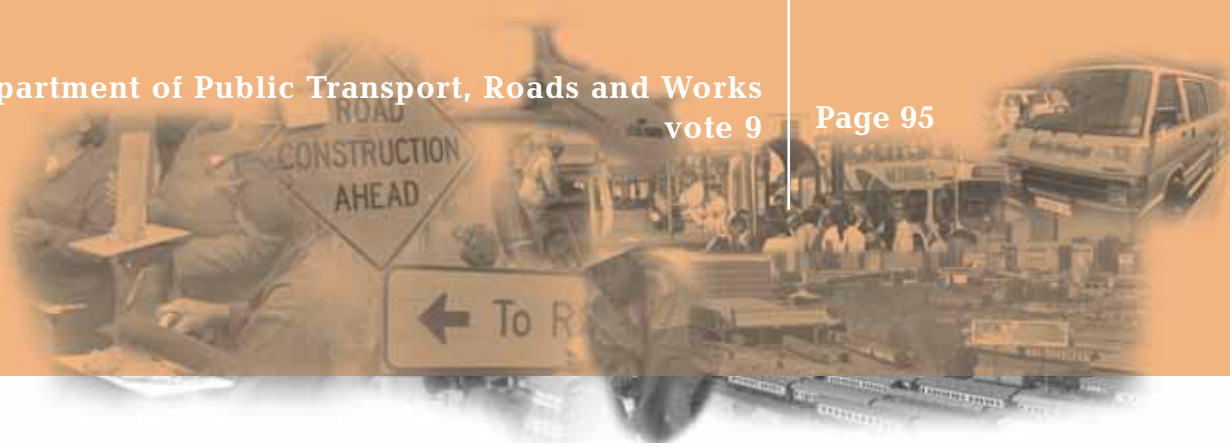
	Opening balance	Additions	Disposals	Transfers in	Transfers out	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000
Computer software	-	-	-	-	-	-
	-	-	-	-	-	-

ANNEXURE 5

INTER-GOVERNMENT RECEIVABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Departments				
Agriculture Dinokeng		2,326	347	
Agriculture Cradle Of Humankind		2,761	5,465	
Agriculture World Heritage Site		-	517	
Office of the Premier		1		
Traffic Law	1,951	-		
Blue IQ		-	36,901	
Salary Claims (GSSC)		130		
TOTAL	1,951	5,218	43,230	





ANNEXURE 6

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Amounts included in Statement of financial position				
Current				
Blue IQ	-	4,391		
GG Transport	17,175	22,304		
Major Road Plant Fund	24,694	18,743		
Arrive Alive	6,678	14,955		
Overload	6,744	6,744		
Public Works	1,208	1,208		
Arts & Culture	559	559		
Laboratory	198	198		
Bus Subsidies	49,961	15,402		
Infrastructure	5,500	5,500		
Clusters (Culverts)	19	342		
Freight Data Bank	127	500		
Impulelo Awards	7	50		
KPI & PLTF	800	800		
Retension	18,752	16,428		
Health	-	21,570	37,220	
Rail Safety	2,148	-		
Shova Kalula	553	-		
Non-current	-	-		
Total	171,020	139,694	37,220	



Major Road Plant Fund

Annual Financial Statements

for the year ended 31 March 2005

Department Of Public Transport, Roads and Works





Department of Public Transport, Roads and Works
Major Road Plant Fund

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Balance Sheet	135
Statement of Changes in Equity	136
Cash Flow Statement	137
Notes to the annual financial statements	138-142



MANAGEMENT REPORT FOR THE YEAR ENDED 31 MARCH 2005

The Accounting Officer hereby presents the Annual Financial Statements for the year ended 31 March 2005 to the Executive Authority and Legislature of Gauteng. The preparation and submission of these financial statements is the responsibility of the Accounting Officer.

Services rendered by the Fund

The Major Road Plant Fund procures and hires out road building equipment to the Department of Public Transport, Roads & Works. Equipment is charged out on an hourly or daily basis depending on the type of equipment or type of construction project. Charge-out rates are revised annually.

Financial Results

The revenue for the period under review amounts to R32 552 000 (2004: R30 702 000).

Review of financial position

The Major Road Plant Fund purchased new equipment to the value of R5 274 000 (2004: R12 133 000). This represented a drive to continue renewing the fleet and equipment of the entity.

Judicial proceedings

There were no cases filed against the Major Road Plant fund during the year.

Events subsequent to Balance Sheet

Management is not aware of any matters or circumstances arising since the end of the financial year, nor otherwise dealt with in the annual financial statements, which significantly affect the financial position of the group or the results of its operations.

Holding Entity

The Major Road Plant Fund is managed by the Department of Public Transport Roads & Works

Going concern

The Financial Statements have been prepared on a going concern basis, as the management is satisfied that the department will be a going concern in the year ahead.

Compliance with Corporate Governance

The Department inclusive of the Trading Account has a fraud prevention policy in place. We also have an internal inspection unit that assists management to ensure that all units comply with the guidelines, policies and procedures within the Department and Trading Account. The internal audit function is performed by the GSSC. The Department also has an audit committee that oversees the compliance to Corporate Governance.

The annual financial statements set out on pages 130 to 142 have been approved by the Accounting Officer.

Mr SB Buthelezi

S.B. Buthelezi
Head of the Department
5 July 2005



REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2005.

Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and meets a minimum of two times per annum as per its approved terms of reference. During the current year meetings were held on 5 occasions in terms of the charter. Meetings were held on the following dates: 02 April 2004, 2 July 2004, 16 August 2004, 11 November 2004 and 28 February 2005.

Name of Member	Number of Meetings Attended
John Modiko - External – resigned	2
Alethea Whitfield - (Chairperson) External	5
Haroun Moolla - External	5
Jack van der Merwe – resigned	1
Jason Sishuba - resigned	1
Linda Mvanana - resigned	1
Oupa Seabi – appointed	2
Sibusiso Buthelezi	2
Oupa Mbokodo – appointed	1

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal control is effective as the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, the matters of emphasis and management letter of the Auditor-General have not reported any significant or material non compliance with prescribed policies and procedures other than for the item relating to the recordal of leave detailed in the attached report of the Auditor-General. A risk assessment has been performed during the financial year under review.

The quality of in year management and monthly / quarterly reports submitted in terms of the Act and the Division of Revenue Act

The Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review.

However, the Committee was not made aware of the problem regarding fixed asset valuation and



the calculation of depreciation that has led to the qualification in the report of the Auditor-General, prior to issue of that report.

Evaluation of Financial Statements

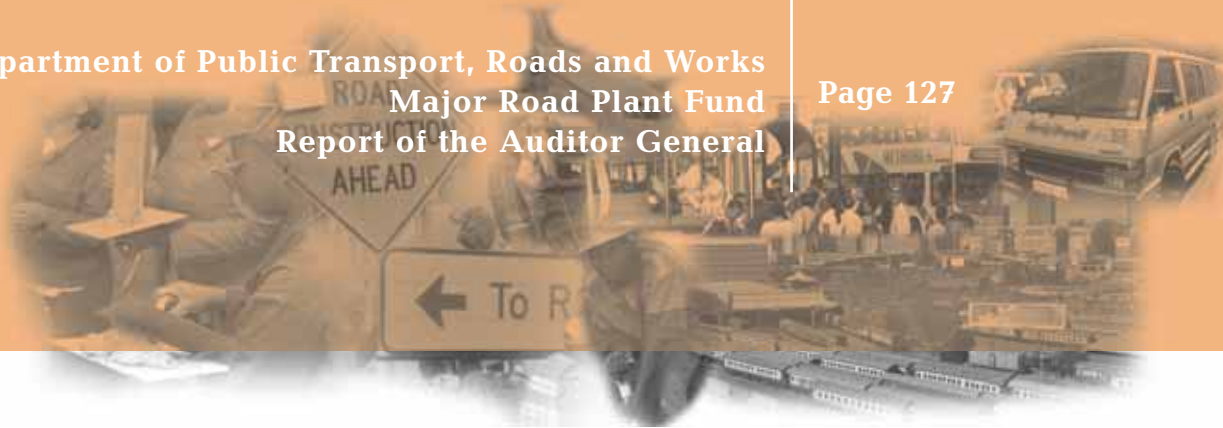
The Audit Committee has:

- Reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General's management letter and management response where significant issues were raised;
- Reviewed significant adjustments resulting from the audit.
- The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

A handwritten signature in black ink, followed by a horizontal line.

Chairperson of the Audit Committee
27 August 2005





REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG PROVINCIAL
LEGISLATURE ON THE FINANCIAL STATEMENTS OF THE MAJOR ROAD
PLANT FUND FOR THE YEAR ENDED 31 MARCH 2005



1. AUDIT ASSIGNMENT

The financial statements as set out on pages 130 to 142 for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with the relevant laws and regulations are the responsibility of the accounting authority. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

3. QUALIFICATION

Fixed asset valuation and depreciation

Due to recent changes in the South African Accounting Standards, Treasury guidelines and the adoption of GAAP as the primary basis of accounting, significant changes arose to the carrying value, depreciation and impairment charges of property, plant and equipment.

The trading account did not yet implement these policy changes within the annual financial



statements due to the complexity and time needed to complete such an exercise.

Accordingly, a comprehensive fixed asset project was underway to implement these changes in the carrying value of fixed assets and the depreciation charge.

The asset system also did not calculate the depreciation charge in terms of the disclosed accounting policy, resulting in the overstatement of depreciation.

4. AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matter referred to in paragraph 3, the financial statements fairly present, in all material respects, the financial position of the Major Road Plant Fund at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with generally accepted accounting practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999)

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion expressed above, attention is drawn to the following matters:

5.1 Adopted basis of accounting

The Major Road Plant Fund was a trading entity of Gauteng Department of Public Transport, Roads and Works – Vote 9. Contrary to the Public Finance Management Act, 1999 (Act No. 1 of 1999) and Treasury Regulations and as described in Note 7 and Note 12 various accounting arrangements were made between the entity and the vote for practical purposes which impacted on the fair presentation of the annual financial statements. These include:

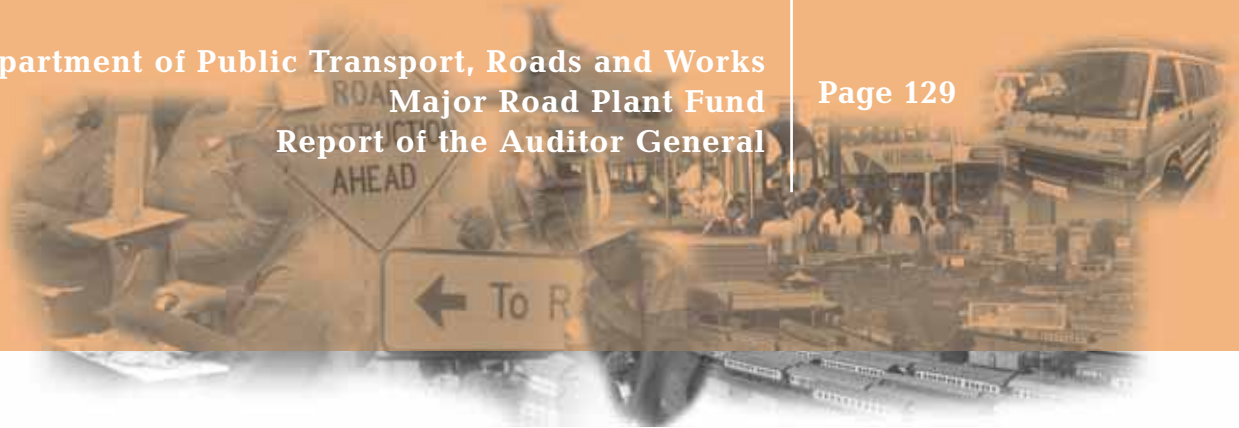
- a. The Major Road Plant Fund utilised the bank account of the Vote.
- b. Accruals for costs of the Major Road Plant Fund were raised by the department and not by the Major Road Plant Fund.
- c. Services were rendered by the Major Road Plant Fund to the Vote on a cost-plus basis and not an arms length market rate.
- d. Fuel and spares stock were carried by the Vote.
- e. Employment costs were borne by the Vote and transferred to the Major Road Plant Fund.
- f. Costs were not borne by the Major Road Plant Fund for the use of Vote's facilities.

Due to the relationship between the Department of Transport and the Major Road Plant Fund the full accounting standard in terms of accruals was not complied with resulting in liabilities being understated in the annual financial statements.

5.2 Control weaknesses in the leave system

Incorrect leave balances were reflected on the PERSAL system, due to incorrect and late capturing of leave. Consequently the leave provision could be under or overstated together





with the related leave expense.

5.3 Submission of annual financial statements

The annual financial statements for the Major Road Plant Fund were submitted on 31 May 2005. Due to material audit findings the financial statements were rectified and a final set was resigned on 5 July 2005 and presented for audit.

6 APPRECIATION

The assistance rendered by the staff of the Major Road Plant Fund during the audit is sincerely appreciated.

A handwritten signature in black ink, appearing to read 'I. Vanker'.

I. Vanker for Auditor-General
Johannesburg
30 July 2005



STATEMENT OF ACCOUNTING POLICIES AND RELATED MATTERS

for the year ended 31 March 2005

Statement of compliance

The financial statements have been prepared in accordance with the Statements of Generally Accepted Accounting Practice (GAAP) and the Public Finance Management Act (PFMA). GAAP and PFMA are applied to all material matters.

Basis of preparation

The financial statements are presented in rands rounded to the nearest thousand. They are prepared on the historical costs basis. The accounting policies below have been applied consistently in all material respects, unless indicated otherwise.

Revenue

Revenue is recognised when it is probable that future economic benefits will flow to the Fund and these benefits can be measured reliably. Revenue arising from letting of vehicles is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Accounting for leases

Leases for assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the period of lease

Irregular and fruitless and wasteful expenditure

Unauthorised expenditure means:

- The overspending of a vote or a main division within a vote, or
- expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

Irregular expenditure means expenditure, other than unauthorised expenditure, incurred in contravention of or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act,
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.



Irregular expenditure is treated as expenditure in the income statement after approval per the departmental delegations.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined. It is treated as a current asset in the balance sheet until such expenditure is recovered from the responsible official or funded from future voted funds.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following basis:

Construction machines : over 6 years

Vehicles : over 4 years

The Trading account does not revalue its assets.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Impairment

The carrying amounts of the entity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If there is any indication that an asset may be impaired, its recoverable amount is estimated. The recoverable amount is the higher of its net selling price and its value in use.

In assessing value in use the expected future cash flows from the asset are discounted to their present value using a discount rate that reflects current market assessments of the time value for money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

For an asset that does not generate cash inflows that are largely independent from those of other assets the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

A previously recognised impairment loss is reversed if the recoverable amount increases as a result of change in the estimates used to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years.



Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the entity becomes a party to the contractual provisions of the instrument.

Retirement benefit costs

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period when the expense is incurred. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a disclosure note to the financial statements and are recognised in the income statement.

Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans.

These benefits are funded by employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department. Post retirement medical benefits for retired members are expensed when the payment is made to the fund.

Provisions

Provisions are recognised for a present legal or constructive obligation when, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.





Repairs and Maintenance

The trading account does not capitalise repairs and maintenance on plant and equipment as this does not in general extend the useful life of the item beyond the original expected life span.

Related parties

The department of Public Transport, Roads and Works is a related party in relation to the Trading Account. The department is ultimately responsible for the management function of the Trading Account.

Comparative figures

Where necessary comparative figures have been adjusted to reflect changes in accounting policies.

Leave

The entity made provision for leave payable to employees as a result of services rendered by employees

Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Provision for doubtful debts

The Trading account provides for doubtful debts on the following basis:

Debtor balance outstanding for less than 12 months	0%
Debtor balance outstanding for less than 13 months	10%
Debtor balance outstanding for less than 25 months	25%

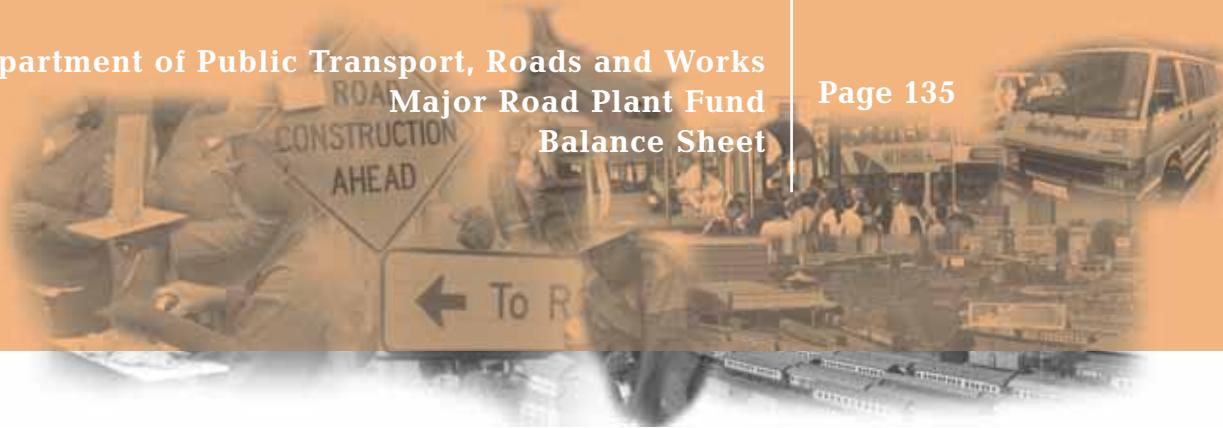
Department of Public Transport, Roads and Works
Major Road Plant Fund
Income Statement



Income Statement for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
Revenue	1	32 552	33 393
Administrative expenses	2	400	208
Staff costs	3	8 229	10 298
Depreciation	6	8 263	8 384
Other operational expenses	4	12 979	12 715
Net Surplus For The Year		2 681	1 788





Balance Sheet As at 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
Assets			
Non-Current Assets			
Plant and equipment	6	21 931	24 919
Current Assets			
Loan account with Vote 9	5	24 694	18 743
Total Assets		46 625	43 662
Liabilities			
Current Liabilities			
Provisions	11	1 753	1 471
Retained Equity		44 872	42 191
Total Equity and Liabilities		46 625	43 662

Department of Public Transport, Roads and Works
 Major Road Plant Fund
 Statement of Changes in Equity



Statement of Changes in Equity For the year ended 31 March 2005

	Retained equity R'000	Total R'000
Balance as at 31 March 2003	40 403	40 403
Net Surplus for the year	1 788	1 788
Balance as at 31 March 2004	42 191	42 191
Net Surplus for the year	2 681	2 681
Balance as at 31 March 2005	44 872	44 872





Cash Flow Statement for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
Cash Flows From Operating Activities			
Net Cash Flow Generated By Operating Activities	8	11 225	8 942
(Increase)/Decrease In working capital	9	(5 951)	500
Net Cash Flow Available From Operating Activities		5 274	9 442
Cash Flows From Investing Activities			
		(5 274)	(9 442)
Purchase of Equipment		(5 274)	(12 133)
Proceeds from sale of Vehicles		-	2 691
Net Cash Flows From Operating And Investing Activities		-	-
Net Increase In Cash And Cash Equivalents		-	-
Cash And Cash Equivalents At Beginning Of Period		-	-
Cash And Cash Equivalents At End Of Period		-	-

Department of Public Transport, Roads and Works
Major Road Plant Fund
Notes to the Annual Financial Statements



Notes to the Annual Financial Statements for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
I. Revenue			
Machine hire		32 552	30 702
Profit on sale of equipment		-	2 691
Total		32 552	33 393
2. Administrative expenses			
Audit fees		29	181
Travel & subsistence		347	3
Rentals in respect of operating lease		24	24
Plant, machinery and equipment		24	24
Total		400	208
3. Staff costs			
Basic salary costs		5 572	6 178
Performance awards		311	281
Periodic payments		79	72
Other non pensionable allowances		148	142
Leave payments		1	16
Overtime pay		43	27
Social contributions (employers contribution)		945	1 203
-Medical		403	413
-Official unions & associations		2	2
-Other salary related costs	3,I	540	788
Pension contributions		848	908
Leave Provision	1I	282	1 471
Total		8 229	10 298
3.I Other salary related costs			
S&W compens/circum other		4	-
S&W service bonus		424	440
S & W home owner allowance		112	173
Subsistence allowance		-	119
Leave gratuities		-	50
Clothing & uniforms		-	6
Total		540	788
Average number of employees		70	78
4. Other operational expenses			
Staff training & development		102	56
Cons & spec ser: personnel & labour		94	-
Maintenance, repairs and running costs		11 443	11 071
Maintenance machinery & equipment		5 658	4 974
Fuel oil & lubricants		5 785	6 097
Other	4.I	1 340	1 588
Total		12 979	12 715





	Notes	2004/05 R'000	2003/04 R'000
4.I Other			
Municipal Services		645	521
Gas		-	23
Computer consumables software		-	9
Accident management		-	130
Motor vehicle insurance		-	70
Vehicle licences		448	497
Camp allowance		-	30
Tools		-	63
Cellular		3	28
Telephone costs		18	5
Equipment costs		24	-
Dom cons cleansing agents		42	45
Dom cons gas general		30	40
Dom cons unif & protect clothing		23	37
Oth. cons workshop material		64	-
Stationery and printing		8	51
Photographic services		2	-
Regional services council levy		19	26
Social benefit		14	13
Total		I 340	I 588
5. Loan account with Vote 9			
Debtors		24 694	18 743

The loan account represents the amount owed by the Department (Vote 9), for services rendered to them.

Department of Public Transport, Roads and Works
Major Road Plant Fund
Notes to the Annual Financial Statements



6. Plant and Equipment
2004

	Workshop Equipment R'000	Vehicles R'000	Construction Equipment R'000	Total R'000
Carrying amount at beginning of year	6	1 596	19 558	21 160
Cost	6	7 519	59 978	67 503
Accumulated Depreciation	-	(5 923)	(40 420)	(46 343)
Purchases	-	952	11 181	12 133
Additions to register	-	18	(8)	10
Depreciation	(2)	(950)	(7 432)	(8 384)
Disposals	-	-	-	-
Cost	-	152	1 932	2 084
Accumulated Depreciation	-	(152)	(1 932)	(2 084)
Carrying amount at end of the year	4	1 617	23 298	24 919
Cost	6	8 319	69 226	77 551
Accumulated Depreciation	(2)	(6 702)	(45 928)	(52 632)

2005

	Computer Equipment R'000	Workshop Equipment R'000	Vehicles R'000	Construction Equipment R'000	Total R'000
Carrying amount at beginning of year	-	4	1 617	23 298	24 919
Cost	-	6	8 319	69 226	77 551
Accumulated Depreciation	-	(2)	(6 702)	(45 928)	(52 632)
Purchases	40	-	1 069	4 165	5 274
Depreciation	(2)	(2)	(1 090)	(7 169)	(8 263)
Carrying amount at end of year	38	2	1 596	20 295	21 931
Cost	40	6	9 388	73 391	82 825
Accumulated Depreciation	(2)	(4)	(7 792)	(53 096)	(60 894)





	Nature of Relationship	Transaction type	Amount R'000	Amount R'000
7. Related party transactions				
Department of Public Transport, Roads and Works	Holding entity	Hiring of equipment	32 552	30 702

The Plant Hires out Machinery & Equipment at less than the market price. The rates charged are just sufficient to recover the cost.

	Notes	2004/05 R'000	2003/04 R'000
8. Net cash flow generated by operating activities			
Net surplus as per Income Statement		2 681	1 788
Adjusted for:		8 544	7 154
Profit from sale of vehicles		-	(2 691)
Depreciation		8 262	8 384
Adjustment to accumulated depreciation		-	(10)
Adjusted for provision on leave	II	282	1 471
Net cash flow generated by operating activities		11 225	8 942

9. Working capital changes			
- (Increase) / decrease in receivables		(5 952)	500

10. Key management persone

10.1 Remuneration

The aggregate remuneration of the key management of the department or constitutional institution and the number of individuals determined on a full time equivalent basis receiving remuneration within this category are included in the Annual Financial Statements of the Department of Public Transport, Roads and Works.

10.2 Other remuneration and compensation provided to key management

The total amount of all other remuneration and compensation provided to key management during the reporting period are included in the Annual Financial Statements of the Department of Public Transport, Roads and Works.

Department of Public Transport, Roads and Works
Major Road Plant Fund
Notes to the Annual Financial Statements



	Notes	2004/05 R'000	2003/04 R'000
II. Provisions			
Leave Pay			
Opening balance		1 471	-
Additional provisions	3	282	1 471
Closing balance		1 753	1 471

The provisions for employee entitlement to salaries and annual leave represent the present obligation which the Entity has to pay as a result of employees services provided to the balance sheet date. The provisions have been calculated at undiscounted amounts based on current salary rates.

12. Creditors

Major Road Plant Fund runs its activities via the books of Vote 9. The transactions are dealt with in the name of the Vote and as a result no liabilities with third parties are raised in the books of the Fund.







HR OVERSIGHT - APRIL 2004 to MARCH 2005 - Gauteng - Transport and Public Works

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Transport Infrastructure maintainance delict claims received and finalised	64 claims received	All road users of Provincial roads in Gauteng	Busy with 19 of 64 claims received	Finalisation of all 64 claims
Transport Infrastructure maintainance delict claims received and finalised	1251 claims received	All road users of Provincial roads in Gauteng	Busy with 142 of 1251 claims received	Finalisation of all 1251 complaints
Transport Infrastructure permissions for services within road reserves	347 applications received	All road users of Provincial roads in Gauteng	Permissions granted within an average 6 week timeframe for suitable application	304 approved
Sexual Harrasment Policy launched by the MEC	3118	None	High	Training Workshops for all levels of employess regarding Code of Conduct. No disciplinary cases reported.
Coordinate and implement an intergrated HIV/AIDS Workplace program	2650	3118	High	Supervisors trained to understand all laws applicable
Re-alignment of Departmental Structure	All 4 branches	n/a		Realigned Structure implemented with effect from 1st April 2005
Management of grievances, disciplinaries, disputes and appeals	3118	3118	High	70%
Management of the collective bargains process in the Department	3118	3118	High	60%
ABET	Lower ranked employees (SR I-5)	EPWP employees	200 employees trained	120 employees
Learnership and Internships	Lower ranked employees	Unemployed youth	6% of staff establishment	131 candidates
	Youth, women and disabled		250	
	Unemployed graduates			
Leadership Development	MMS, SMS/Managers	Supervisory level	30	12
		Employees		
Transversal	Employees	EPWP employees	600 courses	105 courses
Bursary	Youth, women and disabled	None	233	173



TABLE 1.2 – Service Information Tool

Type of Information	Tool Actual Achievements
Website	
Internal newsletter	
Briefing sessions	50%
Booklets, pamphlets and Roadshows	50%
Website for capital projects - Constuction and Maintainance	

TABLE 1.3 – Complaint Mechanism

Complaint Mechanism	Actual Achievements
Provincial Hotline at GSSC	
Hotline to MEC's office	
Front desk service at all Transport Infrastructure regional office	
Website for capital projects - FAQ	
Grievance Procedure	65% cases resolved
Labour Forum	Consensus reached in 60% matters



TABLE 2.1 – Personnel costs by Programme

Programme	Total Voted Expenditure	Compensation of Employees	Training Expenditure	Professional and Special Services	Compensation of Employees as percent of Total expenditure	Average Compensation of Employees cost per employee	Employment
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Main road equipment expenditure	6	0	0	0	0	0	3,118
Pr1:administration	104,203	38,935	0	0	37.4	13	3,118
Pr2:public works	921,247	152,652	0	0	16.6	49	3,118
Pr3:road infrastructure	556,627	89,915	0	0	16.2	29	3,118
Pr4:transport	59,042	20,906	0	0	35.4	7	3,118
Pr5:comm based pub works progr	44,642	2,562	0	0	5.7	1	3,118
Pr6:traffic management	65,209	-3,638	0	0	-5.6	-1	3,118
Special functions	2,117	0	0	0	0	0	3,118
Theft and losses	829	0	0	0	0	0	3,118
Z=Total as on Financial Systems (BAS)	1,753,921	301,332	0	0	17.2	97	3,118





TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees R'000	Percentage of Total Personnel Cost	Average Personnel Cost per Employee(R)	Total Compensation of Employees	Number of Employees
Lower skilled (Levels 1-2)	128,072	33.6	77,714	381,377	1,648
Skilled (Levels 3-5)	67,651	17.7	107,725	381,377	628
Highly skilled production (Levels 6-8)	119,322	31.3	184,139	381,377	648
Highly skilled supervision (Levels 9-12)	48,853	12.8	307,252	381,377	159
Senior management (Levels 13-16)	17,480	4.6	499,429	381,377	35
TOTAL	381,378	100	122,315	381,377	3,118



TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries R'000	Salaries as % of Personnel Cost	Overtime R'000	Overtime as % Personnel Cost
Accommodation cur(2)	69	73,4	0	0
Drawing office services	0	0	0	0
Facilities & utilities cur(2)	369	53,9	0	0
Fin.support: trans eng	146	76,4	0	0
Geometric departmental	0	0	0	0
Law administration cur (6)	114	71,7	0	0
Leasing & rentals cur(2)	868	50,5	0	0
Legal services	406	63,3	0	0
Legal services cur	23	71,9	0	0
Licensing administration cur (6)	2388	61,8	222	5,7
Maintenance & comm based pw	14277	65	661	3
Management service & admin	13791	39,6	300	0,9
Mre ho admin supp	1855	67	0	0
Office services cur(2)	2548	64,6	62	1,6
Operating licence administr cur (4)	2827	50,2	102	1,8
Passenger transport study	374	58,4	0	0
Profesional service	0	0	0	0
Programme support cur (2)	84355	64,2	5873	4,5
Programme support cur (6)	1224	60,1	30	1,5
Ribbon development	0	0	0	0
Road safety education cur (6)	1417	60,5	54	2,3
Security administration	46	18,5	0	0
Security management cur(2)	280	55,9	0	0
Special services cur (6)	2315	56,9	316	7,8
Strategic planning	8013	59,4	19	0,1
Sub-directorate:human resource administration	484	34,3	118	8,4
Support systems	768	45,5	11	0,7
Traffic law enforcement cur (6)	9936	54	1550	8,4
Traffic operations.	341	55,3	0	0
Traffic.engineering	315	48,3	0	0
Training traffic college cur (6)	2193	61,6	131	3,7
Transport infrastructure	58609	65,5	1296	1,4
Transportation management	15762	48,6	1314	4,1
Unknown	14	32,6	0	0
Valuations & disposals cur(2)	639	39,8	0	0
TOTAL	226766	59,5	12059	3,2





HOA R'000	HOA as % of Personnel Cost	Medical Ass R'000	Medical Ass as % of Personnel Cost	Total
2	2,1	6	6,4	94
0	0	0	0	185
16	2,3	30	4,4	685
4	2,1	11	5,8	191
0	0	0	0	27
2	1,3	14	8,8	159
20	1,2	76	4,4	1719
2	0,3	24	3,7	641
0	0	2	6,3	32
50	1,3	207	5,4	3867
290	1,3	1047	4,8	21980
189	0,5	904	2,6	34796
24	0,9	105	3,8	2768
42	1,1	230	5,8	3945
59	1	254	4,5	5632
9	1,4	35	5,5	640
0	0	0	0	5
1897	1,4	6359	4,8	131364
31	1,5	108	5,3	2038
0	0	0	0	63
40	1,7	121	5,2	2343
0	0	1	0,4	248
7	1,4	20	4	501
32	0,8	249	6,1	4069
138	1	513	3,8	13500
8	0,6	58	4,1	1413
10	0,6	41	2,4	1687
125	0,7	1100	6	18404
9	1,5	24	3,9	617
9	1,4	23	3,5	652
36	1	193	5,4	3559
975	1,1	3153	3,5	89480
209	0,6	1247	3,8	32427
0	0	0	0	43
9	0,6	48	3	1604
4244	1,1	16203	4,2	381378



TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Programme	Salaries R'000	Salaries as % of Personnel Cost	Overtime R'000	Overtime as % Personnel Cost
Lower skilled (Levels 1-2)	69933	54,6	3306	2,6
Skilled (Levels 3-5)	42432	62,7	4342	6,4
Highly skilled production (Levels 6-8)	74250	62,2	3973	3,3
Highly skilled supervision (Levels 9-12)	30614	62,7	439	0,9
Senior management (Levels 13-16)	9537	54,6	0	0
TOTAL	226766	59,5	12060	3,2





HOA R'000	HOA as % of Personnel Cost	Medical Ass R'000	Medical Ass as % of Personnel Cost	Total
1533	1,2	3231	2,5	128072
760	1,1	4310	6,4	67651
1470	1,,2	6531	5,5	119322
493	1	1655	3,4	48853
-7	0	477	2,7	17480
4249	1,1	16204	4,2	381378



TABLE 3.1 – Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Drawing office services, Permanent	1	0	100	0
Facilities & utilities cur(2), Permanent	10	6	40	0
Fin.support: trans eng, Permanent	9	2	77,8	0
Leasing & rentals cur(2), Permanent	26	12	53,8	0
Legal services, Permanent	10	4	60	0
Licensing administration cur (6), Permanent	102	45	55,9	0
Maintenance & comm based pw, Permanent	110	76	30,9	0
Maintenance, Permanent	2	0	100	0
Management service & admin, Permanent	249	108	56,6	1
Mre ho admin supp, Permanent	16	13	18,8	0
Office services cur(2), Permanent	62	45	27,4	0
Operating licence administr cur (4), Permanent	66	46	30,3	0
Passenger transport study, Permanent	13	3	76,9	0
Programme support cur (2), Permanent	2280	1481	35	0
Programme support cur (5), Permanent	11	0	100	0
Routine inspection gravel road, Permanent	1	0	100	0
Routine surface road, Permanent	2	0	100	0
Security management cur(2), Permanent	19	3	84,2	0
Strategic planning, Permanent	92	54	41,3	0
Sub-directorate:human resource administration, Permanent	15	7	53,3	0
Support systems, Permanent	13	9	30,8	0
Traffic operations., Permanent	7	3	57,1	0
Traffic.engineering, Permanent	9	2	77,8	0
Transport infrastructure, Permanent	1675	1110	33,7	0
Transportation management, Permanent	208	79	62	0
Valuations & disposals cur(2), Permanent	21	10	52,4	0
TOTAL	5029	3118	38	1



TABLE 3.2 – Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels I-2), Permanent	2757	1711	37,9	0
Skilled (Levels 3-5), Permanent	842	570	32,3	0
Highly skilled production (Levels 6-8), Permanent	1059	640	39,6	0
Highly skilled supervision (Levels 9-12), Permanent	320	163	49,1	1
Senior management (Levels I3-I6), Permanent	51	34	33,3	0
TOTAL	5029	3118	38	1

TABLE 3.3 – Employment and Vacancies by Critical Occupation at end of period

Critical Occupation	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	127	53	58,3	1
All artisans in the building metal machinery etc., Permanent	365	239	34,5	0
Architects town and traffic planners, Permanent	10	3	70	0
Artisan project and related superintendents, Permanent	32	19	40,6	0
Auxiliary and related workers, Permanent	40	29	27,5	0
Building and other property caretakers, Permanent	42	19	54,8	0
Bus and heavy vehicle drivers, Permanent	1	1	0	0
Cartographers and surveyors, Permanent	2	1	50	0
Cartographic surveying and related technicians, Permanent	45	27	40	0
Civil engineering technicians, Permanent	46	16	65,2	0
Cleaners in offices workshops hospitals etc., Permanent	514	335	34,8	0
Client inform clerks (switchboard reception inform clerks), Permanent	16	11	31,3	0
Communication and information related, Permanent	16	9	43,8	0
Computer system designers and analysts., Permanent	15	7	53,3	0
Economists, Permanent	5	4	20	0
Electrical and electronics engineering technicians, Permanent	6	2	66,7	0
Engineering sciences related, Permanent	32	24	25	0
Engineers and related professionals, Permanent	56	28	50	0
Finance and economics related, Permanent	16	5	68,8	0
Financial and related professionals, Permanent	8	8	0	0
Financial clerks and credit controllers, Permanent	26	19	26,9	0
Food services aids and waiters, Permanent	8	4	50	0
General legal administration & rel. professionals, Permanent	8	2	75	0
Head of department/chief executive officer, Permanent	1	1	0	0
Human resources & organisat developm & relate prof, Permanent	22	11	50	0
Human resources related, Permanent	12	2	83,3	0
Information technology related, Permanent	8	6	25	0
Inspectors of apprentices works and vehicles, Permanent	149	97	34,9	0



Critical Occupation	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Language practitioners interpreters & other commun, Permanent	16	10	37,5	0
Legal related, Permanent	2	1	50	0
Library mail and related clerks, Permanent	29	19	34,5	0
Light vehicle drivers, Permanent	10	6	40	0
Logistical support personnel, Permanent	8	5	37,5	0
Material-recording and transport clerks, Permanent	102	67	34,3	0
Mechanical engineering technicians, Permanent	18	4	77,8	0
Messengers porters and deliverers, Permanent	37	26	29,7	0
Motorised farm and forestry plant operators, Permanent	2	0	100	0
Other administrat & related clerks and organisers, Permanent	438	268	38,8	0
Other administrative policy and related officers, Permanent	245	96	60,8	0
Other information technology personnel., Permanent	8	6	25	0
Other occupations, Permanent	1	1	0	0
Printing and related machine operators, Permanent	18	10	44,4	0
Quantity surveyors & rela prof not class elsewhere, Permanent	9	5	44,4	0
Regulatory inspectors, Permanent	1	1	0	0
Risk management and security services, Permanent	1	0	100	0
Road superintendents, Permanent	10	9	10	0
Road trade workers., Permanent	46	41	10,9	0
Road workers, Permanent	1284	829	35,4	0
Secretaries & other keyboard operating clerks, Permanent	112	61	45,5	0
Security guards, Permanent	53	33	37,7	0
Security officers, Permanent	35	25	28,6	0
Senior managers, Permanent	47	30	36,2	0
Trade labourers, Permanent	860	579	32,7	0
Trade related, Permanent	8	4	50	0
Water plant and related operators, Permanent	1	0	100	0
TOTAL	5029	3118	38	1





TABLE 4.1 – Job Evaluation

Salary Band	Number of Posts	Number of jobs evaluated	% of Posts evaluated	Number of posts upgraded	% of Upgraded posts evaluated	Number of Posts downgraded	% of downgraded posts evaluated
Lower skilled (Levels 1-2)	2757	0	0	0	0	0	0
Skilled (Levels 3-5)	842	6	0,7	4	66,7	0	0
Highly skilled production (Levels 6-8)	1059	11	1	4	36,4	0	0
Highly skilled supervision (Levels 9-12)	320	47	14,7	12	25,5	5	10,6
Senior Management Service Band A	32	13	40,6	0	0	0	0
Senior Management Service Band B	9	4	44,4	0	0	0	0
Senior Management Service Band C	4	4	100	0	0	0	0
Senior Management Service Band D	1	1	100	0	0	0	0
TOTAL	5024	86	1,7	20	23,3	5	5,8

TABLE 4.2 – Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	0	0	0	1
Male	0	0	0	4	4
Total	1	0	0	4	5
Employees with a Disability	0	0	0	0	0



TABLE 5.1 – Annual Turnover Rates by Salary Band

Salary Band	Employment at beginning of period	Appointments	Terminations	Turnover Rate
Lower skilled (Levels I-2), Permanent	1807	8	82	4,5
Skilled (Levels 3-5), Permanent	988	21	40	4
Highly skilled production (Levels 6-8), Permanent	830	21	30	3,6
Highly skilled supervision (Levels 9-12), Permanent	198	7	13	6,6
Senior Management Service Band A, Permanent	19	3	0	0
Senior Management Service Band B, Permanent	6	0	0	0
Senior Management Service Band C, Permanent	3	1	3	100
Senior Management Service Band D, Permanent	1	0	0	0
TOTAL	3852	61	168	4,4

TABLE 5.2 – Annual Turnover Rates by Critical Occupation

Occupation	Employment at beginning of period	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	78	7	3	3,8
All artisans in the building metal machinery etc., Permanent	246	4	11	4,5
Architects town and traffic planners, Permanent	1	0	1	100
Artisan project and related superintendents, Permanent	24	0	0	0
Auxiliary and related workers, Permanent	32	1	2	6,3
Building and other property caretakers, Permanent	42	1	3	7,1
Cartographers and surveyors, Permanent	2	0	0	0
Cartographic surveying and related technicians, Permanent	6	3	0	0
Civil engineering technicians, Permanent	42	2	4	9,5
Cleaners in offices workshops hospitals etc., Permanent	389	0	20	5,1
Client inform clerks (switchboard receipt inform clerks), Permanent	12	1	2	16,7
Communication and information related, Permanent	2	0	0	0
Computer programmers., Permanent	2	0	0	0
Computer system designers and analysts., Permanent	1	0	0	0
Economists, Permanent	4	0	0	0

Occupation	Employment at beginning of period	Appointments	Terminations	Turnover Rate
Electrical and electronics engineering technicians, Permanent	4	1	0	0
Engineering sciences related, Permanent	29	0	2	6,9
Engineers and related professionals, Permanent	31	0	1	3,2
Finance and economics related, Permanent	5	0	1	20
Financial and related professionals, Permanent	5	3	0	0
Financial clerks and credit controllers, Permanent	90	3	1	1,1
Food services aids and waiters, Permanent	7	0	1	14,3
General legal administration & rel. professionals, Permanent	0	1	0	0
Household and laundry workers, Permanent	1	0	0	0
Human resources & organisat developm & relate prof, Permanent	9	0	0	0
Human resources clerks, Permanent	11	1	1	9,1
Human resources related, Permanent	3	0	1	33,3
Information technology related, Permanent	1	0	0	0
Inspectors of apprentices works and vehicles, Permanent	96	8	7	7,3
Language practitioners interpreters & other commun, Permanent	8	1	0	0
Legal related, Permanent	1	0	1	100
Library mail and related clerks, Permanent	21	0	0	0
Light vehicle drivers, Permanent	8	0	1	12,5
Logistical support personnel, Permanent	6	0	0	0
Material-recording and transport clerks, Permanent	72	0	2	2,8
Mechanical engineering technicians, Permanent	3	0	0	0
Messengers porters and deliverers, Permanent	35	1	2	5,7
Motor vehicle drivers, Permanent	1	0	1	100
Motorised farm and forestry plant operators, Permanent	5	0	1	20
Other administrat & related clerks and organisers, Permanent	324	5	12	3,7
Other administrative policy and related officers, Permanent	93	2	2	2,2
Other information technology personnel., Permanent	3	1	0	0
Other occupations, Permanent	21	0	7	33,3
Printing and related machine operators, Permanent	11	0	2	18,2
Quantity surveyors & rela prof not class elsewhere, Permanent	2	1	0	0
Rank: Unknown, Permanent	1	0	0	0
Regulatory inspectors, Permanent	399	0	6	1,5
Risk management and security services, Permanent	1	0	0	0



Occupation	Employment at beginning of period	Appointments	Terminations	Turnover Rate
Road superintendents, Permanent	7	0	0	0
Road trade workers., Permanent	32	0	1	3,1
Road workers, Permanent	866	0	31	3,6
Secretaries & other keyboard operating clerks, Permanent	62	10	4	6,5
Security guards, Permanent	38	0	1	2,6
Security officers, Permanent	26	0	2	7,7
Senior managers, Permanent	28	3	3	10,7
Trade labourers, Permanent	597	1	26	4,4
Trade related, Permanent	1	0	1	100
Water plant and related operators, Permanent	5	0	1	20
TOTAL	3852	61	168	4,4

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignation	Percentage of total Employment	Total	Total Employment
Death, Permanent	61	36,3	1,6	168	3852
Resignation, Permanent	45	26,8	1,2	168	3852
Expiry of contract, Permanent	1	0,6	0	168	3852
Dismissal-operational changes, Permanent	4	2,4	0,1	168	3852
Discharged due to ill health, Permanent	2	1,2	0,1	168	3852
Dismissal-misconduct, Permanent	4	2,4	0,1	168	3852
Retirement, Permanent	51	30,4	1,3	168	3852
TOTAL	168	100	4,4	168	3852

Resignations as % of Employment

4.4



TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment at beginning of period	Promotions to another salary level	Salary Level Promotions as a % of employment	Progressions to another Notch within salary level	Notch progressions as a % of employment
Administrative related	78	15	19.2	57	73.1
All artisans in the building metal machinery etc.	246	6	2.4	223	90.7
Architects town and traffic planners	1	0	0	0	0
Artisan project and related superintendents	24	0	0	21	87.5
Attorneys	0	3	0	0	0
Auxiliary and related workers	32	1	3.1	28	87.5
Building and other property caretakers	42	0	0	55	131
Cartographers and surveyors	2	0	0	2	100
Cartographic surveying and related technicians	6	0	0	5	83.3
Civil engineering technicians	42	0	0	32	76.2
Cleaners in offices workshops hospitals etc.	389	0	0	362	93.1
Client inform clerks(switchboard inform clerks)	12	0	0	14	116.7
Communication and information related	2	4	200	1	50
Computer programmers.	2	0	0	1	50
Computer system designers and analysts.	1	0	0	0	0
Economists	4	0	0	1	25
Electrical and electronics engineering technicians	4	0	0	3	75
Engineering sciences related	29	1	3.4	22	75.9
Engineers and related professionals	31	1	3.2	21	67.7
Finance and economics related	5	0	0	4	80
Financial and related professionals	5	1	20	2	40
Financial clerks and credit controllers	90	3	3.3	85	94.4
Food services aids and waiters	7	0	0	6	85.7
General legal administration & rel. professionals	0	2	0	0	0
Handcraft instructors	0	0	0	1	0
Household and laundry workers	1	0	0	1	100
Human resources & organisat developm & relate prof	9	0	0	8	88.9
Human resources clerks	11	0	0	9	81.8
Human resources related	3	0	0	2	66.7
Information technology related	1	0	0	1	100
Inspectors of apprentices works and vehicles	96	2	2.1	81	84.4
Language practitioners interpreters & other commun	8	0	0	8	100
Legal related	1	4	400	0	0
Library mail and related clerks	21	0	0	20	95.2
Light vehicle drivers	8	0	0	7	87.5
Logistical support personnel	6	1	16.7	5	83.3
Material-recording and transport clerks	72	0	0	69	95.8
Mechanical engineering thechnicians	3	0	0	3	100
Medical specialists	0	1	0	0	0
Messengers porters and deliverers	35	0	0	34	97.1
Motor vehicle drivers	1	0	0	0	0
Motorised farm and forestry plant operators	5	0	0	11	220
Other administrat & related clerks and organisers	324	7	2.2	274	84.6
Other administrative policy and related officers	93	3	3.2	77	82.8
Other information technology personnel.	3	0	0	1	33.3
Other occupations	21	1	4.8	165	785.7
Printing and related machine operators	11	0	0	9	81.8
Quantity surveyors & rela prof not class elsewhere	2	0	0	2	100
Rank: Unknown	1	0	0	0	0



Occupation beginning of period	Employment at salary level	Promotions to another as a % of employment	Salary Level Promotions Notch within salary level	Progressions to another as a % of employment	Notch progressions
Regulatory inspectors	399	0	0	249	62.4
Risk management and security services	1	0	0	0	0
Road superintendents	7	0	0	8	114.3
Road trade workers.	32	0	0	31	96.9
Road workers	866	0	0	712	82.2
Secretaries & other keyboard operating clerks	62	2	3.2	53	85.5
Security guards	38	0	0	34	89.5
Security officers	26	0	0	24	92.3
Senior managers	28	3	10.7	3	10.7
Trade labourers	597	0	0	530	88.8
Trade related	1	0	0	0	0
Water plant and related operators	5	0	0	4	80
TOTAL	3852	61	1.6	3381	87.8

TABLE 5.5 - Promotions by Salary Band

Occupation	Employment at beginning of period	Promotions to another salary level	Salary Level Promotions as a % of employment	Progressions to another Notch within salary level	Notch progressions as a % of employment
Lower skilled (Levels 1-2), Permanent	1807	0	0	1712	94.7
Skilled (Levels 3-5), Permanent	988	4	0.4	809	81.9
Highly skilled production (Levels 6-8), Permanent	830	29	3.5	711	85.7
Highly skilled supervision (Levels 9-12), Permanent	198	22	11.1	148	74.7
Senior management (Levels 13-16), Permanent	29	6	20.7	1	3.4
TOTAL	3852	61	1.6	3381	87.8





**TABLE 6.1 – Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)**

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White
Legislators, senior officials and managers, Permanent	11	3	0	14	7
Professionals, Permanent	104	4	5	113	87
Clerks, Permanent	115	5	2	122	35
Service and sales workers, Permanent	44	0	0	44	7
Craft and related trades workers, Permanent	147	6	1	154	235
Plant and machine operators and assemblers, Permanent	22	1	0	23	2
Elementary occupations, Permanent	1539	1	1	1541	102
TOTAL	1982	20	9	2011	475
Employees with disabilities	7	1	0	8	7

TABLE 6.2 – Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White
Top Management, Permanent	3	0	0	3	0
Senior Management, Permanent	12	3	0	15	9
Professionally qualified and experienced specialists and mid-management, Permanent	43	5	5	53	132
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	142	7	1	150	201
Semi-skilled and discretionary decision making, Permanent	1645	5	3	1653	130
Unskilled and defined decision making, Permanent	137	0	0	137	3
TOTAL	1982	20	9	2011	475

TABLE 6.3 – Recruitment

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White
Top Management, Permanent	1	0	0	1	0
Senior Management, Permanent	3	0	0	3	0
Professionally qualified and experienced specialists and mid-management, Permanent	3	0	0	3	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	12	0	0	12	0
Semi-skilled and discretionary decision making, Permanent	7	0	0	7	0
Unskilled and defined decision making, Permanent	4	0	0	4	0
TOTAL	30	0	0	30	0
No data	0	0	0	0	0



Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
6	0	0	6	3	30
60	3	3	66	52	318
160	13	4	177	140	474
2	0	0	2	1	54
10	0	0	10	2	401
4	0	0	4	0	29
163	0	0	163	6	1812
405	16	7	428	204	3118

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
1	0	0	1	1	17

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
0	0	0	0	0	3
5	0	0	5	3	32
29	2	3	34	32	251
74	5	2	81	124	556
249	9	2	260	45	2088
48	0	0	48	0	188
405	16	7	428	204	3118

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
0	0	0	0	0	1
0	0	0	0	0	3
4	0	0	4	0	7
8	1	0	9	0	21
13	0	0	13	1	21
3	0	0	3	1	8
28	1	0	29	2	61

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
0	0	0	0	0	0



TABLE 6.4 - Promotions

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	
Top Management, Permanent	1	0	0	1	0	
Senior Management, Permanent	2	1	0	3	3	
Professionally qualified and experienced specialists and mid-management, Permanent	49	6	5	60	76	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	163	9	1	173	296	
Semi-skilled and discretionary decision making, Permanent	408	9	5	422	124	
Unskilled and defined decision making, Permanent	1513	0	1	1514	9	
TOTAL	2136	25	12	2173	508	

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	
Employees with disabilities	11	1	0	12	7	

TABLE 6.5 - Terminations

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	
Top Management, Permanent	1	0	0	1	1	
Professionally qualified and experienced specialists and mid-management, Permanent	2	0	0	2	9	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	4	0	0	4	15	
Semi-skilled and discretionary decision making, Permanent	17	1	0	18	10	
Unskilled and defined decision making, Permanent	74	0	0	74	2	
TOTAL	98	1	0	99	37	

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	
Employees with disabilities	1	0	0	1	2	





Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
0	0	0	0	0	1
1	0	0	1	0	7
16	2	2	20	15	171
107	7	3	117	154	740
204	11	2	217	50	813
189	0	0	189	0	1712
517	20	7	544	219	3444

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
6	0	0	6	1	26

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
1	0	0	1	0	3
2	0	0	2	0	13
4	1	0	5	6	30
8	1	1	10	2	40
6	0	0	6	0	82
21	2	1	24	8	168

Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
1	0	0	1	0	4



TABLE 7.1 – Performance Rewards by Race, Gender and Disability

	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
African, Female	251	404	62.1	1,070	4,264
African, Male	1164	1975	58.9	3,633	3,121
Asian, Female	4	7	57.1	17	4,297
Asian, Male	6	9	66.7	34	5,615
Coloured, Female	9	16	56.3	50	5,537
Coloured, Male	10	19	52.6	62	6,156
Total Blacks, Female	264	427	61.8	1,137	4,308
Total Blacks, Male	1182	2003	59	3,739	3,163
White, Female	154	203	75.9	887	5,763
White, Male	303	468	64.7	1,936	6,389
Employees with a disability	7	17	41.2	42	6,013
TOTAL	1910	3118	61.3	7,741	4,053

TABLE 7.2 – Performance Rewards by Salary Band for Personnel below Senior Management Service

Beneficiaries	Number of	Total Employment	Percentage of	Cost (R'000)	Average Cost per
		Total Employment	Total Employment	Beneficiary (R)	Beneficiary (R)
Lower skilled (Levels 1-2)	958	1648	58.1	2,568	2,681
Skilled (Levels 3-5)	430	628	68.5	1,513	3,519
Highly skilled production (Levels 6-8)	408	648	63	2,388	5,853
Highly skilled supervision (Levels 9-12)	100	159	62.9	777	7,770
TOTAL	1896	3083	61.5	7246	3822

TABLE 7.3 – Performance Rewards by Critical Occupation

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
TOTAL	0	0	0	0	0

TABLE 7.4 – Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per beneficiary (R'000)	% of SMS Wage Bill	Personnel Cost SMS
Band A	5	20	25	132	2,640	1,3	10,349
Band B	3	12	25	119	3,967	2,7	4,340
Band C	3	2	150	175	5,833	10,2	1,724
Band D	1	1	100	59	5,900	5,5	1,067
TOTAL	12	35	34.3	485	4041,7	2,8	17480



TABLE 8.1 – Foreign Workers by Salary Band

Salary Band	Employment at beginning period	Percentage of total	Employment at end of period	Percentage of total	Change in employment	Percentage of total	Total employment at beginning	Total employment at end of	Total Change in employment
Lower skilled (Levels 1-2)	3	60	5	71,4	2	100	5	7	2
Skilled (Levels 3-5)	1	20	1	14,3	0	0	5	7	2
Highly skilled supervision (Levels 9-12)	1	20	1	14,3	0	0	5	7	2
TOTAL	5	100	7	100	2	100	5	7	2

TABLE 8.2 – Foreign Workers by Major Occupation

Major occupation	Employment at beginning period	Percentage of total	Employment at end of period	Percentage of total	Change in employment	Percentage of total	Total employment at beginning	Total employment at end of	Total Change in employment
Administrative office workers	2	40	2	28,6	0	0	5	7	2
Craft and related trades workers	1	20	0	0	-1	-50	5	7	2
Elementary occupations	1	20	3	42,9	2	100	5	7	2
Professionals and managers	1	20	2	28,6	1	50	5	7	2
TOTAL	5	100	7	100	2	100	5	7	2



TABLE 9.1 - Sick Leave for Jan 2004 to Dec 2004

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)	Total number of employees using sick leave	Total number of days with medical certification
Lower skilled (Levels I-2)	7,564	87,3	970	39,7	8	1,061	2,444	6,601
Skilled (Levels 3-5)	5,624	70,5	747	30,6	8	1,175	2,444	3,963
Highly skilled production (Levels 6-8)	5,517	81,9	626	25,6	9	2,027	2,444	4,516
Highly skilled supervision (Levels 9-12)	566	82,3	90	3,7	6	401	2,444	466
Senior management (Levels I3-I6)	60	75	11	0,5	5	105	2,444	45
TOTAL	19,330	80,7	2,444	100	8	4,769	2,444	15,591

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2004 to Dec 2004

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)	Total number of days with medical certification	Total number of employees using disability leave
Highly skilled production (Levels 6-8)	106	100	1	100	106	31	106	1
TOTAL	106	100	1	100	106	31	106	1

TABLE 9.3 - Annual Leave for Jan 2004 to Dec 2004

Salary Band	Total Days Taken	Average per Employee	Employment
Lower skilled (Levels I-2)	43,272	22	2,005
Skilled (Levels 3-5)	18,800	16	1,150
Highly skilled production (Levels 6-8)	17,641	19	905
Highly skilled supervision (Levels 9-12)	3,263	19	172
Senior management (Levels I3-I6)	603	18	34
TOTAL	83,578	20	4,266

TABLE 9.4 - Capped Leave for Jan 2004 to Dec 2004

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2004	Number of Employees	Total number of capped leave available as at 31 December 2004	Number of employees as at 31 December 2004
Lower skilled (Levels I-2)	934	5	40	192	62,115	1,539
Skilled (Levels 3-5)	288	4	39	73	19,846	512
Highly skilled production (Levels 6-8)	605	6	44	94	23,362	537
Highly skilled supervision (Levels 9-12)	171	9	72	20	9,707	135
Senior management (Levels I3-I6)	32	8	55	4	1,273	23
TOTAL	2,030	5	42	383	116,303	2,746

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	15	1	15,000
Capped leave payouts on termination of service for 2004/05	785	348	2,256
Current leave payout on termination of service for 2004/05	110	31	3,548
TOTAL	910	380	2,395

TABLE 10.1 - 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
All	Awareness campaign throughout the department and issuing of free condoms
General workers	ABET programmes for employees who cannot read or write

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide 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 I of the Public Service Regulations, 2001? If so, provide her/his name and position.		No	
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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.	Yes		2 Specialist
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme. Employee Counselling and Support	Yes		Wellness Programme,
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter I 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.		No	
5. Has the department reviewed the employment policies and practices of your department 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.	Yes		Underway
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. Management of HIV/Aids	Yes		Workplace policy on



Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		Underway
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Yes		Work in progress

TABLE 11.1 – Collective Agreements

Subject Matter	Date
None	N/A

TABLE 11.2 – Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
TOTAL	0	0	0

TABLE 11.3 – Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	% of total
Theft	6	15
Fraud and Corruption	8	20,5
Misuse of GG car	2	5
Under the influence	2	5
Absence without authorisation	10	25,6
Assault	1	2,6
Insubordination	3	7,9
Nepotism/ Fraud	2	5
Incapacity	1	2,6
Procurement irregularity	1	2,6
Abscondment	2	5
Murder	1	2,6
	5	12,8

TABLE 11.4 – Grievances Lodged

Number of grievances addressed	Number	% of total
Resolved	36	76,6
Not resolved	11	23,4
Total	47	100



TABLE 11.5 – Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	9	81,8
Dismissed	2	18,2
Total	11	100

TABLE 11.6 – Strike Actions

Strike Actions	—
Total number of person working days lost	0
Total cost(R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE 11.7 – Precautionary Suspensions

Precautionary Suspensions	—
Number of people suspended	8
Number of people whose suspension exceeded 30 days	8
Average number of days suspended	90
Cost (R'000) of suspensions	0



TABLE 12.1 – Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Gender sub totals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Total		0	0	0	0	0

TABLE 12.2 – Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Clerks	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	0	0	0	0	0
	Male	0	0	0	0	0
Gender sub totals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Total		0	0	0	0	0



TABLE 13.1 – Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	79	55,6
Temporary Total Disablement	63	44,4
Permanent Disablement	0	0
Fatal	0	0
Total	142	100

TABLE 14.1 – Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Gender Audit	2	6 Months	92,400
Employment Equity Audit		6 Months	261,160
HIV/AIDS- VCT Campaign and prevalence study	1	6 Months	721,691
Employment Equity Training	1	2 Weeks	91,200
Disability- Sign Language	1	1 Month	83,600



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