

## Mpumalanga Provincial Government



Department of Roads and Transport  
Private Bag X11310  
NELSPRUIT 1200

Building 7  
Mpumalanga Provincial Administration Complex  
Government Boulevard  
Riverside Park  
Nelspruit  
Tel 013 766 6978/9

## Mpumalanga Provincial Government



## DEPARTMENT OF ROADS AND TRANSPORT

# ANNUAL REPORT 2004 – 2005



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**Mpumalanga Department of  
Roads and Transport  
Annual Report  
2004 – 2005**

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## 1. General Information

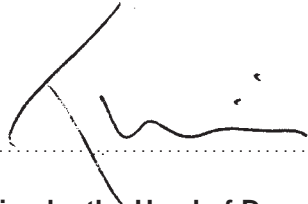
### 1.1 Submission of the Annual Report to the Executive Authority.

I have the honour of submitting the 2004/2005 Annual Report of the Department of Roads and Transport in terms of the Public Finance Management Act, 1999.

5.10 Injury on duty

**Ms Thembelihle N. Msibi**

Signed



on the

13 September 2005

### 1.2 Introduction by the Head of Department

This Annual Report, being the first for the newly-established Department of Roads and Transport is presented against the backdrop of ongoing efforts to build requisite capacity in the Department. The year under review has seen numerous strides being taken to ensure that the Department in the execution of its mandate is able to align its programmes to the realization of the imperatives outlined in the Provincial Growth and Development Strategy.

It needs to be noted that as a newly-established Department, we can highlight the approval of the Departmental organogram, and Departmental strategic plan for 2004/05 by the Provincial Cabinet, and subsequent appointment of key senior managers. We have also developed partnerships with key stakeholders, such as SANRAL, National Department of Transport and the CSIR to assist in capacity development within the Department. We also successfully held a Roads Indaba, bringing together various stakeholders, which gave a clear indication of the state of our Provincial road network, and where subsequent resolutions were drawn and agreed upon. These resolutions included among others, the need to investigate alternative funding for further development of our infrastructure in lieu of the limited budget allocation from the fiscus, the need to develop an integrated infrastructure plan as well as to look into the involvement of women in construction for empowerment, among others.

Many of the achievements and indeed some of the challenges are contained in more detail in the report under each of the four programmes. i.e., Administration, Roads Infrastructure, Transport and Traffic Management.

The work undertaken during the 2004/2005 financial year successfully put in place sustainable building blocks to ensure the department is able to deliver services to its customers in a sustainable way.

The challenges of positioning the Department such that it is able to drive the Province's developmental agenda remain and we continue each day to improve our capacity to respond in a manner that is sustainable in the long term.

While many challenges remain, we are confident that we are on the right path and are poised to tackle them head on. This Annual Report sets the stage for accelerated implementation of our plans and improved planning capacity with the benefit of the experience of the year under review.

### 1.3 Information on the Ministry

The annual report of the Department for 2004/05 is mostly characterized by activities aimed at providing an account of the programmes that constitute the broad mandate of the Department of Roads and Transport as well as the restructuring process. The reflection on this 2004/05 Annual Report will show that we have made great progress towards our goal of providing safe, reliable, accessible and affordable transport operations and infrastructure.

Transport plays an important dual role in the economy, both as a direct provider of services and as a catalyst for economic integration, redistribution and development. Our road network, both at a Provincial and local government level is facing a number of challenges, which have to be addressed if roads transport is to play a meaningful role as a catalyst for development and as an economic enabler such as the improvement of integrated planning of transport infrastructure, rendering law enforcement more effective, especially with regard to overloaded vehicles causing premature damage to the road infrastructure etc.

Communication with all the strategic partners and people with interest in the transport sector have been characterized by open and robust debates. We have always maintained a view that the people of our Province deserve nothing less than the best in terms of services. The general rule is that all enquiries and correspondences from the stakeholders are responded to within a set time in terms of the spirit of Batho Pele.

The Ministry or the Member of the Executive Council, Member of the Provincial Legislature is and has since been responsible for the attendance of all Cabinet meetings and its committees, as well as attend all cabinet outreach programmes aimed at taking government to the people (Imbizo). In instances where cabinet is in recess and as part of his responsibilities and obligations, the Member attends to his constituency work. The above activities are mostly matters of a Provincial nature.

Briefly as part of co-operative governance and to give effect to the constitutional provisions the Member attends National meetings and its committees in a form of MINMEC as well as Provincial meetings with all municipalities in a form of MUNIMEC. The objective of all these meetings is amongst other things to give effect to the provisions of the Constitution of the Republic in relation to matters of co-operative governance.



Further than that and to give effect to the provisions of the National Land Transport Transition Act (Act 22 of 2000) the Member has since created the following institutions; namely: Office of the Registrar and the Operating Licensing Board. Although these institutions are independent and are an arms length to the office of the Member, working relations, reporting channels are presented in a form of a meeting. The Member therefore coordinates the work of the registrar.

And perhaps more than the above, the Member as a political head of the Department has the responsibility to give moral support to all the programmes, engage role-players and stakeholders on matters requiring political decisions. The Department of Roads and Transport has four programmes, namely Administration, Roads infrastructure, Traffic Management and Transport.

With regards to Roads Infrastructure and for the mere fact that the Department has a lack of financial resources to meet the challenges posed by the conditions of our roads, the Member has gone to an extent of meeting with private companies such as Eskom, Sasol, and Mining companies in order to seriously raise concerns in the manner in which their activities destroys our roads infrastructure as well as appealing to them to come up with funding options. The Member further engages CSIR and SANRAL in order to discuss funding options and share experiences on how to overcome challenges posed by the condition of our roads.

Similarly, these meetings further necessitated that the Member should go ahead and meet with all companies in the Province dealing with transport related matters in an attempt to ensure that they buy-in into our strategy to preserve our roads and to look deeply into roles each company can play in order to give effect to the above. It is good to take serious note that all the above activities has since culminated into the Roads Indaba which was later held in December 2004.

With special reference to Public Transport, the Member has conducted roadshows involving seventy five (75) taxi associations and has since met with all of them and the Taxi Indaba was then held in July 2004. The objective of these roadshows was to introduce the Member and outline the vision of this government in relation to Public Transport. This further necessitated a dire need for the Member to meet with bus companies rendering services in the province i.e. Putco and Buscor. The Member participated in the launch of a bus of the disabled, prefabricated passenger train, visited projects funded by Buscor and met with Buscor drivers in an attempt to create awareness about road safety related issues.

As part of responding to the National Minister's call (Minister of Transport) to work tirelessly in order to reduce road accidents, the Member has launched the Arrive Alive centre in Nelspruit, December 2004, attended four mass prayer days, one per region and one provincially as part of our strategy to mobilize the masses and create awareness regarding road safety related matters. And as part of giving moral support to the law enforcement the Member has attended about eleven road blocks in a form of joint operations with other law enforcement departments. As fraud and corruption was rife in the licensing and testing centres, the Member met with Business Against Crime South Africa, a non-profit organization in order to look at their Best Practice Model with a view of introducing it to all our centres.

Regarding issues that are more administrative in nature the Member met with almost all the recognized public sector trade unions in order to consult and ensure that future communication channels are established and adhered to. With regards to Bills, the Member has not submitted any Bill to the legislature; and similarly no official visits abroad were undertaken by the Member.

#### **1.4 Mission Statement**

The Department's mission statement, which is guided by the Reconstruction and Development, is to provide, maintain and control an integrated public transport system.

#### **1.5 Legislative Mandate**

The strategic goals of the Department are based on the following legislative framework:

##### **The Transvaal Roads Ordinance, 1957 (Ordinance No. 22 of 1957).**

To consolidate and amend the laws relating to public roads and outspans; to provide for other roads and provide for matters incidental thereto.

##### **Advertising Along the Roads and Ribbon Development Act, 1940 (Act 21 of 1940).**

To regulate the display of advertisements outside certain urban areas at places visible from public roads, and depositing or leaving of disused machinery or refuse and the erection, construction or laying of structure and other things near certain public roads, and access to certain land from such roads.

##### **National Land Transport Transition Act, 2000 (Act No. 22 of 2000).**

To provide for the transformation and restructuring of the national land transport system of the Republic, and to provide for incidental matters.

##### **Road Transportation Act, 1977 (Act No. 74 of 1977).**

To provide for the control of certain forms of road transportation and for matters connected therewith.

##### **Transport Appeal Tribunal Act, 1998 (Act No. 39 of 1998).**

To provide for the establishment of the Transport Appeal Tribunal to consider and to decide appeals noted in terms of the Cross-Border Transport Act 1998; and for matters connected therewith.

**Mpumalanga Road Traffic Act, 1998 (Act No. 4 of 1998)**

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

**National Road Traffic Act, 1996 (Act No. 93 of 1996)**

To provide for road traffic matters which shall apply uniformly throughout the Republic and for matters connected therewith

**Criminal Procedures Act, 1977 (Act No. 51 of 1977).**

To make provisions for procedures and related matters in criminal proceedings.

**Road Traffic Act, 1989 (Act No. 29 of 1989).**

To consolidate and amend the laws relating to the registration and licensing of motor vehicles and other vehicles and drivers thereof, and the regulation of traffic on public roads; and to provide for certain requirements of fitness and for matters incidental thereto.

**Public Finance Management Act, 1999 (Act No. 1 of 1999).**

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

**Division of Revenue Act, 2004 (Act No. 5 of 2004)**

To provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of the Government for the 2004/2005 financial year and reporting requirements for allocations pursuant to such division.

**Public Service Act, 1994 (Proclamation No. 103 of 1994)**

To provide for organization and administration of the public service of the Republic, the regulation of conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.

**Labour Relations Act, 1995 (Act No. 66 of 1995)**

To change the law governing Labour Relations for the purpose, to give effect to section 27 of the Constitution, to regulate the organizational rights of the trade unions, and to promote and facilitate collective bargaining at the workplace and at sectoral level, to regulate the right to strike and the recourse to lock out in conformity with the Constitution, to promote employee participation in decision making through the establishment of work place forum, to provide simple procedures for the resolution of labour disputes through statutory conciliation, mediation and arbitration (for which purpose the Commission for Conciliation, Mediation and Arbitration is established), and through independent alternative dispute resolution services accredited for that purpose, to establish the Labour Court and Labour Appeal Court as superior courts, with exclusive jurisdiction to decide matters arising from the Act, to provide for a simplified procedure for the registration of trade unions and employer's organization, and to provide for their regulation to ensure democratic practices and proper financial control, to give effect to public international law obligations of the Republic relating to labour relations, to amend and repeal certain laws relating to labour relations, and to provide for incidental matters.

**Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)**

To give effect to the right to fair labour practices referred to in Section 23 of the Constitution by establishing and making provision for the regulation of basic conditions of employment, and thereby to comply with obligations of basic conditions of the Republic as a member state of the International Labour Organization, and to provide for matters connected therewith.

**Skill Development Act, 1998 (Act No. 97 of 1998)**

To provide an institutional framework to devise and implement national sector and workplace strategies to develop and improve the skills of the South African work force, to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995, to provide for learnerships that lead to recognized occupational qualifications, to provide for the financing of skills development by means of a levy financing scheme and a National Skills Fund, to provide for and regulate employment services and to provide for matters connected therewith.

**National Archives of South Africa Act, 1996 (Act No. 43 of 1996)**

To provide for a National Archive and Record Services, the proper management and care of the records of Government bodies, and the preservation and use of a national archival heritage and to provide for the matters connected therewith.

**Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)**

To give effect to the constitutional right of access to information held by the state and any information held by any other person and that is required for the exercise or protection of any rights and to provide for matters connected therewith.

**Occupational Health and Safety Act, 1993 (Act No.85 1993)**

To provide for the health safety of persons at work and for health safety of persons in connection with the use of plant and machinery, the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work, and to provide for the matters connected therewith.

**Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)**

To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in Section 33 of the Constitution of the Republic of South Africa, 1996, and for the matters incidental thereto.

**Employment Equity Act, 1988 (Act No. 55 of 1998)**

To provide for employment equity and to provide for matters incidental thereto.

**Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993)**

To provide for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases, and for matters connected therewith.

**2. Programme Performance****Voted Funds**

Appropriation R'000	Main Appropriation Appropriation R'000	Adjusted R'000	Actual Amount Spent R'000	Over/Under Expenditure R'000
834, 874	764, 129	834,874	816,839	18,035
Responsible: MEC	<i>Member of Executive Council: Roads and Transport</i> <b>Mr. A. F Mahlalela</b>			
Administering Department:	<i>Department of Roads and Transport</i>			
Accounting Officer:	<i>Deputy Director-General/ Head of Department of Roads and Transport</i> <b>Ms. T.N Msibi</b>			

**Aim of the Vote**

The aim of the Department is to provide safe, accessible and affordable transport system.

**Summary of Programmes**

The activities of the Department of Roads and Transport are organized in the following four programmes:

Programme	Sub-programme
<b>1. Administration</b>	1.1 Office of the MEC
	1.2 Management/HOD
	1.3 Corporate Support
<b>2. Roads Infrastructure</b>	2.1 Programme Support Office
	2.2 Planning
	2.3 Design
	2.4 Construction
	2.5 Maintenance
<b>3. Transport</b>	3.1 Planning
	3.2 Public Transport
	3.3 Government Transport
<b>4. Traffic Management</b>	4.1 Law Enforcement
	4.2 Road Safety Education
	4.3 Transport Administration and Licensing

## Overview of the Service Delivery Environment for 2004/05

Generally, the service delivery environment during the year under review was affected by broad policy imperatives from the National Department of Transport such as the Taxi Recapitalization Programme, renew structuring of the bus and transport logistics which are the core. This then meant that a concerted effort was put into strengthening the capacity of the registrar and the Licensing Board, as part of the implementation entities to deal with all the challenges that came with ensuring that all permits were converted to operating licenses, and ensure that government intentions on the TRP is effectively communicated to all stakeholders among other things. In terms of the taxi recapitalization project, the Department faced a general resistance on the part of the taxi industry to convert permits to operating licenses, and this affected the Province's readiness for the implementation of the taxi recapitalization project.

The Department of Roads and Transport was established after the April 2004 General Elections when a number of Departments were restructured. This split and merge, also impacted on the staff establishment with staff being integrated from different departments, the need to set-up new key service delivery units, appointment of new staff as well as to ensure that the newly formed department has its own department specific policies, to ensure an effective service delivery environment.

Under the Roads Infrastructure, the unavailability of aggregate stones in the market, impacted negatively and delayed some of the resealing and patchwork maintenance projects. For transport, 13 trucks were purchased in November 2004 and 7 delivered only towards the 31<sup>st</sup> March 2005 and the final 6 were delivered in April 2005. Delays in registering 14 trucks and 7 heavy equipment (graders) by the Natis office in Pretoria, affected the Department's service delivery in that some plans could not be realized in roads and transport.

## Overview of the Organizational Environment for 2004/05

The restructuring process impacted negatively and resulted in the new Department of Roads and Transport, have further posed challenges on the functioning of the Department in the sense that some of these activities could not be undertaken due to capacity challenges in general. So, as a newly formed Department all the basic structures needed to be addressed, such as the evaluation of all new created posts and the development of an appropriate structure, developing a new team and ensuring that all staff members understand the new direction of the Department through the evaluation and development new Departmental policies.

## Strategic Overview and Key Policy Developments for the 2004/05 financial year

Since the Department was restructured into a new Department of Roads and Transport in May 2004, the key strategic priorities, which have formed this department's mandate included:

- Improve the management and monitoring systems in order to deliver quality roads infrastructure;
- Promote the use of labour-intensive technologies in the delivery of transport infrastructure, especially in the construction and maintenance of rural roads;
- Improve the delivery of public transport
- Work together with the National Department of Transport to develop a transport infrastructure investment framework;
- Improve the capacity of the Department to drive the developmental agenda of the democratic state.

As a means of creating work and fighting poverty, the Department further drew its mandate from the following:

- Spend more resources to fight poverty, build economic infrastructure and create work opportunities for our people;
- Invest more money in improving roads and rail infrastructure
- Encourage the use of labour intensive methods in regravelling, maintenance and upgrading of roads.

## Key Expenditure Indicators

Category of expenditure	Percentages or Rands (000's)			Average Annual change
	2002	2003	2004	
Personnel expenditure as % of total expenditure	195, 399	225, 392	241, 407	220, 733
Expenditure on maintenance of road infrastructure as a % of total expenditure	269, 282	188, 485	191, 144	216, 304

## Progress with Promoting SMME's and BEE

Category of Expenditure	Percentages or Rands (000's)			Average Annual change
	2002	2003	2004	
Number of contracts to BEE	-	-	18	
Total value of contracts to BEE	-	-	49 048	
Total contracts to BEE by value	-	-	87 313	
% of total contracts to BEE	-	-	56%	



## Departmental Receipts

The Department managed to collect own revenue totalling R173, 223 Million during the financial year. This amount exceeded the budget of R144, 722 Million by 20%, due to increased efforts from both revenue officials within Financial Management and Traffic Management. Collecting agencies were visited on a monthly basis to ensure that all collected revenue has been transferred to the Department timeously.

Departmental Revenue	Actual Collection 2003/04	Budgeted Collection 2004/05	Actual Collection 2004/05	% Deviation from Target
<b>Current revenue</b>	159, 829	142, 379	170, 131	20%
Tax revenue	133, 838	131, 342	121, 387	-8%
Non-tax revenue	25, 991	11, 037	48, 744	342%
<b>Capital revenue</b>	11, 007	2, 343	3, 092	32%
Sale of Capital assets	9, 314	2, 343	2, 671	14%
Financial Transactions	1, 693	-	421	100%
<b>Departmental revenue</b>	<b>170, 836</b>	<b>144, 722</b>	<b>173, 223</b>	<b>20%</b>

## Specific Challenges and Responses

<b>Challenge 1: (Timeous transfer of revenue by collecting agencies)</b> The Delay in the transfer of collected revenue by collecting agencies to the Department.
<b>Response to Challenge 1</b> Monthly visits by revenue officials to the collecting agencies assisted and improved on this matter.
<b>Challenge 2: (Shortage of staff )</b> Shortage of staff in cash offices and other collecting agencies.
<b>Response to Challenge 2</b> Officials to be appointed in the next financial year and for collecting agencies, this will be discussed during MUNIMEC's and it will form part of the Service Level Agreements to be signed with collecting agencies.

## Departmental Payments

The department had a total expenditure of R815, 998 million at the end of the financial year, which represents 98% and 2% under expenditure. The under expenditure is in capital assets especially in roads and transport programmes.

Programmes	Voted for 2004/05	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Administration	52, 366	-	7, 334	59, 700	55,554	4,146
Road Infrastructure	552, 696	53, 309	1, 982	607, 987	607, 462	525
Transport	55, 310	3, 608	-3, 879	55, 039	49, 130	5, 909
Traffic Management	103, 757	-	8, 391	112, 148	104, 693	7, 455
<b>Total</b>	<b>764, 129</b>	<b>56, 917</b>	<b>13, 828</b>	<b>834, 874</b>	<b>816,839</b>	<b>18, 035</b>

## Conditional grants

The Department has only one conditional grant, infrastructure grant.

Summary of Conditional Grants for 2004/05

Conditional Grant	Total Allocation	Total transfers
Infrastructure Grant	R114, 365	R114, 365
<b>TOTAL</b>	<b>R114, 365</b>	<b>R114, 365</b>

The Department managed to spend the R114,365 million infrastructure grant during the financial year. The total amount of R114,365 million was deposited into the Departmental Paymaster General Account by the Provincial Treasury. However, the Department did not submit the required quarterly reports on infrastructure grant spending by the due dates with the quality of the information submitted not at an acceptable level. This was due to shortage of staff in both roads and finance sections.

## Capital Investment, Maintenance and Asset Management Plan

The Department does not have a capital investment and asset management plan in place. The budget for capital assets for the financial year, was R364,018 Million which represented 44% of the Departmental budget. The Department managed to spend R342, 318 Million of this budget, resulting in under expenditure of R21,700 Million. This under expenditure on capital assets was mainly for roads capital projects, purchasing of computers and furniture for newly appointed officials and trucks for Departmental construction and maintenance teams.

## Capital Investment

### Projects that are completed this financial year

Project Title	Performance Target completion	Percentage
D2945 Ntunda - Mgobode - Boschfontein	100% by Feb 2005	100%
D2944 Middelplaas - Schuzendal	100% by Nov 2004	100%
D2926 Marapyane - Senotlelo	100% by March 2005	100%
D2978 Matsulu Bridge - The end	100% by March 2005	100%
D2927 Marapyane - Lifiso/Lifisoane	100% by March 2005	100%
D1184 Tondeldoos - Dullstroom	100% by Jan 2005	100%
P51/2 Middelburg - Stoffberg	100% by April 2004	100%
D2962 Glenmore - Bettiesgoed	100% by Nov 2004	100%
D2951-52 Thambokhulu to Mbuzini	100% by March 2005	100%
P116/1 Lydenburg to Ohrigstad	100% by March 2005	100%
P51/3 Groblersdal to Stoffberg	100% by March 2005	100%
P50/2 Morgenzon to P30/3 Standerton	100% by March 2005	100%
P33/2 Lydenburg to Burgersfort	100% by March 2005	100%
P53/2 Leandra to Standerton	100% by March 2005	100%
P81/4(N17) Ermelo to Oshoek	100% by March 2005	100%
D1607-P36/4-N3 (Grootvlei)	100% by March 2005	100%
D2183 Secunda to D823	100% by March 2005	100%
D1682-P185/1-P33/3 (Thutuka)	100% by March 2005	100%
D1290-P27/2-P36/4 (Grootvlei)	100% by March 2005	100%
P4/3 Balfour to Greylingstad	100% by March 2005	100%
P36/3 Balfour to Devon	100% by March 2005	100%
P90/1 Kinross to P53/2	100% by March 2005	100%
P176/1 Amsterdam to Jessie (P84/1)	100% by March 2005	100%
P36/4 Balfour t̃o Villiers	100% by March 2005	100%

### Projects That Started This Financial Year and Not Completed

Project Title	Performance Target completion	Percentage	Revised completion date.
Bridge on D2973 Clau-Clau	100% by May 2005	20%	To be complete by Aug '05
D2969 Shweni - Manzini	100% by Feb 2005	98%	To be completed by July '05
D1411 Ngodini - Khumbula	100% by Nov 2005	15%	To be completed by Nov '05
D2900 Allemansdrift - Senotlelo (Phase II)	100% by March 2005	89%	To be completed by July '05
D2907 Pieterskraal - Waterval	100% by Nov 2004	98%	To be completed by May '05
D2901 & D2740 Loding - Nokaneng	100% by Feb 2005	95%	To be completed by May '05
D2923 Kgobokwane - Philadelphia Hospital	100% by Oct 2005	97%	To be completed by Oct '05
P207/1 Moloto - Kwamhlanga (Phase I)	100% by Feb 2005	99%	To be completed by Apr. '05
P207/1 Vlaklaagte - Moteti (Pha se III)	100% by March 2006	25%	To be completed by March'06

D267 Mayflower - Lothair	100% by Oct 2005	50%	To be completed by Oct'05
D2548 Driefontein - Piet Retief	100% by May 2006	20%	To be completed by May '06
D481 Elukwatini - Mooiplaas	100% by March 2005	70%	To be completed by July '05
P15/1 Carolina - Wonderfontein	100% by Nov 2005	25%	To be completed by Nov '05
P52/3 Bethal - Kriel	100% by Aug 2005	36%	To be completed by Aug '05
D2975 Gutshwakop - Luphisi	100% by March 2007	25%	To be completed by Apr '05
P81/1 Lydenburg – Dullstroom Ph2	100% by June 2005	15%	To be completed by Aug '05
P33/4 Sabie – Hazyview (Slip repair)	100% by Feb 2005	94%	To be completed by May '05
P33/4 Sabie – Hazyview (Syphon)	100% by July 2005	15%	To be completed by July '05
D2919 Matlerekeng - Motsanangwane	100% by March 2006	10%	To be completed by March '06
D1948 Ga-Matlala - Magakadibeng	100% by March 2007	35%	To be completed by March '06
D2771 P120/1(Witbank) - P127.2(Duva)	100% by March 2005	70%	To be completed by June '05
D2769 Coalville - Clewer	100% by Nov 2005	5%	To be completed by Nov'05
D2962 Kaduma - Glenmore	100% by Feb 2005	98%	To be completed by Apr '05
P30/1 Middelburg - Bethal (phase II)	100% by May 2006	24%	To be completed by May '05
P185/1 Kinross - Standerton	100% by June 2007	25%	To be completed by June '07
Fernie - Diepsdal	100% by March 2007	35%	To be completed by March '07
P48/1 Bethal - Morgernzon	100% by June 2007	15%	To be completed by June '07
P30/2 Bethal - Standerton	100% by Nov 2005	0%	To be completed by Nov '05
D254 Daggakraal - Amersfort	100% by Jan 2007	15%	To be completed by Jan '07
P101/1 Delmas - Nigel	100% by Aug 2004	85%	To be completed by Aug '05

### Asset Management

The physical asset movement for the Department was as follows.

<b>Opening balance</b>	:	R 509 311 000
<b>Additions</b>	:	R 342 318 000
<b>Total</b>	:	R 851 629 000

The above mentioned figures include:

-	Infrastructure assets	R 803,533,000
-	Computer equipment	R 2,892,000
-	Furniture	R 3,172,000
-	Machinery	R 28,705,000
-	Vehicles	R 13,327,000

## Disposal of Assets

Two auctions were held and the total amount realized from the sale of capital assets was R 2,671,000.00 which has already been transferred to the Provincial Treasury.

### Material Losses due to Theft include the following:

- Toyota 4 Ton (GRG811MG) – Unit C Mamaneng worth **R169 000**.
- Isuzu 7 Ton (GRB866MG) – Unit C Mamaneng worth **R 50 000**.
- Grader 140g Wright (GRB817MG) – Kwamhlanga workshop worth **R169 000**.

## Asset Register

The Department compiled an asset register on an excel spreadsheet since it was new and had to create a new LOGIS Database which will be updated in the next financial year. New staff will be appointed to do the asset management function in the next financial year.

## Departmental Capital Stock

The current state of capital stock is as follows:

	GOOD	FAIR	POOR
<b>ROADS (TAR)</b>	43.2%	33.2%	23.6 %
<b>ROADS (GRAVEL)</b>	4%	66%	30 %
<b>BRIDGES</b>	90%	7.5%	2.5 %
<b>COMPUTER</b>	80%	15%	5 %
<b>EQUIPMENT</b>	15%	30%	55 %
<b>VEHICLES</b>	30%	40%	30 %

### Processes for tendering of Projects.

- Consultants are appointed for the design of construction and maintenance projects.
- Tenders are advertised in the government tender bulletin.
- Tenders close at the central supply chain unit at the provincial treasury.
- Tenders are opened at the central supply chain unit at the provincial treasury.
- Consultants make recommendations for appointment of service providers
- Relevant sections verify the consultant's recommendations and submit to the departmental bid committee for adjudication.
- Bid committee adjudicates and recommend to the accounting officer for awarding of bids depending on the delegations given to the bid committee from time to time.

## Maintenance Backlog and the Department Plan to Deal with such over the MTEF Period.

### SURFACED ROADS

Two thousand kilometers of surfaced road require pre-treatment and resealing. Pre-treatment could involve patching, crack sealing and fog sprays to rejuvenate the old surfacing and provide a competent layer onto which the new surfacing can be placed. The backlog of pre-treatment and resealing currently amounts to around R480 million.

Around 160 km of the primary Provincial road network need to be reconstructed. These roads are mostly in the Gert Sibande Region and are coal haulage routes of national strategic importance. The backlog in monetary terms of the reconstruction needs is around R500 Million.

### GRAVEL ROADS

Re-graveling: Backlog of 2000km @R120 000km = R240 Million

### BRIDGES

The bridge management system indicates the need to spend around R250 million on bridge repairs. Bridge maintenance has long been neglected and did not form part of the budget. The portion of these repairs that can be classified as critical (i.e. structural and safety related) is around R65 Million

### Responses to Backlogs

The Department already committed R420 million over the MTEF period to the reconstruction of provincial roads of national strategic importance, mostly in the Gert Sibande Region. Eskom, NDOT and other stakeholders have been engaged in discussions to find sources of additional funding for coal haulage roads. NDOT will make additional funding available in the 2006/7 financial year to deal with specific backlogs that are well motivated (R280 million for the upgrading of primary provincial networks countrywide, and R250 million for basic access roads countrywide). The Department will apply and motivate for our share of this funding.

Resealing and regravelling projects are lagging behind because the current is on the high investment in reconstruction project. The current budget (R 380 235 million) is committed to continue with capital projects and this budget

has a deficit of R90 million to complete them. Eight capital projects which are ready to be awarded in 2005/06 to the amount of R150 million had to be delayed due to budgetary constraint. The maintenance budget can only handle routine maintenance. There is no budget to handle the maintenance backlog. There is an urgent need to reseal 1500km of surfaced roads to the amount of R450 million, re-gravelling of 200km amounting to R24 million and there is no budget for all these needs.

The total expenditure for road maintenance during this year is R192 million, which is inclusive of compensation of employees. There is no budget to address backlog, but in the interim the roads planning section is currently developing a holistic infrastructure plan which will also include the backlog. The department intends to reduce the number of capital projects in the subsequent years in order to increase the budget on preservation of existing assets. At this point in time the department has written to the provincial treasury for additional funding.

## 2.1 Programme 1: Administration

### **Purpose:**

The administration programme serve as a support function for other programmes in the Department. The programmes that are supported are: Roads Infrastructure, Transport and Traffic Management.

### **Measurable objective:**

The objective for Programme 1 is to render effective Corporate and efficient Financial Management services.

<b>Strategic Goal 1: Good Governance</b>
<b>Strategic Objectives</b> To improve the management of leave and pension administration To conduct work study and job evaluation services To handle recruitment and utilization of personnel To implement the performance management and development system To handle legal and labour matters To co-ordinate and monitor transversal services programmes To ensure access to information through the communication of government information and objectives To provide internal audit To provide risk management services
<b>Strategic Goal 2: Human Resource Development</b>
<b>Strategic Objectives</b> To provide quality training in line with the work place skills plan To award bursaries to both employees and non-employees To conduct skills audit To develop the work place skills plan
<b>Strategic Goal 3: Effective Management of the Departments Finance and Assets</b>
<b>Strategic Objectives</b> To improve the implementation of Internal control measures for prudent financial management To improve revenue collection To establish a standardized method of costing and budgeting within the department To establish finance inspectorate section within the department To establish a consolidated departmental asset register To implement the supply chain management framework



**Service delivery objectives, indicators and achievements:**

The programme has been able to achieve some of the measurable objectives in respect of the entire corporate services, including financial management services.

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To improve the management of leave and pension administration	Number of queries or disputes	Monitoring of leave and pensions in the Regions and Head Office	Captured all leave forms submitted. Paid all leave gratuity and pension benefits	None
To conduct work study and job evaluation services	Correct placement in terms of salary levels and grading	Monitor the development of job descriptions and review thereof	70% of job descriptions developed and reviewed	30% not reviewed due to shortage of staff.
To handle recruitment and utilization of personnel	Number of posts advertised and filled	Recruit new personnel into vacant and critical positions	479 posts were advertised 325 posts were filled (10 of which were at SMS level) from 1 November 2004 until March 2005	154 posts will be finalized for filling during 2005/2006
To implement the performance management and development system	PMDS implemented	20 workshops in Head Office and the 3 regions focusing on the lower levels.  Review actual performance quarterly	3 workshops conducted	91.5% of the planned workshops were not undertaken due to shortage personnel in various sections  No quarterly performance review conducted
To provide quality training in line with the Workplace skills plan	The number of officials trained	Grievance procedures 200 Persal 20 LOGIS 35 ABET 350 Customer Care 100 Job description 200 Supply chain management 25, Code of conduct 200	3 workshops conducted on grievance procedures with a total of 200 officials. 2 officials trained on Persal 19 trained on Logis. 566 trained on ABET 10 trained on Customer Care 37 trained on supply chain management. 80 booklets distributed on code of conduct	Additional 15 officials trained on PFMA 1 Official trained on BAS
To award bursaries to both employees and non-employees	Number of bursaries awarded in various fields	Intake of 100 learners on bursaries	130 bursaries award and non-employees	30% more bursaries awarded
To implement learnerships and internships	The number of learnerships implemented	Register 50 learners both employees and non-employees on: Public administration, 10 Human Resources, Project management 10	10 Employees in Public Administration  Non-employees registered in Learnerships 14 Public Administration 10 Public Sector Accounting 4 Human Resource Management 5 Project management	16% of learnerships not implemented

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
Conduct skills audit	Skills audit conducted	Conduct skills audit from Manager level to Head of Department level	Service Provider appointed and coordinated by the Premier's Office	Conducting of the skills audit was changed to a provincial objective
Develop the Workplace skills plan	Approved workplace skills plan	Submit the workplace skills plan	The Workplace Skills plan was approved and submitted to the Premier's Office	0%
To review and align the following related policies and procedure manuals in terms of the new mandate: <ul style="list-style-type: none"> <li>• Revenue and Debtors, stores, labour saving devices, telephone and overtime policies</li> <li>• Budget, expenditure, provisioning</li> </ul>	Approved policies and procedure manuals	Review and implementation of the policies and procedure manuals by December 2004	The following policies were reviewed during the financial year: Debtors and Revenue Management Petty Cash Advance Stores Management Cellphone Overtime Labour saving devices	All new policies will be approved in the next financial year
<ul style="list-style-type: none"> <li>• To develop the following finance related policies:</li> <li>• Salary deduction Disposal and procurement policies</li> </ul>	Approved policies and procedure manuals	Review and implementation of the policies and procedure manuals by December 2004	The following policies were developed during the financial year: Procurement and Disposal of redundant assets	All new policies will be approved in the next financial year.
To improve revenue collection of the total revenue budget	Exceeded revenue budget by 2% annually	Exceeded revenue budget by 2% at end of financial year end	The revenue budget was exceeded by 20%.	18% more revenue collected.
To develop an activity based costing method	Approved standardized costing and budgeting method	Feasibility study undertaken by March 2005	Visited KZN province to learn from their best practices.	It was evident that the method is not suitable for service delivery entities, but more for manufacturing institutions.
To create a structure for financial inspectorate for the Department	Finance inspectorate structure created and fully operational	Structure created and posts evaluated by October 2004	Structure was created and approved. Posts were advertised in January 2005	None
Update movable and develop immovable asset register	Consolidated departmental asset register	Updated and consolidated asset register by March 2005	All asset registers consolidated and partially updated by March 2005	Still need to update assets from former departments of public works as well as Local Government on Logis
Implement demand, acquisition, logistics and disposal management systems	A functional supply chain management system	Implemented supply chain management system by March 2005	Supply chain management system implemented	The department still uses based old procurement policies and e-procurement not fully functional

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
The reporting of non-implementation of recommendation to the audit committee or auditor general	Number of implemented internal audit recommendation management	Conduct audits and submit monthly and quarterly reports to management and audit committee	Monthly and quarterly reports were submitted to management	No audit committee in place.
Establish and manage a fully operational risk management unit within the department	Number of audit queries and litigation cases	Risk management strategy investigated by March 2005	None	Proposal to conduct the risk management strategy was submitted late by the service provider.
To minimize the number of labour disputes in the Department	The percentage number that has gone through for disciplinary hearing	Advising and handling cases	Dealt with labour related cases	None
Educate officials on labour related issues via communication section and HRD	The number of officials trained in labour issues	40 officials will be trained	None	100% not achieved due to shortage of staff and number of pending labour related cases.
Deal with legal and litigation matters	Number of court Cases won	Finalize 5 litigation cases by March 2005	Legal Services received 460 requests for legal assistance. This can be broken down as follows:- <ul style="list-style-type: none"> <li>• Potholes 92</li> <li>• Labour 115</li> <li>• Roads 75</li> <li>• Transport 36</li> <li>• Traffic 38</li> <li>• General 104</li> </ul> 30 High Court cases pertaining to Roads matter and 4 high Court cases pertaining to Transport is in various stages of the litigation process	Not applicable
Implementation of following programmes on transversal services within the department <ul style="list-style-type: none"> <li>• HIV and AIDS, employee assistance programme, disability, gender, youth, children, the aged and families</li> </ul>	Transversal programmes in place	Transversal committee established and relevant departmental policy developed by March 2005	Transversal committee established and draft departmental policies on HIV/AIDS and Employee Wellness Programme were developed.	The relevant departmental policy were developed but not finalized.
To ensure access to information through the communication of government information and objectives	Feedback received from the public, print and electronic media A changed public perception about the department	A comprehensive communication strategy developed and implemented by September 2004.	A draft communication strategy was developed.	The draft communication strategy was not approved as it was not comprehensive.

## Specific Challenges and Responses (Administration)

<b>Challenge 1: (Implementation of the Employment Equity Plan)</b> Representation by Gender and Disability pose a challenge for the Department
<b>Response to Challenge 1</b> Plans are in place to finalize the EE Plan and Policy in the next financial year
<b>Challenge 2: (Development of the contract management unit and the system )</b> Lack of capacity in the management of all Departmental contracts
<b>Response to Challenge 2</b> Review the structure to accommodate the new contract management unit
<b>Challenge 3: (Implementation of the succession and retention plan)</b> Staff turnover is too high due to the lack of the succession and retention plan
<b>Response to Challenge 3</b> Develop a succession and retention strategy
<b>Challenge 4: (Unable to recruit technical and professionals)</b> The current packages for professionals and the technically skilled staff are not attractive and market related
<b>Response to Challenge 4</b> Implement the relevant incentive schemes and review the current levels and notches.
<b>Challenge 5: Financial Policies</b> Financial Management policies developed but not approved and implemented by the department.
<b>Response to Challenge 5</b> The policies will be submitted to management for approval and will be implemented from the next financial year.
<b>Challenge 6: Assets Management</b> Poor assets management in the department due to shortage of staff and late transfer of assets from other departments to Roads and Transport resulted in non availability of an updated consolidated asset register.
<b>Response to Challenge 6</b> Officials to deal with asset management will be appointed in the next financial year to ensure that the department has an updated asset register and that there is improvement on asset management and compliance to the PFMA and Treasury Regulations on this matter.
<b>Challenge 7: Compliance with the PFMA and Treasury Regulations</b> Non compliance with the requirements of the PFMA and Treasury Regulations in the department.
<b>Response to Challenge 7.</b> The Department will develop a plan for the full implementation and compliance with the PFMA and Treasury Regulations and deal with officials who do not comply accordingly in the next financial year.

## Issues Requiring Ongoing Attention

The Department will ensure that there is improvement on the implementation and compliance with the PFMA and Treasury Regulations by capacitating all officials on this on an ongoing basis. A partnership with the Department of Transport, National and Provincial Treasuries will assist in this regard. All vacant posts within financial management will be filled to improve on financial management in the department as a whole.

The Department will ensure that there is a revenue strategy to improve on collection thereof as the department accounts for more than 70% of the Provincial Own Revenue collection. Service level agreements will be signed with collecting agencies in the next financial year. The Department will ensure that all the requirements of the PFMA and Treasury Regulations in as far as revenue management is concerned, are complied with.

## **2.2 Programme 2: Roads Infrastructure**

The Department is responsible for the maintenance of 7320km of surfaced road and 8859 km of gravel road through this programme.

The main functions of this programme are:

To provide provincial roads and related infrastructure

To maintain provincial roads and related infrastructure

To manage, control and protect the provincial road infrastructure

These functions are carried out by implementing capital projects through the private contracts and departmental construction units as well as routine maintenance of the provincial road infrastructure at regional level.

The maintenance sub-programme of Roads ensures that routine maintenance is performed on all provincial roads with a total length of 16179 km and includes gravel and surfaced roads. This routine maintenance includes blading, patching, grass cutting, drainage, guardrail repairs, erection and maintenance of road signs, etc.

- Planning and design of roads
- Construction of provincial roads
- Compilation of period contracts
- Systems development
- Repair of flood-damaged infrastructure
- Re-gravelling of gravel roads and surfaced road shoulders
- Resealing of surfaced roads
- Routine maintenance of surfaced and gravel roads

### **Design**

The main activities undertaken by Design are to design roads and related infrastructure.

During the 2004/05 financial year the sub-programmers main objectives were to:

Appoint consultants, check and approve the designs for re-gravelling of roads, resealing and rehabilitation of roads, reconstructing of existing and upgrading of existing roads.

### **Construction**

Construction is responsible for coordinating the construction of roads and related infrastructure. It consists of the following divisions/sections, namely administration, construction co-ordination, design and systems.

The main activities undertaken by Construction Co-ordination are to co-ordinate the construction of roads and related infrastructure.



During the 2004/05 financial year, the objectives of the section were to:

**STRATEGIC GOAL 1: MANAGEMENT OF PERSONNEL**

**STRATEGIC OBJECTIVES**

1. To Identify Skills shortage and train personnel in Construction, Design and Maintenance.
2. To recruit specialized professionals.

**STRATEGIC GOAL 2: Maintain gravel, surfaced roads and related infrastructure.**

**STRATEGIC OBJECTIVES:**

- To develop maintenance performance standards.
- To maintain all roads.

**STRATEGIC GOAL 3: Planning of Roads and Related Infrastructure**

**STRATEGIC OBJECTIVES:**

1. To identify, investigate and number all rural, ring roads and bus routes including roads/ streets leading to public institutions, such as schools, clinics etc.
2. To manage Roads Support systems.
3. To Compile and document contracts.
4. To Enforce Road Ordinance and Protection Acts.
5. To integrate the roads planning process with all levels of Government

**STRATEGIC GOAL 4: Design Roads and Related Infrastructure**

**STRATEGIC OBJECTIVES:**

1. To manage Geometric and structural Designs.
2. To manage material designs, quality control and geotechnical measurement

**STRATEGIC GOAL 5: Co-ordinate and Manage the Construction of quality roads and related infrastructure**

**STRATEGIC OBJECTIVES:**

1. To co-ordinate and manage construction units.
2. To co-ordinate and manage contract construction.
3. To promote Women-Contractor's participation in construction.

**STRATEGIC GOAL 6: Implement, Co-ordinate and Manage the Expanded Public Works Programme (EPWP) in construction and maintenance of Roads**

**STRATEGIC OBJECTIVES:**

- To manage EPWP
- To administer training of emerging contractors through learnership programmes

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To identify officials for capacity building on Construction, Design and Maintenance	1. Number of officials with SQA accredited qualifications on relevant skills 2. Number of professionals registered with professional institutions	7 civil technicians 1 civil engineer 30 qualifications on identified needed skills	4 civil technicians qualified. 1 civil engineer qualified.  35 foremen and road-superintendents trained on maintenance of surfaced roads	Three civil technicians not qualified due to slow academic progress.  Five additional foreman and superintendent trained on maintenance
To recruit and train specialised professionals	Number of technical personnel recruited	5 engineers 3 technicians	1 engineer appointed No new technicians appointed	Four engineers and Three technicians because applicants did not meet requirements.
To maintain all roads	1. Reports by the Roads Superintendent. 2. Number of public complaints	Blading 27 900km of gravel road	28 675 km of gravel roads bladed	3.8% more blading
To develop maintenance performance standards	1. Standardize maintenance performance standards recognized by stakeholders for the three regions. 2. A schedule for all maintenance to take place	Develop an approved standard	Basic service standards developed.	None
To identify, investigate and number rural roads, ring-roads and bus routes	The number of unidentified and unnumbered rural roads	Identify and Number unnumbered new roads	Roads identified per municipality, but not yet numbered	Formal proclamation of unnumbered roads still to be finalized
To manage roads support systems	Updated and integrated Monthly management information on the system online • MMS • BMS • TC (traffic counts) • PMS Number of trained officials on the MMS Number of software related problems	Inspect 700 bridges. To implement and manage pavement management systems	700 bridges inspected  Traffic counts completed as planned  Visual condition inspection of whole network completed	None  None  None

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To compile and document contracts	Number of compiled Maintenance contracts services rendered in accordance with the terms of the contracts. Number of reported disputes on contracts Reduced number of contracts awarded	14 maintenance contracts	13 maintenance contracts were running, namely: Blasting, Pipes and culverts, Aggregates, Bitumen and tar, Hot and cold premix, Asphalt and reseal, Patchwork, Carting of gravel, Road marking, Crack sealing, Supply of guardrails, and General maintenance	(5%) 1 contract was not awarded and was advertised twice due to problems with bids received
To enforce Road Ordinance and Protection Acts	Number of applications handled on the Enforcement of the Act	Number of applications to be handled	298 applications handled	none
To integrate the roads planning process with all level of government	The availability of a road infrastructure planning forum	Establish an integrated planning forum and coordinate the plans	MMETCO (MuniMEC Technical Committee) forum established	None
Provision of heavy machinery and equipment	The % availability of workable equipment. Reduction in rental costs	Acquire at least 5 roads construction equipment	7 graders acquired	2 (40%) more roads construction equipment acquired
Establish, construct, upgrade and maintain weigh bridges	The number of weigh bridges constructed and upgraded	To acquire 3 weigh bridges	No new weighbridges constructed.	3 (100%) new weighbridges due to lack of an overloading strategy.
To manage Geometric and structural Designs, geo-technical quality control of materials	The number of approved designs per year. Availability of capacity for geometric and structural design. Laboratory technician/quality controller report	49 roads to be approved. Approve and supervise the quality of 20 roads	24 designs approved  Quality of 23 road projects controlled	25 (51%) designs  3 additional roads controlled (15%)
To coordinate and manage construction units	1. The efficiency of construction units. • Cost • Period 2. Availability of necessary resources 3. Number of km of roads constructed	Construct 20 km of roads with 2 construction units	15 km of road constructed	5 km (25%) not achieved due to lack of resources such as breaking machinery, supply of stones and cement and staff.
To coordinate and manage contract construction	Number of km of quality road constructed	Construct and manage 250km of road	255.3 km of road constructed	(2%) 5.3 km more than planned

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To promote Women Contractor's participation in construction	The percentage of women contractors appointed relative to the budgeted amount per year	Award three women contractors	Two women contractors appointed	(33%) One woman contractor not appointed
To Manage EPWP	<ul style="list-style-type: none"> <li>• Manage labour intensive projects</li> <li>• The number of jobs created per year</li> </ul>	7 projects	4 projects implemented in terms of the EPWP project	2 projects were not approved in terms of the guidelines, and one will be implemented in the future financial years
To administer training of emerging contractors through learner-ship programmes	The number of trained learners per contract resulting in an accredited qualification	45 learners trained	45 emerging contractors trained	None

**Service delivery objectives, indicators and achievements:**

The programme has been able to achieve its measurable objectives as follows:

**Project Funded under Equitable Share.**

<b>Project Title</b>	<b>Performance Target</b>	<b>Percentage completion</b>	<b>% Deviation</b>	<b>% Progress in km</b>
Bridge on D2973 Clau-Clau	100% by May 2005	20% Site establishment complete, excavation complete in part	80%	N/A
Bridge Sibange (D2945 - D2952)	100% by Feb 2005	0%	100%	N/A
D2969 Shweni - Manzini	100% by Feb 2005	98% Roadbed, seal complete, drainage, road signs completed in part	2%	3.3 km
D2945 Ntunda - Mgobode - Boschfontein	100% by Feb 2005	100% Road completed, retention period	0%	10.5km
D2944 Middelpaas - Schuzendal	100% by Nov 2004 Road completed, retention period	100%	0%	6.7 km
D1411 Ngodini - Khumbula	100% by Nov 2005	15% Site establishment complete, milling (Sub) base and priming complete in part.	85%	0.8 km
Bridge Senotlelo Road D2900	100% by Feb 2005	0%	100%	N/A
D2900 Allemansdrift - Senotlelo (Phase II)	100% by March 2005	98% Roadbed, drainage & seal complete in part.	2%	9.0 km
D2907 Pieterskraal - Waterval	100% by Oct 2004	98% Road complete, retention period	2%	12.2 km
D2901 & D2740 Loding - Nokaneng	100% by Feb 2005	95% Base and seal complete, drainages complete in part.	5%	9.5 km
D2923 Kgobokwane - Philadelphia Hospital	100% by Oct 2005	97% Base and seal complete drainage complete in part.	0%	13.2 km
D2926 Marapyane - Senotlelo	100% by March 2005	100% Road completed, retention period	0%	15.1 km
P207/1 Moloto - Kwamhlanga (Phase I)	100% by Feb 2005	99% Road complete, busy with snag list.	1%	9.5 km
P207/1 Vlaklaagte - Moteti (Phase III)	100% by March 2006	25% Site establishment complete, clearing and grabbing complete in part	0%	5.5 km
D267 Mayflower - Lothair	100% by Oct 2005	50% Earthworks, culverts & pipe structures, (sub) base, seal completed in part.	30%	5.0 km
D2548 Driefontein - Piet Retief	100% by May 2006	20% Site establishment complete, clearing and grabbing complete in part.	0%	3.8 km
D481 Elukwatini - Mooiplaas	100% by March 2005	70% Base, seal and drainage complete, in part.	30%	14.8 km
P15/1 Carolina - Wonderfontein	100% by Nov 2005	25% Site established, section 3 and by-pass complete in part.	0%	7.0 km



P52/3 Bethal - Kriel	100% by Aug 2005	36% Site establishment, clearing and grabbing complete in part.	0%	11.2 km
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**Projects funded under Conditional Grant**

<b>Project Title</b>	<b>Performance Target</b>	<b>Percentage completion</b>	<b>% Deviation</b>	<b>% Progress in km</b>
D2975 Gutshwakop - Luphisi	100% by March 2007	25% Site established, clearing and grabbing complete in part.	0%	3.0 km
P81/1 Lydenburg – Dullstroom Ph2	100% by June 2005	15% Site established, Patchwork complete in part.	0%	1.2 km
D2978 Matsulu Bridge - The end 100% by March 2005 Road complete	100% 0%	N/A		
P33/4 Sabie – Hazzyview (Slip repair)	100% by Feb 2005	94% Slip repairs Completed, excavation for culvert complete in part.	6%	1.5 km
P33/4 Sabie – Hazzyview (Syphon)	100% by July 2005	15% Site established, clearing and grabbing complete in part.	0%	2.2 km
D2919 Matlerekeng - Motsanangwana	100% by March 2006	10% Site establishment, Cleaning and grabbing completed in part.	0%	1.5 km
D1948 Ga-Matlala - Magakadibeng	100% by March 2007	35% Site established, clearing and grabbing complete in part.	0%	2.2 km
D2927 Marapyane - Lifiso/Lifisoane	100% by March 2005	100% Re-gravelling completed, retention period	0%	12.0 km
D1184 Tondeldoos - Dullstrom	100% by Jan 2005	100% Re-gravelling completed, retention period	0%	19.0 km
D2771 P120/1(Witbank) - P127.2 (Duva)	100% by March 2005	70% Site established, patchwork complete in part	30%	5.6 km
D2769 Coalvile - Clewer	100% by Nov 2005	5% Site established	0%	0.6 km
P51/2 Middelburg - Stoffberg	100% by April 2004	100%  Road completed retention	0%	N/A (Patching)
D2962 Kaduma - Glenmore§	100% by Feb 2005	98% Re-gravelling completed, site drainage complete in part.	2%	8.0 km
D2962 Glenmore - Bettiesgoed	100% by Nov 2004	100% Road completed, retention period	0%	3.0 km
P30/1 Middelburg - Bethal (phase II)	100% by May 2006	24% Site established, clearing and grabbing complete in part.	0%	6.8 km

P185/1 Kinross - Standerton	100% by June 2007	25% Site established, clearing and grabbing complete in part.	0%	14.5 km
Fernie - Diepsdal	100% by March 2007	35% Site established, clearing and grabbing complete in part.	0%	2.3 km
P48/1 Bethal - Morgernzon	100% by June 2007	15% Site established, clearing and grabbing complete in part.	0%	4.8 km
P30/2 Bethal - Standerton	100% by Nov 2005	0%	100%	0
D254 Daggakraal - Amersfort	100% by Jan 2007	15% Site establishment, cleaning and grabbing complete in part.	0%	2.7 km
P101/1 Delmas - Nigel	100% by Aug 2004	85% Patchwork complete, seal complete in part.	15%	9.3 km
D2951-52 Thambokhulu to Mbuzini	100% by March 2005	70% Clearing and grabbing complete in part.	30%	3.2 km
P116/1 Lydenburg to Ohrigstad	100% by March 2005	100% Patchwork completed,	0%	Patching
P51/3 Globlersdal to Stoffberg	100% by March 2005	100% Patchwork completed,	0%	Patching
P50/2 Morgenzon to P30/3 Standerton	100% by March 2005	100% Patchwork completed,	0%	Patching
P33/2 Lydenburg to Burgersfort	100% by March 2005	100% Patchwork completed,	0%	Patching
P53/2 Leandra to Standerton	100% by March 2005	100% Patchwork completed,	0%	Patching
P81/4(N17) Ermelo to Oshoek	100% by March 2005	100% Patchwork completed,	0%	Patching
D1607-P36/4-N3 (Grootvlei)	100% by March 2005	100% Patchwork completed,	0%	Patching
D2183 Secunda to D823	100% by March 2005	100% Patchwork completed,	0%	Patching
D1682-P185/1-P33/3 (Thutuka)	100% by March 2005	100% Patchwork completed,	0%	Patching
D1290-P27/2-P36/4 (Grootvlei)	100% by March 2005	100% Patchwork completed,	0%	Patching
P4/3 Balfour to Greylingstad	100% by March 2005	100% Patchwork completed,	0%	Patching
P36/3 Balfour to Deveon	100% by March 2005	100% Patchwork completed,	0%	Patching
P90/1 Kinross to P53/2	100% by March 2005	100% Patchwork completed,	0%	Patching
P176/1 Amsterdam to Jessie (P84/1)	100% by March 2005	100% Patchwork completed,	0%	Patching
P36/4 Balfour to Villiers	100% by March 2005	100% Patchwork completed,	0%	Patching

## Maintenance

### Routine Maintenance

The main activities undertaken by Routine Maintenance are to grade gravel roads, patchwork on surfaced roads, road markings, grass cutting, repair of guardrails, cleaning of culverts and side drains.

Objective	Planned Output	Actual Output	Deviation
<b>To maintain all roads</b>	Grading gravel 27,992 km	28,275km	283 km more than planned
	Reshaping gravel roads 476 km	400km	76 km
	Reshaping and grading of shoulders surfaced roads 788 km	615 km	173 km.
	Patching potholes non surfaced roads 51,030 square meters	75,709 square meters	24,679 more square meters than planned
	Grass cutting 7,190 km	6,137 km	1,053 km
	Cleaning culverts 6,952km	11,934km	4,982 km more than planned
	Cleaning side drains 275 km	780.3km	505 km more than planned
	Erecting/repair guard rails 25,729 km	29,645 km	3,916 km more than planned
	Weed control shoulders of surfaced roads 2,296 km	29,645 km	27,349 km more than planned
	Clearing of weeds at roads signs 10,750 square meters	504 square meters	10,246 square meters
	Erection of road signs 8,195	10,926	2,731 more than planned
	Road Marking 1,502 km	825 km	677 km

## Specific Challenges and Responses

The section experienced the following challenges:

<b>Challenge 1: (Limited Budget)</b> A substantial portion of the MTEF Roads budget is used to upgrade coal haulage routes of National strategic importance. Most of these routes are in the Gert Sibande Region and are failing due to the large increase in heavy traffic. Roads preservation in other regions is neglected and backlogs (especially seal work) are increasing.
<b>Response to Challenge 1</b> Eskom coal haulage routes have been identified and a needs study was conducted. The upgrading needs in the Gert Sibande Region was quantified in monetary terms. The department engaged the Provincial Treasury, NDOT, SANRAL, Department of Mineral and Energy Affairs as well as Eskom to find a solution to the funding shortage. SANRAL has taken over a number of these routes. Budget pressures have been motivated to the Provincial Treasury. The present spending plan tries to find a compromise between the upgrading of strategic routes and the protection of asset value on the balance of the road network.
<b>Challenge 2: (Shortage of Professional Staff)</b> There is a shortage of professional staff, such as engineers.
<b>Response to Challenge 2</b> Bursaries will be awarded to attract more professional staff. Vacant posts will be advertised and salary levels of professional staff will be revised.
<b>Challenge3 : (Lack of contract management capacity)</b> There is a shortage of professional staff with experience in project management.
<b>Response to Challenge 3</b> The department will advertise in August 2005 for additional staff. Vacant posts will be advertised. Partnership formed with SANRAL to assist the Department in training of staff.
<b>Challenge 4: (Lack of Information Management System)</b> The section is in need of a well developed information management system which will assist in planning and the efficient management of projects.
<b>Response to Challenge 4</b> New data base will be installed. The system will be populated using best practice guidelines. Competent staff will be recruited and trained to run the query station.

### ***Issues requiring ongoing attention***

- Budget allocations to be informed by the needs to be fulfilled.
- Replacement of ageing plant and equipment.
- Prompt recruitment and replacement of staff.
- Drive to recruit, train and retain relevant professionals.

### **2.3 Programme 3: Transport**

The main functions of this programme are to manage and facilitate transport - related matters in the Province. It is divided into 4 Directorates namely Public Transport, Logistics and Corridor Development, Planning Policy and Research and Government Motor Transport Services.

#### **Public Transport**

The Public Transport unit is responsible for:

Management of Bus contracts and subsidy services.

Co-ordination of road transportation and regional services.

#### **Logistics and Corridor Development**

The Logistics and Corridor Development unit is responsible for:

Rendering transport logistics, freight and aviation services.

Rendering corridor development, rail and water ways services.

#### **Planning, Policy and Research**

The Planning, Policy and Research unit is responsible for:

- Management of overall planning for transport infrastructure.
- Conducting research on transport policies.

#### **Government Motor Transport Services**

The Government Motor Transport Services unit is responsible for:

- Administering and maintenance of government transport, plant and equipment
- Rendering of workshop services to government transport, plant and equipment

### Service Delivery Objectives, indicators and Achievements:

The programme has been able to achieve its measurable objectives as follows

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To review transport structure	Reviewed and approved Transport structure	December and January	The transport structure was reviewed and approved by August 2004.	0%
To assign duties and correctly place personnel	Approved job description and signed performance contracts	September 2004	No job descriptions and performance contracts developed	Lack of capacity within all sections and within HRD to assist all sections
To capacitate Artisans mechanics, Transport Economists and Transport Engineers	Number of Artisans, Transport Economists and Transport Engineers trained	12 artisans and 7 Transport Economists	12 individuals enrolled for training as artisans and 7 for Transport Economics	0%
To review and develop public transport policy and legislation	The stakeholders implement their projects in line with the policy.  Availability of approved policy documents	Provincial Transport Bill promulgated and distribute 500 copies	Provincial Transport Bill was not approved.	The draft Bill was not approved by the MEC as it failed to address province-specific regulatory challenges
To encourage usage of non-motorized transport	The amount of money spent on subsidies on non-motorized transport	Review the existing site & establish 2 sites	The existing site at Mzinti was reviewed and 3 more sites were identified in Nkanagala (Nokaneng and Verena), in Gert Sibande (Leandra) in Ehanzeni (Tonga)	1 additional site identified
To ensure integrated modes of transport	Availability of one-stop facilities for multiple modes of transport	One complete study	Study not complete	Service provider was appointed to conduct the study and progress report has since been submitted
To facilitate the establishment of rail transport system	The availability of commuter and freight rail	Conduct study	Study was conducted and submitted to DOT for approval	Nil
To review and restructure the public transport subsidy regime	The affordability of Public transport	Conduct study on subsidization	No study conducted	The gazetting of a Model Tender Document by DOT and conclusion of negotiations with the bus industry on the Heads of Agreement by DOT took longer than anticipated



Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To develop and manage a rural transport strategy	The accessibility of transport and mobility of people in the rural areas.	Conduct a study	Service provider was appointed to conduct a study and progress report thereto has been submitted to the department	Delay in the finalization of the national rural strategy delayed progress in this regard
To ensure accessibility of all modes of transport	Availability, affordability and functionality of transport	Consult relevant stakeholders and compile a report	Consultations were held with all stakeholders.	No report was compiled following the consultations due to lack of capacity in the Department
To fully implement the Land Transport Legislation	Compliance with transport legislation	Finalize and integrate the plans.	All transport plans have been completed, i.e., OLAS, Ratplans, PTP & ITP for all regions	Nil
To establish transport forums and coordination committees.	The number of transport forums established and one coordinating committee established	Establish transport forums and coordinating committee	Transport forums have been established in all local municipalities although some are not fully functional	The outstanding municipalities could not proceed due to absence of a clear guidelines on the establishment and functioning of transport forums
To ensure the smooth running of the Provincial Operating Licensing Board	Fair Distribution of permits/ operating licenses	Board sittings	32 board sittings took place. Of the 1936 applications tabled, 1575 were granted, 330 postponed, and 31 refused.	Nil
To formalize, regulate, control and render economic assistance to the Taxi Industry	The number of registration	10 fully registered taxi associations	One new taxi association registered	Delays in the Board to process applications for conversion of permits as registration is dependent on the board converting the current permits into operating licenses.
To develop and manage bus contracts	The number of competitively tendered documents	Design Bus contracts and appoint six bus services providers	Designs for all 9 existing bus contracts were re-designed. 5 New routes to be subsidized were identified and service providers were appointed to conduct studies.	Nil

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To provide and manage Government fleet	The number of exceptions	Effective and efficient Government fleet	<p>No replacement policy developed.</p> <p>Fleet stock-taking conducted and completed by September 2004.</p> <p>Obsolete vehicles/items auctioned and the proceeds amounted to R4,5 million.</p> <p>A PPP project was registered with National Treasury's PPP unit.</p> <p>14 sedans, 3 condors, 1 LDV, 1 maintenance grader, 1 construction grader and 13X7 ton trucks purchased.</p> <p>806 maintenance transactions for the amount of R813 434 and 1868 repair transaction for amount of R2.9 million were effected</p>	Nil

# STATISTICAL REPORT 2004/2005

## New Vehicles

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	-	1	1	-	-	-	-	-	-	-	-	-	2
Education	2	-	-	-	-	-	-	-	6	1	10	17	36
Health & Social Services	17	6	-	1	-	-	-	-	38	28	16	46	152
Local Gov & Housing	8	1	2	-	-	-	-	-	-	-	-	-	11
Public Works	-	-	-	-	-	-	-	-	-	-	-	-	0
Roads & Transport	-	-	-	-	-	-	-	-	-	-	6	12	18
Safety & Security	-	-	-	-	-	-	-	-	-	-	-	-	0
Finance	-	-	-	-	-	-	-	-	-	4	4	2	10
Economic Affairs	-	-	-	-	-	-	-	-	-	3	-	-	3
Sports	-	-	-	-	-	-	-	-	2	1	1	-	4
Agriculture Environmental Affairs	-	-	1	-	-	-	-	-	5	-	6	2	14
Correction (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	0
Home Affairs (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	0
Justice (Nat)	-	-	-	-	-	-	-	-	-	-	9	-	9
Water Affairs	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>TOTAL</b>	<b>27</b>	<b>8</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>51</b>	<b>37</b>	<b>52</b>	<b>79</b>	<b>259</b>

## Accidents

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	1	-	-	-	-	-	-	-	1	1	-	-	3
Education	3	3	5	2	14	7	2	2	3	2	2	1	46
Health & Social Services	4	16	17	10	18	15	6	11	6	6	13	20	142
Local Gov & Housing	1	1	-	5	1	1	-	-	4	1	-	1	15
Public Works	-	5	-	2	-	-	-	-	-	-	-	2	9
Roads & Transport	1	8	5	2	6	3	5	5	4	7	3	10	59
Safety & Security	-	1	-	-	1	1	-	1	-	-	-	-	4
Finance	-	-	1	-	-	-	-	-	-	-	-	-	1
Economic Affairs	-	-	-	-	-	-	-	-	-	-	1	-	1
Sports	-	-	-	-	-	-	-	-	-	3	2	-	5
Agriculture Environmental Affairs	1	1	3	6	1	2	3	1	3	4	3	3	31
Correction (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	0
Home Affairs (Nat)	-	-	-	-	-	1	-	-	-	-	1	-	2
Justice (Nat)	1	1	-	-	2	-	-	1	2	1	2	-	10
Labour (Nat)	1	-	-	-	-	-	-	-	-	-	-	-	1
<b>TOTAL</b>	<b>13</b>	<b>36</b>	<b>31</b>	<b>27</b>	<b>43</b>	<b>30</b>	<b>16</b>	<b>21</b>	<b>23</b>	<b>25</b>	<b>27</b>	<b>37</b>	<b>329</b>

## Stolen /Hijacked Vehicles

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	-	-	-	-	-	-	-	-	-	-	-	-	0
Education	-	-	-	-	1	-	-	-	-	-	-	-	1
Health & Social Services	-	1	2	-	6	-	1	-	-	-	2	2	14
Local Gov & Housing	-	-	-	-	1	-	-	-	1	-	-	-	2
Public Works	2	-	-	-	-	-	-	-	-	-	-	2	4
Roads & Transport	-	-	-	-	-	4	2	2	2	2	-	1	13
Safety & Security	1	-	1	-	-	-	-	-	-	-	-	-	2
Finance	-	-	-	-	-	1	-	2	-	-	-	-	3
Economic Affairs	-	-	-	-	-	-	-	-	-	1	-	-	1
Sports	-	-	-	-	-	-	-	1	-	-	-	-	1
Agriculture and Environmental Affairs	-	1	-	-	1	-	-	-	1	-	1	-	26
Correction (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	0
Home Affairs (Nat)	-	-	-	-	-	-	-	-	-	-	2	-	2
Justice (Nat)	-	1	-	1	-	-	-	-	-	-	-	-	2
Water Affairs (Nat)	1	-	-	-	-	-	-	-	-	-	-	-	1
<b>TOTAL</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>7</b>	<b>52</b>

## LOST/STOLEN BANK CARDS

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	-	1	-	--	1	1	-	1	-	-	-	-	4
Education	-	-	-	1	-	-	-	-	1	-	1	-	3
Health & Social Services	6	4	4	3	3	10	23	6	8	4	3	6	80
Local Gov & Housing	1	-	-	-	-	-	-	-	-	1	-	1	3
Public Works	-	-	-	-	-	-	-	-	-	-	-	-	0
Roads & Transport	-	1	1	-	4	1	-	1	-	-	-	1	9
Safety & Security	-	-	-	-	1	-	-	-	-	-	-	-	1
Finance	-	-	-	--	-	-	-	-	-	-	-	-	0
Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	0
Sports	-	-	-	-	-	-	-	-	-	-	-	-	0
Agriculture and Environmental Affairs	-	-	-	1	1	1	-	2	-	-	-	16	
Correction (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	0
Home Affairs (Nat)	-	1	-	-	-	-	-	-	-	-	-	-	1
Justice (Nat)	-	-	-	-	-	-	-	1	-	-	-	-	1
<b>TOTAL</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>5</b>	<b>10</b>	<b>13</b>	<b>23</b>	<b>11</b>	<b>9</b>	<b>5</b>	<b>4</b>	<b>9</b>	<b>108</b>

## IMPOUNDED VEHICLES

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	-	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	2	-	-	-	-	-	-	2
Health & Social Services	-	-	-	-	-	-	-	-	1	1	1	-	3
Local Gov & Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-	-	-	-
Roads & Transport	-	-	-	-	-	-	-	-	-	-	-	-	-
Safety & Security	-	-	-	-	-	-	-	-	-	1	-	-	1
Finance	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
Sports	-	-	1	-	-	-	-	-	-	-	-	-	1
Agriculture and Environmental Affairs	-	-	1	-	-	-	-	-	-	-	-	1	
Correction (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Affairs (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	-
Justice (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Affairs (Nat)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>8</b>

## General Losses

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	1	1	1	-	1	-	-	-	-	-	2	-	6
Education	2	1	-	-	5	5	-	2	2	3	2	2	24
Health & Social Services	10	15	9	4	18	15	1	9	8	7	11	112	
Local Gov & Housing	-	1	-	-	1	-	-	-	5	-	-	1	8
Public Works	1	3	1	2	-	1	-	-	-	-	-	2	10
Roads & Transport	1	2	6	2	7	6	8	14	2	2	10	3	63
Safety & Security	-	-	1	-	-	-	-	-	-	-	-	-	1
Finance	2	-	-	-	-	-	-	-	-	-	-	-	2
Economic Affairs	-	-	-	-	-	-	-	-	1	-	-	-	1
Sports	1	-	-	-	1	1	-	1	-	-	1	3	8
Agriculture and Environmental Affairs	7	4	1	2	6	-	-	2	1	3	2	-	28
Correction (Nat)	1	-	-	-	-	-	-	-	-	-	-	-	1
Home Affairs (Nat)	-	-	1	-	-	-	-	2	-	-	-	-	3
Justice (Nat)	-	-	-	-	1	-	1	-	1	-	-	1	4
<b>TOTAL</b>	<b>26</b>	<b>27</b>	<b>20</b>	<b>10</b>	<b>40</b>	<b>28</b>	<b>10</b>	<b>30</b>	<b>20</b>	<b>15</b>	<b>28</b>	<b>17</b>	<b>271</b>

## AUCTIONS

Department	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
Premier	-	-	-	-	-	1	-	-	-	-	-	-	1
Education	-	-	-	-	-	9	-	-	4	-	-	-	13
Health & Social Services	-	-	-	-	-	33	-	-	23	-	-	-	56
Local Gov & Housing	-	-	-	-	-	18	-	-	7	-	-	-	25
Public Works	-	-	-	-	-	9	-	-	4	-	-	-	13
Roads & Transport	-	-	-	-	-	17	-	-	21	-	-	-	38
Roads & Transport Pool	-	-	-	-	-	6	-	-	5	-	-	-	11
Safety & Security	-	-	-	-	-	-	-	-	-	-	-	-	0
Finance	-	-	-	-	-	2	-	-	1	-	-	-	3
Economic Affairs	-	-	-	-	-	-	-	-	-	-	-	-	0
Sports	-	-	-	-	-	2	-	-	5	-	-	-	7
Agriculture and Environmental Affairs	-	-	-	-	-	21	-	-	4	-	-	-	25
Correction (Nat)	-	-	-	-	-	4	-	-	9	-	-	-	13
Home Affairs (Nat)	-	-	-	-	-	2	-	-	-	-	-	-	2
Justice (Nat)	-	-	-	-	-	7	-	-	2	-	-	-	9
Water Affairs	-	-	-	-	-	3	-	-	-	-	-	-	3
Land Affairs	-	-	-	-	-	-	-	-	1	-	-	-	1
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134</b>	<b>0</b>	<b>0</b>	<b>86</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220</b>

### Specific challenges and responses

<b>Challenge 1: (Review Public Transport Policy)</b> Policy document was not available for distribution to all relevant stakeholders.
<b>Response to Challenge 1</b> To distribute copy of the policy to all relevant stakeholders for input in order to review the policy in next financial year.
<b>Challenge 2: (Finalization of the Integrated Modes of Transport Strategy )</b> The delay in appointing a consultant as planned affected the development of transport strategy.
<b>Response to Challenge 2</b> The strategy will be finalized in the next financial year.
<b>Challenge 3: ( Full Implementation of the Land Transport Legislation)</b> The delay in issuing of the minimum guide on Transport plans by DOT.
<b>Response to Challenge 3</b> Table the plans at MuniMEC for consultation and approval by the MEC.
<b>Challenge 4: (The Development And Management Of Bus Contract)</b> Change of strategy by DOT in order to include other modes of transport such as taxis affected our plans.
<b>Response to Challenge 4</b> Liaise with DOT to provide the model tender document in order to finalize the tender.
<b>Challenge 5: (The Provision of Government Fleet)</b> Auctioned 41 vehicles and replaced them with only 18 vehicles due to budget pressures.
<b>Response to Challenge 5</b> To conduct a feasibility study on government fleet management.

## 2.4 Programme 4: Traffic Management

The main function of Traffic Management is to render traffic functional services, Implement Road Safety measures, control the flow of traffic and to render overloading control services.

### 2.4.1 Strategic Goal:

#### **STRATEGIC GOAL 1: Render Traffic functional Services.**

##### **STRATEGIC OBJECTIVES:**

- To operate and maintain the NaTIS system.
- To appoint the Inspectorate unit to curb fraud and corruption.
- To prepare a manual for the regulation of driving schools.
- To ensure compliance at all Vehicle testing Stations and Driving Licenses Testing Centres.
- To finalize driving licenses conversion issue by January 2005.
- To establish the NaTIS Audit Inspection and Training Unit.
- To register and license Government Vehicles.
- To establish a Revenue Collection Unit.
- To ensure awareness of the effect of HIV and Aids.

#### **STRATEGIC GOAL 2: Implementation of road safety measures**

##### **STRATEGIC OBJECTIVES:**

- To provide training to all age groups.
- To educate all road users in rural and urban areas.
- To implement and extend the school based programmes to previously disadvantaged areas.
- To promote driver training and education.
- To engage the communities in road safety programmes.
- To engage the private sector in the promotion of road safety.

#### **STRATEGIC GOAL 3: Control the flow of traffic**

##### **STRATEGIC OBJECTIVES:**

- To create a safe and secure road environment.
- To reduce fatal collisions and fatalities.
- To provide real time traffic related information.
- To promote a crime free society.
- To establish a regional incident management system.
- To coordinate with all other law enforcement stakeholders.

#### **STRATEGIC GOAL 4: Render overloading control services**

##### **STRATEGIC OBJECTIVES:**

- To reduce the number of overloaded vehicles by 10% annually.
- To Extend the N4 system profile to all provincial routes.
- To provide training and information to transport companies on the impact of overloaded vehicles.

### 2.4.2 Resources for Traffic Management

	2002/03	2003/04	204/05
	263	320	409
<b>Administrative staff</b>	121	119	129
<b>Freeway patrol vehicles</b>	12	6	6



### 2.4.3 Traffic management outcomes by region

Performance Measures	Actual 2003/04	Projected Occurrences 2004/05	Actual target	% Deviation from 2004/05	
<b>Region Nkangala</b>				Unit	%
Number of accidents reported	6859	7700	10019	2319	30
Number of accidents involving mini-buses or buses	2475	2400	1254	1254	-52
Number of fatalities	574	480	309	171	-36
Number of serious Injuries	2985	2880	1465	1415	-49
<b>Region Gert Sibande</b>					
Number of accidents reported	6859	7000	6724	276	-4
Number of accidents involving mini-buses or buses	2475	760	746	13	-2
Number of fatalities	574	400	238	162	-41
Number of serious injuries	2985	2400	1125	1275	-53
<b>Region Ehlanzeni</b>					
Number of accidents reported	6859	7000	6739	261	-4
Number of accidents involving mini-buses or buses	2475	760	773	13	2
Number of fatalities	574	400	173	227	-57
Number of serious Injuries	2985	2400	1014	1386	-58

### 2.4.4 Sub-Programme: Traffic Law Enforcement

Measurable Objective	Actual 2003/04	Planned Outputs 2004/05	Actual 2004/05	% Deviation from target	
<b>Input</b>				Unit	%
Number of traffic officials per km of surfaced road in province	21,06	17,44	17,44	0	0%
<b>Process</b>					
Number of hours speed-traps operated	16 384	17 000	15912	1088	-6,4%
Number of roadblocks	2196	2500	803	1697	-67,88%
<b>Efficiency</b>					
Number of registered vehicles (475 839) per traffic officer.	1228	1108	1163	55	-4,72%
Ratio of fines issued paid.	40%	60%	60%	62%	2%
<b>Outcome</b>					
Number of accidents reported.	April: 27 Dec: 73	April: 25 Dec: 69	April: 15 Dec: 91	April: 10 Dec:	April: 40% Dec: - 31,88%
Number of accidents involving mini-busses or busses		Dec: 0	Dec: 15	Dec: 15	Dec: 0%
Number of fatalities.	April: 39 Dec: 92	April: 37 Dec: 87 Dec: 96	April: 15 Dec: 127 Dec: 96	April: 22 Dec: Dec: 0	April: 59% Dec: - 46% Dec: 0%
Number of serious injuries.					

**Service delivery objectives, indicators and achievements:**

The programme has been able to achieve its measurable objectives as follows:

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To ensure an operational NaTIS	Non-interrupted NaTIS	40 Registering Authorities and 17 Private Vehicle Testing Stations	40 Registering Authorities and 17 Private Vehicle Testing Stations visited	None
To establish an Inspectorate unit to curb fraud and corruption	<ul style="list-style-type: none"> <li>Functional Inspectorate Unit</li> <li>Number of incidents reported</li> </ul>	Establish and train 12 officials in the unit	None	12 Officials - 100% due to delays in filling the posts in unit since this is newly established unit.
To prepare a manual for the regulation of the Driving School Industry	Regulated Driving School Industry	Prepare manual for comments and inputs	None	- 100% DOT still hold full responsibility
To conduct inspections at all Vehicle Testing Stations and Driving Licenses Testing Centres	Centres and Stations conform to prescripts	Inspect 25 Centres and Stations	Inspected 29 Centres and Stations	4 inspected Stations 16%
To administer Abnormal load permits	Attend all applications within 24 hours	Administer abnormal permits according to demand	All applications attended within 24 hours	None
To manage and maintain the provincial accident register	Comprehensive accident data is available to stakeholders	Update register monthly	Registers updated monthly	None
To administer Functional Law management	Attend to all applications and appeals within 14 days	250 appeals attended	262 appeals attended	12 more appeals (4.8%)
To establish and train an accident Reconstruction unit	Reconstruction of accident scenes to assist in research for preventive measure	Establish the unit and Train 15 officials in elementary accident investigation and 10 officials in advance accident investigation	None	- 100% unit still operating with skeleton staff
To establish and manage a Traffic auditing and training section	Functional Traffic Audit and Training unit	Establish and train 7 officials of the unit	None	- 100% Section transferred to Internal Audit
To manage Provincial Registering Authorities	Ensure that Provincial Registering Authorities are well-managed	Manage 7 Registering Authorities	5 Authorities managed Elukwatini Siyabuswa Kwa-Mhlanga Moretele Mpuluzi	(- 28 %) 2 authorities not managed due to the need being addressed at local authority level.

Measurable Objective	Performance Measure	Target Output	Actual Output	Deviation from Target/ Reasons for non achievement
To provide training to the following target groups: Rural users Learners in previously disadvantaged areas Taxi industry Heavy Motor Vehicle Drivers	The number of accidents, and traffic offences	30 seminars and workshops  40 presentations 213 Schools registered  20 workshops  21 workshops and 5 competitions	Conducted as scheduled: 30 seminars and workshops  40 presentations 213 Schools registered  20 workshops  21 workshops and 5 competitions	0%
To engage the communities in Road Safety Programmes	Community involvement in road safety programmes	Link to Transport forums	Road Safety program is linked to Transport Forum	0%
To create a safe and secure road environment	The number in fatal crashes and fatalities	Fatal crashes decrease by 5%	Fatal crashes reduced by 45%	40%
To provide real time traffic related information	Functional accurate data base is available online	Establish a Control Centre in Each Region	None	- 100% due to staff shortage
To promote a traffic crime free society	Decrease of section 56 notices	500 (K78 road-blocks) Speed checks	200 Road blocks conducted	60 % due to weather conditions and escorts of abnormal loads and VIP's which cannot be planned.
To ensure compliance to National Road Traffic Act with regard to Load control	The number of overloading incidents	Reduce overloading offences by 5%	Overloading reduced by 7 %	2%

## 2.4.5 Specific Challenges and Responses

<b>Challenge 1: (Involvement of the Department of Justice.)</b> The reduction of admission of guilt on summonses by the prosecutor without consultation.
<b>Response to Challenge 1</b> Greater interaction between the Department and Department of Justice by means of meetings to discuss matters of mutual interest.
<b>Challenge 2: (Coordination between local and provincial traffic authorities.)</b> Confusion exists regarding the demarcation of borders.
<b>Response to Challenge 2</b> Greater interaction between the authorities to address the issue at hand through MuniMec.
<b>Challenge 3: (Provision of a 24 hour Traffic Law Enforcement service on our roads.)</b>
<b>Response to Challenge 3</b> Extension of Law Enforcement hours to cover the early and late hours of the day as follows: Starting at 04:00 and closing 22:00 of each weekday.
<b>Challenge 4: (Filing of critical funded vacant posts.)</b> Currently the Program is experiencing a major need to support its mandates due to a human resource shortage.
<b>Response to Challenge 4</b> Finalize the appointment of advertised posts and advertise, interview and appoint outstanding identified posts.

### *Issues requiring ongoing attention*

Improving the morale of the staff and reintroduction of the incentive method e.g. meals, certificates of excellence, awarding of trophies for cleanliness, and productivity certificates.

## 2.4.6 Sub-programme: Road Safety Education

Measurable Objectives	Performance Measures	Actual Outputs 2003/04	Targeted Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
<b>Input</b>					Units	%
Number of staff providing road safety education programmes at schools	31	31	31	31	0	0%
Number of staff providing road safety education programmes to public transport operators	31	4	31	31	0	0%
<b>Process</b>						
Schools involved in road safety education programmes	All schools	2034	2050	2075	25	1,2%
Number of courses run for public transport operators	300 activities per annum.	108	115	128	13	10,1%
Number of pedestrians killed	Reduction of pedestrian fatalities by 5%	105	100	93	7	-7%
Number of children pedestrians killed	Reduction of pedestrian fatalities by 5%	32	30	38	8	21%

## 2.4.7 Challenges and Responses for Sub-programme: Road Safety Education

<b>Challenge 1: (Lack of coordinate infrastructure planning.)</b> The building of schools and other services centres to communities are not planned to ensure general road safety.
<b>Response to Challenge 1</b> Greater involvement by other Governmental and Non-governmental organizations in general road safety practices.
<b>Challenge 2: (Business activities on public roads)</b> The use of the road reserve by vendors and other business people to create opportunities and not considering road safety practices results in dangerous situations on our roads.
<b>Response to Challenge 2:</b> Engage the community leaders, law enforcement officials and road section to address the need.

## 2.4.8 Sub-programme: Transport Administration and Licensing

Measure Objective	Performance Measures	Actual Outputs 2003/04	Targeted Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
<b>Output</b>					Units	%
Operational NaTIS	Service delivery to all communities within the province	37 Registering Authorities 13 Private Vehicle Testing Station	40 Registering Authorities. 17 Private Vehicle Testing Stations	40 Registering Authorities 17 Private Vehicle Testing Stations	0	0%
Operational Inspectorate	All Centres and Stations inspected at least twice annually.	None	Train 12 officials	None	12	-100%
Ensure compliance by DLTC and VTS	All Centres and stations inspected at least twice annual	None	Inspect 25 Centres and Stations	Inspect 29 Centres.	4	16%
Process Abnormal Loads Permits.		4636 Permits issued	5000 Permits issued	5102 Permits issued	102	2,04%
Comprehensive Accident data	Comprehensive data available for authorized users	18335 Accidents captured	19 200 Accident captured	4800 accidents captured	4619 accidents captured	-3,77% -
Administer functional law management	Attend to all applications within 7 working days	227 Appeals	250 Appeals	262 Appeals	12	4,8%
Establish NaTIS training unit	ENaTIS training rolled out.	None	Train 7 officials.	7 officials trained	None	-100%
Manage Provincial Registering Authorities	Operational . Registering Authorities	5 Authorities	7 Authorities	5 Authorities	2	-28%
<b>Quality</b>						
Number of license fraud cases prosecuted	Reduction in the number of fraud cases.	None	None	None	5	100%

## 2.4.9 Specific challenges and responses

Following are some of the most significant challenges affecting Traffic Management Section as a whole:
<b>Challenge 1: (Training on eNatis)</b> Training of the new eNaTIS is not prioritised
<b>Response to Challenge 1:</b> Training g unit needs to be established and appointments need to be considered.
<b>Challenge 2: (Fraud and Corruption)</b> Reduction in the number of Fraud and Corruption cases.
<b>Response to Challenge 2:</b> Inspectorate not fully established and appointments need to be considered.

#### 2.4.10 Sub programme: Overload Control

Measurable Objective	Performance Measures	Actual Outputs 2003/04	Targeted Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
<b>Input</b>					Units	%
Number of weigh bridges		18	20	19	19	0%
New weigh bridges to be constructed		1	1	0	0	0%
<b>Process</b>						
Hours weigh-bridges to be operated		24	24	24	24	0%
Number of transport vehicles inspected		241174	240 000	231501	8499-	3,54%
<b>Output</b>						
% of vehicles overloaded (i.e. over the 5% tolerance)		30,7%	5,4%	5%	0,4	0%
Number of vehicles impounded		12034	12000	12763	763	6,35%
<b>Efficiency</b>						
Number of hours weigh bridges operated as % of total hours in year		97,3%	97,3%	84%	13,3	0,13%
Number of vehicles inspected per hour		28,3	28,1	26,4	1,7	6,04%

#### 2.4.11 Specific Challenges and Responses facing the sub-programme:

<b>Overloading Control</b>
<b>Challenge 1: (Reduce all overloading.)</b> More special operations are required to attend to escape routes and problem areas.
<b>Response to Challenge 1:</b> More targeted special operations will be performed to address the need.
<b>Challenge 2: (Increase payment of summonses to 25% of issued summonses.)</b> The current payment rate is 21, 79% of summonses issued.
<b>Response to Challenge 2:</b> Implement an improved Warrant Of Arrest system and involve the Department of Justice.
<b>Challenge 3: (Identify and prosecute habitual offenders.)</b> Owners and operators do not comply with overloading legislation.
<b>Response to Challenge 3:</b> Submissions to MEC for consideration of withdrawal of operator's cards.
<b>Issues requiring ongoing attention</b> Process of applying to MEC for withdrawal of operator cards will start very soon.



### 3. Report of the Audit Committee

The Department of Roads and Transport did not have an Audit Committee in place during 2004/05 financial year. This is in contravention of the PFMA. However, it must be noted that a provincial decision was taken that Departments will have shared Audit Committees, and in terms of paragraph 3.1.3 of the Treasury Regulations, in case of shared Audit Committees, the head of the relevant treasury must appoint Audit Committee members after consultation with the relevant Executive Authority.

### 4. Annual Financial Statements

#### REPORT OF THE ACCOUNTING OFFICER - for the year ended 31 March 2005

The following is the Report by the Accounting Officer to the Executive Authority and Provincial Legislature.

#### 1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS.

The Department was allocated an original budget of R764, 129 million during the 2004/05 financial year. An additional amount of R70, 745 million was allocated to the Department during the adjustment budget resulting in a total budget for the Department of R834, 874 million. The additional amounts were made up as follows:

Description	Amount R'000	Programme
Roll-over	53,309	Roads Infrastructure
Roll-over	3,608	Transport
Additional funding	11,258	Administration
Additional funding	2,570	Traffic Management
<b>Total</b>	<b>70,745</b>	

#### *Significant Events That Took Place During The Year.*

The following events were conducted by the department during the 2004/2005 financial year.

NAME OF EVENT	VENUE	DATE
Taxi Indaba	Badplaas	July 2004
Roads Indaba Launching of Arrive Alive Campaign	Nelspruit Malelane & Standerton	December 2004 December 2004 & March 2005

The Department of Roads and Transport was established after the April 2004 General Elections when a number of Departments were restructured. The Department formulated a strategic plan, budget, policies, organizational structure and filled in critical posts. The Tender Board was also not in place and the Departmental Bid Committee was only established in June/July 2004. These affected service delivery and expenditure of the department for the better part of the financial year, only to have increased spending especially in the Roads Infrastructure programme during the fourth quarter of the financial year.

#### *Major Projects Undertaken or Completed During The Year.*

The department managed to complete the following major projects during the year.

Name of Project	Region
D2945 Mgobodi to Ntunda	Ehlanzeni
D2944 Middelplaas to Schuzendal	Ehlanzeni
D636 Plaston to Whiteriver Phase1	Ehlanzeni
D2907 Pieterskraal to Waterval	Nkangala
D2740 Senotlelo to Marapyane	Nkangala
D1184 Tonteldoos to Dullstroom	Nkangala
P51/2 Middleburg to Stoffberg	Nkangala
D2962 Glenmore to Bettiesgoed	Gert Sibande
P4/6 Volksrust to Perdekop	Gert Sibande

## Spending Trends

The Department managed to spend 98% of its adjusted budget for the financial year.

Programme R'000	Budget R'000	Expenditure	% Spent
Administration	59,700	55, 554	93%
Roads Infrastructure	607,987	607, 462	100%
Transport	55,039	49, 130	89%
Traffic Management	112,148	104, 693	93%
<b>Total</b>	<b>834,874</b>	<b>816, 839</b>	<b>98%</b>

### 1.4 Reason For Under/Over Expenditure

The under spending in Administration was caused by the delay in filling vacant budgeted posts, delay in awarding bursaries for the 2005 academic year, late submission of invoices by suppliers, legal cases still in progress and delay in purchasing of office equipment.

The under spending in the Transport programme was also caused by the delay in filling vacant budgeted posts, late delivery of ordered trucks and government fleet, delay in implementing Shova Kalula bicycle project and non finalisation of the Provincial Rural Transport strategy.

The under-spending in Traffic Management was due to budgeted vacant posts not being filled, non- purchasing of firearms, uniforms and other equipment for Traffic Officers.

### 1.5 Impact On Programmes And Service Delivery

The non-filling of posts in administration has resulted in more expenditure on overtime as officials had to work over-time to ensure that the work of the Department in terms of administration is up to date. This state of affairs might have also resulted in control measures to ensure segregation of duties being compromised to an extent. Departmental Policies could not be finalized during the year as the Department was newly established after the General Elections of April 2004.

The under expenditure in Transport on trucks and government fleet resulted in the department risking utilising old trucks that have exceeded their lifespan to continue with service delivery. These old trucks have however also resulted in high expenditure by the department in terms of fuel and maintenance.

The Roads Maintenance Teams in the Regional and District offices had to rely on a few trucks to deliver their services through out the financial year.

The non appointment of additional Traffic Officers and Road Safety Officers has affected service delivery in that law enforcement and overloading control services were not at the levels they would have been, had the posts been filled. Further the visibility of law enforcement officers on our roads was affected negatively by this matter.

### 1.6 Planned Actions To Avoid Recurrence.

The department has taken a decision that all vacant budgeted posts for the 2005/2006 financial year will be filled by the end of the second quarter.

All equipment budgeted for, for example, firearms, trucks, vehicles will be purchased/ordered in the first quarter of the financial year for delivery and payment in the second quarter of the financial year.

## 2. SERVICES RENDERED BY THE DEPARTMENT

2.1 The services rendered by the Department are discussed in the 2004/05 Annual Report; however these services can be summarised as follows:

PROGRAMME	SERVICES
Administration	To conduct overall management and provide administrative support to the Department
Roads Infrastructure	To maintain, upgrade, rehabilitate and regravell the provincial road network
Transport	To provide accessibility of Public Transport and manage government fleet.
Traffic Management	To promote the reduction of fatalities on roads within the Province

### 2.2 Tariff Policy

The tariffs charged by the Department are determined annually with the approval of the Provincial Treasury.

### 2.3 Inventories

The inventories on hand as at the 31<sup>st</sup> March 2005 are as per note 5 of the Annual Financial Statements.

## 3. CAPACITY CONSTRAINTS

The Department's major constraint in as far as capacity is concerned, is the inability to attract professionals such as Civil Engineers, Transport Economists and Technicians.

The delay in appointing the Head of Department and other critical Senior Management posts had a negative impact on service delivery, especially in Roads Infrastructure, Transport and Traffic Management.

The Department had to function without three General Managers for the whole year, two (2) of these Managers are on suspension while the other post has been advertised twice in the financial year without any success in filling the position.

The delay in appointing Chief Engineers, Technicians and Project Managers in Roads Infrastructure programme is resulting in insufficient monitoring and planning of capital projects in the department.

The Department managed to fill 80% of all Senior Management positions at the end of the financial year and plans to fill all posts by the end of the first quarter of the 2005/2006 financial year.

The services of the South African National Roads Agency Limited (SANRAL) have been sourced to assist the Department with skills development and improvement on project management and planning of the roads capital projects. The Department of Transport (DoT) will also assist the officials in Human resource Management and Financial Management Sections in the 2005/2006 financial year to also improve in these aspects.

#### **4. UTILISATION OF DONOR FUNDS**

The Department received a donation / sponsorship of R100, 000 from the South African Breweries (SAB) during the financial year for use during the festive season for the Arrive Alive Campaign.

#### **5. PUBLIC PRIVATE PARTNERSHIPS**

The Department is in a process of appointing a Transaction Advisor to undertake a feasibility study on the possible outsourcing of government fleet management in the 2006/2007 financial year.

#### **6. CORPORATE GOVERNANCE ARRANGEMENTS**

The Department of Roads and Transport did not conduct a Risk Assessment workshop during the reporting period. However, the Department used the Risk Assessment document compiled during the Risk Assessment workshop held by the former department of Public Works, Roads and Transport in April 2004, to develop the Internal Audit Operational Plan for the 2004/2005 financial year.

Since the split of the former Department of Public Works, Roads & Transport, the Department did not have an Audit Committee in place.

As a result of the above, the work of the Internal Audit was not reviewed by the Audit Committee and therefore the audit done was not effective throughout the year.

No fraud Prevention Plan was developed by the Department. The Department has implemented a system to manage the conflict of interests of employees by ensuring that all Senior Managers have submitted their financial declaration forms to DPSA, all members of the Bid Committee declared their financial interest in all the meetings held and all officials received the code of conduct manual.

#### **7. EVENTS AFTER THE REPORTING DATE**

The Department processed payments to the value of R 3, 564 million during April and May 2005 which relates to the 2004/2005 financial year but do not form part of that year expenditure and are disclosed as note number 18 of the Annual Financial Statements.

#### **8. PERFORMANCE INFORMATION**

The Department has established a Planning and Programme Management unit to assist the department in monitoring performance of the department. There is currently no plan to have an independent party to verify the performance information of the department. The Department will request the office of the Auditor General to perform a Performance Audit of the Department for the 2004/2005 financial year.

## 9. SCOPA RESOLUTIONS

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
2002 /2003 financial year	Vehicle Management The committee recommended that vehicle management be elevated and accorded its rightful status within the functioning of all provincial administration departments	The Department will appoint a Transaction Advisor to undertake a feasibility study on possible outsourcing of Government Fleet Management during 2005/2006 financial Year.
The committee recommended that this expenditure be accepted as a charge against the Provincial Revenue Fund	Unauthorised Expenditure R2,324,000	

## 10 IMPROVEMENT IN FINANCIAL MANAGEMENT

There has been improvement in implementing and complying with the PFMA during the year. The Department was negatively affected by the restructuring process. The Financial Management Chief Directorate in Head Office for instance functioned with a staff complement of 40% for the whole financial year.

## 11. COMPARATIVE FIGURES 2003/04

Administration Programme

Comparative figures for the first two sub-programmes i.e. Office of the MEC and Admin Management are based on the figures from the former Department of Local Government, Traffic Control and Traffic Safety of the same sub-programmes. Comparative figures for the last sub-programme i.e. Corporate Services were split between the Department of Public Works and Roads and Transport using the ratio 49:51 respectively.

### Other Programmes

Comparative figures for the other programmes were taken from the former Departments as follows:

1. Department of Public Works, Roads and Transport

Roads Infrastructure

Transport

2. Department of Local Government, Traffic Control and Traffic Safety

Traffic Management

### APPROVAL

The Annual Financial Statements have been approved by the Accounting Officer.



**Ms. THEMBELIHLE N. MSIBI**

**Accounting Officer**

**Date: 31 May 2005**

# **REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE II – DEPARTMENT OF ROADS AND TRANSPORT FOR THE YEAR ENDED 31 MARCH 2005**

## **1. AUDIT ASSIGNMENT**

The financial statements as set out on pages 46 to 72, 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 misstatements.

*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. AUDIT OPINION**

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Roads and Transport at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice.

## **4. EMPHASIS OF MATTER**

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

### **4.1 Non-compliance with laws and regulations**

#### **4.1.1 Audit Committee**

The shared audit committee's term expired in September 2004 and the department has had no audit committee since then. Failure by the provincial treasury to appoint another shared audit committee or direct the department otherwise has led to non compliance with Treasury Regulation 3.1.3.

#### **4.1.2 Adequate policies and procedures**

The old Department Public Works, Roads and Transport split into two newly formed departments namely, Public Works as well as Roads and Transport. As a result, the following processes, policies and procedures frameworks were still at the development stages during the year under review:

- Revenue management policy framework as required in terms of Treasury Regulation 7.2;
- Asset management framework as required in terms of Treasury Regulation 10.1.2;
- A system for properly evaluating all major capital projects (appointment of consultants) as required in terms of section 38(1)(a)(iv); of the Public Finance Management Act, 1999 (Act no. 1 of 1999 as amended by Act no. 29 of 1999 PFMA)
- A risk management strategy, which must include a fraud prevention plan, as required in terms of Treasury Regulation 3.2.1.

#### **4.1.3 Employment and performance contracts for accounting officer**

Contrary to section 36(5) of the PFMA, signed employment and performance contracts for accounting officer of the department did not exist. The non-existence of signed contracts had a negative impact on the provisions of section 38 to 42 of the PFMA.

#### **4.1.4 Submission of audit report**

The submission of crucial and critical audit evidence resulted in a delay in the completion of the audit process. The evidence was required to enable the appropriate audit opinion to be expressed. The completion of the audit process and the submission of the audit report to the department therefore only took place on 16 August 2005; and not by 31 July 2005, as stipulated by section 40(1)( c) of the PFMA.

### **4.2 Appointment of support staff to the head of the department**

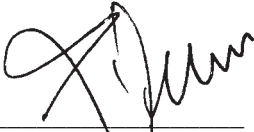
According to the work-study and job evaluation section of the Office of the Premier, the highest post for support staff to head of department (HOD) is that of a deputy director. However, the department has appointed a senior manager (director) in the office of the HOD to, amongst others, provide support to the HOD in the management of line function work. Included in the contract of the said employee is the payment of hotel accommodation for the employee by the department for the duration of the employment contract.

#### **4.3 Special Audit**

A special audit was conducted at the Mpumalanga Provincial Administration into government employees, who are directors or spouses of directors of private organisations, some of whom are doing business with the provincial administration. This special audit will be reported on separately.

#### **5. APPRECIATION**

The assistance rendered by the staff of the department during the audit is sincerely appreciated.



**N D MAPHIRI  
FOR AUDITOR GENERAL  
NELSPRUIT  
16 AUGUST 2005**



**AUDITOR - GENERAL**



**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**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.

**1. 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.

**2. Revenue**

**Appropriated funds**

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of 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 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.

**3. 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.

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**ACCOUNTING POLICIES –**  
**For the year ended 31 March 2005**

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 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.

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**ACCOUNTING POLICIES –**  
**For the year ended 31 March 2005**

***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.

**4. 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.

**5. 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.

**6. 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.

**7. 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.

**8. 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.

**9. 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 Revenue Fund or another party.

**10. 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.

**11. 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.

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**ACCOUNTING POLICIES –**  
**For the year ended 31 March 2005**

**12. 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.*

**13. 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.

**14. 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.

**15. 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.

**16. 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.

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

Appropriation per Programme									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1. Administration</b>									
Current payment	49,522	12,458	-5,424	56,556	53,328	3,807	94.3%	43,502	44,390
Transfers and subsidies	420	-	-	420	303	117	72.1%	-	-
Expenditure for capital assets	1,845	300	-	2,145	1,923	222	89.7%	872	187
<b>2. Roads Infrastructure</b>									
Current payment	253,711	-15,867	1,982	239,826	259,742	-19,916	108.3%	226,258	229,924
Transfers and subsidies	1,325	521	-	1,846	894	952	48.4%	-	-
Expenditure for capital assets	297,660	68,655	-	366,315	346,826	19,489	94.7%	277,003	220,028
<b>3. Transport</b>									
Current payment	52,768	-4,300	-2,379	46,089	43,579	2,510	94.6%	45,731	45,193
Transfers and subsidies	45	-	-	45	263	-218	584.4%	-	-
Expenditure for capital assets	2,497	6,408	-	8,905	5,288	3,617	59.4%	6,081	2,473
<b>4. Traffic Management</b>									
Current payment	98,455	2,570	321	101,346	98,365	2,981	97.1%	71,890	71,078
Transfers and subsidies	216	-	-	216	2,535	-2,319	1173.6%	-	-
Expenditure for capital assets	5,086	-	5,500	10,586	3,793	6,793	35.8%	-	3,473
<b>Subtotal</b>	<b>763,550</b>	<b>70,745</b>	<b>-</b>	<b>816,260</b>	<b>816,839</b>	<b>18,035</b>	<b>97.8%</b>	<b>671,337</b>	<b>616,746</b>
<b>Statutory Appropriation</b>									
Current payments	579			579	579	-	100%	560	560
Transfers and subsidies				-		-	0.0%		
Payment for capital assets				-		-	0.0%		
<b>Total</b>	<b>764,129</b>	<b>70,745</b>	<b>-</b>	<b>834,874</b>	<b>816,839</b>	<b>18,035</b>	<b>97.8%</b>	<b>671,897</b>	<b>617,306</b>
<b>Reconciliation with Statement of Financial Performance</b>									
Departmental receipts				173,223				170,836	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>1,008,097</b>				<b>842,733</b>	
<b>Actual amounts per Statement of Financial Performance Expenditure</b>					<b>816,839</b>				<b>617,306</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

Appropriation per Economic classification									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	2004/05 Payment as % of final appropriation %	2003/04 Final Appropriation	2003/04 Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>Current payments</b>									
Compensation to employees	258,081	-	-13,100	244,981	240,828	3,574	98.3%	208,535	224,832
Goods and services	200,190	10,174	13,950	224,314	230,416	-6,102	102.7%	172,442	162,756
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	-	576	-	576	666	-90	115.6%	479	689
Departmental agencies & accounts	-	-	-	10	-10	#DIV/0!	-	-	-
Households	1,278	-22	-850	406	2,022	-1,616	498.0%	832	2,309
<b>Payment on capital assets</b>									
Buildings & other fixed structures	289,243	48,760	-2,500	335,503	323,294	12,209	96.4%	258,657	208,019
Machinery & equipment	14,758	11,257	2,500	28,515	19,024	9,491	66.7%	30,392	18,141
<b>Total</b>	<b>763,550</b>	<b>70,745</b>	<b>-</b>	<b>834,295</b>	<b>816,260</b>	<b>18,035</b>	<b>97.8%</b>	<b>671,337</b>	<b>616,746</b>

Statutory Appropriation									
Direct charge against Provincial Revenue Fund	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	2004/05 Payment as % of final appropriation %	2003/04 Final Appropriation	2003/04 Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Member of executive committee/parliamentary officers	579			579	579	-	100.0%	560	560
<b>Total</b>	<b>579</b>	<b>-</b>	<b>-</b>	<b>579</b>	<b>579</b>	<b>-</b>	<b>100.0%</b>	<b>560</b>	<b>560</b>

**Detail per programme 1 - Administration**  
for the year ended 31 March 2005

Programme per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	2004/05 Payment as % of final appropriation %	2003/04 Final Appropriation	2003/04 Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
<b>1.1 MEC</b>									
Current payment	1,462	-		1,462	2,291	-829	156.7%	1,070	2,085
Transfers and subsidies	5			5	5	-	100.0%		
Expenditure for capital assets				-	16	-16			
<b>1.2 Management</b>									
Current payment	1,673	-		1,673	2,193	-520	131.1%	1,272	1,569
Transfers and subsidies	4			4	5	-1	125.0%		
Expenditure for capital assets				-	33	-33			
<b>1.3 Corporate Services</b>									
Current payment	46,387	12,458	-5,424	53,421	48,844	4,577	91.4%	41,160	41,296
Transfers and subsidies	411			411	293	118	71.3%		
Expenditure for capital assets	1,845	300		2,145	1,874	271	87.4%	872	187
				-	-				
<b>Total</b>	<b>51,787</b>	<b>12,758</b>	<b>-5,424</b>	<b>59,121</b>	<b>55,554</b>	<b>3,567</b>	<b>94.0%</b>	<b>44,374</b>	<b>45,137</b>



**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

**Economic classification**

Economic classification							2004/05		2003/04
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation to employees	28,696		-6,274	22,422	23,555	-1,133	105.1%	20,849	19,504
Goods and services	20,836	12,420	850	34,106	30,237	3,869	88.7%	22,161	25,239
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities		60		60	60	-	100.0%	59	58
Departmental agencies & accounts			-	10	-10				
Universities & technikons				-		-	0.0%		
Households 410	-22		388	911	-523	234.8%	394	149	
Gifts and donations				-		-	0.0%		
<b>Payments for capital assets</b>									
Buildings & other fixed structures		300		300	54	246	18.0%		
Machinery & equipment	1,845			1,845	727	1,118	39.4%	911	187
<b>Total</b>	<b>51,787</b>	<b>12,758</b>	<b>-5,424</b>	<b>59,121</b>	<b>55,554</b>	<b>3,567</b>	<b>94.0%</b>	<b>44,374</b>	<b>45,137</b>

**Detail per programme 2 - Roads Infrastructure**  
for the year ended 31 March 2005

Programme per sub-programme							2004/05		2003/04
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 Programme Support</b>									
Current payment	9,562	-		9,562	9,112	450	95.3%	21,692	23,135
Transfers and subsidies	14			14	2	12	14.3%		
Expenditure for capital assets	230			230	536	-306	233.0%	665	265
<b>2.2 Planning</b>									
Current payment	22,075	-		22,075	30,440	-8,365	137.9%		
Transfers and subsidies	3			3	3	-	100.0%		
<b>2.3 Design</b>									
Current payment	5,006	-		5,006	1,907	3,099	38.1%		
Transfers and subsidies	5			5	1	4	20.0%		
Expenditure for capital assets				-	4	-4			
<b>2.4 Maintenance</b>									
Current payment	193,378		-5,618	187,760	188,755	-995	100.5%	181,855	187,401
Transfers and subsidies	1,266			1,266	765	501	60.4%		
Expenditure for capital assets	2,889			2,889	1,624	1,265	56.2%	1,735	1,084
<b>2.5 Construction</b>									
Current payment	23,690	-15,867	7,600	15,423	29,528	-14,105	191.5%	22,711	19,388
Transfers and subsidies	37	521		558	123	435	22.0%		
Expenditure for capital assets	294,541	68,655		363,196	344,662	18,534	94.9%	274,603	218,679
<b>Total</b>	<b>552,696</b>	<b>53,309</b>	<b>1,982</b>	<b>607,987</b>	<b>607,462</b>	<b>525</b>	<b>99.9%</b>	<b>503,261</b>	<b>449,952</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current</b>									
Compensation to employees	135,309		-4,768	130,541	128,751	1,790	98.6%	127,878	131,356
Goods and services	118,860	-471	13,100	131,489	145,643	-14,154	110.8%	97,468	96,250
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	-	471		471	406	65	86.2%	420	401
Households	868		-850	18	887	-869	4927.8%	438	1,918
<b>Capital</b>									
Buildings & other fixed structures	289,243	48,460	-5,500	332,203	320,055	12,148	96.3%	258,657	205,546
Machinery & equipment	8,416	4,849		13,265	11,720	1,545	88.4%	18,400	14,481
<b>Total</b>	<b>552,696</b>	<b>53,309</b>	<b>1,982</b>	<b>607,987</b>	<b>607,462</b>	<b>525</b>	<b>99.9%</b>	<b>503,261</b>	<b>449,952</b>

**Detail per programme 3 - Transport**  
for the year ended 31 March 2005

Programme per sub-programme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.1 Planning</b>									
Current payment				-		-	0.0%	5,200	3,400
Expenditure for capital assets				-		-	0.0%	60	88
<b>3.2 Public Transport</b>									
Current payment	18,939	-2,800		16,139	15,449	690	95.7%	11,677	10,554
Transfers and subsidies	14			14	197	-183	1407.1%		
Expenditure for capital assets	180			180	21	159	11.7%	218	-
<b>3.3 Government Transport</b>									
Current payment	33,829	-1,500	-2,379	29,950	28,130	1,820	93.9%	28,854	31,239
Transfers and subsidies	31			31	66	-35	212.9%		
Expenditure for capital assets	2,317	6,408		8,725	5,267	3,458	60.4%	5,803	2,385
<b>Total</b>	<b>55,310</b>	<b>2,108</b>	<b>-2,379</b>	<b>55,039</b>	<b>49,130</b>	<b>5,909</b>	<b>89.3%</b>	<b>51,812</b>	<b>47,666</b>

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current</b>									
Compensation to employees	24,406		-2,379	22,027	21,073	954	95.7%	20,439	20,604
Goods and services	28,407	-4,345		24,062	22,605	1,457	93.9%	25,292	24,318
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	-	45		45	66	-21	146.7%		59
Households			-	36	-36			212	
<b>Capital</b>									
Machinery & equipment	2,497	6,408		8,905	5,350	3,555	60.1%	6,081	2,473
<b>Total</b>	<b>55,310</b>	<b>2,108</b>	<b>-2,379</b>	<b>55,039</b>	<b>49,130</b>	<b>5,909</b>	<b>89.3%</b>	<b>51,812</b>	<b>47,666</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

**Detail per programme 4 - Traffic Management**  
for the year ended 31 March 2005

Programme per Subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>4.1 Law Enforcement</b>									
Current payment	71,790	2,570	321	74,681	75,061	-380	100.5%	56,964	61,368
Transfers and subsidies	163			163	66	97	40.5%		
Expenditure for capital assets	4,270		5,500	9,770	4,169	5,601	42.7%		3,473
<b>4.2 Road Safety Education</b>									
Current payment	11,322			11,322	12,562	-1,240	111.0%	7,758	3,621
Transfers and subsidies	28			28	9	19	32.1%		
Expenditure for capital assets	306			306	-376	682	-122.9%		
<b>4.3 Transport Administration and Licencing</b>									
payment	15,343			15,343	10,742	4,601	70.0%	7,168	Current 6,089
Transfers and subsidies	25			25	2,460	-2,435	9840.0%		
Expenditure for capital assets	510			510	-	510	0.0%		
<b>Total</b>	<b>103,757</b>	<b>2,570</b>	<b>5,821</b>	<b>112,148</b>	<b>104,693</b>	<b>7,455</b>	<b>93.4%</b>	<b>71,890</b>	<b>74,551</b>

Economic classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Payment as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current</b>									
Compensation to employees	69,670		321	69,991	68,028	1,963	97.2%	39,369	53,928
Goods and services	32,087	2,570		34,657	31,931	2,726	92.1%	27,521	16,949
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities				-	134	-134	-		171
Households			-	188	-188	-		30	
<b>Capital</b>									
Buildings & other fixed structures			3,000	3,000	3,185	-185	106.2%		2,473
Machinery & equipment	2,000		2,500	4,500	1,227	3,273	27.3%	5,000	1,000
<b>Total</b>	<b>103,757</b>	<b>2,570</b>	<b>5,821</b>	<b>112,148</b>	<b>104,693</b>	<b>7,455</b>	<b>93.4%</b>	<b>71,890</b>	<b>74,551</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**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 (1B,1C, 1D & 1I ) 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 Explanations of material variances from Amounts Voted (after virement):**

**3.1 Per programme:**

	Voted Funds after virement R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	%	Explanations of material variances
Administration	59,700	55,554	4,146	6.94%	Delay in the award of bursaries for 2005 academic year and late submission of invoices by suppliers including tertiary institution for existing bursary holders contributed to the under expenditure of the programme. Legal cases which are still in progress also contributed to the under expenditure of the programme. Delay in purchasing of office furniture and equipments to the value of R 1.2 million contributed to the under expenditure as well as non billing for water and electricity by the Department of Public Works in Regional and District offices.
Roads Infrastructure	607,987	607,462	525	0.09%	Immaterial variance less than 2% of the total budget for the programme.
Transport	55,039	49,130	5,909	10.74%	Delay in the filling of vacant posts resulted in an under expenditure of R 0.954 million on compensation of employees for the programme. Late delivery of Thirteen Trucks and Fifteen Government vehicles to the value of R3,5million, late submission of invoices by consultant, late appointment of transitional advisor to do feasibility study on the outsourcing of government fleet contributed to the under expenditure of the programme. Delay in the implementation of Shova Kalula also contributed to the under spending. Delay of the implementation of the resolutions taken at the Taxi Indaba and Taxi Retreat contributed to the under expenditure. Delay in the finalisation of the provincial rural strategy also contributed to the under expenditure.
Traffic Management	112,148	104,693	7,455	6.65%	Delay in the filling of vacant posts resulted in an under expenditure of R 9.7 million on compensation of employees for the programme. Delay in the purchase of firearms to the value of R 2.5 million contributed to the under expenditure of the programme. Delay in purchase of traffic officials uniform to the value of R 1.4 million also contributed to the under expenditure.
<b>Total</b>	<b>834,874</b>	<b>816,839</b>	<b>18,035</b>	<b>2.16%</b>	

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**NOTES TO THE APPROPRIATION STATEMENT**  
For the year ended 31 March 2005

**3.2 Per economic classification:**

**Current expenditure**

Compensation of employees	245,560	241,407	4,153	1.69%	The under expenditure in this item is due to the delay in filling of vacant budgeted posts such as General Manager Public Transport, Senior Manager Financial Accounting, Manager for Corporate Services and Assistant Managers for Human Resource Management and financial management amongst others.
Goods and services	224,314	230,416	-6,102	-2.72%	Lots of payments for roads design were processed during the month of reporting. Roads maintenance teams ordered lot of maintenance materials during the month of reporting.
<b>Transfers and subsidies</b>					
Provinces and municipalities	576	666	-90	-15.63%	The over expenditure is for regional service council transferred to the district councils for the past eleven months of the financial year.
Departmental agencies and accounts		10	-10	-100.00%	The over expenditure is due to an amount of R 10,000 donated by the MEC to Mbombela Local Municipality accident trust fund for the accident which occurred on Kamagugu road.
Households	406	2,022	-1,616	-398.03%	Unpredicted claims against the state and leave gratuity payments to employees contributed to the over expenditure.

**Payments for capital assets**

Buildings and other fixed structures	35,503	323,294	12,209	3.64%	Late appointment of consultants and awarding of contracts and late submission of invoices by contractors/consultant for roads construction and maintenance contributed to the under expenditure of the programme. Unforeseen circumstances /weather condition which includes rains and commercial unavailability of aggregates stones adversely affect the resealing production rate contributed to the under spending during March 2005. Delay in finalizing the scope of work for three resealing projects to the value of R 22.0 million contributed to the under expenditure for the programme. Machine breakdown, lack of small maintenance equipments, expiry of short-term contract for machine hiring, shortage of road workers, quality control dispute with contractors also contributed to the under expenditure.
Machinery and equipment	28,515	19,024	9,491	33.28%	Late delivery of five roads construction equipments to the value of R 7.0 million, Trucks to the value of R6,6 million and purchase of firearms to the value of R 2.5 million contributed to the under expenditure of the item. Late delivery of trucks to the value of R 5.5 Million and purchase of firearms for traffic management chief directorate

<b>Total</b>	<b>834,874</b>	<b>816,839</b>	<b>18,035</b>	<b>2.16%</b>	
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# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 March 2005

	<i>Note</i>	2004/05 R'000	2003/04 R'000
<b>REVENUE</b>			
Annual appropriation	1.	834,295	71,337
Statutory appropriation	2.	579	560
Departmental revenue	3.	173,223	170,836
<b>TOTAL REVENUE</b>		<b><u>1,008,097</u></b>	<b><u>842,733</u></b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4.	241,407	225,392
Goods and services	5.	230,416	162,756
<b>Total current expenditure</b>		<b><u>471,823</u></b>	<b><u>388,148</u></b>
<b>Transfers and subsidies</b>	8.	2,698	2,998
<b>Expenditure for capital assets</b>			
Buildings and other fixed structures	9.	323,294	208,019
Machinery and Equipment	9.	19,024	18,141
<b>Total expenditure for capital assets</b>		<b><u>342,318</u></b>	<b><u>226,160</u></b>
<b>TOTAL EXPENDITURE</b>		<b><u>816,839</u></b>	<b><u>617,306</u></b>
<b>NET SURPLUS/(DEFICIT)</b>		191,258	225,427
Add back unauthorised expenditure	6.	-	2,661
Add back fruitless and wasteful expenditure	7.	841	29
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b><u>192,099</u></b>	<b><u>228,117</u></b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds to be surrendered to the Revenue Fund	12.	18,876	57,281
Departmental revenue to be surrendered to revenue fund	13.	173,223	170,836
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b><u>192,099</u></b>	<b><u>228,117</u></b>

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2005

	<i>Note</i>	2004/05 R'000	2003/04 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>62,753</b>	<b>89,339</b>
Unauthorised expenditure	6.	4,985	4,985
Fruitless and wasteful expenditure	7.	920	79
Cash and cash equivalents	10.	49,399	83,202
Receivables	11.	7,449	1,07
<b>TOTAL ASSETS</b>		<b>62,753</b>	<b>89,339</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	12.	61,948 18,876	89,339 59,605
Departmental revenue to be surrendered to the Revenue Fund	13.	17,798	9,392
Payables	14.	25,274	20,342
<b>TOTAL LIABILITIES</b>		<b>61,948</b>	<b>89,339</b>
<b>NET ASSETS</b>		<b>805</b>	<b>-</b>
<b>Represented by</b>			
Recoverable revenue		805	-
<b>TOTAL</b>		<b>805</b>	<b>-</b>



# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2005

	<i>Note</i>	<b>2004/05 R'000</b>	<b>2003/04 R'000</b>
<b>Recoverable revenue</b>			
Debts raised		805	
Closing balance		805	-
<b>TOTAL</b>		<b>805</b>	<b>-</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**CASHFLOW STATEMENT**  
For the year ended 31 March 2005

	<i>Note</i>	2004/05 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts		999,050
Annual appropriated funds received		834,295
Statutory appropriated funds received		579
Departmental revenue received		170,552
Net (increase)/decrease in working capital		-6,376
Surrendered to Revenue Fund		-224,422
Current payments		-466,891
Transfers and subsidies paid		-2,698
<b>Net cash flow available from operating activities</b>	15.	<b>305,039</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for capital assets		-342,318
Proceeds from sale of capital assets	3.	2,671
<b>Net cash flows from investing activities</b>		<b>-339,647</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/(decrease) in loans received		805
<b>Net cash flows from financing activities</b>		<b>805</b>
Net increase/(decrease) in cash and cash equivalents		-33,803
Cash and cash equivalents at beginning of period		83,202
<b>Cash and cash equivalents at end of period</b>		<b>49,399</b>

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2005

#### 1. Annual Appropriation

##### 1.1 Annual Appropriation

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

	Final Appropriation	Actual Funds Received	Variance over/(under)	Total Appropriation 2003/04
	R'000	R'000	R'000	R'000
Administration	59,121	59,121	-	44,374
Roads Infrastructure	607,987	607,987	-	503,261
Transport	55,039	55,039	-	51,812
Traffic Management	112,148	112,148	-	71,890
<b>Total</b>	<b>834,295</b>	<b>834,295</b>	<b>-</b>	<b>671,337</b>

Explanation of material variances including whether or not application will be made for a rollover.

The Department underspent its appropriated budget by R 18,876 as indicated in the Statement of Financial Performance, and application for a roll over has been made to the Provincial Treasury. See Notes to Appropriation Statement.

		2004/05	2003/04
	<i>Note</i>	R'000	R'000
<b>1.2 Conditional grants</b>			
Total grants received	ANNEXURE 1A	114,365	84,026
(** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1)			

#### 2. Statutory Appropriation

Member of executive committee/parliamentary officers	560	560
	<b>579</b>	<b>579</b>

## DEPARTMENT OF ROADS AND TRANSPORT VOTE II

	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>3. Departmental revenue to be surrendered to revenue fund</b>			
<b>Description</b>			
Tax revenue		121,387	133,838
Sales of goods and services other than capital assets		22,511	6,271
Fines, penalties and forfeits		23,286	18,503
Interest, dividends and rent on land		2,947	1,217
Sales of capital assets		2,671	9,314
Financial transactions in assets and liabilities	3.1	421	1,693
Total revenue collected		173,223	170,836
<b>Departmental revenue collected</b>		<b>173,223</b>	<b>170,836</b>
<b>3.1 Financial transactions in assets and liabilities</b>			
<b>Nature of loss recovered</b>			
Other		421	1,693
		<b>421</b>	<b>1,693</b>
<b>4. Compensation of employees</b>			
<b>4.1 Salaries and wages</b>			
Basic salary		166,704	155,189
Performance award		-	187
Service Based		986	403
Compensative/circumstantial		12,874	6,741
Other non-pensionable allowances		21,404	25,035
		<b>201,968</b>	<b>187,555</b>
	<i>Note</i>	<b>2004/05</b>	<b>2003/04</b>
<b>4.2 Social contributions</b>		<b>R'000</b>	<b>R'000</b>
<b>4.2.1 Short term employee benefits</b>			
Pension		25,007	24,060
Medical		14,306	13,673
Bargain council		119	104
Official unions and associations		7	-
		<b>39,439</b>	<b>37,837</b>
<b>Total compensation of employees</b>		<b>241,407</b>	<b>225,392</b>
Average number of employees		3,057	
	<i>Note</i>	<b>2004/05</b>	<b>2003/04</b>
		<b>R'000</b>	<b>R'000</b>
<b>5. Goods and services</b>			
Advertising		447	492
Bank charges and card fees		100	43
Bursaries (employees)		1,365	344
Communication		6,791	1,234
Computer services		13,908	1,665
Consultants, contractors and special services		39,014	63,003
Entertainment		1,314	342
External audit fees	5.1	1,006	962
Equipment less than R5 000		2,969	1,402
Inventory	5.2	21,081	17,574
Learnerships		695	
Legal fees		778	401

## DEPARTMENT OF ROADS AND TRANSPORT

### VOTE II

Maintenance, repair and running costs		87,397	30,362
Operating leases		19,177	14,528
Printing and publications		2,879	
Professional bodies and membership fees		1,161	44
Resettlement costs		189	275
Owned and leasehold property expenditure		4,638	10,367
Travel and subsistence	5.3	22,550	14,461
Venues and facilities		249	
Protective, special clothing & uniforms		11	
Training & staff development		2,697	2,537
Previous years unallocated items			2,720
		<b>230,416</b>	<b>162,756</b>
<b>5.1 External audit fees</b>			
Regulatory audits		1,006	962
<b>Total external audit fees</b>		<b>1,006</b>	<b>962</b>
<b>5.2 Inventory</b>			
Domestic Consumables		2,857	1,433
Food and Food supplies		216	306
Fuel, oil and gas		5,885	4,046
Other consumables		106	
Parts and other maintenance material		7,479	8,970
Stationery and Printing		4,538	2,819
<b>Total Inventory</b>		<b>21,081</b>	<b>17,574</b>
<b>5.3 Travel and subsistence</b>			
Local		22,307	14,433
Foreign		243	28
<b>Total travel and subsistence</b>		<b>22,550</b>	<b>14,461</b>
		<b>2004/05</b>	<b>2003/04</b>
	<b>Note</b>	<b>R'000</b>	<b>R'000</b>
<b>5.4 Other material losses of items expensed in previous periods</b>			
(Total not included above)			
Transport Assets			
Toyota Dyna 4 Ton GRG 811 MG - Unit C Mamaneng		169	
Isuzu 7 Ton GRB 866 MG - Unit C Mamaneng		50	
Grader 140G Wright GRB 817 MG - Kwamhlanga Workshop		16	
Other losses		97	
Other Machinery and Equipments		49	
		<b>534</b>	
<b>6. Unauthorised expenditure</b>			
<b>6.1 Reconciliation of unauthorised expenditure</b>			
Opening balance		4,985	2,324
Unauthorised expenditure – current year		-	2,661
Unauthorised expenditure awaiting authorisation		<b>4,985</b>	<b>4,985</b>

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### 6.2 Unauthorised expenditure

Incident	Disciplinary steps taken/criminal proceedings	Total
Overspending - Transport	No disciplinary steps taken - Scopa recommended that the expenditure be accepted as a charge against the Provincial Revenue Fund.	2,070
Overspending - Roads Infrastructure	No disciplinary steps taken - Scopa recommended that the expenditure be accepted as a charge against the Provincial Revenue Fund.	254
Overspending - Traffic Management	No disciplinary steps taken - Reported in the annual report of the former Local Government, Traffic Control and Safety and still awaiting for Scopa resolutions.	2,661
	4,985	

### 7. Fruitless and wasteful expenditure

#### 7.1 Reconciliation of fruitless and wasteful expenditure

Opening balance	79	50	
Fruitless and wasteful expenditure – current year		841	29
Fruitless and wasteful expenditure awaiting condonement		920	79

#### Fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	
Interest on Bank Overdraft - FNB	Internal audit will submit report to the accounting officer.	5
Penalty for late payment of income tax – SARS	Internal audit will investigate and submit report to the accounting officer	547
Payment of clocking system – Temoso	The official has been charged.	289
		841

		2004/05 R'000	2003/04 R'000
<b>8. Transfers and subsidies</b>	<b>Note</b>		
Provinces and municipalities	ANNEXURE 1B	666	689
Departmental agencies and accounts	ANNEXURE 1C	10	
Households	ANNEXURE 1D	2,022	2,309
		2,698	2,998
<b>9. Expenditure for capital assets</b>			
Buildings and other fixed structures	ANNEXURE 3	323,294	208,019
Machinery and equipment	ANNEXURE 3	19,024	18,14
<b>Total</b>		342,318	226,160
<b>10. Cash and cash equivalents</b>			
Consolidated Paymaster General Account		49,399	83,202
		49,399	83,202
		2004/05	2003/04

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

	<i>Note</i>		R'000	R'000
<b>11.Receivables</b>				
		Less than one year	One to three years	Older than three years
				Total
Amounts owing by other entities	<i>ANNEXURE 4</i>	5,107		5,107
Staff debtors	<i>11.1</i>	35		35
Clearing accounts	<i>11.2</i>	1,008		1,008
Other debtors	<i>11.3</i>	1,299		1,299
		<b>7,449</b>	<b>-</b>	<b>-</b>
				<b>7,449</b>
				<b>1,073</b>

Amounts of R 521 for Ex-employees included above may not be recoverable, but has not been written off in the Statement of financial performance

### 11.1 Staff debtors

(Group major categories, but list material items)

Employees

35	
<b>35</b>	<b>-</b>

	<i>Note</i>	2004/05 R'000	2003/04 R'000
<b>11.2 Clearing accounts</b>			
(Group major categories, but list material items)			
Deposit Control Account		26	
National Road Agency		982	
		<b>1,008</b>	<b>-</b>
<b>11.3 Other debtors</b>			
Nature of advances			
Total Other Debtors		1,299	1,073
		<b>1,299</b>	<b>1,073</b>

### 12.Voted Funds to be surrendered to the Revenue Fund

Opening balance	59,605	2,324
Transfer from Statement of Financial Performance	18,876	57,281
Voted funds not requested/not received		
Paid during the year	-59,605	
Closing balance	<b>18,876</b>	<b>59,605</b>

### 13.Departmental revenue to be surrendered to revenue fund

Opening balance	9,392	
Transfer from Statement of Financial Performance	173,223	170,836
Paid during the year	-164,817	-161,444
Closing balance	<b>17,798</b>	<b>9,392</b>

### 14.Payables – current

Description		2004/05	2003/04
	30 Days		Total
<b>Total</b>			
Amounts owing to			
Clearing accounts	<i>14.2</i>	26	-
Other payables	<i>14.3</i>	25,248	20,342
		<b>25,274</b>	<b>20,342</b>



## DEPARTMENT OF ROADS AND TRANSPORT VOTE II

### 14.2 Clearing accounts

Description

(Identify major categories, but list material amounts)

Receipts Deposit Control Account

26	-
<b>26</b>	<b>-</b>

<i>Note</i>	<b>2004/05</b>	<b>2003/04</b>
	<b>R'000</b>	<b>R'000</b>

### 14.3 Other payables

Description

(Identify major categories, but list material amounts)

Agency Payments

Bus Subsidies

Shova Kalula

Arrive Alive

NLTTA

19,280

603

2,505

1,062

**25,248**

**20,342**

<i>Note</i>	<b>2004/05</b>
	<b>R'000</b>

### 15.Reconciliation of net cash flow from operating activities

Net surplus/(deficit) as per Statement of Financial Performance

192,099

(Increase)/decrease in receivables – current

-6,376

(Increase)/decrease in other current assets

-841

Increase/(decrease) in payables – current

4,932

Proceeds from sale of equipment

-2,671

Surrenders

-224,422

Capital expenditure

342,318

**Net cash flow generated by operating activities**

**305,039**

### 16.Appropriated funds and departmental revenue surrendered

Appropriated funds surrendered

-59,605

-

Departmental revenue surrendered

-164,817

-161,444

**-224,422**

**-161,444**

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**For the year ended 31 March 2005**

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

			2004/05 R'000	2003/04 R'000
	<i>Note</i>			
<b>17. Contingent liabilities</b>				
Liable to	Nature			
Housing loan guarantees	Employees	ANNEXURE 2	2,889	752
Claims			29,889	18,651
Capped Leave Commitments			52,410	45,386
			<b>85,188</b>	<b>64,789</b>

Comparative figure for capped leave represent 66% of the total capped leave amount of R 68,766 reported by the former Department of Public Works, Roads and Transport as at 31 March 2004.

**18. Commitments**

**Current expenditure**

Approved and contracted

14,063	
<b>14,063</b>	<b>-</b>

**Capital expenditure**

Approved and contracted

683,742	161,921
<b>697,805</b>	<b>161,921</b>

**Total Commitments**

**19. Accruals**

**By economic classification**  
**Total**

	30 Days	30+ Days	Total	Total
Goods and services	3,165	362	3,527	9,854
Transfers and subsidies	13		1	
Buildings and other fixed structures			-	3,609
Machinery and equipment	24		24	4,163
			<b>3,564</b>	<b>17,626</b>

**Listed by programme level**

Administration	479	
Roads Infrastructure	2,735	7,335
Transport	-	10,291
Traffic Management	350	
	<b>3,564</b>	<b>17,626</b>

**DEPARTMENT OF ROADS AND TRANSPORT**  
**VOTE II**  
**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
For the year ended 31 March 2005

	<i>Note</i>	2004/05 R'000	2003/04 R'000
<b>20. Employee benefits</b>			
Leave entitlement		11,427	9,615
Thirteenth cheque		7,752	
		<u>19,179</u>	<u>9,615</u>

2003/2004 Leave entitlement consist of an amount of R 9,615 taken from the former Department of Local Government, Traffic Control and Traffic Safety.

**21. Leases**

21.1 Operating leases	Buildings & other fixed structures	Machinery and equipment	Total	Total
Not later than 1 year		11,053	11,053	
Later than 1 year and not later than 3 years		13,370	13,370	
Later than three years		315	315	
Total present value of lease liabilities	-	<u>24,738</u>	<u>24,738</u>	-

**22. Receivables for service delivered**

**Nature of service**

(Group major categories, but list material items)

MLM Transport and Construction – Road P33/4		631
Northern Projects - Road P33/4		84
	-	<u>715</u>

	<i>Note</i>	2004/05 R'000	2003/04 R'000
<b>23. Irregular expenditure</b>			
<b>23.1 Reconciliation of irregular expenditure</b>			
Opening Balance		454	
Irregular expenditure – current year			454
Irregular expenditure awaiting condonement		<u>454</u>	<u>454</u>
<b>Analysis</b>			
Current			454
Prior years		454	
		<u>454</u>	<u>454</u>

## DEPARTMENT OF ROADS AND TRANSPORT

### VOTE II

#### 23.2 Irregular expenditure

##### Incident

##### Disciplinary steps taken/ criminal proceedings

Contravention of tender board procedures(Kwamahlaba Connect Installation of call limit facility)		16
Contravention of tender board procedures(Ayanda Mbanga Communications-Advertisement of posts on city press)		215
Contravention of tender board procedures(Ntuli, Noble and Spoort-payment of legal fees)		223
	-	<b>454</b>

#### 24 Senior management personnel

- Deputy Director Generals (HOD)	280	574
- MEC	636	543
- Executive Managers	-	48
- General Managers	1,179	1,299
- Chief Financial Officer	564	509
- Senior Managers	5,516	3,571
	<b>8,175</b>	<b>6,544</b>

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2005

#### ANNEXURE 1A

##### STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT			2003/04	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Amount received by department	Amount spent by department	% of Available funds spent by department	Division of Revenue Act	Amount spent by departments
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Flood Damage Provincial Infrastructure	-	-	-	-	-		0.0%	12,000	12,000
	102,068	12,297		114,365	114,365	114,365	100.0%	72,026	49,578
	<b>102,068</b>	<b>12,297</b>	<b>-</b>	<b>114,365</b>	<b>114,365</b>	<b>114,365</b>		<b>84,026</b>	<b>61,578</b>

#### ANNEXURE 1B

##### STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				SPENT			2003/04	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Amount received by municipality	% of Available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Regional Service Council Levy				-		0.0%			0.0%
Ehlanzeni District Municipality	288			288	281	97.6%			0.0%
Nkangala District Municipality	167			167	248	148.5%			0.0%
Gert Sibande District Municipality	114			114	122	107.0%			0.0%
Sekhukhuni Cross Bound DM	5			5	15	300.0%			0.0%
Regional Service Council - All three Districts				-		0.0%		689	0.0%
Municipalities	<b>574</b>	<b>-</b>	<b>- 574</b>	<b>666</b>	<b>-</b>	<b>689</b>		<b>-</b>	

#### ANNEXURE 1C

##### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2003/04
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	%	R'000	
Mbombela Municipality - Accident which occurred on Gamagugu Road	-			-	10	0.0%	
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>		<b>-</b>

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### ANNEXURE 1D

#### STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2003/04
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred %	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Social Benefit - Cash Residents	86			86	1,209	1405.8%	2,109
Claims against the state	320			320	813	254.1%	200
<b>Total</b>	<b>406</b>	<b>-</b>	<b>-</b>	<b>406</b>	<b>2,022</b>		<b>2,309</b>

### ANNEXURE 1E

#### STATEMENT OF GIFTS, DONATIONS, AND SPONSORSHIPS RECEIVED FOR THE YEAR ENDED 31 MARCH 2005

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2004/05 R'000	2003/04 R'000
<b>Received in kind</b>			
South African Breweries	T-shirts and caps for December/January 2005 festive season, Road Safety Awareness Campaign.	100	
Lukhanyo Transport and Logistics	Printing of pamphlets for the Easter 2005 Road Safety Awareness Campaign	7	
Eskom	Leather folders and writing materials for Roads Indaba held in December 2004.	20	
		<b>127</b>	<b>-</b>

### ANNEXURE 2

#### STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005-LACAL

Guarantor institution	Guarantee in respect of	Original Guaranteed capital amount	Opening Balance 01/04/2004 of	Guarantees issued during the year	Guarantees Released during the year	Guaranteed interest outstanding as at 31 March 2005	Closing Balance 31/03/2005	Realised losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank of S.A Limited	<i>Housing</i>		145	477			622	
Nedbank Limited	<i>Housing</i>		-	40			40	
Firststrand Bank Limited:								
First National Bank	<i>Housing</i>		34	167			201	
Nedbank LTD Incorporating BOE	<i>Housing</i>		13	52			65	
ABSA	<i>Housing</i>		199	436	45		590	
Company Unique Finance PTY LTD	<i>Housing</i>		13	22			35	
Old Mutual Finance Limited	<i>Housing</i>		-	84			84	
People's Bank Limited (Former FBC)	<i>Housing</i>		15	229			244	
People's Bank Limited (Incorporating N)	<i>Housing</i>		14	45			59	
Firststrand Bank Limited (FNB – Former)	<i>Housing</i>		58	210	13		255	
Old Mutual Bank								
DIV of Nedbank	<i>Housing</i>		112	348	46		414	
VBS Mutual Bank	<i>Housing</i>			29			29	
Mpumalanga Housing Finance	<i>Housing</i>		149	141	39		251	
<b>Total</b>	<b>-</b>	<b>752</b>	<b>2,280</b>	<b>143</b>	<b>-</b>	<b>2,889</b>	<b>-</b>	

# DEPARTMENT OF ROADS AND TRANSPORT

## VOTE II

### ANNEXURE 3

#### PHYSICAL ASSET 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
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		323,294	-	-	-	
Non-residential buildings		3,239				
Other structures (Infrastructure assets)		320,055				
Capital work in progress						
<b>MACHINERY AND EQUIPMENT</b>		19,024	-	-	-	
Computer equipment		1,142				
Furniture and office equipment		986				
Other machinery and equipment		11,164				
Transport assets		5,732				
		<b>342,318</b>	-	-	-	

*This is a movement schedule as at 31 March 2005*

### ANNEXURE 4

#### INTER-GOVERNMENT RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	R'000	R'000	R'000	R'000

#### Department

Department of Local Government  
and Housing

#### TOTAL

			5,107	
	-	-	<b>5,107</b>	-



## 5. Human Resources Management

### 5.1 Personnel Expenditure

The following table summarizes expenditure by programme. In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes within the department.

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Personnel Cost as a % of Total expenditure	Average Cost per Employees (R'000)
Administration	55,554	23,555	42,4	8
Roads	607,462	128,751	21,2	43
Transport	49,130	21,073	42,9	7
Traffic Management	104,693	68,028	64,9	23
<b>Total as on Financial System (BAS)</b>	<b>816,839</b>	<b>241,402</b>	<b>29,5</b>	<b>80</b>

### 5.2 Employment and Vacancies – APRIL 2004 to MARCH 2005

TABLE 5.2 – Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Pr1: administration, Permanent	361	193	46.5	0
Pr2: maintenance, Permanent	3507	2055	41.4	0
Pr3: transport, Permanent	417	190	54.4	0
Pr4: traffic management, Permanent	1211	587	51.5	0
<b>TOTAL</b>	<b>5496</b>	<b>3025</b>	<b>45</b>	<b>0</b>

TABLE 5.2.1– Employment and Vacancies by Salary Band at end of 31-Mar-05.

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent				
Skilled (Levels 3-5), Permanent	2929	1723	41.2	0
Highly skilled production (Levels 6-8), Permanent	1559	775	50.3	0
Highly skilled supervision (Levels 9-12), Permanent	748	365	51.2	0
Senior management (Levels 13-16), Permanent	235	139	40.9	0
Senior management (Levels 13-16), Permanent	25	23	8	0
<b>TOTAL</b>	<b>5496</b>	<b>3025</b>	<b>45</b>	<b>0</b>

**TABLE 5.2.2 – Employment and Vacancies by Critical Occupation at end of period**

<b>Critical Occupations</b>	<b>Number of Posts</b>	<b>Number of Posts Filled</b>	<b>Vacancy Rate</b>	<b>Number of Posts Filled Additional to the Establishment</b>
Administrative related, Permanent	86	42	51.2	0
All artisans in the building metal machinery etc, Permanent	152	0	63.2	0
Architects town and traffic planners, Permanent	1	0	100	0
Artisan project and related superintendents, Permanent	31	20	35.5	0
Auxiliary and related workers, Permanent	172	126	26.7	0
Bus and heavy vehicle drivers, Permanent	3	1	66.7	0
Civil engineering technicians, Permanent	28	16	42.9	0
Cleaners in offices workshops hospitals etc, Permanent	59	37	37.3	0
Client inform clerks (switchboard reception inform clerks), Permanent	8	6	25	0
Custodian personnel, Permanent	13	0	100	0
Electrical and electronics engineering technicians, Permanent	3	2	33.3	0
Engineering sciences related, Permanent	8	5	37.5	0
Engineering and related professionals, Permanent	5	4	20	0
Finance and economics related, Permanent	12	8	33.3	0
Financial related professionals, Permanent	25	6	76	0
Financial clerk and credit controllers, Permanent	33	21	36.4	0
Human resource & organisat developmet & related prof, Permanent	4	2	50	0
Human resources clerks, Permanent	16	14	12.5	0
Human resources related, Permanent	7	7	0	0
Inspectors of apprentices works an vehicles, Permanent	16	15	6.3	0
Library mail and related clerks, Permanent	7	4	42.9	0
Light vehicle drivers, Permanent	62	59	4.8	0
Logistical support personnel, Permanent	6	0	100	0
Material-recording and transport clerks, Permanent	25	8	68	0
Mechanical engineering technicians, Permanent	14	1	92.9	0
Messengers porters and deliverers, Permanent	2	1	50	0
Motor vehicle drivers, Permanent	47	45	4.3	0
Other administration & related clerks and organizers, Permanent	187	70	62.6	0
Other administrative policy and related officers, Permanent	160	65	59.4	0
Other occupations, Permanent	391	147	62.4	0
Regulatory inspectors, Permanent	790	438	44.6	0
Road superintendents, Permanent	22	9	59.1	0
Road trade workers, Permanent	75	41	45.3	0
Road workers, Permanent	2873	1670	41.9	0
Secretaries & other keyboard operating clerks, Permanent	38	15	60.5	0
Senior managers, Permanent	17	16	5.9	0
Trade labourers, Permanent	95	46	51.6	0
Water plant and related operators, Permanent	3	2	33.3	0
<b>TOTAL</b>	<b>5496</b>	<b>3025</b>	<b>45</b>	<b>0</b>

### 5.3 Job Evaluation APRIL 2004 to MARCH 2005

**TABLE 5.3 – Job Evaluation**

Salary Band	Number of Posts	Number of Jobs Evaluation	% of Posts Evaluation	Number of Posts Upgraded	% of Upgraded Posts Evaluation	Number of Posts Down-graded	% of Down-graded Posts Evaluation
Lower skilled (Level 1-2)	2929	0	0	0	0	0	0
Skilled (Level 3-5)	1559	0	0	0	0	2	0
Highly skilled production (Level 6-8)	748	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	235	0		0	0	0	0
Senior Management Service Band A	19	0	0	0	0	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Services Band C	1	0	0	0	0	0	0
<b>TOTAL</b>	<b>5496</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>

### 5.4 Annual Turnover – APRIL 2004 MARCH 2005

**TABLE 5.4.1– Annual Turnover Rates by Salary Band**

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Lower skilled (Level 1-2), Permanent	794	165	50	6.3
Skilled (Level 3-5), Permanent	454	9	14	3.1
Highly skilled production (levels 6-8) Permanent	330	0	14	4.2
Highly skilled supervision (Levels 9-12)	106	0	3	2.8
Senior Management Service Band A, Permanent	3	1	0	0
Senior Management Service Band C, Permanent	0	1	1	0
<b>TOTAL</b>	<b>1687</b>	<b>176</b>	<b>82</b>	<b>4.9</b>

**TABLE 5.4.2 –Annual Turnover Rates by Critical Occupation**

Occupation	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	26	0	1	3.8
Agriculture related, Permanent	7	0	0	0
All artisans on the building metal machinery etc, Permanent	35	0	5	14.3
Ambulance and related workers, Permanent	2	0	0	0
Artisan project and related superintendents, Permanent	10	0	0	0
Auxiliary and related workers, Permanent	64	0	2	3.1
Building and other property caretakers, Permanent	7	0	0	0
Bus and heavy vehicle drivers, Permanent	3	0	0	0
Civil engineering technicians, Permanent	2	0	0	0
Cleaners in offices workshops hospitals etc, Permanent	56	0	1	1.8
Communication and information related, Permanent	1	0	0	0
Engineers and related professionals, Permanent	1	0	0	0
Farm hands and laboures, Permanent	1	0	0	0
Financial clerks and credit controllers, Permanent	8	0	0	0
Food services aids and waiters, Permanent	2	0	0	0
Head of department/chief executive officer, Permanent	0	1	0	0
Human resource clerk, Permanent	1	0	0	0
Inspectors of apprentices works and vehicles, Permanent	1	0	0	0
Light vehicle drivers, Permanent	16	0	3	18.8
Material-recording and transport clerks, Permanent	8	0	2	25
Mechanical engineering technicians, Permanent	2	0	0	0
Motor vehicle drivers, Permanent	10	0	2	20
Other administrative & related clerks and organizers, Permanent	122	0	2	1.6
Other administrative policy and related officers, Permanent	36	0	0	0
Other occupations, Permanent	106	0	1	0.9
Police, Permanent	1	0	0	0
Public order policing, Permanent	1	0	0	0
Quantity surveyors & related profession not class elsewhere, Permanent	1	0	0	0
Rank: unknown, Permanent	9	0	0	0
Regulatory inspectors, Permanent	354	0	8	2.3
Road superintendents, Permanent	3	0	1	33.3
Road trade workers, Permanent	3	0	0	0
Road workers, Permanent	739	167	51	6.9
Secretaries & other keyboard operating clerks, Permanent	3	7	0	0

Security guards, Permanent	5	0	0	0
Senior Managers, Permanent	6	1	1	16.7
Trade labourers, Permanent	35	0	2	5.7
<b>TOTAL</b>	<b>1687</b>	<b>176</b>	<b>82</b>	<b>4.9</b>

**TABLE 5.4.3 – Reasons why staff are leaving the department**

Termination by Type of	Number	Percentage of Total Resignation	Percentage of Total Employment	Total	Total Employment
Death, Permanent		20	24.4	1.2	821687
Resignation, Permanent		6	7.3	0.4	821687
Expiry of contract, Permanent		1	1.2	0.1	821687
Dismissal-operational changes, Permanent		4	4.9	0.2	821687
Discharged due to ill health, Permanent		12	14.6	0.7	821687
Retirement, Permanent		39	47.6	2.3	821687
<b>TOTAL</b>		<b>82</b>	<b>100</b>	<b>4.9</b>	<b>821687</b>

## 5.5 Employment Equity – APRIL 2004 to March 2005

**TABLE 5.5.1 – Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)**

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	TOTAL
Legislators, senior officials and managers, Permanent	13	0	0	13	2	5	0	0	5	0	20
Professionals, Permanent	384	1	1	386	70	299	2	1	302	8	766
Clerks, Permanent	77	0	0	77	3	109	2	0	111	29	220
Service and sales workers, Permanent	11	0	0	11	1	3	0	0	3	0	15
Craft and related trades workers, Permanent	24	0	0	24	32	0	0	0	0	0	56
Plant and machine operators and assemblers. Permanent	94	0	0	94	0	21	0	0	21	0	115
Elementary occupation, Permanent	1314	2	0	1316	62	427	0	0	427	8	1813
Other, Permanent	10	0	0	10	0	10	0	0	10	0	20
Employees with disabilities	2	0	0	2	0	1	0	0	1	0	3
<b>TOTAL</b>	<b>1927</b>	<b>3</b>	<b>1</b>	<b>1931</b>	<b>170</b>	<b>874</b>	<b>4</b>	<b>1</b>	<b>879</b>	<b>45</b>	<b>3025</b>

**TABLE 5.5.2 – Total number of Employees(incl. Employees with disabilities) per Occupational Bands**

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	TOTAL
Top Management, Permanent	0	0	0	0	0	1	0	0	1	0	1
Senior Management, Permanent	16	0	0	16	3	3	0	0	3	0	22
Professionally qualified and experienced specials	82	0	1	83	40	18	0	0	18	2	143
Skilled technical and academically qualified worker, Permanent	212	2	0	214	78	122	2	1	125	37	454
Semi-skilled and discretionary decision making, Permanent	466	1	0	467	49	185	2	0	187	6	709
Unskilled and defined decision making, Permanent	1151	0	0	1151	0	545	0	0	545	0	1696
<b>TOTAL</b>	<b>1927</b>	<b>3</b>	<b>1</b>	<b>1931</b>	<b>170</b>	<b>874</b>	<b>4</b>	<b>1</b>	<b>879</b>	<b>45</b>	<b>3025</b>

**TABLE 5.5.3 Recruitment**

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	TOTAL
Top Management, Permanent	0	0	0	0	0	1	0	0	1	0	0
Senior Management, Permanent	0	0	0	0	1	0	0	0	0	0	1
Semi- skilled and discretionary decision making, Permanent	2	0	0	2	0	7	0	0	7	0	9
Unskilled and defined decision marking, Permanent	88	0	0	88	0	77	0	0	77	0	165
<b>TOTAL</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>1</b>	<b>85</b>	<b>0</b>	<b>0</b>	<b>85</b>	<b>0</b>	<b>176</b>

**TABLE 5.5.4 - Promotions**

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	TOTAL
Senior Management, Permanent	5	0	0	5	1	2	0	0	2	0	8
Professionally qualified and experienced specialist, Permanent	6	0	0	6	3	3	0	0	3	0	12
Skilled technical and academically qualified workers, Permanent	11	0	0	11	2	21	0	1	22	8	43
Semi-skilled and discretionary decision making, Permanent	12	0	0	12	0	18	0	0	18	0	30
Unskilled and defined decision making, Permanent	11	0	0	11	0	15	0	0	15	0	26
<b>TOTAL</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>45</b>	<b>6</b>	<b>59</b>	<b>0</b>	<b>1</b>	<b>60</b>	<b>8</b>	<b>119</b>

**TABLE 5.5.5 – Total number of Employees(incl. Employees with disabilities) per Occupational Bands**

Occupational Categories	Male African	Male Coloured	Male Indian	Male Total	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	TOTAL
Top Management, Permanent	1	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specials	0	0	0	0	3	0	0	0	0	0	3
Skilled technical and academically qualified worker, Permanent	7	0	0	7	6	0	0	0	0	1	14
Semi-skilled and discretionary decision making, Permanent	9	0	0	9	3	2	0	0	2	0	14
Unskilled and defined decision making, Permanent	48	0	0	48	0	7	0	0	7	0	55
<b>TOTAL</b>	<b>65</b>	<b>0</b>	<b>0</b>	<b>65</b>	<b>12</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>1</b>	<b>87</b>

**5.6 Leave Utilization – APRIL 2004 to MARCH 2005****TABLE 5.6.1 – Sick Leave for January 2004 to March 2005**

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'0000)	Total number of Employees using Sick Leave	Total number of Days with Medical Certification
Lower skilled (Level 1-2)	988.5	97.3	243	42	4	146	579	962
Skilled (Level 3-5)	702	94	172	29.7	4	145	5789	660
Highly skilled production (Level 6-8)	640	92	132	22.8	5	226	579	589
Highly skilled supervision (Level 9-12)	219	94.1	32	5.5	7	121	579	206
<b>TOTAL</b>	<b>2549.5</b>	<b>94.8</b>	<b>579</b>	<b>100</b>	<b>4</b>	<b>638</b>	<b>579</b>	<b>2417</b>

**TABLE 5.6.2 – Disability Leave (Temporary and Permanent) for January 2004 to March 2005**

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'0000)	Total number of Employees using Sick Leave	Total number of Days with Medical Certification
Lower skilled (Level 1-2)	22	100	1	100	22	3	22	1
<b>TOTAL</b>	<b>22</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>22</b>	<b>3</b>	<b>22</b>	<b>1</b>

**TABLE 5.6.3 – Annual Leave for January 2004 to December 2004**

Salary Band	Total Days Taken	Average per Employee	Employment
Lower skilled (Level 1-2)	8590	9	959
Skilled (Level 3-5)	4211	8	498
Highly skilled production (Level 6-8)	2971	8	352
Highly skilled supervision (Level 9-12)	968	9	111
Senior Management (Level 13-16)	90	9	10
<b>TOTAL</b>	<b>16830</b>	<b>9</b>	<b>1930</b>



**TABLE 5.6.4 – Capped Leave for January 2004 to December 2004**

	<b>Total Days of capped leave taken</b>	<b>Average number of days taken per employees</b>	<b>Average capped leave per employee as at 31 December 2004</b>	<b>Number of Employees</b>	<b>Total number of capped leave available at 31 December 2004</b>	<b>Number of Employees as at 31 December 2004</b>
Lower skilled (Level 1-2)	422	4	83	95	125301	1503
Skilled (Level 3-5)	65	3	90	25	52379	583
Highly skilled production (Level 6-8)	84	4	83	20	34665	416
Highly skilled supervision (Level 9-12)	49	7	101	7	12069	119
<b>TOTAL</b>	<b>620</b>	<b>4</b>	<b>86</b>	<b>147</b>	<b>224414</b>	<b>2621</b>

**TABLE 5.6.5 Leave Payouts**

<b>Reason</b>	<b>Total Amount (R'000)</b>	<b>Number of Employees</b>	<b>Average payment per Employee ( R )</b>
Capped leave payouts on termination of service for	200	100	2000
Current leave payout on termination of services for	12	4	3000
<b>TOTAL</b>	<b>212</b>	<b>104</b>	<b>2038</b>

**5.7 - HIV and AIDS and health promotion programmes****TABLE 5.7 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]**

<b>Question</b>	<b>Yes</b>	<b>No</b>	<b>Details, if yes</b>
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.		<b>No</b>	
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.	<b>Yes</b>		2 employees  R50 000.0

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.	<b>Yes</b>		Referral to rehabilitation institution. Referral to HIV/AIDS clinics in the Province. Referral to counseling professionals e.g. Psychologist, Psychiatrist and social workers.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent	<b>Yes</b>		The committee is called integrated Transversal Committee. Find attached names of the members
5. Has the department reviewed the employment policies and policy 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.	<b>Yes</b>		Employment equity

6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive discrimination? If so, list the key elements of these measures.		No	
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.		No	
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators		No	

## 5.8 Labour Relations – APRIL 2004 to MARCH 2005

**TABLE 5.8.1 – Misconduct and Discipline Hearing Finalised**

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
TOTAL	97	83%	117

**TABLE 5.8.2 – Types of Misconduct Addressed and Disciplinary Hearings**

Type of misconduct	Number	% of total
Absenteeism	74	75%
Assault/ fighting	9	9.30%
Fraud/misrepresentation	9	9.30%
Misuse off GG vehicle	5	6.20%
<b>TOTAL</b>	<b>97</b>	

**TABLE 5.8.3 – Precautionary Suspensions**

Precautionary Suspensions	Number
Number of people suspended	7
Number of people whose suspension exceeded 30 days	5
Average number of days suspended	400
Cost (R'000) of suspensions	Salaries paid in full during suspension

## 5.9 - Skills development

**TABLE 5.9.1 - 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	29	0	29
	Male	0	0	47	0	47
Professionals	Female	0	0	7	0	7
	Male	0	0	5	0	5
Technicians and associate professionals	Female	0	0	0	0	0
	Male	0	0	3	0	3
Clerks	Female	0	8	139	0	147
	Male	0	2	99	0	101
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	238	0	0	238
	Male	0	476	0	0	476
Gender sub totals	Female	0	246	175	0	421
	Male	0	478	154	0	632
<b>Total</b>		<b>0</b>	<b>724</b>	<b>329</b>	<b>0</b>	<b>1053</b>

## 5.10 Injury on Duty - APRIL 2004 to MARCH 2005

**TABLE 5.10.1 - Injury on Duty**

Nature of injury on duty			Number		% of total	
Required basic medical attention only				35		1.15
Temporary Total Disablement				35		1.15
Permanent Disablement				0		0
Fatal				0		0
Total				35		1.15