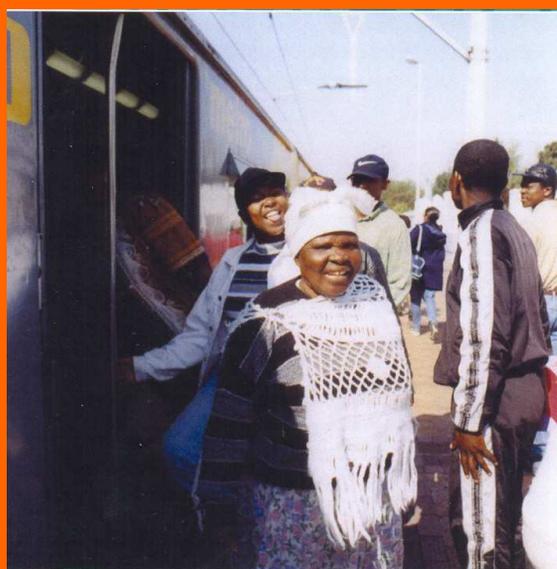


DEPARTMENT OF TRANSPORT AND PUBLIC WORKS DEPARTEMENT VAN VERVOER EN OPENBARE WERKE I SEBE LEZOTHUTHO NEMISEBENZI



ANNUAL REPORT JAARVERSLAG INGXELO YONYAKA



ANNUAL REPORT

WESTERN CAPE DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

VOTE 10

FOR THE YEAR ENDED 31 MARCH 2005

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PART 1
GENERAL INFORMATION

1.1 SUBMISSION OF THE ANNUAL REPORT

It is my pleasure to formally submit the Annual Report for the period 1 April 2004 to 31 March 2005 to Minister M Fransman, Provincial Minister of Transport and Public Works.

1.2 INTRODUCTION

In the strategic plan for the 2004/05 financial year, the Department indicated that the gains made during the previous financial year would be built upon and improved. Continued emphasis would be placed on:

- Job creation, with 120,000 work opportunities needing to be created through the Expanded Public Works Programme over the next five years;
- Further roll-out of the Mobility Strategy with preliminary investigations starting on other activity corridors;
- Transformation of the scheduled services, as well as the minibus-taxi industry; and
- Developing a Strategic Infrastructure Plan to facilitate structured and co-ordinated public and private sector investment in infrastructure development.

Minister Mcebisi Skwatsha was the executive authority responsible for all transport and public works matters in terms of appropriate legislation in the Western Cape during the 2004/05 financial year. 2004 was an election year and under the guidance of the new Minister, six strategic goals were developed, effectively adjusting the focus of some of the objectives as indicated in the original Strategic Plan 2004/05 to 2006/07.

Public transport, however, remained the top priority which received attention through both the various mobility strategies and the restructuring of subsidised, scheduled services. Planning continued for the Klipfontein Corridor, while conceptual designs were undertaken for projects in George and the Central Karoo. Investigations into the impact of incorporating the existing minibus taxi operations into scheduled, subsidised public transport contracts began, in order that direction could be given to the detailed design of the contracts in the 2005/06 financial year.

In addition, the department continued to act as the lead department for two critically important initiatives – the co-ordination of the Expanded Public Works Programme (EPWP) and the development of the Strategic Infrastructure Plan (SIP) for the Western Cape Province.

With respect to the Expanded Public Works Programme, a first year target of 16,000 work opportunities was set. I am proud to say that we reached the target, with tremendous effort from many roleplayers. However, the bar was raised even higher for the 2005/06 financial year and the bonds which were forged during the last year with other departments and municipalities must be strengthened in order for us to reach and exceed the new milestone.

Our understanding of what is required to deliver on iKapa Elihlumayo was deepened as the SIP continued to be developed. Linkages with other strategies underway, for example the Provincial Spatial Development Framework, the Micro Economic Development Strategy and the Formation of Social Capital were formulated and reinforced.

Of course, none of this could be achieved without committed, motivated and suitably skilled people. The department took active steps to fill key senior management positions and began the task of transforming itself into an organisation which will meet the demands of client departments, the public and other stakeholders through service excellence.

Challenges do exist and need to be addressed in order to improve our service delivery and alignment with provincial and national priorities. We must ensure that the delivery of infrastructure projects to client departments takes place in terms of the required quality, time and cost variables that are set. Furthermore, the effective implementation of inter alia the EPWP principles in business processes of the department must be mainstreamed to facilitate the creation of sustainable work opportunities. The continued shortage of professional and technical staff has hampered the department in the past year and bold interventions must be taken to intervene. Besides internal capacity and knowledge, municipalities need to be capacitated, especially with respect to public transport issues so as to improve the focus it receives in the rural areas of the Western Cape. All of these areas identified within this Annual Report, will require dedicated attention to address in the forthcoming financial year.

1.3 INFORMATION ON THE MINISTRY

As indicated previously, Minister Skwatsha, at a Ministerial Strategic Planning Session held on 7 and 8 July 2004, identified the following six priorities:

- Public Transport
- Job creation and Skills Development
- Black Economic Empowerment
- Infrastructure Delivery
- Departmental Transformation
- World Cup 2010

Development began on a Public Transport Improvement Programme (PTIP) to give effect to the highest priority of the Department. The PTIP aims to make public transport more affordable to users, ensure that public transport contributes to iKapa Elihlumayo by reducing the cost of doing business, building social capital and supporting sustainable development, pave the way for the transition from the interim bus contract with Golden Arrow Bus Services to tendered and/or negotiated contracts, and prepare for hosting the World Cup 2010.

The designs for various elements supporting the Klipfontein Road Mobility Strategy, for example the dignified urban spaces and non-motorised transport infrastructure were completed. The George Mobility Strategy was launched by Deputy President Zuma in August 2004, while Minister Skwatsha launched the Central Karoo Mobility Strategy in February 2005. To further support public transport, a special team was appointed in October 2004 to deal with the backlog of applications for operating licences; and a dedicated tourism office dealing exclusively with the applications for tourism and charter services was established in December 2004.

Greater focus was placed on the Expanded Public Works Programme, with President Mbeki launching the province's Saamstaan programme in September 2004. A total of 17,025 fully EPWP compliant and 12,029 partially compliant work opportunities were created. The partially compliant opportunities had no training attached to them. The opportunities created show the cross-sectoral success of such a programme, as they were created in projects involving building maintenance, road infrastructure construction and maintenance, the creation of a safe environment through initiatives by community safety, working for water, and home community based care.

Infrastructure delivery received a high focus in the past year, with the Roads Infrastructure Branch spending 99.5% of its allocated budget, while the Public Works Branch spent R 802 million ie 124% of the original budget. In this manner infrastructure delivery and maintenance was accelerated, as was job creation.

Departmental transformation links with the need to have the necessary human capacity to perform our work. The Department made seven new appointments at senior management level to further strengthen the team. Four out of the seven are women and six out of the seven are black. In addition, the advertising procedure has been redesigned to bring it in line with the Employment Equity Act.

Improvements to the public transport system are at the heart of successfully hosting the World Cup 2010. An objective of the Public Transport Improvement Programme is to ensure that we are able to respond to the event. Discussions with the City of Cape Town, other provincial departments, as well as national departments took place during the past year, to determine the best manner in which this Department can contribute to the World Cup.

In support of the Department's highest priority – that of public transport – Minister Skwatsha, the Head of Department, a City of Cape Town Councilor, and other officials undertook a fact-finding visit to Sao Paulo (Brazil), Bogota (Columbia) and Madrid (Spain), to investigate and assess public transport corridor development similar to the proposed Klipfontein Corridor project. This visit was undertaken between 13 October 2004 and 27 October 2004.

No bills were submitted to Provincial Parliament for consideration for the period in question.

1.4 VISION AND MISSION STATEMENT

Vision:

A people centred infrastructure and transport system through a transformed department.

Mission:

To deliver a transport system and property infrastructure that is integrated, accessible, safe, reliable, affordable, sustainable and of the desired quality, through socially just, developmental and empowering processes that will improve the quality of life.

1.5 LEGISLATIVE MANDATE

The achievement of our vision and mission, as presented above, are primarily guided by the following constitutional and other legislative mandates, functional mandates as well as the service delivery improvement programme;

Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999)

Public Service Act, 1994 (Act 103 of 1994) and Regulations, 2001

The Constitution, 1996 (Act 108 of 1996)

The Constitution of the Western Cape, 1998 (Act 1 of 1998)

Western Cape Land Administration Act, 1998 (Act 6 of 1998)

Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended by Acts 181 of 1993 and 66 of 1995

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

National Land Transport Transition Act, 2000 (Act 22 of 2000)

The Western Cape Road Traffic Act, 1998 (Act 12 of 1998)

The Road Transportation Act, 1977 (Act 74 of 1977)

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

Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)

As part of its legislative mandate, the Government Motor Transport (GMT) trading entity is part of the administration of the Department. A separate Annual Report will be submitted by GMT.

PART 2
PROGRAMME
PERFORMANCE

2.1 Voted Funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
R1 882 316	R1 712 260	R170 056	R1 786 429	R95 887
Responsible Minister	Minister of Transport and Public Works			
Administering Department	Department of Transport and Public Works			
Accounting Officer	Superintendent General of Transport and Public Works			

2.2 Aim of the Vote

The aim of the Department is to provide the best provincial transport system and property infrastructure for all.

2.3 Summary of programmes

The Public Works, Roads and Transport sector adopted a uniform budget and programme structure for the country that reflects the minimum number of programmes required. The activities of the Department of Transport and Public Works for the Western Cape are organised in the following six programmes:

Programme	Sub-programme
<p>1. Administration <i>To conduct the overall management and administrative support of the department</i></p>	<p>1.1. Office of the Provincial Minister – Transport and Public Works 1.2. Head of Department 1.3. Corporate Support</p>
<p>2. Public Works <i>To provide accommodation for all provincial departments, manage the provincial property portfolio for the optimum benefit of all those concerned and to render professional and technical services to departments in respect of buildings and related infrastructure. The expanded public works programme is one of the methods utilised to deliver these services.</i></p>	<p>2.1. Programme Support 2.2. Health 2.3. Education 2.4. Agriculture 2.5. Social Development 2.6. Other Infrastructure 2.7. Property Management</p>

Programme	Sub-programme
<p>3. Roads Infrastructure <i>To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social and economic growth through socially just, developmental and empowering processes. The Expanded Public Works Programme is one of the methods utilised to deliver these services.</i></p>	<p>3.1 Programme Support 3.2 Planning 3.3 Design 3.4 Construction 3.5 Maintenance</p>
<p>4. Public Transport <i>To plan, regulate and facilitate the provision of public transport services and infrastructure, through own provincial resources and through co-operation with national and local authorities, as well as the private sector in order to enhance the mobility of all communities particularly those currently without or with limited access. The Expanded Public Works Programme is one of the methods utilised to deliver these services.</i></p>	<p>4.1. Programme Support 4.2. Planning 4.3. Infrastructure 4.4. Empowerment and Institutional Management 4.5. Operator Safety and Compliance 4.6. Regulation and Control</p>
<p>5. Traffic Management <i>To create an appropriately authorised and safe transport environment, provide a professional and efficient service to all clients and to maximise revenue generation. The Expanded Public Works Programme is one of the methods utilised to deliver these services.</i></p>	<p>5.1 Programme Support 5.2 Safety Engineering 5.3 Transport Administration and Licensing 5.4 Overload Control</p>
<p>6. Community-Based Programme (CBP) <i>To ensure delivery of accessible services through integrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the Western Cape by way of community development and the Expanded Public Work Programme.</i></p>	<p>6.1. Programme Support 6.2. Training Programmes 6.3. Empowerment Impact Assessment 6.4. Community Development 6.5. Emerging Contractor Development</p>

2.4 Overview of the service delivery environment for 2004/05

During the year under review the Department was required to strengthen its alignment to the principles underpinning iKapa Elihlumayo, i.e. the Provincial Growth and Development Strategy. To this end the Department commenced with the development of a Strategic Infrastructure Plan (SIP) for the Province. The development of this plan will require the Department to broaden its focus to integrate the infrastructure activities of all role players

in the Province in order to maximise growth potential, within the context of the Provincial Spatial Development Framework and Micro-economic Development Strategy. In addition the Department began to understand the linkages with the Social Capital Formation Strategy and the Human Resource Development Strategy and what changes will be needed within the organisation to assist in delivering in terms of those strategies.

Growing unemployment mainly from the influx of job seekers and from job losses within certain sectors of the economy, as well as functioning within the reality of a dual economy, impacts on the activities and services that the Department delivers. The Expanded Public Works Programme (EPWP) was implemented during the year under review to address unemployment using labour intensive methods and transfer of skills.

The key challenges that the Department faced during the financial year under review were the following:

Strategic management of government-owned property: To improve efficiency, create value and effect balance between revenue-generation and addressing social imperatives.

Delivery of a Provincial Strategic Infrastructure Plan (SIP): The development of this plan requires a clear understanding of where and in what sectors economic potential exists in the Province; and a determination of the infrastructural and logistical requirements to unlock potential. Furthermore, it is important to balance investment in social and economic infrastructure. Given that the SIP is being developed concurrently with all the other iKapa Elihlumayo strategies it is difficult to integrate it with all the other strategies and visa versa.

Increasing backlog in infrastructure investment in relation to limited resources: Limited resources continue to constrain the Department's core function of infrastructure provision. Backlogs in road and building infrastructure provision and maintenance continue to grow. For delivery of new infrastructure, alternative vehicles, like Private Public Partnerships are being explored. In addition, the infrastructure standards being applied and the affordability thereof, needs to be reviewed.

Fundamental transformation of public transport in the Province: To focus less on a commuter system and more on a system which addresses a range of mobility needs from social to recreational to business; quality of life of the citizens of this Province; and promote non-motorised transport for health, environmental and social reasons. Furthermore, continued transformation of the minibus taxi industry and the subsidised public transport services to be pursued with special attention given to the implementation of the taxi re-capitalisation programme.

2.5 Overview of the organisational environment for 2004/05

2004 was an election year and under the guidance of the new Minister, six strategic goals were developed, effectively adjusting the focus of some of the objectives as indicated in the original Strategic Plan 2004/05 to 2006/07. The new goals for the department are the following:

- Public Transport: Enhancing the mobility of all communities particularly those currently without or with limited access
- Creation of work opportunities and skills development
- Black economic empowerment: Providing access and opportunities to all communities with a bias towards the previously disadvantaged
- Infrastructure delivery: To provide infrastructure to promote economic and social development in the province

- Departmental transformation: To achieve representivity at all levels, as well as meaningful empowerment and development
- 2010 World Cup: The co-ordination of infrastructure investment and integration of public transport facilities in preparation of the 2010 World Cup

The Department commenced with the process of investigating the need to develop an appropriate structure to be better geared to deliver on the SIP and EPWP, to instil a project management approach/ culture, and to eliminate possible duplication of activities within the Department.

To address the critical shortage of suitably skilled staff, the Department has embarked on a special bursary programme to target scarce skills, and it is hoped that the benefit of this programme – the employment of historically disadvantaged persons who possess scarce skills – will be realised over the short and medium term.

Another challenge is to determine the HIV status of staff in the Department. The Department has provided confidential counselling and testing facilities, which will be extended to the district offices. Of the 102 staff members that have been tested to date none were found to be positive, but there is no record of staff that has chosen to be tested privately. By making use of a basic financial model it is calculated that an infection rate of just 10% will incur an annual cost of R30 million to the Department.

Summary of post vacancies and supernumeraries

Staff Categories	Number			% Average Annual change
	2002	2003	2004	
Total staff complement	1883	1933	1894	0.32%
Number of professional and managerial posts	231	296	303	15.25%
Number of professional and managerial posts filled	146	175	206	18.78%
Number of excess staff	0	0	0	0%

Key expenditure indicators

Category of expenditure	Percentages or Rands (000's)			Average %
	2002	2003	2004	
Personnel expenditure as % of total expenditure	10.42%	10.58%	7.81%	9.60%
Expenditure on maintenance of buildings as a % of total expenditure	8.80%	12.31%	12.69%	11.27%
Expenditure on maintenance of road infrastructure as a % of total expenditure	35.03%	23.97%	22.72%	27.24%
Expenditure on construction of buildings as a % of	16.84%	18.40%	22.77%	19.34%

total expenditure				
Expenditure on construction of road infrastructure as a % of total expenditure	13.47%	13.74%	8.77%	11.99%
Expenditure on Public Transport infrastructure as a % of total expenditure	2.49%	5.57%	3.38%	3.81%
Other expenditure as a % of total expenditure	12.95%	15.43%	21.86%	16.75%
Total	100%	100%	100%	100%

Progress with promoting Historically Disadvantaged Individuals (HDI)

Category of expenditure	2004
Number of contracts	640
Total value of contracts	R 948 304 355.65
% of total contracts to HDI by value	62.15%
% of construction/maintenance budget to HDI	50.35%

2.6 Strategic overview and key policy developments for the 2004/05 financial year

Strategic Infrastructure Plan (SIP)

Further developments were made in 2004 to advance iKapa Elihlumayo, the Provincial Growth and Development Strategy. Eight lead strategies were developed by different departments to promote the achievement of the goals of iKapa Elihlumayo. This Department was given the responsibility of developing the Strategic Infrastructure Plan (SIP). The SIP will be used to guide the planning for and provision of infrastructure by public sector agencies to support economic growth, labour market participation and general well-being of the Province.

In-migration into the Province of people and families from neighbouring provinces and other countries has contributed towards pressure on health, education, social services and housing systems. It has also contributed to some extent to the swelling of the ranks of the unemployed. Through the SIP, the Department aims to support economic growth, which will lead to job creation; and improve the delivery of all infrastructures, including social infrastructure.

National Programmes

Heightened focus was brought to bear on existing national programmes like the Urban Renewal Programme, Integrated Sustainable Rural Development Programme, and new ones like Project Consolidate and the Expanded Public Works Programme as part of a national effort to address the challenges of poverty, unemployment and other social problems which have developed as a result of degradation and under development.

Legislation

The Western Cape Provincial Government White Paper on the Management of Provincial Property was published on 7 April 2004. This white paper provides the framework for the acquisition, management and disposal of provincial property.

Public Transport

The development of a policy for non-motorised transport is in progress.

Other

In order to create a uniform project management approach, the development of a Master System Plan for information systems covering 2005/06 to 2007/08 commenced. This Master Systems Plan will provide for the roll-out of a project management tool (Rational Portfolio Management (RPM)) throughout the Department (technical, financial, econometric, total asset management and budget allocation) to improve decision-making in the management of our business.

The Preferential Procurement Implementation Plan was implemented and is currently under review.

The Accounting Officer Supply Chain Management System was developed and introduced and is currently under its annual review.

2.7 Departmental receipts

The Department's resource envelope consists of an equitable share, national conditional grants, financing and own revenue. In relation to own revenue, the key sources are motor vehicle registration and licence fees and sales of capital assets.

Motor vehicle registration and licence fees: Seventy-one municipal registering authorities collect these fees on behalf of the Department for which an agreed agency fee is paid. Improved collection activities realised an over collection of R20,582m or 3%. The dedicated project, which was started in the previous financial year, to collect arrear licence fees and penalties in respect of motor vehicles that had not been licensed as required, continued.

Sales of capital assets: Lengthy and complex processes and procedures and the unpredictability of stakeholders and role players behaviour resulted in an under collection of R26,467m or 65,29%.

Financial transactions in assets and liabilities: The over collection of R2,587m or 147.74% relates to claims instituted in the previous year.

Departmental Revenue	Actual Collection 2003/04 R'000	Budgeted Collection 2004/05 R'000	Actual Collection 2004/05 R'000	% Deviation from Target
Current revenue				
Tax revenue	646 938	678 903	695 160	2.39%
Non-tax revenue	27 240	23 688	30 858	30.27%
Capital revenue				
Sales of capital assets	7 504	40 534	14 067	(65.29)
Financial transactions in assets and liabilities	9 493	1 751	4 338	147.74%
Departmental revenue	691 175	744 876	744 423	0.06%

Special marketing strategies have been introduced in an attempt to increase the sale of the use of special or personalised motor vehicle licence numbers, e.g. awareness campaigns in the press and notices at the 71 municipal registering authorities.

Departmental Own Revenue	Actual Collections 2003/04 R'000	Budgeted Collection 2004/05 R'000	Actual Collection 2004/05 R'000	% Deviation from target
Source 2 : Special licence numbers	4 800	2 500	6 700	168%
TOTAL	6 100	4 500	10 900	142%

Specific challenges and responses

Challenge 1: Prevention of illegal cross- provincial borders of registration and licensing of motor vehicles.

Due to the relatively high Western Cape motor vehicle licence fees in comparison with other provinces, many fleet owners and businesses choose to re-license their vehicles in provinces where the fees are lower. This practise is contrary to the regulatory framework.

Response to Challenge 1

A regulation change by the national Minister of Transport, with a view to define the appropriate registering authority in a more clear manner, is pending. In addition, a licence inspectorate has been set up in the Department, which is tasked to follow-up identified cases and to issue notices for appropriate re-licensing.

Challenge 2: Sales of capital assets

The process to approve the sale of immovable assets is lengthy and the contract documentation lends itself to differing interpretations, which may lead to inadvertent delays.

Response to Challenge 2

In addition to streamlining the relevant documentation, a project management administrator was tasked to track and monitor the disposal process to improve the efficiency and effectiveness of the disposal system.

Issues requiring ongoing attention

The Department actively participates in a national cross-functional working group that is looking into the prevention of the registration and licensing of illegally imported vehicles that do not comply with the South African motor vehicle standards.

2.8 Departmental payments

The table below shows that appropriated funds were under spent by R95,887m or 5,09%.

Administration: Under spending due to delays in the filling of vacant posts, mainly affecting the effectiveness of the supply chain management system and strategic capacity of the Department.

Public Works: Under spending on Public Works due to delays in the tender process and to contractors performing slower than expected. However, it is acknowledged that an additional R180,982m was appropriated in the Adjustments Estimate in October 2004 of which 86% was spent by year-end. This additional funding enabled Public Works to bring forward projects scheduled to be built in future years to address the accommodation needs for schools, health and other facilities.

Public Transport: Under spending due to delays in the filling of vacant posts, adjustments in projects and transfer payment agreements not complied with by beneficiaries. Capacity has been strengthened though the filling of three senior management service posts early in 2005. The scope of the Klipfontein Corridor Project has been adjusted and the economic benefits derived from the project for the community will be somewhat delayed.

Community Based Programme: Under spending due to delays caused by delays in tender processes and delays in concluding transfer payment agreements. The outflow of economic benefits for communities will be somewhat delayed.

Programmes	Voted for 2004/05	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
Administration	39 203	(1 042)	(1 480)	36 681	34 475	2 206
Public Works	647 169	180 982		828 151	802 137	26 014
Road Infrastructure	598 118	54 721	2 820	655 659	652 699	2 960
Public Transport	195 880	(79 525)	(2 820)	113 535	60 377	53 158
Traffic Management	182 248	7 380	1 480	191 108	191 098	10
Community Based Programme	49 642	7 540		57 182	45 643	11 539
Total	1 712 260	170 056		1 882 316	1 786 429	95 887

Specific challenges and responses

<p><u>Challenge 1: Shortage of skilled staff</u></p> <p>Shortage of suitably skilled professional and technical staff, especially in the fields of engineering, architecture, etc.</p>
<p><u>Response to Challenge 1</u></p> <p>The department has embarked on a special bursary programme to target scarce skills. Over the short term, the department is considering contracting in foreigners to address the needs. The Department has also requested the Minister for Public Service and Administration to approve the payment of a scarce skills allowance in terms of a national collective agreement. Approval is awaited.</p>
<p><u>Challenge 2: To contribute to the improvement of the unemployment rate of the Province</u></p> <p>In 2003, the provincial unemployment rate was 26% according to the expanded definitions and 21 % according to the official definition (Western Cape Provincial Economic Review and Outlook: 2005)</p>
<p><u>Response to Challenge 2</u></p> <p>The effective implementation of the principles of the EPWP in the Department's business processes.</p> <p>Effective co-ordination of the EPWP within the Province and between the provincial and local spheres of government.</p>
<p><u>Challenge 3: Public transport integration</u></p> <p>Integration between the different modes of public transport, as well as integration with regard to land use development.</p>
<p><u>Response to Challenge 3</u></p> <p>Establishment of a Provincial Public Transport Authority to, inter alia, co-ordinate, manage and monitor the services provided by the various modes of transport.</p> <p>Integration of public transport planning with sustainable human settlement planning.</p>
<p><u>Challenge 4: Employment equity</u></p> <p>To improve further on the progress made with the recruitment of staff, especially with regard to the number of black staff employed, the number of women, particularly black, employed at senior management level and the number of disabled people at all levels.</p>
<p><u>Response to Challenge 4</u></p> <p>Equity targets have been set for every section within the Department based on the demographics of the Western Cape. To reach the target market, the media used by these groups are used for the placement of recruitment advertisements. Regarding the employment of people with disabilities, a plan is being developed to increase the pace of recruitment of disabled persons. A departmental focal unit is being capacitated to help mainstream disability issues within the Department. Furthermore, the matter of adjusting the workplace in order to suit the accommodation needs of a variety of disabilities is being addressed. The Department also adapted its appointment criteria to align it with the Employment Equity Act.</p>

Issues requiring ongoing attention

Restructuring of the Department in accordance with its internal and external environment to meet the demands of its clientele.

2.9 Programme Performance

Key measurable objectives were developed per main division and incorporated into the 2004/05 strategic plan. In the next section the achievements on these objectives are elucidated.

2.10 Service Delivery Achievements

Programme 2: PUBLIC WORKS

Strategic goals:

Manage, develop, construct and maintain infrastructure in terms of the provincial strategic accommodation and infrastructure plan in order to optimise the social, financial, developmental and environmental return on the provincial property portfolio.

Manage, dispose of and acquire properties (land and infrastructure) in terms of the provincial strategic accommodation and infrastructure plan in order to optimise the social, financial, developmental and environmental return on the provincial property portfolio.

Strategic objectives:

To improve relations with client Departments.

To reduce asset poverty through optimal provision, maintenance and management of the Provincial Property infrastructure.

To render a professional, timely and cost effective service in the provision of infrastructure and accommodation to client departments.

To facilitate the empowerment and participation of HDI in the mainstream built environment. Dispose properties in terms of the policy laid down in terms of the draft White Paper and give preference to lease accommodation from previous disadvantaged owners.

To utilise competent and skilled service providers.

To establish a competent, empowered, and representative personnel complement.

To improve the image of the Branch.

To implement the Expanded Public Works Programme through building a preventative maintenance programme, and

Provide strategic infrastructure, contributing to job creation and job retention.

Optimisation of the Provincial property portfolio.

Acquire land and buildings in both rural and urban areas for development or use by provincial client departments.

To enhance service delivery and universal access.

Dispose and re-use redundant or superfluous properties to allow job creation and poverty alleviation.

The Province's Property Portfolio by Department

State Owned Portfolio	Land				Buildings	
	Number of properties	Number vacant urban properties	Number of unutilised rural properties	Total number of hectares	Number of properties with buildings	Square Meters of building
Health Department	234	0	0	7 810	1 600	1 685 643
Education Department	3 976	0	0	220 519	8 837	4 964 358
Social Development Department	10	0	0	78	150	100 000
Other clients combined	1 640	0	0	69 573	1 745	395 944
Unutilised	700	399	301	18 445	0	0
Total	6 560	399	301	316 425	12 332	7 145 945

The Province's Leased Portfolio by Department

Leased Portfolio	Land		Buildings		Cost to government in R' 000
	Number of properties leased	Total number of hectares	Number of buildings leased	Square Meters of building	
Health Department			27	10 646	6 300
Education Department			241	191 625	56 700
Social Development Department			35	19 771	8 400
Other clients combined			143	82 124	33 600
Unutilised			0	0	
Total	Nil	Nil	446	304 166	105 000

The condition of government buildings by department

Department	Condition of State Owned Buildings (Number and Percentage)										Total
	Very Good		Good		Fair		Poor		Very Poor		
Health Department	48	3%	392	24%	832	52%	316	20%	12	1%	1 600
Education Department	352	4%	1 760	20%	5 933	67%	704	8%	88	1%	8 837
Other clients combined	190	10%	682	36%	758	40%	246	13%	19	1%	1 895
Total	590	5%	2 834	23%	7 523	61%	1 266	10%	119	1%	12 332

Demand for new Space

New Demand for Space	Number Target	Actual Number 2004/05	Number of square metres	Planned Capital Expenditure 2004/05			
				Budget	Actual	Deviation from Target	
						Unit	%
Health Department total	26	16	215 072	225 541	222 268	(10)	(38%)
<ul style="list-style-type: none"> • Construction and Upgrading of Hospitals 	18	11				(7)	(39%)
<div style="border: 1px solid black; padding: 2px;"> <ul style="list-style-type: none"> Vredendal Hospital Mowbray Maternity Somerset Hospital Valkenburg Hospital Lentegeur Hospital Red Cross Hospital Worcester Hospital Vredenburg Hospital George Hospital Elsies Rivier Hospital Gugulethu Hospital </div>							
<ul style="list-style-type: none"> • Clinics • Other 	8 0	5 0				(3)	(38%)
Education Department total	170	32	255 500	129 206	126 141	(138)	(81%)
<ul style="list-style-type: none"> • Primary schools • Secondary schools • Other 	31 27 112	10 10 12				(21) (17) (100)	(67%) (62%) (89%)
Social Services Department total	3	1	4 475	5 100	3 358	(2)	(67%)
<ul style="list-style-type: none"> • Secure Care facilities • Other 	1 2	1				0 (2)	0% (100%)
Other clients combined	37	38	27 658	101 422	98 775	1	3%
<ul style="list-style-type: none"> • Agriculture • Other Infrastructure 	10 27	9 29	5 238 22 420	16 810 84 612	18 994 79 781	(1) 2	(10%) 7%

Service delivery achievements

Chief Directorate Works: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Expenditure on maintenance by client						
o Health	Rands	69 621	62 502	66 475	3 973	6.36%
o Education		81 906	124 467	112 792	(11 675)	(9.38%)
o Other Infrastructure		44 444	40 074	40 046	(28)	(0.07%)
Expenditure on capital by client						
o Health	Rands	126 555	225 541	222 268	(3273)	(1.45%)
o Education		77 516	129 206	126 141	(3065)	(2.37%)
o Other Infrastructure		68 001	58 347	60 295	1 948	3.34%
Planned Maintenance expenditure as a percentage of overall maintenance [to bring buildings to good condition]	% of total	75%	75%	75%	0	0%
Planned Maintenance expenditure as a percentage of overall maintenance [to prevent further deterioration]	Ratio	25%	25%	25%	0	0%
Process						
Updating of Building and Maintenance Audit Programme	% updated	0	60%	60%	0%	0%
Service level agreements in place for each building? [With client Departments]	% of total	nil	100%	nil	(100%)	(100%)
Interact with user departments on a structured basis to improve relations	Monthly	100%	100%	100%	0%	0%
Comply with the building industry bargaining council regulations	Percentage complied	0	80%	100%	20%	25%
Compatible with CIDB regulations	Percentage complied	0	50%	50%	0%	0%

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
					Compliance with occupational health and safety	Percentage complied
Reduce the construction periods to an acceptable period	Percentage reduction		60% of contracts	80% of contracts	20%	33%
Reduce failure rate of service providers through capacitation and access to information	Structured information and capacitation sessions		2	2	0	0
Reduce the number of vacant professional posts	Actual number of vacant posts	10	10	0	(10)	(100%)
Percentage of buildings in portfolio with maintenance plan	Percentage		100%	60%	(40%)	(40%)
Output						
Number of projects by Health:						
o Construction	Number of projects	77	8	3	(5)	(63%)
o Upgrading		7	10	3	(7)	(70%)
o Maintenance		82	113	141	28	25%
o Planning		85	17	9	8	
Number of projects by Education:	Number of projects					
o Construction		14	36	55	19	53%
o Maintenance		948	650	960	310	48%
o Planning		0	96	42	(54)	(56%)
Number of projects by Agriculture:	Number of projects					
o Construction		3	7	8	1	14%
o Maintenance		37	24	22	(2)	(8%)
o Planning		0	3	3	0	0%

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target		
					Unit	%	
Number of projects by Social Development: <ul style="list-style-type: none"> o Construction o Maintenance Number of projects by Other Infrastructure: <ul style="list-style-type: none"> o Construction o Upgrading o Maintenance Number of Work opportunities created as a result of the Expanded Public Works Programme Number of direct jobs created as a result of the conventional contracts. Health Education General buildings	Number of projects.	1	3	2	(1)	(33%)	
		19	38	28	(10)	(27%)	
		2	15	17	2	13%	
		11	0	0	0	0%	
		490	245	498	253	103%	
		Number of projects.		2 000	2 000	0	0%
		Number of jobs created					
			3 502	6 380	7 330	950	15%
			2 873	4 029	4 480	451	10%
			2 414	1 650	2 252	602	36%
BEE and Tenders: Historically disadvantaged individuals (HDI) Women owned equity (WEO) BEE and Quotations: Historically disadvantaged individuals (HDI) Women owned equity (EO) BEE and Professional service providers: Historically disadvantaged individuals (HDI)	% of all Tenders allocated. R value of tenders	70%	81%	80%	(1%)	(1%)	
		R416m	R256m	R316 m	R57m	5%	
		24%	47%	48%	1%	2%	
		R141m	R148m	R189m	R41m	28%	
	% of all Quotations R value of tenders	75%	84%	82%	(2%)	(2%)	
		R6,238m	R4,176m	R4,752m	R0,576m	14%	
		35%	52%	52%	Nil	Nil	
		R2,879m	R2,619m	R2,981m	R0,362m	14%	
	% of all service providers R value of tenders	45%	63%	62%	(1%)	(2%)	
		R52m	R48m	R46m	(R2m)	(4%)	

Chief Directorate Property Management: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Assessment of properties as to appropriateness of use	% of portfolio reassessed		40%	2%	(38%)	(95%)
Process						
Method used to dispose of properties:						
Normal sale	Actual number (value in Rands)			Nil	0	(100%)
Auction	Actual number (value in Rands)		69 R15 m	Nil	0 (69) (R15m)	(100%) (100%)
Tender	Actual number (value in Rands)		31 R25,534m	38 R14m	7 (R11,534m)	22.58% (45.17%)
Output						
Number of properties sold	Actual number		100	38	(62)	(62%)
Value of properties sold	Rands		R40,534m	R14m	(R26,534m)	(65.46%)
Number of properties purchased	Actual number		30	5	(25)	(83.33%)
Cost of properties purchased	Rands		R10m	R5m	(R5m)	(50%)
Efficiency						
Properties reallocated for alternative use	Actual number		60	50	(10)	(16.67%)
Outcome						
Properties unutilised	Percentage of portfolio		5%	5%	0%	0%

Specific challenges and responses

Challenge 1: Building relationships with client departments

The budget for the execution of infrastructure projects is vested in this programme whilst the client departments are accountable for the delivery of their particular services, such as health, education, agriculture, etc.

Response to Challenge 1

Service level agreements to be concluded.

Challenge 2: Sales of capital assets

The process to approve the sale of immovable assets is lengthy and the contract documentation lends itself to differing interpretations, which may lead to inadvertent delays.

Response to Challenge 2

In addition to streamlining the relevant documentation, a project management administrator was tasked to track and monitor the disposal process to improve the efficiency and effectiveness of the disposal system.

Issues requiring ongoing attention

Service delivery improvement in terms of quality, time and cost, particularly with regard to infrastructure maintenance and construction.

Effective implementation of *inter alia* the EPWP principles in business processes that will facilitate the creation of work opportunities.

The improvement of contract management through the re-introduction of project management by means of dedicated training programmes.

The development and continuous upgrading of in-house systems to improve decision-making.

2.11 Programme 3: ROAD INFRASTRUCTURE

Strategic Goal:

Promote and facilitate iKapa Elihlumayo through provision of road infrastructure

Strategic Objectives:

Develop and amend transport legislation

Coordinate planning through Integrated Transport Plan (ITP) and Integrated Development Plan (IDP)

Plan, design, construct and maintain the provincial road network

BEE and SMME development

Job creation and skills development

Condition of road infrastructure by region

Region of Province	Condition of infrastructure (km's or number)					Total km's or total no.
	Very Good	Good	Fair	Poor	Very Poor	
Central Karoo District Municipality						
Highways						
Surfaced roads (excluding highways)						
Gravel roads	35	398	753	904	339	2 429
Unsurfaced dirt roads						
Bridges with span > 2 metre						
Eden District Municipality						
Highways						
Surfaced roads (excluding highways)						
Gravel roads	14	505	961	1 176	399	3 055
Unsurfaced dirt roads						
Bridges with span > 2 metre						
Overberg District Municipality						
Highways						
Surfaced roads (excluding highways)						
Gravel roads	5	73	359	832	103	1 372
Unsurfaced dirt roads						
Bridges with span > 2 metre						
Boland District Municipality						
Highways						
Surfaced roads (excluding highways)						
Gravel roads	11	252	381	478	149	1 271
Unsurfaced dirt roads						
Bridges with span > 2 metre						
West Coast District Municipality						
Highways						
Surfaced roads (excluding highways)	363	639	591	183	21	1 797
Gravel roads	0	167	556	987	483	2 193
Unsurfaced dirt roads						21 000
Bridges with span > 3 metre						2 200

Region of Province	Condition of infrastructure (km's or number)					Total km's or total no.
	Very Good	Good	Fair	Poor	Very Poor	
Total Whole Province						
Highways						
Surfaced roads (excluding highways)	1 127	2 615	2 071	520	50	6 383
Gravel roads	64	1 396	3 010	4 376	1 475	10 321

Service delivery achievements

Sub programme 3.2: Planning: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input Planning as % of Programme 3 budget	Percentage	4.5%	3.74%	3.7%	0	0%
Output Drafting Legislation	Number of pieces of legislation finalised		3	0	(3)	(100%)
Devolution of roads process	Metro area and rural area		1	0	(1)	(100%)
Land-use change proposals	Percentage dealt with on time	90%	95%	95%	0	0%
Consultants with majority PDI equity	Percentage of number of appointments	37%	40%	58%	18%	45%

Sub programme 3.3: Design: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input Design as % of Programme 3 budget	Percentage	6.4%	6.6%	7%	0.4%	6%
Process Consultants with PDI Equity	Percentage value of fees paid		40%	23.79%	(16.21%)	(40%)
Output Designs completed	Number	23	12	38	26	216%

Sub programme 3.4: Construction: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input Construction as % of Programme 3 budget	Percentage	29.11%	20.60%	20.86%	0.26%	1.26%
Process BEE as a percentage of construction expenditure	Percentage to PDI contractors	19.5%	30%	44.7%	14.7%	49%
Output Number of projects completed	Number	8	8	7	(1)	(12.5%)
Upgrade to surfaced roads	No of km		3	10	7	233%
Rehabilitation of surfaced roads	No of km	47	54	69	15	28%

Sub programme 3.5: Maintenance: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input Maintenance as % of Programme 3 budget	Percentage	57.50%	66.50%	67.84%	1.34%	2%
Process BEE as percentage of maintenance Contracts by value	Percentage to PDI Contractors	55.5%	60%	99.45%	39.45%	65%
Output Reseal tarred roads	No. of km	303	379	682	303	80%
Re-gravel roads	No. of km	395	420	861	441	105%
Routine maintenance	No. of km	39 000	39 000	39 000	0	0%

Specific challenges and responses

Challenge 1: Address the backlog in roads infrastructure

To maintain the condition of roads at an appropriate standard, to address capacity constraints of the road network and simultaneously address backlogs.

Response to Challenge 1

To negotiate a larger share of available resources.

A phased approach towards addressing the backlog.

The application of sound project management principles and systems. (Rational Project Management)

Challenge 2: Flood/ storm/ disaster damage

Accommodation of projects related to flood/ storm damage repairs.

Response to Challenge 2

To engage Treasury to find an appropriate mechanism, funding or otherwise that will ensure stability in the execution of planned projects.

Challenge 3: Shortage of Engineering and Technical Staff

To improve the limited numbers of engineering graduates in the labour market.

Response to Challenge 3

The launching of a practical training programme for Engineers and Technicians, which will be registered with the relevant professional associations.

Challenge 4: Work opportunities and skills training

Roads construction is inherently capital intensive.

Response to Challenge 4

Certain road infrastructure projects provide opportunities for the maximization of labour and skills development of such labour. Contract documentation is being revised to ensure that the principles of EPWP are addressed adequately.

Challenge 5: Project Prioritisation

Lack of adequate Integrated Transport Plans and Integrated Development Plans at the local sphere of government limits this Branch's ability to adequately prioritise and integrate the strategic infrastructure needs within the province.

Response to Challenge 5

Ongoing facilitation and interaction by the Province with municipalities through the PROVCOM (political) and PROVTECH (officials) committees, the finalization of the Provincial Land Transport Framework, and the finalization of the Strategic Infrastructure Plan.

Issues requiring ongoing attention

Issue 1: Transformation and Employment Equity

The shortage of professional and technical staff necessitates the development of staff through special training and mentorship programmes.

Attainment of Employment Equity targets.

2.12 Programme 4: PUBLIC TRANSPORT

Strategic Goal:

Improved mobility of all communities.

Strategic Objectives:

Safer public transport vehicles, facilities and operations.

More affordable and accessible public transport.

Job creation.

Promotion of non-motorised transport.

Service delivery achievements

Sub-Programme 4.2: Planning: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Process Municipal Public Transport Plans (PTP's)	No of municipalities PTP's completed		6	3	(3)	(50%)
Output Provincial Public Transport Plan	Complete Provincial Public Transport Plan		100%	40%	(60%)	(60%)
Subsidised Public Transport Services	Percentage of contracts completed		40%	0%	(40%)	(100%)

Sub-Programme 4.3: Infrastructure: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Process Mobility Strategy document (Klipfontein)	Percentage completed		100%	100%	(0%)	(0%)
Output Klipfontein Corridor	Percentage completed		30%	15%	(15%)	(50%)
Sandkraal Corridor	Percentage completed		40%	10%	(30%)	(75%)

Sub-Programme 4.4: Empowerment and institutional management: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Outputs						
No. of formal accredited public transport training courses run by the Branch	Number		5	3	(2)	(40%)
Number of person days of training	Person days		500	550	50	10%
Quality						
Courses accredited by TETA	No. of courses.		5	3	(2)	(40%)
Outcomes						
Improved Public Transport driver safety	Improved road safety compliance		Qualitative	Qualitative		

Sub-Programme 4.5: Operator safety and compliance: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Process						
Appointment of project teams to conduct audits of lighting, crime, accessibility	Number of audits		10	2	(8)	(80%)
Output						
Implementation of safety improvement projects, e.g. lighting, ramps	Number of projects		10	3	(7)	(70%)
Outcomes						
Improved safety	User surveys (% satisfied with improvements)		Qualitative	Qualitative		

Sub-Programme 4.6: Regulation and control: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Process Development of new database Staff training and capacity building	Date implemented Number trained		June 2004 20	June 2004 30	10	50%
Output Improved response time on applications	Number of days		95	120	25	26%
Efficiency No of days turn-around time on applications	Number of days		95	120	25	26%

Specific challenges and responses

<p><u>Challenge 1: Finalisation of Public Transport Plans</u></p> <p>Public Transport Plans (PTP) being finalised at municipalities before November 2005 and will enable the finalising the Provincial Public Transport Plan.</p>
<p><u>Response to Challenge 1</u></p> <p>The technical aspects of the PTP's have been done, but the public participation and political approval at municipal level must be concluded. The Technical Steering Committee has encouraged municipalities to deal with these plans as a matter of priority.</p>
<p><u>Challenge 2: Capacity at municipal level to manage infrastructure projects</u></p> <p>Perceived lack of capacity at municipal level to deliver timeously on agreed public transport infrastructure projects and the ability to spend funds transferred for that purpose.</p>
<p><u>Response to Challenge 2</u></p> <p>Site visits have been increased and monitoring meetings with municipalities are conducted on a quarterly basis. Furthermore, the Department is investigating, in consultation with the Department of Local Government and Housing, the most appropriate manner in which the municipalities' capacity can be strengthened.</p>
<p><u>Challenge 3: Transformation of scheduled services</u></p> <p>Fast tracking of the investigation on the impact of the inclusion of the mini-bus taxi industry into the formalised public transport system.</p>
<p><u>Response to Challenge 3</u></p> <p>Investigation is scheduled for completion by the end of June 2005, where after the detailed designs of public transport contracts will commence. It is anticipated that the first contracts will be advertised in the latter part of 2005.</p>
<p><u>Challenge 4: Managing the implementation of complex mega projects</u></p> <p>Managing the implementations of complex mega projects in an integrated way within a multi sphere government structure and across sectors.</p>
<p><u>Response to Challenge 4</u></p> <p>Strengthening inter governmental relationships. Pursue the development of Special Purpose Vehicles.</p>

Issues requiring ongoing attention

The building of HR capacity to enhance service delivery.

2.13 Programme 5 – TRAFFIC MANAGEMENT

Strategic Goal:

Maximise the opportunities for the generation of income

Managing and monitoring the Road Traffic Act to create a safe operating environment on the Provincial transport network

Strategic Objectives:

Collection of arrear licence fees

Manage the events on roads

Implementing and managing processes through the e-NaTIS

Establish a compliance monitoring Unit for Driving Licence Testing Centres (DLTC's), Vehicle Testing Stations (VTS's), Number Plate Manufacturers (NPM) and Abnormal Loads and Vehicles

Enforce overload control at all nine weighbridge stations

Improvement of traffic safety through safety audits and identification of high accident locations

Service delivery achievements

Sub-programme 5.2: Safety Engineering

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Number of accidents form verifiers per 10 000 accident reports received	Productivity ratio	4.3	4.3	2.1	(2.2)	(51%)
Number of data capturers per 10 000 accident reports received.	Productivity ratio	3.2	3.2	1.6	(1.6)	50%
Process						
Number of accident forms verified and captured	Actual number	18 000	18 000	19 200	1 200	7%
Number of copies of accident form requests	Actual number	750	900	835	(65)	7%
Output						
Number of accident reports	Number of regular accident reports	1	13	1	(12)	(92%)
	Number of ad hoc accident reports	25	30	34	4	13%

Sub-Programme 5.3: Transport Administration and Licensing: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Collect arrear licence fees	Number of arrear licences	6 000	4 000	7 189	3 189	79.7%
Manage events on public roads	Number of events managed	245	200	211	11	5.5%
Do inspections	Number of inspections undertaken	15	50	16	(34)	(68%)
Process						
Legal compliance	Number of cases initiated	6 000	4 000	7 189	3 189	79.7%
Legal compliance	Number of applications managed	245	200	211	11	5.5%
Legal compliance	Number of inspections conducted	15	50	16	(34)	(68%)
Output						
Administrative procedures	Issue notices of demand	6 000	4 000	7 189	3 189	79.7%
Approve applications	Issuance of letters	245	200	211	11	5.5%
Do inspections	Inspect testing activities	15	50	16	(34)	(68%)
Quality						
Number of cases concluded	Number of cases concluded	6 000	4 000	7 189	3 189	79.7%
Number of events approved	Number of events managed	245	200	211	11	5.5%
Number of inspections concluded	Number of inspections undertaken	15	50	16	(34)	(68%)
Efficiency						
Arrear licence fees collected	Monetary value collected	R3.8m	R3m	R4.2m	R1.2m	40%
Revenue generated from public road events	Monetary value collected	R0.3m	R0.3m	R0.3m	0	0%
Number of inspection reports	Number of completed reports	15	50	16	(34)	(68%)
Outcome						
Reduced arrear licence fees	Percentage decrease	2.1%	1.2%	1.2%	0%	0%
Increased events on roads	Percentage increase	22.5%	15%	15%	0%	0%
Decrease in fraud and corruption	Number of cases successfully concluded	5	20	5	(15)	(75%)

Sub-Programme 5.4: Overload Control: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Number of weighbridges	Number	9	9	9	0	0%
New weighbridges to be constructed		0	0	0	0	0%
Process						
Hours weighbridges to be operated		22 800	35 600	34 402	(1 198)	(3.3%)
Number of transport vehicles inspected	Number	215 000	350 000	299 267	(50 733)	(14.5%)
Output						
% of vehicles overloaded (i.e. over the 5% tolerance)	Percentage	5.9%	0%	5.1%	5.1%	0%
Efficiency						
Number of hours weighbridges operated as % of total hours in year	Percentage	29%	45%	43.6%	(1.4%)	(3%)
Number of vehicles inspected per hour	Number	9	10	8.7	(1.3)	(13%)

Specific challenges and responses

<p><u>Challenge 1: Accident Data</u></p> <p>To improve the quality and availability of the information recorded on accident reports.</p>
<p><u>Response to Challenge 1</u></p> <p>Strengthen communication with and training of the applicable law enforcement officers. Establishment of monitoring and evaluation mechanisms with local municipalities responsible for capturing accident data.</p>
<p><u>Challenge 2: Overloading</u></p> <p>To reduce the current levels of overloading.</p>
<p><u>Response to Challenge 2</u></p> <p>The number of hours of operations of all 9 provincial weighbridges stations has been increased.</p> <p>Improvement to infrastructure and facilities at these weighbridge stations.</p> <p>Policies and procedures to ensure the uniform and effective handling of overloaded vehicles are being finalized in co-operation with Department of Community Safety and Directorate of Public Prosecutions.</p>
<p><u>Challenge 3: Licensing Administration</u></p> <p>Reduce arrear licence fees receivable.</p>
<p><u>Response to Challenge 3</u></p> <p>Strengthen the collection capacity of licence fees.</p> <p>Improve the integrity of the data.</p>
<p><u>Challenge 4: Law Administration</u></p> <p>Prevention of fraud and corruption in the issuance of driving licences and roadworthy certificates for motor vehicles.</p>
<p><u>Response to Challenge 4</u></p> <p>A Compliance Monitoring Unit, with the aim to monitor motor vehicle testing stations and driver's licence testing centres, was established in an attempt to expose irregular activities.</p> <p>Due to the fact that the extent of fraud and corruption is much larger than initially anticipated and considerable time and efforts are sacrificed to bring the perpetrators to justice, fewer inspections could be finalized than originally anticipated.</p>

Challenge 5: To determine a reasonable fee for the collection of motor vehicle registration and licence fees

The current agency fee payable to municipalities is calculated on 18% of income derived from motor vehicle registration and licence fees, which is considered to be excessive.

Response to Challenge 5

Consideration is being given to the appointment of a suitable service provider to assess the cost related to collection fees, and propose alternative methods for collecting these fees.

Issues requiring ongoing attention

The Department actively participates in a national cross-functional working group that is looking into the prevention of the registration and licensing of illegally imported vehicles that do not comply with the South African motor vehicle standards.

2.14 Programme 6: COMMUNITY-BASED PROGRAMME

Strategic Goal:

Community Development through Infrastructure Upgrade

Economic Empowerment of Designated Persons

Strategic Objectives:

Job Creation

Road Safety

Black Economic Empowerment

Contractor Development

Youth Development in Technical Careers of the Built-Environment

Community Project Development Participation

Demand for and performance of Community Based Programmes by region

Magisterial Districts	Number of unemployed people (SA Stats Census 2001)				Community based programmes			
	Female	Male	Total	% of Provincial total	Number of Projects 2004/05	Number of work opportunities employment created		
						Female	Male	Total
City of Cape Town	196 313	190 469	386 782	73%	18	200	131	331
DC1 West Coast District Municipality	8 299	8 913	17 212	3%	15	141	164	305
DC2 Boland District Municipality	25 488	24 299	49 787	10%	12	137	332	469
DC3 Overberg District Municipality	8 238	8 101	16 339	3%	5	50	49	99
DC4 Eden District Municipality	26 215	22 976	49 191	9%	12	123	112	235
DC5 Central Karoo District Municipality	4 179	3 504	7 683	2%	10	89	160	249
Total Western Cape	268 732	258 262	526 994	100%	72	989	948	1 937

Service delivery achievements

Programme 6: Community Based Programmes: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Programmes & Technical Support	Budget Amount (R1 000's)	800	5 898	8 422	2 524	43%
Experiential Training	Budget Amount (R1 000's)	506	288	170	(118)	(41%)
Empowerment Impact Assessment	Budget Amount (R1 000's)	1 016	1 266	1 517	251	20%
Contractor Development	Budget Amount (R1 000's)	3 644	617	418	(199)	(32%)
Community development projects	Budget Amount (R1 000's)	32 952	49 113	35 116	(13 997)	(28%)
Output						
No of Community Projects implemented (by the CBP only. Previous targets included projects implemented jointly with SANRAL)	On site commencement of project or continuation of project.	25	43	72	29	67%
Number of temporary jobs created	Number of persons employed	1 336	1 500	1 937	437	29%
% of jobs for youth (16-25yrs old)	Youth percentage of persons employed	30%	40%	32%	(8%)	(20%)
% of jobs for women	Women percentage of persons employed	36%	50%	51%	1%	2%
Number of National Qualification Framework (NQF) Training Units attained by community workers	No. of NQF units credited to trainees by CETA accredited trainers.		400	0	(400)	(100%)
Number of Empowerment Impact Assessments Completed	No. of EmplA reports accepted by the Empowerment Manager	30	35	17	(18)	(51%)
Number of Empowerment Workshops Conducted	No. of 1-day workshops presented by Empowerment unit of CBP to Provincial, Municipal and private sector staff	3	3	2	(1)	(33%)

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Number of Contractor Mentorship's Provided	No. of Mentoring services provided to developing contractors engaged by the Department	4	8	6	(2)	25%
Number of Contractor Training Workshops	No. of 1-day Tendering Workshops provided to existing and new ABE's.	5	6	10	4	67%
Contract Development Project Helpdesk Services	No. of Contractor and Empowerment enquiries handled.		800	1025	225	28%
Approved Experiential Training Course	No of students passing 2 nd year course	27	32	37	5	16%
Quality Average daily wage earned by workers	Rands per day	R63,76	R67,59	R63,76	(R3.83)	(6%)
Efficiency Routine Maintenance Cost per day for employment created	Total Routine Maintenance Project Cost Averaged per day of direct employment created	R115,00	R122,00	R130,25	R8,25	7%
Planned Maintenance cost per day for Employment Created	Total Planned Maintenance Project Cost Averaged per day of direct employment created	R232,00	R185,00	R156,58	(R28,42)	(15%)
Upgrade/Construction cost per day for employment created	Total Project Cost Averaged per day of direct employment created	R280,00	R338,00	R410,31	R72,31	21.39%
Average daily wage as % of cost per employment day	Routine Maintenance % Planned Maintenance % Upgrade/Construction %	65% 28% 23%	55% 37% 20%	49% 41% 16%	(6%) 4% (4%)	(11%) 11% (20%)

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Average cost per Experiential Student	Cost per year per student		R27 688	R35 000	R7 312	26%
Average Cost per project Empowerment Impact Assessment Report			R36 000	R27 500	(R8 500)	(24%)
Outcome Reduction of general unemployment	Days employment	36 655	-	-	-	-

Specific challenges and responses

Challenge 1: To promote competitiveness in rural areas

The market response to tender invitations in rural areas is either limited or the cost far in excess of the estimates.

Response to Challenge 1

To make use of alternative processes such as local contractor development programmes.

Challenge 2: EPWP Post Project Exit Strategy

Appropriate exit strategies for beneficiaries of EPWP related projects.

EPWP was intended to provide temporary work opportunities and skills development to prepare these beneficiaries to be taken up in the mainstream economy. The challenge is to assist the transition to permanent sources of employment.

Response to Challenge 2

Piloting of an exit strategy, the results of which will be used to develop a structured exit strategy for beneficiaries.

Issues requiring ongoing attention

Co-ordination of EPWP performance across the programmes within the Department, across provincial departments and between the provincial and local spheres of government.

2.15 Transfer payments

The transfers indicated in this section exclude payments made for regional service council levies and households. These are included in the notes to the Annual Financial Statements. This section shows payments that relate to infrastructure. These payments are supported by formal agreements between the beneficiary institutions and the Department.

Programme 3: Roads Infrastructure

NAME OF INSTITUTION	VOTED	ADJUSTMENTS ESTIMATE	AMOUNT TRANSFERRED	VARIANCE
Beaufort West Local Municipality	14	0	14	0
Berg River Local Municipality	430	58	488	0
Bitou Local Municipality	264	32	232	64
Breede River/Winelands Local Municipality	256	85	323	18
Breede Valley Local Municipality	1 260	164	1 256	168
Cape Agulhas Local Municipality	411	121	393	139
Cederberg Local Municipality	25	0	0	25
Central Karoo District Municipality	12	8	0	20
Drakenstein Local Municipality	1 540	600	1 500	640
George Local Municipality	2 096	415	2 511	0
Kannaland Local Municipality	24	23	0	47
Knysna Local Municipality	1 451	23	1 474	0
Laingsburg Local Municipality	24	25	49	0
Langeberg Local Municipality	589	107	342	354
Matzikama Local Municipality	27	27	54	0
Mossel Bay Local Municipality	177	40	145	72
Oudtshoorn Local Municipality	72	838	163	747
Overstrand	396	1 015	1 251	160

Local Municipality				
Prince Albert Local Municipality	24	23	8	39
Saldanha Bay Local Municipality	52	151	0	203
Stellenbosch Local Municipality	80	386	466	0
Swartland Local Municipality	35	35	32	38
Theewaterskloof Local Municipality	61	389	305	145
Witzenberg Local Municipality	180	172	300	52
City of Cape Town	8 100	0	8 100	0
TOTAL	17 600	4 737	19 406	2 931

The allocation of funds to municipalities for the maintenance of proclaimed roads is a subsidy payment made in accordance with section 56(1) of the Roads Ordinance Act, Act 19 of 1976.

To comply with the Public Finance Management Act (PFMA), section 38(1)(j) prescribed legitimate contracts have been concluded with the municipalities containing conditions and remedial measures requiring the municipality to establish and implement effective, efficient and transparent financial management and internal control systems before such payments are made.

Programme 4: Public Transport

NAME OF INSTITUTION	VOTED	ADJUSTMENTS ESTIMATE	AMOUNT TRANSFERRED	VARIANCE
Beaufort West Local Municipality	2 000	0	2 000	0
Berg River Local Municipality	800	0	0	800
Bitou Local Municipality	1 200	0	0	1 200
Boland District Municipality	1 750	0	1 750	0
Breede River/Winelands Local Municipality	1 250	0	1 249	1
Breede Valley Local	1 250	0	0	1 250

NAME OF INSTITUTION	VOTED	ADJUSTMENTS ESTIMATE	AMOUNT TRANSFERRED	VARIANCE
Municipality				
Cape Agulhas Local Municipality	900	0	0	900
Cederberg Local Municipality	800	0	0	800
Central Karoo District Municipality	450	0	450	0
Drakenstein Local Municipality	1 250	0	1 249	1
Eden District Municipality	500	0	500	0
George Local Municipality	1 300	0	0	1 300
Kannaland Local Municipality	800	200	200	800
Knysna Local Municipality	1 200	0	0	1 200
Laingsburg Local Municipality	1 000	0	0	1 000
Langeberg Local Municipality	1 000	0	1 000	0
Matzikama Local Municipality	800	0	799	1
Mossel Bay Local Municipality	1 000	0	1 000	0
Oudtshoorn Local Municipality	2 000	0	2 000	0
Overberg District Municipality	900	0	900	0
Overstrand Local Municipality	900	0	0	900
Prince Albert Local Municipality	550	0	550	0
Saldanha Bay Local Municipality	800	0	799	1
Stellenbosch Local	1 250	0	1 249	1

NAME OF INSTITUTION	VOTED	ADJUSTMENTS ESTIMATE	AMOUNT TRANSFERRED	VARIANCE
Municipality				
Swartland Local Municipality	900	0	0	900
Swellendam Local Municipality	900	0	900	0
Theewaterskloof Local Municipality	900	0	900	0
West Coast District Municipality	400	0	400	0
Witzenberg Local Municipality	1 250	0	0	1250
TOTAL	30 000	200	17 895	12 305

Agreements entered into with the respective municipalities and signed by the municipal managers for the construction of public transport facilities, contain a clause indicating that the municipality implements effective, efficient and transparent financial management and internal control systems. Furthermore, before the Accounting Officer signs the agreement, the department requires municipalities to furnish copies of their latest audited financial statements. Detailed monthly reports as to the progress of the projects after transfers have been made are also required.

Programme 6: Community Based Programme

NAME OF INSTITUTION	VOTED	ADJUSTMENTS ESTIMATE	AMOUNT TRANSFERRED	VARIANCE
Breede River/Winelands Local Municipality	1 476	348	1 824	0
Breede Valley Local Municipality	3 801	0	3 801	0
City of Cape Town	5 533	0	5 533	0
George Local Municipality	0	768	768	0
Saldanha Bay Local Municipality	3 190	0	3 190	0
TOTAL	14 000	1 116	15 116	0

Agreements entered into with the respective municipalities and signed by the municipal manager for community development projects, contain a clause indicating that the municipality implements effective, efficient and transparent

financial management and internal control systems. Detailed monthly reports as to the progress of the projects after transfers have been made are also required.

2.16 Conditional grants

Summary of Conditional Grants for 2004/05

Conditional Grant	Total Allocation	Total transfers
Provincial Infrastructure Grant	179 515	179 515
Hospital Revitalisation Grant	85 217	85 217
TOTAL	264 732	264 732

Provincial Infrastructure Grant

Province	Total Allocation	Total transfers
Western Cape	179 515	179 515
TOTAL	179 515	179 515

Hospital Revitalisation Grant

Province	Total Allocation	Total transfers
Western Cape	85 217	85 217
TOTAL	85 217	85 217

Performance

Roads Infrastructure

Transfers of R78 408m were received in respect of Provincial Infrastructure Grant. The total amount was utilised to fund the resealing and re-gravelling of provincial roads in the Western Cape. The schedule below indicates the financial performance. The targets were met. The requirements of the Division of Revenue Act were complied with.

Roads Infrastructure	Allocation R'000	Expenditure R'000
Provincial Infrastructure grant		
Reseal	33 408	33 408
Regravel	45 000	45 000
Total	78 408	78 408

Public Works

Transfers of R101 107m were received in respect of Provincial Infrastructure Grant funding of which R70 451m or 70% was spent. The main reasons for under expenditure at the Departments of Health and Education were delays in the tender process, contractors performing slower than expected and changes to

project lists. The tenders received for projects at the Department of Agriculture were far in excess of the original budget and therefore, the tenders had to be re-advertised.

Transfers of R85 217m were received from the National Department of Health in respect of Hospital Revitalization Grant. The grant was augmented with R50 220m from provincial resources to fund accelerated spending, thereby increasing the total allocation to R135 437m. Of this amount, R124 115m or 92% was spent. The main reasons for under expenditure were due to contractor performance being slower than expected.

The schedule below indicates the financial performance achieved on the various projects.

The requirements of the Division of Revenue Act were complied with.

Education	Allocation R'000	Expenditure R'000
Provincial Infrastructure grant		
Blouville primary school	182	14
Dalebuhle primary school	182	16
Du Noon secondary school	5 945	1 545
Erica primary school	248	85
Esangweni secondary school	150	94
Heinzpark primary school	2 382	103
Hexpark primary school	276	15
Hillcrest secondary school	248	73
Kalkfontein primary school	6 295	750
Kayamandi secondary school	1 001	0
Klapmuts primary school	0	25
Kuyasa primary school	1 293	511
Ladismith secondary school	223	0
Masibambisani secondary school	0	99
Middeldeurville primary school	166	0
Nolungile primary school	420	29
Pacaltsdorp primary school	6 369	1 875
Philippi East secondary school	4 786	2 331
Philippi West secondary school	2 059	1 645
Protem primary school	166	0
Proteus secondary school	487	43
Rusthof primary school	420	0
Southern delft no 3	265	0
Tableview primary school	1 881	61
Tafelsig primary school	6 374	5 761
Villiersdorp secondary school	159	16
Vredendal primary school	2 293	219
Weltevreden secondary school	182	17

Education	Allocation R'000	Expenditure R'000
Wesbank primary school	0	772
Zandvliet secondary school	417	24
PIG (Unlisted projects)	22 865	211
Total	67 734	16 334

Agriculture	Allocation R'000	Expenditure R'000
Provincial Infrastructure grant		
Oudtshoorn FET centre	2 500	0
Elsenburg finance wing	500	0
PIG (Unlisted projects)	300	0
Total	3 300	0

Health	Allocation R'000	Expenditure R'000
Hospital Revitalisation grant		
George Hospital: Phase 2C	27 880	37,461
Vredenburg hospital	19 680	34,127
Worcester hospital	37 657	52,470
HRRP (Projects unallocated)	50 220	57
Total	135 437	124 115
Provincial Infrastructure grant		
Hottentots Holland hospital	1 000	0
Khayelitsha Mitchells Plain hospital	1 000	0
Lentegeur hospital	26 973	50 180
Paarl hospital	100	372
Valkenberg forensic wards	500	0
Victoria hospital	500	0
PIG (Unallocated projects)	0	3 565
Total	30 073	54 117
Grand Total	165 510	178 232

2.17 Capital Investment, Maintenance And Asset Management Plan

Roads Infrastructure

The schedule below indicates capital projects in progress, as well as the planned construction of new facilities, and the expected completion thereof during the MTEF period.

Function	2004/05	2005/06	2006/07	2007/08
	R'000	R'000	R'000	R'000
CONSTRUCTION				
C650 Elandsbaai – Lambertsbaai		1 000	35 000	
C527.3 Hemel en Aarde I/C		7 954		
C360.2 Worcester – Robertson	416			
C406.4 Klipheuwel – N1	22 520			
C377.11 George – Outeniquapass	9 730	38 280		
C637.1 Paarl – N1	17 346	20 136		
C635 Piketberg – Citrusdal	16 487	4 163		
C707.5 N1 Rehab Phase 2		50 000		
C569 Viljoenshoop	8 265	7 511		
C586 Pniel – Simondium		3 000	22 000	
C636 Wellington – Hermon		5 000	50 000	
C634 Nuwekloof – Wolseley				50 000
C638 Riebeeck Kasteel -Moorreesburg		1 000	25 000	
C552 Riebeeck Kasteel – Hermon		14 000	12 000	
C683 Chatsworth	5 247			
C500.2 Mossel Bay Phase 1		5 000	12 000	
C708.1 N2 Balustrade	7 012	2 210		
C707.3 N1 Rehab Phase 1	26 745	6 496		
C708.4 N2 Rehab Phase 2	1 056	21 840	21 000	
C708.3 N2 Rehab Drainage	1 211			
C708.5 N2 Rehab Phase 1	4 694	16 711		
C408.2 Hermon – Gouda				40 000
Accident Spots		1 700	5 000	6 000
Community Accesses			2 000	3 000
Bredasdorp – Gansbaai		30 000	165 000	

Function	2004/05 R'000	2005/06 R'000	2006/07 R'000	2007/08 R'000
C761 Lynedoch I/S		6 000		
C682.1 Potsdam Streetlights	71	1 400		
C733.1 Somerset West Streetlights	360	228		
C559.21 Century City Walkways		500		
Granger Bay link		15 000		
Film studio infrastructure		15 000		
C682 Potsdam I/C Phase 1		20 000	48 000	
White Bridge – Knysna		10 000	22 000	
C415.2 Saldanha Bay – TR77			9 240	40 000
C733 Somerset West – Sir Lowrys Pass			40 000	55 000
C706 Koeberg Corridor				129 645
C708.6 N2 Rehab Phase 3			24 000	32 469
C707.6 Rehab N1 Phase 3			32 000	
C785 Huis River Pass		4 000		
Wingfield – Malmesbury				9 000
C407 Malmesbury – Wellington				5 000
Worcester – Bainskloof				25 000
C498.2 Stellenbosch Arterial Phase 2		2 000	28 000	
C527 Mount Pleasant		2 000	18 000	
C742 N1 Corridor		2 000		
C559.2B N1 Pedestrian Bridge		400		
C546.1 Stellenbosch – Somerset West				10 000
C500.2 Mossel Bay safety Phase 2				28 000
C707 N1 Streetlights Rehabilitation	25 812			22 000
Transfers	9 658	10 500	12 500	14 000
TOTAL	156 630	325 029	582 740	469 114

Function	2004/05 R'000	2005/06 R'000	2006/07 R'000	2007/08 R'000
Maintenance				
Major maintenance projects				
Reseal Contracts	115 984	114 943	102 000	115 000
Regravelling Contracts	65 769	112 683	130 120	142 120
C642 Gouritz River		2 500		
C585.2 Bridge handrails		8 000		
Bridge joints	2 061	1 100	1 200	5 300
C735 Duivenhoks River Bridge	1 886	5 969		
C739 Eden Armcos		5 000		
C735.1 Zuurbraak		2 000		
C784 Bain Kloof Pass		1 000	4 000	
C781 Oudtshoorn		3 000	12 000	
Transfers	3 000	5 000	5 000	5 000
Capital	188 700	261 195	254 320	267 420
Current	236 373	247 656	261 416	285 096
TOTAL	425 073	508 851	515 736	552 516

The following monitoring and reporting information technology systems are in use:

Gravel Road Management System: The purpose of the Gravel Road Management System (GRMS) with regards to gravel roads is to keep track of how the gravel road network is performing through regular surveillance.

Maintenance Management System: The MMS keeps track of the expenditure at the District Roads Engineers' (DRE) offices, the Central Workshop in Bellville and the District Municipalities (DM's) which act as agents for the PAWC. This information is reconciled with the Financial Management System, BAS. (The District Municipalities have their own financial management systems as prescribed).

Pavement Management System: The purpose of the Pavement Management System(PMS) with regards to surfaced roads is to:

- a. Keep an inventory of pavement structures etc.
- b. Keep track of how the network is performing through regular surveillance.
- c. Identify projects (reseal, rehabilitation, maintenance).
- d. Prepare programs by using dTims to optimise benefits within the available budget.
- e. Provide information regarding the state of roads for the compilation of the annual report.

Plant and Equipment Management System: The system is used to keep and process information relevant to the road construction plant and equipment of the Branch. Maintenance and repair costs, utilisation and other logged data are currently transferred from the Maintenance Management System by means of magnetic disks.

Road Network Information System: This system is used to manage the rural road network information of the Western Cape and to make this information available to the various subsystems within the Branch. The information in the database is updated by periodical surveys of roadside element data as well as various other sources. This system is designed to eliminate the need for the duplication of data, and forms the core of the ongoing effort to achieve integration between the various systems of the Branch.

Summary of the condition of provincial road infrastructure

	Condition of infrastructure ⁽¹⁾ (km's or number)					Total km's
	Very Good	Good	Fair	Poor	Very Poor	
Highways						
Surfaced roads (excl. highways)	978.05	2 444.69	2 269.60	614.70	76.59	6 383.63
Gravel roads	54.77	1 405.31	3 061.53	4 409.70	1 475.73	10 407.04
Unsurfaced dirt roads						21 000
Bridges with span > 3 metre						2 200
Note ⁽¹⁾ : Description of degrees of overall condition of pavement (Provincial Roads Infrastructure)						
Very Good	-	Very few or no defects.				
Good	-	Few defects. Degree of structural defects mostly less than warning				
Fair	-	A few defects with degree of defects seldom severe. Extent is only local if degree is severe (excluding surfacing defects).				
Poor	-	General occurrence of particularly structural defects with degrees warning to severe				
Very poor	-	Many defects. The degree of the majority of structural defects is severe and the extent is predominantly general to extensive.				

Sub programme 3.5: Maintenance: measurable objectives, performance indicators and targets

Measurable Objective	Performance Measure or Indicator	Actual outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	% Deviation from target	
					Unit	%
Input						
Maintenance as % of Programme 3 budget	Percentage	57.70%	66.50%	67.84%	1.34%	2%
Process						
BEE as percentage of maintenance Contracts by value	Percentage to PDI Contractors	55.5%	60%	99.45%	39.45%	65%
Output						
Reseal tarred roads	No. of km	303	379	682	303	80%
Re-gravel roads	No. of km	395	420	861	441	105%
Routine maintenance	No. of km	39 000	39 000	39 000	0	0%

The total capital maintenance and rehabilitation backlog is estimated at R2,142 billion as at April 2003. The average 5-year capital funding required to meet current standards is calculated at R976 million per annum. The present capital budget for maintenance and rehabilitation is an average of R577 million per annum over the MTEF period.

The magnitude of the backlog is of such an extent that only a marginal reduction in the backlog can be achieved over the MTEF period. The present strategy is to protect the existing surfaced and gravel roads by resealing and regravelling. The funding for rehabilitation of surfaced roads and current activities on surfaced and gravel roads to meet the minimum standards is not possible.

The ever-increasing backlog in construction and maintenance capital activities on surfaced and gravel roads results in an accelerated increase in funding required for current maintenance activities. The result is that the funding of current maintenance activities has to be increased during the MTEF period to be able to maintain the surfaced and gravel roads in a safe condition, though not meeting minimum standards.

Management of key moveable assets:

The road building and maintenance plant fleet consists of approximately 2 350 items with a book value of R120 million. Of these;

- 60 % are in good condition
- 20 % are in fair condition
- 20 % are in poor condition.

Operational costs of all the plant were R83 million for the financial year. Plant replacements to the value of R23 million were necessary to satisfy the requirements.

Heavy vehicles and road maintenance machines are purchased in accordance with the preferential procurement policy and within the budget allocation.

The existing plant management computer system (I-Plant) has now been upgraded to provide an even better service.

Public Works

The schedule below indicates capital projects started, completed and expected completion dates.

Sub-programme	Projects completed	Projects started	Expected completion dates
Agriculture	6	3	1 in May 2005 2 in Aug 2005
Education	13	14	14 by Mar 2006
General Buildings	18	4	2 in Jun 2005 1 in Jul 2005 1 in Mar 2006
Health	11	3	1 in Jan 2006 1 in Feb 2006 1 in Nov 2006
Social development	1	1	1 in Jun 2005

There are no plans to close or down grade any facilities.

The impact of the maintenance backlog on the department's current expenditure is that any increase in capital expenditure will result in an increase in maintenance and will put additional pressure on the budget.

Management of key moveable assets:

The department's capital stock is in the following condition:

IT Equipment: The branch IT committee aims to replace 1/4 of all IT equipment per annum. This means that the oldest and slowest equipment is replaced each year, and that all equipment will be replaced every four years. The majority of the IT equipment is in a good to very good condition.

Furniture and equipment: Due to the open plan accommodation programme completed in 2001, the majority of the furniture and equipment is about four years old and in a good condition.

No major projects regarding maintenance of moveable assets were undertaken during the financial year.

The schedule below indicates the changes to the provincial assets holdings

Property	Size	Client	Purchased by	Selling Price	Date of transfer
Erf 15712, Parow	446m ²	Education	B Naidoo	R90 000	1 Apr 04
Erf 25441, Paarl	6 001 m ²	Health	Athlone Institute Trust	R50 000	30 Jul 04
Erf 28035, Strand	16 679 m ²	Education	Ebed Christian School	R333 580	14 Dec 04
Erf 16233, Panorama	5.4786ha	Education	Future Indefinite (Pty) Ltd	R13 313 000	4 Jan 05

PART 3
REPORT OF THE
AUDIT COMMITTEE

**PROVINCIAL GOVERNMENT WESTERN CAPE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS (VOTE 10)
SHARED AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDING 31
MARCH 2005**

We are pleased to present our report for the above-mentioned financial year.

Appointment of the Shared Audit Committee

The Department of Transport and Public Works (Vote 10) is served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 of 23 June 2003 for the 2 year period to 31 March 2005 extended by Resolution 95/2005 for 2 more years to 31 March 2007.

Audit Committee Members and Attendance:

The Shared Audit Committee members attended meetings during the financial year under review, in terms of their adopted Audit Charter, as indicated below:

Member	Number of Meetings Attended
Mr J.A. Jarvis (Chairperson)	5
Mr J. January	5
Mr V.W. Sikobi (resigned May 2005)	1
Mr R. Warley	4
Mr. P. Jones (appointed April 2005)	0

Audit Committee Responsibility

The Audit Committee has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Audit Committee has also regulated its affairs and discharged its responsibilities in terms of the Audit Committee Charter. However it did not address internal audit issues as envisaged in its Charter and the PFMA, due to the suspension of Internal Audit activity in 2003 (Provincial Treasury Circular No. 25/2003) except for certain ad-hoc internal audits.

Effectiveness of Internal Control

In 2004 the Sihluma Sonke Consortium was appointed to develop and transfer internal audit skills to the Provincial Government over a three-year period.

The assessment of Internal Controls by Internal Audit was suspended in 2003 and the Operational Audit Plan was rescheduled to commence in 2005/6, following completion of the Risk Assessment and Process and Control Mapping exercises.

In view of the above the Audit Committee has had to rely on the opinions and work done by the Auditor General in preparing this report.

Various weaknesses as well as non-compliance with laws and regulations were identified in the following areas:

- Project Management – The audit highlighted non-compliance with project time frames and conditions, contract variations and insufficient cost estimations, which seriously impacted on project costs and other overruns.
- MDA Tenant Debtors – The audit and a subsequent forensic report revealed numerous lack of controls over the general management of the MDA tenant debtors system. The Department regards R21m of these debtors as possibly irrecoverable.
- Property Management - The members of the Provincial Property Committee require official confirmation of their appointment. Significant losses and wastage occurred at certain health care facilities due to non-occupation and vandalism.

The Audit Committee resolved to meet with the Accounting Officer to agree on a course of action to address weaknesses and deficiencies that were emphasized by the Auditor General.

During the year under review the Audit Committee has promoted better communication and exchange of information between the Forensic Audit, Internal Control units, Internal Audit, and the Office of the Auditor General.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed with the Auditor General and the Accounting Officer (or his/her representative) the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor General's management letters and the responses thereto;
- Reviewed significant adjustments resulting from the audit.
- Reviewed the Auditor General's report.

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

Appreciation

The Audit Committee wishes to express its appreciation to the Provincial Treasury, Officials of the Department, the Auditor General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.



J.A. JARVIS
Chairperson of the Shared Audit Committee
Date:4 August 2005

PART 4
REPORT OF THE
ACCOUNTING OFFICER

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

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

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

1. General review of the state of financial affairs

1.1 Policy

A new policy framework for the Disposal of Fixed Property Assets, 31 March 2004, designed as a tool to guide the conversion, re-use, co-use and eventual disposal of redundant and under-utilised Provincial Government Fixed Assets in a manner which maximises opportunities for the Province to meet its broader socio economic and physical development objectives, was adopted by the Provincial Cabinet and implemented with effect from 1 April 2004.

In accordance with National Treasury's financial management improvement programme the Department successfully migrated from the Financial Management System (FMS) to the Basic Accounting System (BAS) with effect from 1 April 2004. The latter system is an online system that caters for government's needs on a cash basis of accounting, the architecture which is more modern than that of its predecessor. Like wise, the new Standard Chart of Accounts (SCOA) was implemented. A consequence of the implementation of the SCOA is that the 2003/04 amounts for the purposes of the annual financial statements had to be mapped from the former standard item classification to that of the new economic classification.

An Accounting Officers System for Supply Chain Management was implemented in accordance with the Treasury Regulations.

1.2 Events

The launch on 2 September 2004 of the Expanded Public Works Programme (EPWP) and the Saamstaan initiative both as a pillar of the Western Cape's Growth and Development Summit Agreement set the goal of attaining a target of 120 000 job opportunities by 2008. At year-end about 17 600 work opportunities were facilitated.

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1.3 *Major Projects*

In relation to the community access road programmes, eight projects entailing the construction of roads, sidewalks and bicycle paths, as well as upgrading thereof, were successfully completed, contributing to the creation of about 487 job opportunities. The Klipfontein Corridor Project was the main focus of Public Transport. Roads infrastructure projects initiated and completed include the road between Worcester and Robertson, Klipheuwel and the N1, the Outiniqua pass just outside George, as well a major rehabilitation of the N1, N2 and N7. With regard to property management, the Nelspoort town was handed over to the Beaufort-West Municipality from 1 July 2004. Of the 69 individual erven at Die Bult, George, 35 have been disposed of through competitive tendering processes. The development plans for the Somerset/City Hospital precinct has been finalised, subject to Executive approval. Upgrading of the Worcester Regional Hospital, George Regional Hospital and the Vredenburg District Hospital continued, as well as the delivery of the Western Cape Rehabilitation Centre at Lentegeur Hospital. Four (4) new high schools, three (3) primary schools and a number of prefabricated classrooms were delivered. The construction of nine (9) new schools has commenced.

1.4 *Spending trends*

The annual appropriation for 2004/05 was adjusted upwards from R1,712 million to R 1,882 million or in nominal terms by 9.9%, compared to 2003/04 when it was adjusted upwards from R1,543 million to R1,594 million or in nominal terms by 3.3%. The net aggregate expenditure for 2004/05 is 5.1% below the appropriation for that year compared to 1.4% for the previous year. The spending position has thus weakened. Under spending is due to *inter alia* delays in filling vacant posts, delays caused by tender processes, contractors performing slower than expected, adjustment in projects and transfer payment agreements not complied with by beneficiaries.

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The tables below show the under spending per programme and per economic classification:

Programme	2004/05 R'000	%	2003/04 R'000	%
1: Administration	2 206	6.0%	1 282	4.5%
2: Public Works	26 014	3.1%	13	0%
3: Roads infrastructure	2 960	0.5%	7 200	1.4%
4: Public Transport	53 158	46.8%	10 379	8.3%
5: Traffic management	10	0%	431	0.3%
6: Community Based Programme	11 539	20.2%	3 097	7.4%
Total	95 887	5.1%	22 402	1.4%

Economic classification	2004/05 R'000	%	2003/04 R'000	%
Current payments	28 313	3.1%	11 509	1.5%
Transfers and subsidies	20 286	27.3%	6 364	5.6%
Payments for capital assets Land and buildings	47 288	5.4%	4 529	0.7%
Total	95 887	5.1%	22 402	1.4%

1.5 Revenue collection trends

The net aggregate revenue collections are R0,453 million or 0.1% below the estimates for 2004/05, compared to the over collection of 3.7% in the previous year. The under collection of revenue is the net effect of improved collection of motor vehicle licences, higher than estimated proceeds from the sale of goods and services and the lower than estimated proceeds from the sale of capital assets.

2. Services rendered by the department

2.1 Services

Services rendered are discussed in section 2.10 of the Annual Report.

2.2 Tariff policy

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The fees charged and recovered for services rendered by the various branches within the Department have been determined in accordance with either provincial or national policy directives and paid into the Provincial Revenue Fund and accounted for as prescribed.

Tariffs are reviewed annually in accordance with the Treasury Regulations and are based on sound economic and cost recovery principles.

All tariffs have been included in a tariff register as prescribed and kept in an electronic format. Approved tariffs exist, *inter alia*, for major services such as motor vehicle licences and related services, letting of properties and related services, supply of tender documents, supply of information and rendering of professional and technical support services.

2.3 *Inventory*

Head Office

	2004/05	2003/04
	R'000	R'000
Inventory on hand valued at the weighted average cost		
Stationary		
Motor Vehicle Administration forms	1 126	708
General stationary	97	120
Total	1 223	828

Roads Capital Account

	2004/05	2003/04
	R'000	R'000
Inventory on hand are valued at the weighted average cost		
Roads maintenance material	2 161	2 006
Total	2 161	2 006

3. Capacity constraints

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Following on the restructuring process that took effect during 2003/04, the Department has made progress in building its capacity, in particular, in the Senior Management Service. However, some key areas such as supply chain management require further work.

4. *Trading entities and other accounts*

4.1 *Government Motor Transport*

Information in relation to this trading entity will be captured in a separate annual report (including the management report and annual financial statements). The latter will be presented in accordance with the standards of GAAP (Generally Accepted Accounting Practices).

4.2 *Roads Capital Account (RCA)*

The Roads Capital Account, established in terms of the Provincial Capital Fund Ordinance, 1962 (Ordinance 3 of 1962) is accounted for in a separate fund to the Department. This account owns certain items of equipment utilised in the rehabilitation and maintenance of roads. The RCA does not provide services to other departments. Its assets are used by the Department to also enable district municipalities to maintain roads. Consequently its performance is not reported in the formats required for trading entities. The intention is to conduct an assessment of the RCA during 2005/06 to determine its relevance and future.

5. *Other organisations to whom transfer payments have been made*

Of the total transfers of R54,135 million (2003/04 R106,747 million), R52,768 million (2003/04 R87,782 million), was transferred to municipalities in the Province of the Western Cape for the maintenance of proclaimed roads, public transport infrastructure and for community development projects. The detail of these payments is set out in Annexure 1B and part 2, Programme Performance, paragraph 2.11, of the Annual Report.

6. *Public Private Partnership*

Chapman's Peak Drive

A concession agreement was concluded with Entilini Concession (Pty) Ltd (the Concessionaire) for the design, construction, financing, operating and maintaining of Chapman's Peak Drive as a toll road for 30 years. At the end of the concession period the road is returned to the Provincial Government of the Western Cape in a clearly defined

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condition. The agreement which provides for both renewal and termination options was signed on 21 May 2003. The partnership has been operational since 21 December 2003. The agreement includes and defines a complex range of obligations and liabilities that are shared between the Provincial Government of the Western Cape and the Concessionaire. Most significant of these, is the delay in obtaining an environmental Record of Decision relating to the construction of toll plazas. This has triggered, what is termed a “designated event” which has its particular set of obligations and liabilities. In addition, there are other contractual issues that require being resolved between the parties.

7. Corporate governance arrangements

7.1 Risk Management

A Consolidated Risk Report was provided by a contracted service provider during October 2004. To gain an understanding of the significant risks facing the Department, an approach was followed to identify the most significant inherent risks facing the Department, i.e. identifying and rating the most significant risks that could prevent the Department from achieving its objectives, without consideration of any controls that may exist. The methodology is based on the principle that: -

- (a) Executive and operational management, together with their nominees should be active participants in the risk identification and assessment process.
- (b) A facilitated series of discussions and workshops would be the most effective manner in which to identify critical risks and risk areas that will need to be addressed through the activities of the *internal audit* and *risk management* functions.

7.2 Internal Control

To ensure reliable financial information, financial and operational systems of internal control are maintained. These controls are designed to provide reasonable assurance that transactions are appropriately authorised and recorded, and assets are adequately safeguarded against material loss of unauthorised acquisition, use, or disposal.

Compliance officers vested within an internal control inspectorate, supported by a self-assessment questionnaire, evaluate and monitor the functionality and effectiveness of internal controls and report findings and recommendations to management. Remedial actions are taken to address control deficiencies and improve the systems as identified.

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There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Consequently, even an effective internal control system can only provide reasonable assurance with respect to financial statement preparation and the safeguarding of assets.

The internal control inspectorate capacity was mainly employed to assist with risk assessment and process mapping processes.

7.3 *Fraud Prevention*

A Fraud Prevention Plan was signed by the Minister of Transport and Public Works and the Head of Department on 26 April 2004. A Central Fraud Prevention Committee and a Public Works Fraud Prevention Sub-Committee has been established. In addition, a key initiative supporting the Plan was the establishment of a Compliance Monitoring Unit within the Branch Traffic Management with the aim to monitor motor vehicle testing stations and drivers licence testing centres in an attempt to expose irregular activities.

7.4 *Internal Audit*

The Department makes use of an Internal Audit Service vested in the Provincial Treasury. In contrast to the previous year where it was reported that the internal audit function (centralised) did not function very successfully that year, there is a marked improvement in the effectiveness of the Internal Audit Service in 2004/05. With the exception of the areas that relate to property management that has been deferred to the 2005/06 financial year, the Internal Audit Service submitted preliminary reports on agreed internal audit work. The matters included in these reports came to the attention of the Internal Audit Service whilst conducting internal audit procedures.

7.5 *Audit committee*

The Department makes use of a Shared Services Audit Committee. A three year strategic annual audit plan was developed.

8. *Events after the reporting date*

Allocations for infrastructure programmes, i.e. capital and maintenance spending in respect of the Departments of Education and Health are appropriated under Vote 5 and 6 respectively with effect from the 2005/06 financial year to ensure that the departments in question take responsibility for such spending.

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9. Performance information

A three-year departmental strategic plan was compiled for the year under review. The strategic plan was tabled together with the annual provincial budget in the Provincial Parliament. The strategic plan attempts to align departmental activities, outputs and goals with provincial and national policy priorities. The performance of the Department, per programme, is detailed in Part 2 of the Annual Report. In addition, a process of Quarterly Performance Reporting was agreed to within the Transport and Public Works cluster for implementation 2005/06.

10. Standing Committee on Public Accounts (SCOPA): Resolutions

The table below shows the progress on SCOPA resolutions.

Previous audit report & SCOPA resolutions	Subject	Findings on progress
Resolution 3: Audit Report 2003/04 SCOPA 1 st Report 2004	100 % project achievement by merely extending finalisation dates.	Contracts are management in accordance with contract documents and prescripts and guidelines. Extension of a contract is treated on its merit within the regularity framework. Professional consultant teams are employed to assist with the management of contracts. Remedies applied are in accordance with the regularity framework, are socially just, developmental and empowering. Dates are not merely extended to accommodate problems.
Resolution 4: Audit Report 2003/04 SCOPA 1 st Report 2004	Qualified audit opinion on generally recognised accounting practice (gaap): Government Motor Transport Trading Account	An accounting specialist has been appointed to prepare a generally recognised accounting practice (gaap) compliant implementation framework, and assist with the compilation of a gaap compliant trial balance and preparation of the annual financial statements. Included is the preparation of standard accounting operating procedures, as well as the transfer of skills.
Resolution 5: Audit Report 2003/04 SCOPA 1 st Report 2004	Ministerial attendance at SCOPA hearings	Cognisance has been taken of the requirement.

11. Other

The Department provides an Agency Services to the national Department of Transport (NDoT). The Department's Branch Public Transport processes bus subsidy claims each month on behalf of the NDoT. Claims are submitted by the sole service provider in accordance with the requirements of NDoT. An independent audit certificate that

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accompanies the claims, verify the number of passenger tickets sold. The claims are then processed by Branch Public Transport, using the computer based Subsidy Management System (SUMS) programme, which in its turn verifies the claims in terms of accuracy. The information is stored in a database, which is forwarded to NDoT. Payments in favour of the service provider of R357 million (2003/04 R 347 million) were made in 2004/05.

Approval

The annual financial statements set out on pages 80 to 122 are hereby approved.



T.W. Manyathi
ACCOUNTING OFFICER
31 May 2005

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**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2005**

**4.2 REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT
OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS (VOTE 10) FOR THE
YEAR ENDED 31 MARCH 2005**

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**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE DEPARTMENT OF
TRANSPORT AND PUBLIC WORKS (VOTE 10)
FOR THE YEAR ENDED 31 MARCH 2005**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 80 to 122 for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

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

An audit includes:

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

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

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

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

3. AUDIT OPINION

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

4 EMPHASIS OF MATTER

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

4.1 Property debtors accounts and MDA (debtors) system

The modified cash basis, which the department applies, does not recognize accounting transactions unless cash is received or paid. The accounting system therefore does not make provision for the accrual of debtors. To enable the department to keep full and accurate records of rentals due on properties and other trade debtors the MDA system is utilized. This total balance is disclosed in the financial statements as a disclosure note only and is not included in the balance sheet as at 31 March 2005.

In note 23, page 109 to the financial statements, an amount of R204,9 million is reflected as receivables for services delivered, of which R151.5 million is regarded by the department as possibly irrecoverable. During the audit of the department's debtor accounts and debtor system (MDA system), the following lack of controls over the general management of these debtors came to light:

- a) Total debtors on the MDA system increased by 54% and 76% over the past two financial years respectively.
- b) Rentals and service charges amounting to R0,3 million as at 15 April 2005 that was due to the department on five properties leased to the same tenant, were not accrued on a monthly basis on the MDA system. This led to the irrecoverability of the amount involved as the tenant has since gone into liquidation.
- c) During the year under review, the suspense account balance increased from R3,1 million at 31 March 2004 to R7,8 million at 31 March 2005, which represents an increase of 151%. (During the 2003/04 financial year the balance on the account increased by 137%). The above mentioned increase is due to inadequate follow up and clearing of suspense accounts.
- d) The MDA system does not require users to change passwords on a regular basis, with the result that staff members might obtain unauthorised access to the system. Furthermore, the department does not monitor the logging of critical events and there are no policies and procedures in place to ensure that changes to the data are accurate, valid and complete. The forensic report on alleged irregularities referred to in par 4.5 below, also expressed concern regarding the inadequacies of the MDA system, the lack of password control and the absence of logs reflecting user changes and changes to data.
- e) Users of the MDA system are not adequately trained on the functioning of the system.

The above inadequacies could be attributed to a lack of proper policies and procedures, lack of general management control and monitoring as well as inadequate training on the system.

4.2 Fruitless and wasteful expenditure

- (i) Interest paid

Since 1999 the department has paid a total amount of R0,5 million in interest on the late payment of accounts in respect of the Pinelands Laundry and Porter Estate. This amount has not yet been declared and treated as fruitless and wasteful expenditure in the financial statements of the department for the year under review.

(ii) Claim for damages

In the previous audit report it was indicated that an amount of R0,5 million was paid to a construction firm as a settlement amount in a claim for damages. This payment emanated from a tender that was recommended to a construction firm by the Departmental Tender Committee (DTC) and approved by the delegated officials, after which the tender was re-evaluated and awarded to a second tenderer.

During a sitting of the Western Cape Standing Committee on Public Accounts (SCOPA) in November 2004, the department indicated that the investigation process was delayed due to discrepancies in statements received from officials. The information was to be sent to the State Law Adviser on 27 September 2004 where after the department would have been in the position to finalise the charge sheets and conclude on possible disciplinary action to be taken.

In a follow-up on the progress made during the audit for the year under review, it was identified that the matter had not yet been finalised. Due to the delay this amount has still not been identified as wasteful and fruitless expenditure and disallowed and disclosed as such in the current annual financial statements.

(ii) Vandalised vacant property

During the audit it came to light that various departmental properties such as the Woodstock Hospital kitchen and the Athlone School clinic, stood vacant for a long period during the year under review. In the case of the Athlone School clinic the property was badly vandalised. Funds spent on repairing this property before it can again be fully utilised could possibly be regarded as fruitless and wasteful.

4.3 Alleged irregularities

A forensic report dated 18 October 2002 indicating possible misappropriation of revenue and possible fruitless or irregular payments in the property management section of the department was brought to the attention of audit.

During the follow-up of the matter it emerged that the possible misappropriation of revenue had been reported to the South African Police Services, who closed the file on 5 April 2005 as unresolved. At the time of writing this report, the department was perusing the report to determine the true extent of alleged irregularities as well as the classification (irregular or fruitless) thereof. As a result, no accounting entries have been made by the department to reflect the possible irregular or fruitless expenditure or as a loss in the financial statements for the year under review. At the time of compiling this report, a final conclusion on the matter was not available.

4.4 Current expenditure - Service charges on leases

4.4.1 Various outstanding municipal charges for services rendered by municipalities, such as refuse and water, amounting to R1,4 million, as owed by the Department of Education, were paid by the department on behalf of the education department in order to expedite the registration of the schools purchased by the Department of Transport and Public Works. To date these payments have not been claimed from the education department. No service level agreement was entered into with the Education department to facilitate the reimbursement prior to the settling of the debt.

4.4.2 Certain lease agreements entered into with tenants stipulate that the department would pay the service charges due to local authorities and then recover these amounts from the tenant

on a monthly basis. To date these payments have not yet been claimed from the relevant tenants.

The total amount to be recovered can only be quantified by conducting an investigation into the applicable lease agreements and payments to local authorities.

4.5 Provincial Property Committee

No proof could be provided by the department during the audit confirming the appointment of the members of the Provincial Property Committee. The possible non-official appointment of these members could cast doubt on the validity of the committee's authority to make decisions regarding the acquisition or disposal of state property.

4.6 Senior Management performance agreements not signed

a) During the audit it was identified that the individual performance agreements of senior managers and supervisors were not signed in all cases as prescribed. The detail is as follows:

- *2004/05*: In a test sample drawn of 28 cases, it was found that in 17 cases the performance agreements was not signed on or before the prescribed date, with the last being signed on 16 April 2005. In two further cases the agreements had not yet been signed at the time of writing this report.
- *2005/06*: In a test sample drawn of 28 cases, it was found that 21 agreements had not yet been signed at the time of writing this report.

b) The committee which had to ensure a fair basis for appraisals, consistency in the development of performance standards and measures, to moderate all results and to make recommendations on the granting of performance rewards and pay progression, was only appointed by the executive authority in December 2004, whilst the identification of its members was only finalised in June 2005.

Although the agreements were not all signed and the appraisal committee was not in place during the year, the staff who qualified for bonuses, were awarded a 3% bonus.

4.7 Western Cape Nursing College

During the 2003/04 financial year the contract for the renovation of the Western Cape Nursing College was cancelled due to the non-performance of the contractor. A second contractor was appointed on 13 January 2004 to complete the project. In a follow-up audit during 2004/05, it was found that the contract period of twelve months, as agreed with the second contractor, was also extended by 17 weeks to 24 June 2005, but this deadline was also not met. Although surety and retention on the first contract are held by the department, the extent of possible losses to the department can only be quantified once the contract has been completed.

No accounting entries in this regard have been effected for the financial year under review.

4.8 Valkenburg Hospital

During previous financial years the construction project at Valkenburg hospital fell behind and defective work was identified. The department then intervened and all identified remedial and defective work was rectified. The contractor was, however, not able to complete the contract by 28 February 2004 and the contract was extended until 15

December 2004. This deadline was also not met and the contractor was then given until 8 March 2005 to complete the project. Since the contractor also failed to meet this deadline the contract was cancelled and at the time of the audit, the department was in the process of appointing a new contractor.

The original planned project cost was R16,2 million, however the new total project cost, including the cost of the new contractor, is now being estimated at R23,5 million (additional R7,2 million), which includes remedial work estimated at R3,5 million. The expected completion date is six months from hand over to the new contractor.

Management of the department are awaiting the finalizations of the project to fully quantify losses incurred. The effect of the above has not been disclosed in the annual financial statements for the year under review.

4.9 Current expenditure – Municipal Services

In the previous audit report, it was indicated that the department paid R7,7 million for arrear rates and other services in respect of 29 schools acquired by the department during the 2002/03 financial year. The transfer of the properties to the department was dependent on obtaining rates clearance certificates from the municipalities, resulting in the department paying all arrear rates on face value. With the follow-up of the matter during the audit for the year under review, it was identified that the legal interpretation surrounding the validity of the payment of arrear rates and taxes in respect of the purchasing of schools by the department, has not yet been resolved. This matter is currently being investigated by the department.

Per feedback received from management, the purchase price of the schools and the arrear payments for municipal services cumulatively were below the market value of the properties. Further to the above, management indicated that the department had use of the properties free of rental charges for the past years of occupation.

4.10 Project management

A value added audit was performed in respect of project management, in conjunction with the regularity audit, and the following significant findings were identified:

(i) Planning, co-ordination and monitoring of project tasks

It was found that project time frames and conditions were not adequately adhered to or communicated to stakeholders to ensure that projects are completed in timely manner and within budget. At the Guguletu Aids Clinic the planned construction period of 180 days had been exceeded by 82 days due to poor communication and co-ordination between stakeholders and the Western Cape Nursing College project was extended by 9 weeks due to the failure of the department to facilitate the relocation of staff to adjacent blocks/wards.

A review of a schedule of defaulting contractors revealed that a total of 374 written warnings were issued during the period under review of which 32 ended in the cancellation of contracts. Two cases were identified where the estimated remedial and completion work to complete the projects amounted to R16,5 million.

(ii) Contract Variations

It was found that changes to the original specifications of the project requested by the client departments impacted on both the project cost and the original time frames of projects, for example:

(a) *Guguletu AIDS Clinic (Health directorate)*

Construction commenced on 18 August 2004 and was planned for completion on 11 February 2005. However, a time extension claim of 37 days was granted resulting in an additional estimated cost of R0,4 million.

(b) *Eerste River Hospital (Health directorate)*

An impact study had indicated the need for a casualty unit and the estimated project cost amounted to R6 million. A major upgrade at an estimated cost of R20 million was requested by hospital management but due to failure to reach consensus on the project funding by the client department, the project planning was halted and has at June 2005 not yet been resumed.

(c) *Mfuleni primary school no. 3: 5 units (102 mobile project) (Education Directorate) and Delft - Eindhoven primary school no. 2 : 6 units (102 mobile project)*

The department was requested to make provision for 13 mobile classrooms at the above schools. Owing to the client department requesting additional work to be performed, the contractors were granted an additional 100 days extension on the contracts, resulting in additional costs of R0,4 million.

(iii) Provisional bills of quantity

During the course of the audit it was identified that bills of quantities were estimated drafts, without detailed plans and site inspections, which contributed to inadequate job costing.

(a) *Western Cape Nursing College (Health directorate)*

The project for the renovation of 12 blocks, a security office, corridors, entrance foyer, boiler house and a linen room at the college had an initial budget of R13,9 million and was to be completed within a twelve month period. However, during the audit it was found that project costs had already amounted to R14,7 million (106 per cent of the original budget) with the following progress made:

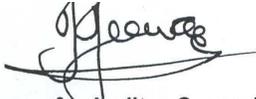
- Only seven of the blocks had been completed;
- Four blocks were close to completion but required finishing;
- Renovation of the remaining block had not yet commenced and a decision was taken not to complete the refurbishment owing to insufficient funding; and
- The entrance foyer and the security office were between 50 and 60 per cent complete.

(b) *Elsies River Hospital (Health directorate)*

A need to upgrade the above hospital was initially costed per a provisional bill which allowed for medical gas at R0,1 million. However, when correctly pricing the item at a later stage the initial cost was revised to R0,4 million, resulting in this part of the planned upgrade being largely omitted owing to a shortage of budgeted funds.

5. APPRECIATION

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



I Jeewa for Auditor-General

Cape Town

30/7/05



A U D I T O R - G E N E R A L

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DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**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 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.

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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.

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

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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 was 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 under spending available to the department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

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Unauthorised expenditure

Unauthorised expenditure, is defined as:

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

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

Irregular expenditure

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

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

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

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure, is defined as:
expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore

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

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

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.

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**ACCOUNTING POLICIES
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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.

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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.

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.

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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.

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**APPROPRIATION STATEMENT
for the year ended 31 March 2005**

Appropriation per programme									
	2004/05							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Payments as % of final appropriation %	Final Appropriation R'000	Actual Payment R'000
1. Programme 1									
Current payment	36,170	(646)	(1,480)	34,044	31,858	2,186	93.6%	26,961	26,729
Transfers and subsidies	714	(185)	-	529	511	18	96.6%	191	190
Payment for capital assets	1,277	831	-	2,108	2,106	2	99.9%	1,441	392
2. Programme 2									
Current payment	403,879	(640)	-	403,239	390,559	12,680	96.9%	349,286	349,286
Transfers and subsidies	95	640	-	735	730	5	99.3%	454	454
Payment for capital assets	424,177	-	-	424,177	410,848	13,329	96.9%	355,735	355,722
3. Programme 3									
Current payment	252,770	(16,143)	-	236,627	236,281	5	99.9%	200,297	197,201
Transfers and subsidies	22,649	116	-	22,765	19,821	2,944	87.1%	16,724	14,023
Payment for capital assets	377,420	16,027	2,820	396,267	396,256	11	100.0%	316,937	315,534
4. Programme 4									
Current payment	54,897	(10)	(2,820)	52,067	39,658	12,409	76.2%	37,129	31,788
Transfers and subsidies	30,217	10	-	30,227	17,917	12,310	59.3%	81,273	77,609
Payment for capital assets	31,241	-	-	31,241	2,802	28,439	9.0%	7,305	5,931
5. Programme 5									
Current payment	180,842	(8)	695	181,529	181,524	5	100.0%	155,828	155,594
Transfers and subsidies	25	6	-	31	28	3	90.3%	1,537	1,539
Payment for capital assets	8,761	2	785	9,548	9,546	2	100.0%	1,100	901
6. Programme 6									
Current payment	22,998	(919)	-	22,079	21,051	1,028	95.3%	12,266	9,660
Transfers and subsidies	20,128	6	-	20,134	15,128	5,006	75.1%	12,932	12,932
Payment for capital assets	14,056	913	-	14,969	9,464	5,505	63.2%	16,817	16,326
Total	1,882,316	-	-	1,882,316	1,786,429	95,887	94.9%	1,594,213	1,571,811
Reconciliation with Statement of Financial Performance									
Departmental revenue received								24,580	-
Actual amounts per Statements of Financial Performance (Total revenue)				1,882,316	-			1,618,793	-
Actual amounts per Statements of Financial Performance (Total expenditure)					1,786,429				1,571,811

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**APPROPRIATION STATEMENT
for the year ended 31 MARCH 2005**

Appropriation per economic classification									
	2004/05						2003/04		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	156,481	(7,783)	(1,480)	147,218	139,451	7,767	94.7%	130,015	128,633
Goods and services	795,064	(11,456)	(2,125)	781,483	760,938	20,545	97.4%	650,659	640,535
Interest and rent on land	11	(11)	-	-	-	-	0.0%	12	12
Financial transactions in assets and liabilities	-	884	-	884	883	1	99.9%	1,081	1,078
Transfers and subsidies to:									
Provinces and municipalities	67,981	40	-	68,021	52,768	15,253	77.6%	94,146	87,782
Departmental agencies and accounts	5,000	(5,000)	-	-	-	-	0.0%	480	480
Public corporations and private enterprises	-	5,000	-	5,000	-	5,000	0.0%	14,502	14,502
Households	747	563	-	1,310	1,279	31	97.6%	3,966	3,966
Gifts and donations	100	(10)	-	90	88	2	97.8%	17	17
Payment for capital assets									
Buildings and other fixed structures	824,032	20,340	2,820	847,192	804,096	43,096	94.9%	683,162	680,871
Machinery and equipment	16,237	3,040	785	20,062	16,059	4,003	80.0%	8,044	5,806
Biological or cultivated assets									
Software and other intangible assets	6,363	1,124	-	7,487	7,446	41	99.5%	5,896	5,896
Land and subsoil assets	10,300	(6,731)	-	3,569	3,421	148	95.9%	2,233	2,233
Total	1,882,316	-	-	1,882,316	1,786,429	95,887	94.9%	1,594,213	1,571,811

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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 1: Administration	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the Prov. Minister									
Current payment	3,752	57	-	3,809	3,800	9	99.8%	3,013	2,974
Transfers and subsidies	105	(78)	-	27	26	1	96.3%	4	4
Payment for capital assets	50	119	-	169	169	-	100.0%	19	18
1.2 Head of Department									
Current payment	2,781	510	-	3,291	2,810	481	85.4%	1,711	1,542
Transfers and subsidies	4	65	-	69	68	1	98.6%	2	2
Payment for capital assets	10	1	-	11	10	1	90.9%	89	88
1.3 Corporate support									
Current payment	29,637	(1,213)	(1,480)	26,944	25,248	1,696	93.7%	22,237	22,213
Transfers and subsidies	605	(172)	-	433	417	16	96.3%	185	184
Payment for capital assets	1,217	711	-	1,928	1,927	1	99.9%	1,333	286
Total	38,161	-	(1,480)	36,681	34,475	2,206	94.0%	28,593	27,311

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	22,229	-	(1,480)	20,749	19,195	1,554	92.5%	16,860	16,859
Goods and services	13,941	(666)	-	13,275	12,643	632	95.2%	10,101	9,870
Interest and rent on land	-	20	-	20	20	-	100.0%	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	44	5	-	49	46	3	93.9%	40	40
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	570	(177)	-	393	380	13	96.7%	144	143
Gifts and donations	100	(13)	-	87	85	2	97.7%	7	7
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1,263	679	-	1,942	1,940	2	99.9%	1,331	282
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	14	152	-	166	166	-	100.0%	110	110
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	38,161	-	(1,480)	36,681	34,475	2,206	94.0%	28,593	27,311

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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 2: Public Works	2004/05							2003/04	
	Adjusted	Shifting of	Virement	Final	Actual		Payment	Final	Actual
	Appropriation	Funds		Appropriation	Payment	Variance	as % of final appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme support									
Current payment	25,475	(82)	-	25,393	21,808	3,585	85.9%	15,591	15,592
Transfers and subsidies	21	82	-	103	102	1	99.0%	380	380
Payment for capital assets	2,883	-	-	2,883	1,020	1,863	35.4%	4,657	4,645
1.2 Health									
Current payment	71,929	6,826	-	78,755	78,752	3	100.0%	79,099	79,099
Transfers and subsidies	16	305	-	321	320	1	99.7%	17	17
Payment for capital assets	225,541	-	-	225,541	220,451	5,090	97.7%	126,556	126,555
1.3 Education									
Current payment	135,503	(7,133)	-	128,370	124,276	4,094	96.8%	88,669	88,669
Transfers and subsidies	19	2	-	21	20	1	95.2%	18	18
Payment for capital assets	129,206	-	-	129,206	125,855	3,351	97.4%	80,062	80,062
1.4 Agriculture									
Current payment	2,000	878	-	2,878	2,877	1	100.0%	3,067	3,067
Transfers and subsidies									
Payment for capital assets	18,994	-	-	18,994	16,590	2,404	87.3%	13,318	13,318
1.5 Social development									
Current payment	3,000	(878)	-	2,122	972	1,150	45.8%	2,179	2,179
Transfers and subsidies									
Payment for capital assets	5,100	(1,122)	-	3,978	3,506	472	88.1%	14,558	14,558
1.6 Other infrastructure									
Current payment	50,469	3,907	-	54,376	54,305	71	99.9%	56,130	56,129
Transfers and subsidies	25	251	-	276	275	1	99.6%	27	27
Payment for capital assets	34,253	6,122	-	40,375	40,374	1	100.0%	54,689	54,689
1.7 Property management									
Current payment	115,503	(4,158)	-	111,345	107,569	3,776	96.6%	104,551	104,551
Transfers and subsidies	14	-	-	14	13	1	92.9%	12	12
Payment for capital assets	8,200	(5,000)	-	3,200	3,052	148	95.4%	61,895	61,895
Total	828,151	-	-	828,151	802,137	26,014	96.9%	705,475	705,462

Economic Classification	2004/05							2003/04	
	Adjusted	Shifting of	Vorime	Final	Actual		Payment	Final	Actual
	Appropriation	Funds		Appropriation	payment	Variance	as % of final appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	47,962	(640)	-	47,322	43,532	3,790	92.0%	40,494	40,494
Goods and services	355,917	(383)	-	355,534	346,645	8,889	97.5%	308,731	308,731
Interest and rent on land									
Financial transactions in assets and liabilities	-	383	-	383	382	1	99.7%	61	61
Transfers and subsidies to:									
Provinces and municipalities	95	13	-	108	105	3	97.2%	95	95
Departmental agencies and accounts									
Public corporations and private enterprises									
Households	-	625	-	625	623	2	99.7%	356	356
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	413,094	5,050	-	418,144	406,825	11,319	97.3%	351,761	351,760
Machinery and equipment	2,883	(316)	-	2,567	704	1,863	27.4%	1,159	1,147
Biological or cultivated assets									
Software and other intangible assets	-	316	-	316	316	-	100.0%	2,319	2,319
Land and subsoil assets	8,200	(5,050)	-	3,150	3,003	147	95.3%	496	496
Total	828,151	-	-	828,151	802,137	26,014	96.9%	705,475	705,462

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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 3: Roads Infrastructure	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme support									
Current payment	10,461	(966)		9,495	9,494		100.0%	9,738	9,356
Transfers and subsidies	21	102		123	120		97.6%	17	17
Payment for capital assets	1,782	410	-	2,192	2,191	1	100.0%	2,765	2,733
1.2 Planning									
Current payment	2,137	(442)		1,695	1,693		99.9%	2,657	2,559
Transfers and subsidies	2,604	-	-	2,604	2,603	1	100.0%	3,084	3,084
Payment for capital assets	19,680	1,835	-	21,515	21,514	1	100.0%	18,940	18,059
1.3 Design									
Current payment	14,246	(1,463)		12,783	12,782		100.0%	12,223	11,990
Transfers and subsidies	24	14	-	38	37	1	97.4%	23	23
Payment for capital assets	28,956	10,742	-	39,698	39,696	2	100.0%	20,760	20,272
1.4 Construction									
Current payment	10,000	-	-	10,000	9,659	341	96.6%	9,000	6,781
Transfers and subsidies	120,073	24,085	2,820	146,978	146,972	6	100.0%	160,302	160,301
1.5 Maintenance									
Current payment	225,926	(13,272)		212,654	21		100.0%	175,679	173,296
Transfers and subsidies	10,000	-	-	10,000	7,402	2,598	74.0%	4,600	4,118
Payment for capital assets	206,929	(21,045)	-	185,884	185,883	1	100.0%	114,170	114,169
Total	652,839	-	2,820	655,659	652,699	2,960	99.5%	533,958	526,758

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Act	Variant	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	59,344	(5,213)	-	54,131	54,130	1	100.0%	52,894	52,532
Goods and services	193,415	(11,400)	-	182,015	182,011	4	100.0%	147,376	144,644
Interest and rent on land	11	(11)	-	-	-	-	0.0%	6	6
Financial transactions in assets and liabilities		481	-	481	481	-	100.0%	21	19
Transfers and subsidies to:									
Provinces and municipalities	22,481	(1)	-	22,480	19,551	2,929	87.0%	14,296	11,595
Departmental agencies and accounts	-	-	-	-	-	-	-	480	480
Public corporations and private enterprises									
Households	168	116	-	284	269	15	94.7%	1,941	1,941
Gifts and donations	-	-	-	1	1	-	100.0%	7	7
Payment for capital assets									
Buildings and other fixed structures	368,874	16,751	2,820	388,445	388,438	7	100.0%	309,598	308,228
Machinery and equipment	822	466	-	1,288	1,287	1	99.9%	2,517	2,484
Biological or cultivated assets									
Software and other intangible assets	5,624	491	-	6,115	6,113	2	100.0%	3,085	3,085
Land and subsoil assets	2,100	(1,681)	-	419	418	1	99.8%	1,737	1,737
Total	652,839	-	2,820	655,659	652,699	2,960	99.5%	533,958	526,758

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 4: Public Transport	2004/05						2003/04		
	Adjusted	Shifting of	Virement	Final	Actual	Variance	Payment	Final	Actual
	Appropriation	Funds		Appropriation	Payment		as % of final appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme support									
Current payment	6,135	2,846	-	8,981	8,905	76	99.2%	8,585	7,866
Transfers and subsidies	2	2	-	4	4	-	100.0%	2	2
Payment for capital assets	(132)	443	-	311	309	2	99.4%	3,059	2,926
1.2 Planning									
Current payment	31,064	(7,169)	(2,820)	21,075	14,273	6,802	67.7%	10,814	9,815
Transfers and subsidies	2	2	-	4	4	-	100.0%	2,801	2
Payment for capital assets	5,033	(981)	-	4,052	537	3515	13.3%	2,049	1,786
1.3 Infrastructure									
Current payment	786	583	-	1,369	1,045	324	76.3%	339	77
Transfers and subsidies	30,200	1	-	30,201	17,896	12,305	59.3%	78,455	77,590
Payment for capital assets	21,950	-	-	21,950	752	21,198	3.4%	23	
1.4 Empowerment and institutional man									
Current payment	4,499	440	-	4,939	4,701	238	95.2%	5,921	5,243
Transfers and subsidies	2	-	-	2	1	1	50.0%	2	2
Payment for capital assets	2,265	-	-	2,265	637	1,628	28.1%	1,128	174
1.5 Operator safety and compliance									
Current payment	396	4295	-	4,691	118	4,573	2.5%	1,124	48
Transfers and subsidies	3	-	-	3	-	3	0.0%		
Payment for capital assets	2,125	-	-	2,125	29	2,096	1.4%	7	7
1.6 Regulation and control									
Current payment	12,017	(1,005)	-	11,012	10,616	396	96.4%	10,346	8,739
Transfers and subsidies	8	5	-	13	12	1	92.3%	13	13
Payment for capital assets	-	538	-	538	538	-	100.0%	1,039	1,038
Total	116,355	-	(2,820)	113,535	60,377	53,158	53.2%	125,707	115,328

Economic Classification	2004/05						2003/04		
	Adjusted	Shifting of Funds	Virement	Final	Actual	Variance	Payment	Final	Actual
	Appropriation	R'000	R'000	Appropriation	Payment	R'000	al appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	10,797	(2)	-	10,795	8,848	1,947	82.0%	10,112	9,128
Goods and services	44,100	(8)	(2,820)	41,272	30,810	10,462	74.7%	27,011	22,654
Interest and rent on land	-	-	-	-	-	-	-	6	6
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities	30,216	11	-	30,227	17,917	12,310	59.3%	66,769	63,104
Departmental agencies and accounts	-	-	-	-	-	-	-	14,502	14502
Public corporations and private enterprises	-	-	-	-	-	-	-		
Households	1	(1)	-	-	-	-	-	2	3
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	28,887	(1,461)	-	27,426	1,123	26,303	4.1%	5,467	4,633
Machinery and equipment	2,344	1,335	-	3,679	1,544	2,135	42.0%	1,704	1,164
Biological or cultivated assets									
Software and other intangible assets	10	126	-	136	135	1	99.3%	134	134
Land and subsoil assets									
Total	116,355	-	(2,820)	113,535	60,377	53,158	53.2%	125,707	115,328

**WESTERN CAPE PROVINCE
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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 5: Traffic Management	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme support									
Current payment	2,238	(661)	-	1,577	1,575	2	99.9%	3,321	3,546
Transfers and subsidies	2	1	-	3	3	-	100.0%	1,523	1,525
Payment for capital assets	830	140	-	970	969	1	99.9%	780	741
1.2 Safety engineering									
Current payment	713	(56)	-	657	656	1	99.8%	-	-
Transfers and subsidies	1	1	-	2	1	1	50.0%	-	-
Payment for capital assets	10	11	-	21	21	-	100.0%	-	-
1.3 Transport admin and licensing									
Current payment	154,891	2,150	695	157,736	157,735	1	100.0%	131,108	130,699
Transfers and subsidies	22	4	-	26	24	2	92.3%	14	14
Payment for capital assets	7,921	(149)	785	8,557	8,556	1	100.0%	219	59
1.4 Overload control									
Current payment	23,000	(1,441)	-	21,559	21,558	1	100.0%	21,399	21,349
Transfers and subsidies	-	-	-	-	-	-	-	101	101
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	189,628	-	1,480	191,108	191,098	10	100.0%	158,465	158,034

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	10,799	(1,928)	-	8,873	8,871	2	100.0%	6,759	6,917
Goods and services	170,043	1,918	695	172,656	172,653	3	100.0%	148,070	147,679
Interest and rent on land								999	998
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities	17	6	-	23	21	2	91.3%	14	16
Departmental agencies and accounts									
Public corporations and private enterprises									
Households	8	-	-	8	7	1	87.5%	1,523	1,523
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment	8,246	(37)	785	8,994	8,993	1	100.0%	852	653
Biological or cultivated assets									
Software and other intangible assets	515	39	-	554	553	1	99.8%	248	248
Land and subsoil assets									
Total	189,628	-	1,480	191,108	191,098	10	100.0%	158,465	158,034

**WESTERN CAPE PROVINCE
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**DETAIL PER PROGRAMME
for the year ended 31 March 2005**

Programme 6: Community Based Programmes	2004/05							2003/04	
	Adjusted	Shifting of		Final	Actual		Payment	Final	Actual
	Appropriation	Funds	Virement	Appropriation	Payment	Variance	as % of final appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Programme support									
Current payment	5,013	2,002	-	7,015	6,659	356	94.9%	4,122	2,862
Transfers and subsidies	6	4	-	10	9	1	90.0%	7	7
Payment for capital assets	879	913	-	1,792	1,754	38	97.9%	1,772	1,367
1.2 Training programmes									
Current payment	288	(101)	-	187	170	17	90.9%	558	506
Transfers and subsidies	-	1	-	1	-	1	100%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.3 Empowerment impact assessment									
Current payment	1,260	256	-	1,516	1,515	1	99.9%	1,147	1,016
Transfers and subsidies	6	-	-	6	2	4	33.3%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.4 Community development									
Current payment	15,820	(3,075)	-	12,745	12,290	455	96.4%	6,043	5,068
Transfers and subsidies	20,116	-	-	20,116	15,116	5,000	75.1%	12,925	12,925
Payment for capital assets	13,177	-	-	13,177	7,710	5,467	58.5%	15,045	14,959
1.5 Emerging contractor development									
Current payment	617	(1)	-	616	417	199	67.7%	396	208
Transfers and subsidies	-	1	-	1	1	-	100.0%	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	57,182	-	-	57,182	45,643	11,539	79.8%	42,015	38,918

Economic Classification	2004/05							2003/04	
	Adjusted	Shifting		Final	Actual		Payment	Final	Actual
	Appropriation	of Funds	Virement	Appropriation	Payment	Variance	as % of final appropriation	Appropriation	Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	5,350	(2)	-	5,348	4,875	473	91.2%	2,896	2,703
Goods and services	17,648	(917)	-	16,731	16,176	555	96.7%	9,370	6,957
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	15,128	6	-	15,134	15,128	6	100.0%	12,932	12,932
Departmental agencies and accounts	5,000	(5,000)	-	-	-	-	0.0%	-	-
Public corporations and private enterprises	-	5,000	-	5,000	-	5,000	0.0%	-	-
Households	-	-	-	-	-	-	-	-	-
Gifts and donations									
Payment for capital assets									
Buildings and other fixed structures	13,177	-	-	13,177	7,710	5,467	58.5%	16,336	16,250
Machinery and equipment	679	913	-	1,592	1,591	1	99.9%	481	76
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	200	-	-	200	163	37	81.5%	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	57,182	-	-	57,182	45,643	11,539	79.8%	42,015	38,918

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**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 Annexures 1B to 1E & 1G, to the Annual Financial Statements.

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

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

3. Detail on financial transactions in assets and liabilities

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

4. Explanations of material variances from amounts voted (after Virement):

4.1 Per Programme	Voted Funds after virement	Actual Expenditure	R'000	%
Programme 1: Administration	36,681	34,475	2,206	6.0%
Under spending due to delays in the filling of vacant posts				
Programme 2: Public Works	828,151	802,137	26,014	3.1%
Under spending due to delays caused by tender processes and contractors performing slower than expected				
Programme 4: Public Transport	113,535	60,377	53,158	46.8%
Under spending due to delay in the filling of vacant posts, adjustments in projects and transfer payment agreements not complied with by beneficiaries.				
Programme 6: Community Based Programmes	57,182	45,643	11,539	20.2%
Under spending due to delays caused by tender processes and delays in concluding transfer payment agreements.				

4.2 Per economic classification	R'000
Current expenditure	
Compensation of employees	7,767
Goods and services	20,545
Financial transactions in assets and liabilities	1
Transfers and subsidies	
Provinces and municipalities	15,253
Public corporations and private enterprises	5,000
Households	31
Gifts and donations	2
Payments for capital assets	
Buildings and other fixed assets	43,096
Machinery and equipment	4,003
Software and other intangible assets	41
Land and subsoil assets	148

**WESTERN CAPE PROVINCE
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**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2005**

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1	1,882,316	1,594,213
Departmental revenue	2	-	24,580
TOTAL REVENUE		1,882,316	1,618,793
EXPENDITURE			
Current expenditure			
Compensation of employees	3	139,451	128,633
Goods and services	4	760,938	640,535
Interest and rent on land	5	-	12
Financial transactions in assets and liabilities	6	883	1,078
Total current expenditure		901,272	770,258
Transfers and subsidies	8	54,135	106,747
Expenditure for capital assets			
Buildings and other fixed structures	9	804,096	680,871
Machinery and Equipment	9	16,059	5,806
Software and other intangible assets	9	7,446	5,896
Land and subsoil assets	9	3,421	2,233
Total expenditure for capital assets		831,022	694,806
TOTAL EXPENDITURE		1,786,429	1,571,811
NET SURPLUS/(DEFICIT)		95,887	46,982
NET SURPLUS/(DEFICIT) FOR THE YEAR		95,887	46,982
		2004/05 R'000	2003/04 R'000
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds to be surrendered to the Revenue Fund	13	95,887	22,402
Departmental receipts to be surrendered to the Revenue Fund	14	-	24,580
NET SURPLUS/(DEFICIT) FOR THE YEAR		95,887	46,982

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**STATEMENT OF FINANCIAL POSITION
at 31 March 2005**

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets			
Unauthorised expenditure	7	165,432	76,496
Cash and cash equivalents	10	961	961
Prepayments and advances	11	158,252	68,374
Receivables	12	210	71
		6,009	7,090
TOTAL ASSETS		<u>165,432</u>	<u>76,496</u>
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	13	165,432	76,496
Departmental receipts to be surrendered to the Revenue Fund	14	80,747	22,402
Payables	15	14,687	11,701
		69,998	42,393
TOTAL LIABILITIES		<u>165,432</u>	<u>76,496</u>
NET ASSETS		<u>-</u>	<u>-</u>
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		-	-
TOTAL		<u>-</u>	<u>-</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
Capitalisation reserve		-	-
Opening balance			
Transfers			
Closing balance		-	-
Recoverable revenue			
Opening balance			
Debts written off			
Debts recovered (included in departmental revenue)		-	-
Debts raised			
Prior year adjustment			
Closing balance		-	-
TOTAL		-	-

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**CASH FLOW STATEMENT
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		2,598,474
Actual funds received	1	1,867,176
Departmental revenue collected	2	730,356
Net (increase)/decrease in working capital		942
Surrendered to Revenue Fund	17	(763,839)
Current payments		(873,667)
Transfers and subsidies paid	8	(54,135)
Net cash flow available from operating activities	16	906,833
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure for capital assets	9	(831,022)
Sale of capital assets	2	14,067
Net cash flows from investing activities	10	(816,955)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in loans received		-
Net increase/(decrease) in cash and cash equivalents		89,878
Cash and cash equivalents at the beginning of the period		68,374
Cash and cash equivalents at end of period		158,252

**WESTERN CAPE PROVINCE
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

4.10 Notes to the Annual Financial Statements

Annual Appropriation

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

	Final Appropriation R'000	Actual Funds Received R'000	Variance over/(under) R'000	Total Appropriation 2003/04 R'000
Administration	36,681	36,681	-	28,593
Public Works	828,151	822,220	5,931	705,475
Roads Infrastructure	655,659	653,512	2,147	533,958
Public Transport	113,535	112,030	1,505	125,707
Traffic Management	191,108	186,718	4,390	158,465
Community Based Programmes	57,182	56,015	1,167	42,015
Total	<u>1,882,316</u>	<u>1,867,176</u>	<u>15,140</u>	<u>1,594,213</u>

1.2 Conditional grants	Note	2004/05	2003/04
Total grants received	ANNEXURE 1A	<u>314,952</u>	<u>221,665</u>

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

**2. Departmental revenue in excess of appropriated funds to be surrendered to revenue fund
Description**

	Note	2004/05 R'000	2003/04 R'000
Tax revenue		695,160	646,938
Sales of goods and services other than capital assets		30,743	27,240
Interest, dividends and rent on land		56	-
Sales of capital assets		14,067	7,504
Financial transactions in assets and liabilities	2.1	2,588	9,493
Transfer received consists of:		1,809	-
Gifts, donations and sponsorships received	ANNEXURE 1F	<u>1,809</u>	<u>-</u>
Total revenue collected		744,423	691,175
Less: Departmental Revenue Budgeted		744,423	666,595
Departmental revenue collected		<u>-</u>	<u>24,580</u>

**2.1 Financial transactions in assets and liabilities
Nature of loss recovered**

	2004/05 R'000	2003/04 R'000
Cheques written back	-	43
Other	2,588	9,450
	<u>2,588</u>	<u>9,493</u>

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

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
3.1 Salaries and Wages			
Basic salary		98,681	89,731
Performance award		2,345	1,648
Service Based		236	14,850
Compensative/circumstantial		3,233	679
Periodic payments		962	-
Other non-pensionable allowances		13,837	3,292
		<u>119,294</u>	<u>110,200</u>
3.2 Social contributions		2004/05	2003/04
3.2.1 Short-term employee benefits		R'000	R'000
Pension		13,938	12,358
Medical		6,178	6,066
Bargaining council		39	-
Insurance		2	9
		<u>20,157</u>	<u>18,433</u>
Total compensation of employees		<u>139,451</u>	<u>128,633</u>
Average number of employees		<u>1,358</u>	<u>1,221</u>
4. Goods and services		2004/05	2003/04
		R'000	R'000
Advertising		4,440	3,547
Attendance fees (including registration fees)		3	-
Bank charges and card fees		131	104
Bursaries (employees)		74	208
Communication		8,841	6,668
Computer services		19,505	12 370
Consultants, contractors and special services		46,104	32,665
Courier and delivery services		101	76
Tracing agents & Debt collections		1	-
Drivers' licences and permits		4	6
Entertainment		758	846
External audit fees	4.1	4,460	3,579
Equipment less than R5000		3,411	4,296
Freight service		7	10
Inventory	4.2	19,040	16,823
Legal fees		659	557
Licence agency fees		129,020	109,362
Maintenance, repairs and running cost		388,520	331,540
Medical services		106	216
Operating leases		94,213	73,576
Personnel agency fees		43	-
Photographic services		1	3
Plant flowers and other decorations		41	8
Printing and publications		205	253
Professional bodies and membership fees		-	408

**WESTERN CAPE PROVINCE
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

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

	<i>Note</i>	2004/05 R'000	2003/04 R'000
Resettlement cost		376	365
Road laboratories		26	20
Subscriptions		102	-
Owned leasehold property expenditure		26,194	33,369
Translations and transcriptions		44	15
Transport provided as part of the departmental activities		31	-
Travel and subsistence	4.3	9,994	6,622
Venues and facilities		2,423	1,268
Protective, special clothing & uniforms		598	112
Training & staff development		1,462	1,643
		760,938	640,535
		2004/05 R'000	2003/04 R'000
4.1 External audit fees			
Regularity audits		4,318	3,563
Performance audits		142	16
Total external audit fees		4,460	3,579
		2004/05 R'000	2003/04 R'000
4.2 Inventory (purchased during the year)			
Agricultural		1,673	-
Domestic consumables		187	234
Learning and teaching support material		-	1,087
Fuel, oil and gas		75	184
Laboratory consumables		47	93
Other consumables		362	256
Parts and other maintenance material		11,347	8,854
Stationery and printing		3,302	4,978
Road construction and supplies		2,045	1,137
Medical supplies		2	-
		19,040	16,823
		2004/05 R'000	2003/04 R'000
4.3 Travel and subsistence			
Local		9,314	6,473
Foreign		680	149
Total travel and subsistence		9,994	6,622
5. Interest and rent on land			
		2004/05 R'000	2003/04 R'000
Interest expense		-	12
Total interest and rent on land		-	12
		2004/05 R'000	2003/04 R'000
6. Financial transactions in assets and liabilities			
Material losses through criminal conduct		372	372
Other material losses written off	6.2	488	1,005
Debts written off	6.3	23	36
		883	1,078

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6.1 Material losses through criminal conduct	2004/05	2003/04
Nature of losses	R'000	R'000
Theft (2 cases)	20	37
Theft of Voicemail	352	-
	372	37
	2004/05	2003/04
	R'000	R'000
6.2 Other material losses written off		
Nature of losses		
Road reconstruction: Main Road-Riviersonderend - Lack of contractual obligations by the Local Authority (1 case)	-	395
Re-imburement of pensionable service loss (1case)	-	324
Other losses (22 cases)	55	225
Interest paid (1 cases)	-	40
Accidents: Government Motor Transport vehicles (28 cases)	30	21
Damage to departmental vehicle (PA 180182)	89	-
Damage to departmental vehicle (PA 110034)	35	-
Damage to departmental vehicle (PA 166077)	23	-
Damage to departmental vehicle (PA 170015) and departmental trailer (PRD 972)	256	-
	488	1,005
6.3 Bad debts written off	2004/05	2003/04
Nature of debts written off	R'000	R'000
Other debts (9 cases)	23	36
	23	36

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	<i>Note</i>	2004/05 R'000	2003/04 R'000
7 Unauthorised expenditure			
7.1. Reconciliation of unauthorised expenditure			
Opening balance *		961	961
Unauthorised expenditure awaiting authorisation		<u>961</u>	<u>961</u>
*Year disallowed: 1994/95 - Temporary personnel appointed to capture backlogs of motor vehicle registration and licensing transactions due to the implementation of the National Traffic Information System. Workman's Compensation Act payments. Flood disaster damage to Roads. Payments in respect of 56 claims against the Administration, thefts and losses, which resulted in over expenditure.			
8. Transfers and subsidies		2004/05 R'000	2003/04 R'000
Provinces transfers to municipalities	ANNEXURE 1B	52,768	87,782
Departmental agencies and accounts	ANNEXURE 1C	-	480
Public corporations and private enterprises	ANNEXURE 1D	-	14,502
Households	ANNEXURE 1E	1,279	3,966
Gifts and donations	ANNEXURE 1G	88	17
		<u>54,135</u>	<u>106,747</u>
		2004/05 R'000	2003/04 R'000
9. Expenditure for capital assets			
Buildings and other fixed structures	ANNEXURE 3	804,096	680,871
Machinery and equipment	ANNEXURE 3	16,059	5,806
Land and subsoil assets	ANNEXURE 3	3,421	2,233
Software and other intangible assets	ANNEXURE 4	7,446	5,896
Total		<u>831,022</u>	<u>694,806</u>
10. Cash and cash equivalents		2004/05 R'000	2003/04 R'000
Consolidated Paymaster General Account		(2,939)	1,039
Cash on hand		7	-
Cash with commercial banks (temporary Investments)		161,184	67,335
		<u>158,252</u>	<u>68,374</u>

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		2004/05 R'000	2003/04 R'000
11. Prepayments and advances			
Description			
Travel and subsistence		210	71
		<u>210</u>	<u>71</u>

					2004/05 R'000	2003/04 R'000
		Less than one year	One to three years	Older than three years	Total	Total
Amounts owing by other Departments	<i>ANNEXURE 5</i>	2,054	108	-	2,162	934
Staff debtors	<i>12.1</i>	190	281	148	619	433
Other debtors	<i>12.2</i>	1,484	1,045	699	3,228	5,723
		<u>3,728</u>	<u>1,434</u>	<u>847</u>	<u>6,009</u>	<u>7,090</u>

Amounts of R 1,309 m (2004: R1, 260 m) included above may not be recoverable, but have not been written off in the Statement of financial performance

		2004/05 R'000	2003/04 R'000
12.1 Staff debtors			
Salary deductions disallowance account		-	15
Salary tax debt		1	-
Debt Accounts		618	418
		<u>619</u>	<u>433</u>

		2004/05 R'000	2003/04 R'000
12.2 Other debtors			
Disallowances: Miscellaneous		126	1,554
Disallowances: Damages & Losses		1,098	1,281
Dishonoured Cheques		350	301
Agency Service Control Account		314	359
Salary Disallowance account		-	101
Medical Schemes (Persal)		-	5
Claims Recoverable: Households & Non-Profit Institutions		689	829
Claims Recoverable: Local Governments		651	1,208
Claims Recoverable: Public Entities		-	85
		<u>3,228</u>	<u>5,723</u>

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13.	Voted funds to be surrendered to the Revenue Fund			2004/05	2003/04
				R'000	R'000
	Opening balance			22,402	52,460
	Transfer from Statement of Financial Performance			95,887	22,402
	Voted funds not requested/not received			(15,140)	-
	Paid during the year			<u>(22,402)</u>	<u>(52,460)</u>
	Closing balance			<u>80,747</u>	<u>22,402</u>
				2004/05	2003/04
14.	Departmental receipts to be surrendered to the Revenue Fund			R'000	R'000
	Opening balance			11,701	68,186
	Transfer from Statement of Financial Performance			-	24,580
	Departmental Revenue Budget			744,423	666,595
	Paid during the year			<u>(741,437)</u>	<u>(747,660)</u>
	Closing balance			<u>14,687</u>	<u>11,701</u>
15.	Payables – current			2004/05	2003/04
	Description			R'000	R'000
				Total	Total
		<i>Notes</i>	30 Days	30+ Days	
	Advances received	15.1	-	47,396	47,396
	Clearing accounts	15.2	156	-	156
	Other payables	15.3	-	22,446	22,446
			<u>156</u>	<u>69,842</u>	<u>69,998</u>
				<u>69,998</u>	<u>42,393</u>
				2004/05	2003/04
15.1	Advances received			R'000	R'000
	Provincial Transport Fund			47,396	24,303
				<u>47,396</u>	<u>24,303</u>
15.2	Clearing accounts			2004/05	2003/04
				R'000	R'000
	Salary Income Tax (Persal)			111	16
	Salary Pension Fund (Persal)			37	39
	Salary Garnishee Orders (Persal)			-	1
	Salary Official Unions (Persal)			1	1
	Salary Housing (Persal)			-	2
	Salary ACB recalls (Persal)			6	-
	Salary Insurance (Persal)			1	-
				<u>156</u>	<u>59</u>
				<u>156</u>	<u>59</u>
15.3	Other payables			2004/05	2003/04
				R'000	R'000
	Disallowances Miscellaneous			-	10
	Debt: Receivable Income			4	26
	Debt: Receivable Interest			142	138
	Guarantees for rehabilitation			3,153	2,466
	Trading Account: GMT			19,147	15,391
				<u>22,446</u>	<u>18,031</u>
				<u>22,446</u>	<u>18,031</u>

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	<i>Note</i>	2004/05	
		R'000	
16. Reconciliation of net cash flow from operating activities to surplus/(deficit)			
Net surplus/(deficit) as per Statement of Financial Performance		95,887	
(Increase)/decrease in receivables – current		1,081	
(Increase)/decrease in prepayments and advances		(139)	
Increase/(decrease) in payables – current		27,605	
Surrenders		(763,839)	
Proceeds from sale of land and buildings		(14,067)	
Expenditure for capital assets		831,022	
Voted funds not requested/not received		(15,140)	
Departmental revenue budgeted		<u>744,423</u>	
Net cash flow generated by operating activities		<u>906,833</u>	
		2004/05	2003/04
		R'000	R'000
17. Appropriated funds and departmental revenue surrendered			
Appropriated funds surrendered	13	22,402	52,460
Departmental revenue surrendered	14	<u>741,437</u>	<u>747,660</u>
		<u>763,839</u>	<u>800,120</u>

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

18. Contingent liabilities	<i>Note</i>	2004/05 R'000	2003/04 R'000
Liable to Nature			
Housing loan guarantees Employees	ANNEXURE 2	1,128	1,792
Claims		855	24,911
Chapman's Peak Drive		10,000	-
Other departments (interdepartmental unconfirmed balances)	ANNEXURE 6	2,663	235
Capped leave commitments		21,522	-
		36,168	26,938
19. Commitments per programme		2004/05 R'000	2003/04 R'000
Current expenditure			
Approved and contracted		160,808	157,007
Approved but not yet contracted		4,170	-
		164,978	157,007
Capital expenditure			
Approved and contracted		237,078	212,013
Approved but not yet contracted		30,011	-
		267,089	212,013
Total Commitments		432,067	369,020
20. Accruals		2004/05 R'000	2003/04 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Compensation of employees	-	1	1
Goods and services	5,965	2,208	8,173
Transfers and subsidies			927
Buildings and other fixed structures	5,155	1,167	6,322
Machinery and equipment	-	52	52
Land and subsoil assets	7	-	7
	11,127	3,428	14,555
Listed by programme level			
Programme 1 – Administration		495	66
Programme 2 – Public Works		4,728	22,371
Programme 3 – Roads Infrastructure		7,882	6,056
Programme 4 – Public Transport		557	626
Programme 5 – Traffic Management		581	-
Programme 6 – Community Based Programmes		312	67
		14,555	29,186
Confirmed balances with other departments	ANNEXURE 6	15	1,900
		15	1,900

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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		2004/05 R'000	2003/04 R'000
21.	Employee benefits		
	Leave entitlement	24,461	23,180
	Thirteenth cheque	4,796	4,092
	Performance bonus	-	159
		<u>29,257</u>	<u>27,431</u>
22.	Lease Commitments	2004/05 R'000	2003/04 R'000
22.1	Operating leases	Total	Total
		Buildings and other fixed structures	Machinery and equipment
	Not later than 1 year	74,663	313
	Later than 1 year and not later than 3 years	98,466	215
	Later than three years	142,293	45
	Total present value of lease liabilities	<u>315,422</u>	<u>573</u>
		<u>315,995</u>	<u>283,607</u>
23.	Receivables for services delivered (off balance sheet)	2004/05 R'000	2003/04 R'000
	License fees	43,799	45,936
	License arrears	55,528	63,074
	License Penalties	70,108	78,354
	Registration fees	2,320	1,994
	Registration penalties	2,036	1,720
	Outstanding property rentals	31,206	16,739
		<u>204,997</u>	<u>207,817</u>
	Amounts of R 151,549 m (2004: R143,308 m) included above may not be recoverable and has not been written off.		
24.	Senior management personnel	2004/05 R'000	2003/04 R'000
	The Minister and Superintendent-General (2)	1,568	1,517
	Deputy-Director Generals (2)	1,293	1,201
	Chief Directors (5)	2,679	2,500
	Chief Financial Officer (1)	586	466
		<u>6,126</u>	<u>5,684</u>
25.	Public Private Partnership		
	See Management Report, paragraph 6.		

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF GRANT	GRANT ALLOCATION					SPENT			2003/04	
	Division of Revenue Act	Roll Overs	DORA Adjustments	*Adjustments	Total Available	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'00	%	R'000	R'000
Provincial Infrastructure Grant	179,215	-	-	300	179,515	179,515	148,859	82,9 %	139,726	139,726
Hospital revitalisation grant	85,217	-	-	50,220	135,437	135,437	124,115	91,6 %	81,939	63,109
Total	264,432	-	-	50,520	314,952	314,952	272,974		221,665	202,835

- **Reasons for under spending (Provincial Infrastructure grant):**
Education: Adjustments to project list. Lengthy tender processes and contractor performance slower than expected.
Agriculture: Tenders received far in excess of estimates, resulting in tenders having to be re-advertised.
- **Remedial steps (Provincial Infrastructure grant):**
Education: Budget shifted to the Department of Education with effect from 2005/06 to enhance accountability.
Agriculture: Budget for Outshoorn FET Centre has been adjusted and a new tender has been awarded.

* Not DORA funds (Provincial funds – via adjustments)

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**ANNEXURE 1B
STATEMENT OF TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2003/04
	Main Division	Roll Overs	Adjusted Estimate	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent 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
Municipalities – Western Cape	61,907	4,937	1,137	67,981	52,768	77,6%	52,768	15,046	67,98%	87,782
Total	61,907	4,937	1,137	67,981	52,768		52,768	15,406		87,782

▪ **Reasons for under spending:**

Roads Infrastructure: Claims for maintenance and rehabilitation of proclaimed municipal main roads within municipal areas were received after 31 March 2005.
Public Transport: Delays in concluding agreements and transfer payment agreements not complied with by beneficiaries.

▪ **Remedial steps:**

Roads Infrastructure: Municipalities requested to submit future claims before February 2006.
Public Transport: The agreements have been amended to cover a 3-year period. Municipalities will be engaged on compliance.

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**ANNEXURE 1C
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2003/04
	Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Appropriation Act R'000
SANRAL	-	-	-	-	-	0 %	480
Total	-	-	-	-	-	-	480

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**ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				TRANSFER				2003/04
	Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000	Current R'000	Appropriation Act R'000
Public Corporations									
Independent Development Trust	5,000	-	-	5,000	-	0.0%	-	-	-
South African Rail Commuter Corporation	-	-	-	-	-	0.0%	-	-	14,502
Total	5,000	-	-	5,000	-		-	-	14,502

- **Reasons for under spending:**
Memorandum of agreement signed by beneficiary after 31 March 2005.
- **Remedial steps:**
The Memorandum of Agreement signed on 2 April 2005. Roll-over of funds requested.

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**ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2003/04
	Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Appropriation Act R'000
Transfers							
Social Benefits	815	-	-	815	815	100.0 %	1,986
Bursaries (non-employees)	309	-	-	309	309	100.0 %	-
Claims against the State	101	-	-	101	101	100.0 %	1,520
Ex-Gratia Payments	54	-	-	54	54	100.0 %	4
Various individuals	-	-	-	-	-	0.0%	456
Total	1,279	-	-	1,279	1,279		3,966

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ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2004/05	2003/04
		R'000	R'000
Received in cash			
Development Bank	Sponsorship: Printing of t-shirts – Presidential launch: Expanded Public Works Programme (Community Based Programmes)	15	-
Standard Bank	Gifts: African drums (Community Based Programmes)	20	-
ABSA	Sponsorship: For the launch of the “Saamstaan” Expanded Public Works Programme (02/09/2004)	23	-
Rotary Club - Wynberg	Cash: Upgrade Retreat Community Health Centre	462	-
Crusaid	Cash: Construction of Hannagh Crusaid AIDS treatment Centre - Gugulethu	1,289	-
Total		1,809	-

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ANNEXURE 1G

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2005

NATURE OF GIFT, DONATION OR SPONSORSHIP	2004/05	2003/04
	R'000	R'000
Gifts: Day of Budget speech of Minister	5	-
Sponsorship: Educational excursion to Durban – Isikhokelo Public Primary School	10	-
Gifts: National Department of Transport - collage. The family of the late Minister of Transport: Minister D Omar - statue	46	-
Sponsorship: Accommodation, subsistence & travel costs for official (nominee) of the Department to attend Poet Of the Year Award - Pennsylvania	6	-
Sponsorship: Soccer Tournament: Hosted by Department's Soccer Team	3	-
Gifts: Reward and recognition system	7	13
Gifts: Fairest Cape Books for overseas dignitaries	2	-
Gift: Innovative display award Departmental Imbuzio	2	-
Gift: My place foyer competition	1	-
Gifts: Various	6	4
Total	88	17

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**ANNEXURE 2
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 – LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2004	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest for year ended 31 March 2005	Closing balance 31 March 2005	Realised losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
BOE Bank (NBS Division)	Housing	101	101	-	19	-	82	-
Standard Bank	Housing	95	95	-	63	-	32	-
First Rand: FNB	Housing	305	305	-	78	-	227	-
ABSA	Housing	719	719	-	330	-	389	-
Nedbank	Housing	112	112	40	19	-	133	-
Old Mutual Bank	Housing	412	412	-	195	-	217	-
BOE (Boland Division)	Housing	48	48	-	-	-	48	-
Total		1,792	1,792	40	704	-	1,128	-

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ANNEXURE 3
PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000
BUILDINGS AND OTHER FIXED STRUCTURES	804,096	-	-	-
Non-residential buildings	407,793	-	-	-
Other structures (Infrastructure assets)	396,303	-	-	-
MACHINERY AND EQUIPMENT	16,059	-	-	-
Computer equipment	8,883	-	-	-
Furniture and office equipment	821	-	-	-
Other machinery and equipment	560	-	-	-
Transport assets	5,795	-	-	-
LAND AND SUBSOIL ASSETS	3,421	14,067	-	-
Land	3,421	14,067	-	-
TOTAL	823,576	14,067	-	-

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 3 (continued)

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2004

	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000
BUILDINGS AND OTHER FIXED STRUCTURES	680,871	-	-	-
Non-residential buildings	368,221	-	-	-
Other structures (Infrastructure assets)	312,650	-	-	-
MACHINERY AND EQUIPMENT	5,806	-	-	-
Computer equipment	3,435	-	-	-
Furniture and office equipment	615	-	-	-
Other machinery and equipment	749	-	-	-
Transport assets	1,007	-	-	-
LAND AND SUBSOIL ASSETS	2,233	-	-	-
Land	2,233	-	-	-
TOTAL	688,910	-	-	-

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4

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

	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000
Computer software	1,203	-	-	-
Capitalised development costs	6,243	-	-	-
Total	7,446	-	-	-

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

	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000
Computer software	413	-	-	-
Capitalised development costs	5,483	-	-	-
Total	5,896	-	-	-

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

ANNEXURE 5
INTER-GOVERNMENT RECEIVABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Provincial Government Western Cape				
Department of Health	-	85	285	127
Department of Housing	152	85	-	-
Provincial Treasury	-	175	301	-
Department of Social Services & Poverty Alleviation	145	65	-	-
Department of Environmental Affairs & Development Planning	-	81	108	-
Department of Community Safety	102	40	-	-
Department of the Premier	264	96	-	-
Department of Agriculture	10	32	-	-
Department of Culture Affairs & Sport	-	24	161	-
Department of Local Government	88	23	-	-
Department of Economic Development & Tourism	-	57	237	-
Other Departments				
National Police Services	-	14	2	-
George Nature Conservation Board	-	19	-	-
Public Service & Administration	-	11	-	-
National Department of Defence	11	-	-	-
Other government entities				
Nature Conservation Board	-	-	188	-
Development Bank Of South Africa	-	-	108	-
TOTAL	772	807	1,390	127

**ANNEXURE 6
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Amounts not included in Statement of financial position				
Current				
Provincial Government Western Cape				
Department of Health	-	1,696	2,486	5
Department of the Premier	4	167	-	133
Department of Culture Affairs & Sport	1	37	57	-
Department of Community Safety	-	-	-	97
Provincial Treasury	3	-	-	-
Other Departments				
Government Motor Transport (Gauteng Province)	-	-	17	-
National Department of Justice	7	-	103	-
Total	15	1,900	2,663	235

PART 5
HUMAN RESOURCE
MANAGEMENT
OVERSIGHT REPORT

Oversight Report: Human Resource Management

The statistics and information published in this part of the annual report are required in terms of Chapter 1, Part III J.3 of the Public Service Regulations, 2002 and have been prescribed by the Minister for the Public Service and Administration for all departments within the Public Service.

The statistical tables provide high-level information on key human resource issues. The information aims to empower legislatures, the media, the public and other key stakeholders to monitor whether departments:-

- Are exercising the powers granted under Public Service and Public Finance legislation in a responsible manner,
- Are achieving national transformation priorities established by the Cabinet, for example, affirmative action.

Annual reports are produced after the end of the financial year. This is aimed at strengthening the accountability of departments to key stakeholders.

The tables in this report are revised on a regular basis by the Department of Public Service and Administration (DPSA). If you wish to see additional information included in this report, please send suggestions (with a clear motivation) to:-

The Director-General

Department of Public Service and Administration

ATTENTION: Public Service Information Unit

P.O. Box 916, Pretoria, 0001

psiu@dpsa.gov.za

fax: (012) 314-7020

To ensure that enough time is available to evaluate and incorporate your suggestions, please ensure that all submissions are submitted on or before 31 August.

For a detailed description and explanation of the terminology used in this section of the report, please consult the publication from the DPSA entitled '*A guide to understanding the oversight report of departmental annual reports*'. A copy of the guide is available from all departments or can be accessed from the DPSA website (www.dpsa.gov.za).

NOTE: *Statistical information for the Directorate Government Motor Transport is included in this report. As Government Motor Transport is a trading entity within the Department, a separate report for will also be published for this institution.*

5.1 Service delivery:

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI plan as well as progress made in the implementation of the plans.

Explanatory notes with regard to abbreviations:

1. WSP: Workplace Skills Plan
2. ABET: Adult Based Education and Training
3. MTEF: Medium Term Expenditure Framework
4. IMF: International Monetary Fund
5. PPP's: Public/Private Partnerships
6. HDI: Historically Disadvantaged Individual
7. SAPS: South Africa Police Services
8. CFO: Chief Financial Officer
9. SARCC: South African Rail Commuters Corporation
- 10 PGWC: Provincial Government Western Cape
- 11 CARP: Community Access Road Programmes
- 12 IMLC: Institutional Management Labour Caucus

Table 1.1 - Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
<p><u>Corporate Affairs</u> Human resource management and strategic corporate leadership;</p> <p>Training and development of all staff to perform competently;</p> <p>Addressing and mainstreaming Human Rights issues;</p> <p>Facilitating of labour relations issues, and representing the Department at formal consultation forums;</p> <p>Provide information requested in terms of the Promotion of Access to Information Act</p>	<p>Minister; Western Cape Parliament; Committees of Legislature; Government Departments; Line functionaries; General public; Staff and Social partners.</p>	<p>Casual workers in Expanded Public Works Programmes; SETA's</p>	<p>Pro-active personal intervention and leadership in human resource matters</p> <p>Facilitate training for all staff according to agreed WSP¹ and ensure timeous nomination for appropriate training</p> <p>As taken up in the Constitution</p> <p>Time frames and procedures with regard to labour relations issues are prescribed in collective agreements.</p> <p>Information provided in terms of prescribed processes and time frames</p>	<p>The finalisation of a Departmental job evaluation project whereby 1800 posts were evaluated and graded accordingly</p> <p>Further roll out of ABET 2 whereby altogether 231 staff members were trained in 2004/05 Allocation of bursaries to 11 full time and 22 part time students from previously disadvantaged communities, studying in fields where skills are generally regarded as scarce 40 Students participated in the Department's internship programme</p> <p>2 Voluntary Counselling and Testing sessions were arranged to enhance awareness amongst staff on HIV and Aids. Various focal units were established to co-ordinate Human Rights issues in the Department.</p> <p>Institutional forums have been instituted and are functioning. Timeframes and procedures are adhered to.</p> <p>All requests have been addressed in terms of prescribed processes.</p>
<p><u>Financial Management</u> Preparation and submission of the MTEF³, adjustments estimates, monthly financial reports, departmental strategic plan, annual performance plan and certain parts of the annual report</p> <p>Departmental accounting services, including the following:</p> <p>Closure of the financial year and preparation and submission of annual financial statements;</p> <p>Financial inspections, internal control and Risk Management</p>	<p>Minister, Provincial Legislature Accounting Officer, Programme Managers; Provincial and National Treasury; Departmental line functionaries; Auditor-general; Private and public sector.</p>	<p>General public; International organisations such as World Bank and IMF⁴</p>	<p>Timeous submission of quality informative reports and plans, on prescribed legislated formats and within prescribed timeframes;</p> <p>National Treasury normative measures</p>	<p>All reports were submitted within the prescribed timeframes</p> <p>Issuing of 8 Finance Instructions</p> <p>Unqualified annual financial statements were submitted to the Legislature within prescribed timeframe.</p> <p>3 financial inspections, 9 compliance inspections and 18 Risk Management Workshops were conducted</p>

<i>Main services</i>	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Facilitating the process of demand, acquisition, logistics, disposal, risk and performance management pertaining to goods and services	Minister, Provincial Legislature Accounting Officer, Programme Managers; Provincial and National Treasury; Departmental line functionaries; Auditor-general; Private and public sector.		The Accounting Officer's System as standard for all aspects pertaining to Supply Chain Management and associated delegations. Standardised bid documentation issued for the procurement of generic goods and services	Establishment and setting of norms for the central Departmental Bid Committee was promoted amongst role players in the construction industry. The Accounting Officer's System was finalised and work shopped with all role players.
<p><u>Public Works</u> The acquisition of land and accommodation through purchases or leases, and disposal of superfluous properties</p> <p>To provide new and maintain existing accommodation and services which is of a high standard.</p>	National Department of Land Affairs; National Department of Public Works; Local Authorities; Building industry; Contractors; Consultants; Tenants; Service providers; Legislature; Public and Public Entities	PPP's ⁵ ; Potential tenants Potential service providers Emerging contractors	<p>Provide a high standard of service in respect of provincial properties</p> <p>Execution of functions in terms of broad policy framework and in line with departmental strategic goals</p>	<p>Completion of a property audit, and obtaining of ± 500 Section 28(1) certificates to endorse those properties in the name of the Western Cape Provincial Government Acquisitions R3.4m</p> <p>Major capital and maintenance projects were completed at the following institutions: - Health care institutions (R299m) - Educational institutions (R250m) - Other provincial buildings (R91m) - Agriculture (R20m) - Social development (R4m) - Strategic provincial accommodation & infrastructure plan, phase 2 - 10% complete</p>
<p><u>Roads Infrastructure</u> Provide, maintain and manage a provincial road network</p>	Road users; Agents (district municipalities); Contractors; Local authorities; Private sector; Communities	Potential HDI ⁶ contractors, Previously disadvantaged communities;	Routine maintenance, periodic maintenance, rehabilitation and construction of gravel and surfaced roads according to engineering and developmental prescripts and through socially just, developmental and empowering processes	<p>The actual expenditure of R433m on routine and periodic maintenance of roads exceeded budget amount by 12 %.</p> <p>All projects listed in Outlook 2004/05 except for infrastructure in support of Film Studio were started. Progress with the major projects is as follows: N7 Piketberg-Citrusdal: 80% complete Outeniqua-George: 20% complete Paarl-N1: 50% complete N1 Rehabilitation: 90% complete N2 Median wall: 10% complete Viljoenshoop Road: 40% complete.</p> <p>47% (by value) of all maintenance and construction contracts were awarded to emerging and established HDI contractors.</p> <p>30 EPWP Contractor Development Learnerships were registered with CETA</p>

<i>Main services</i>	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Improve road safety and road infrastructure protection measures	Road users; Local authorities; SAPS ⁷ Department of Community Safety Provincial Traffic Centres; Vehicle Testing Stations;Private sector		Eliminate accident black spots; Record and evaluate accident statistics; Managing overload control stations	All nine existing weighbridge stations are now operated for 16 hours per day, except for Beaufort West, where the weighbridge is operational for 24 hours per day. The Accident Data Centre is fully operational with all accidents being recorded and data being evaluated
Provide a government motor transport service	National and provincial user departments; Political office bearers and private service providers	Government departments utilizing outsourced fleets;	Renewal, maintenance and repair of vehicle fleet; Collection of user tariffs and outstanding debts; Disposal of redundant vehicles; Ensure user satisfaction.	A 24-hour report line was introduced to curb fraud and misuse of Government vehicles; Regular user satisfaction surveys were undertaken; Users forums are maintained; A web-enabled report system was further rolled out to users; A Debtor Management Module was integrated into the fleet management system to assist with debt age analysis, billing and identification of funds via electronic fund transfer. The Fleet Management System updates the Accounting Officer, CFO ⁸ and Head of the Trading Entity with the status of the Trading Account; The fleet management system has been enhanced and upgraded to ensure efficient management tools.
Motor vehicle administration	Motoring public; Local Authorities; Motor dealers; Importers and builders of motor vehicles; Vehicle fleet owners; Private companies	Personnel of national departments; Insurance companies; Financial institutions	Licence fee collection; Special vehicle registration numbers.	Altogether 7 189 cases of arrear licence fees were investigated. R4,2m was collected in the process. Motor vehicle transactions that can lead to fraud and corruption were removed from local authority level have been assigned to the Provincial Helpdesk as a continuation of last year's initiative The Department has actively involved itself with the initiative of the national Department of Transport to install new computer equipment throughout the Province for all motor vehicle registration and licensing transactions. This will replace the old equipment that was installed in 1993 and have become outdated.

<i>Main services</i>	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Road Traffic Law Administration	Driving licence holders; Public transport service providers; Goods conveyors; Sports and events organizers; Filming entrepreneurs	Personnel of national departments; Transport companies; Traffic law enforcement officers.	Issuance of permits and licences.	A Compliance Monitoring Unit has been established to monitor all transactions that have been performed at driving licence testing centres and motor vehicle testing stations. Altogether 21 persons have been identified that have fraudulently issued driving licences or issuing roadworthy certificates in respect of vehicles that were not roadworthy. Approximately 3000 driving licences are now being investigated and 16 roadworthy certificates have been cancelled.
<u>Public Transport</u> Delivery of an integrated, accessible, safe, reliable, affordable and sustainable public transport system and quality public transport infrastructure provision	Provincial Operating License Board; Provincial Public Transport Registrar; General public; Road based public transport operators; Metro Rail and SARCC ⁹ ; Passengers; Local Authorities; Planning Authorities; National Department of Transport; Other Provincial Departments; Airports Company of South-Africa (ACSA) Contractors and consultants	Transport Authorities; Private business/commerce; Labour parties	<p>Delivery of legislatively required plans</p> <p>Creating a public transport model for each area</p> <p>Public transport infrastructure development</p> <p>Development, implementation and monitoring of public transport contracts</p> <p>Establishment of and support to institutional structures</p> <p>Registration of public transport operators</p>	<p>Development of Public Transport Plans for the City of Cape Town and each district municipality Beginning development of Integrated Transport Plans for the district and the City of Cape Town</p> <p>Agreements were concluded between the Province and municipalities to allow the two spheres to co-operate in the planning, financing and implementation of infrastructure projects. Planning and development of the joint PGWC¹⁰/George Municipality Mobility Strategy – for the town of George. Conceptual plan for a Central Karoo Mobility Strategy by PGWC and the Central Karoo District Municipality</p> <p>Funding in excess of R30m was provided in terms of the above agreements for infrastructure projects</p> <p>Administration of bus subsidy payments in excess of R360 million</p> <p>Planning of regional Regulation and Control offices in George and Piketberg</p> <p>Conversion of permits to operating licences in operation</p>

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
<u>Community Based Public Works Programmes (CBPWP)</u> Implementation of CARP ¹¹ ; Implementation of the Experiential Training Programme; Contractor Development Programme; Implementation of a Road Maintenance Programme (Zenzele); Government motor vehicle cleansing service	Communities; Targeted suppliers; National Roads Agency Local Authorities; Students following courses in construction/ built environment; Other Branches within the Department	Scholars Entrepreneurs; Future/potential contractors; Communities.	Creation of economic empowerment opportunities through community development projects	14 CARP and 17 Saamstaan-projects were completed, whereby opportunities were given to 1423 persons to be engaged in temporary work opportunities, as well as training of technical and/or business skills. In service training was given to 14 students from technicon's, in fulfilment of the prescribed experiential training component of their tertiary courses. Government Motor Transport, 22 Zenzele & Public Works Empowerment Projects involved the communities and enabled them to improve their environment and conditions they live in.

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Newspaper advertisements to attract public participation and comments on proposed policies and trends	Suppliers; Job seekers; Developers; Students	Targeted and prospective suppliers	Various job and other opportunities were advertised, such as tenders, disposal of land, disposal of redundant goods, vacant posts, allocation of full time bursaries, etc.
Organised Labour forums	Employees within the Department	Affected staff from other departments	Regular meetings between Management and employee representatives at the Departmental IMLC ¹²
Workplace Skills Development Committees	Employees within the Department; and Service Providers	Service Providers	The Workplace Skills Development Committees meet on regular basis.
Newsletters, circulars and road shows	Employees within the Department	General public	New policies, procedures and processes with an internal focus were communicated with staff members through road shows, monthly newsletters and circulars (electronic as well as paper based).
Committees, forums and meetings	Employees within the Department; Contractors; Developers; Communities	Committees	Various forums were established to facilitate buy-in and decision making on appropriate levels.

Table 1.3- Service delivery access strategy

Access Strategy	Actual achievements
To establish strategic partnerships to facilitate job creation	The Department was the lead department in the Provincial Growth and Development Summit which forged relationship with civil society, labour, business and government in the implementation of the expanded public works programme in the Province
To increase direct interaction with more communities	1,423 direct construction jobs were created through community based public works programmes
All Branches have been subjected to rigorous strategic restructuring to devolve responsibility and authority to the lowest possible levels without compromising delivery standards	The Department is promoting a new culture of empowerment which encourages increased interaction with communities, and expeditious delivery.

Table 1.4 - Service information tool

Types of information tool	Actual achievements
Various Branches within the Department published several reports, newsletters and brochures.	This is an ongoing process that improves continuously. It includes the distribution of an internal news letter in electronic format
Participating in exhibitions at various institutions	Career expo's, exhibitions at schools and other educational institutions, as well as community festivals were held to promote functional activities and career opportunities
Publications in general media (print, TV, etc)	Radio talks and media interviews regularly take place. As a highlight one could refer to several appearances on radio, TV and printed media by the Minister and Senior Management, dealing with issues pertaining to vehicle licencing, public transport and road safety.
Establishment of various help desk facilities	The following were operational: <ul style="list-style-type: none"> - Helpdesk for reporting of faults in provincial buildings - Telecommunication helpdesk - Helpdesk to assist prospective tenderers with completion of tender documents - Helpdesk to assist with motor vehicle licencing - Helpdesk for the Saamstaan-project - Helpdesk for Government transport enquiries Helpdesks handle telephonic, electronic and personal enquiries.
Electronic publications	Publications on Intranet and Internet; Roll out of Electronic Document Warehouse programme (Phase 1); User applications on certain services via Web and the new Provincial Web Portal.

Table 1.5 - Complaints mechanism

Complaints Mechanism	Actual achievements
<p>Consultation forms the basis of all projects within the Department. Consultation ranges from sending out questionnaires to holding public meetings with communities. Specific mechanisms were put in place, not only to enhance service delivery, but to ensure that complaints are registered and attended to effectively</p>	<p>Maintenance of the following mechanisms:</p> <ul style="list-style-type: none"> - Electronic Helpdesk - Telephone Helpdesk - Nodal point to facilitate requests to access information - Road shows to outlying district offices
<p>A system of performance management was introduced, whereby the actual performance and service delivery of staff on all levels are measured.</p>	<ul style="list-style-type: none"> - 1st Level moderating committees were established - IPDPs were reviewed and changes effected for the new reporting year - Excellent performance was rewarded, and poor performers identified for redress
<p>A dedicated 7/24/365 telephone report line is available to the public to report any alleged misuse of Government vehicles</p>	<p>The complaints are recorded in the fleet management system and followed up with user departments. Feedback is given when requested. Misuse of state property is a serious matter and leads to misappropriation of funds</p>

5.2 Expenditure

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

TABLE 2.1 – Personnel costs by programme, 2004/ 05

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
1 – Administration	34 474	19 195	1 064	55,68%	150
2 – Public Works	802 137	43 532	143	5,42%	132
3 – Roads Infrastructure	652 699	54 130	23	8,29%	77
4 – Public Transport	60 376	8 848	0	14,65%	99
5 – Traffic Management	191 098	8 871	0	4,64%	116
6 – CBPWP	45 644	4 875	306	10,68%	125
7 – Government Motor Transport	194 245	10 362	0	5,33%	104
8 – Roads Capital Account	21 607	6 275	0	29,04%	90
Total	R 5279.00	R 4240.00	1 536	7,79%	102

Note: The budget for the Department's Workplace Skills Plan is allocated within Programme 1, from where the majority of the training interventions are funded.

TABLE 2.2 – Personnel costs by salary bands, 2004/ 05

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	28033	17,96%	48
Skilled (Levels 3-5)	21400	13,72%	63
Highly skilled production (Levels 6-8)	57197	36,64%	145
Highly skilled supervision (Levels 9-12)	36792	23,57%	202
Senior management (Levels 13-16)	12666	8,11%	487
Total	156 088	100%	102

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2004/ 05

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
1 – Administration	13237	68,96%	127	0,66%	241	1,25%	905	4,71%
2 – Public Works	30706	70,53%	311	0,71%	683	1,57%	2 244	5,15%
3 – Roads Infrastructure	38549	71,21%	1 517	2,80%	594	1,09%	2 099	3,87%
4 – Public Transport	6420	72,56%	63	0,71%	49	0,55%	268	3,03%
5 – Traffic Management	6139	69,20%	283	3,19%	123	1,38%	503	5,67%
6 – CBPWP	3628	74,42%	183	3,75%	37	0,76%	158	3,24%
7 – Government Motor Transport	7248	69,94%	163	1,57%	251	2,42%	747	7,20%
8 – Roads Capital Account	4582	73,02%	50	0,92%	128	2,04%	298	4,75%
Total	110509	70,79%	2 697	1,73%	2 106	1,35%	7 222	4,62%

TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2004/ 05

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	20903	74,56%	957	3,41%	363	1,29%	706	2,51%
Skilled (Levels 3-5)	15830	73,97%	614	2,87%	270	1,26%	1 180	5,50%
Highly skilled production (Levels 6-8)	40201	70,28%	798	1,39%	955	1,67%	3 512	6,13%
Highly skilled supervision (Levels 9-12)	26161	71,12%	336	0,91%	362	0,98%	1 419	3,85%
Senior management (Levels 13-16)	7414	58,53%	0	-	156	1,23%	405	3,19%
Total	110509	70,79%	2 705	1,73%	2106	1,35%	7 222	4,62%

5.3 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables:- programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, 31 March 2005

Programme	Number of posts	Number of posts	Vacancy Rate	Number of posts
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		filled		filled additional to the establishment
1 – Administration	168	124	26,19	5
2 – Public Works	409	320	21,76	8
3 – Roads Infrastructure	872	694	20,41	4
4 – Public Transport	133	58	56,39	31
5 – Traffic Management	91	76	16,48	0
6 – CBPWP	27	21	22,22	18
7 – Government Motor Transport	113	99	12,39	1
8 – Roads Capital Account	81	70	13,58	0
Total	1894	1462	22,81	67

Note: Posts additional to the establishment represent temporary staff appointed on fixed term contracts to assist with specific projects, eg processing of taxi permits to reduce backlogs (Public Transport).

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2005

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	640	586	8,44%	0
Skilled, (Levels 3-5)	459	299	34,86%	40
Highly skilled production (Levels 6-8)	492	371	24,59%	24
Highly skilled supervision (Levels 9-12)	274	179	34,67%	3
Senior management (Levels 13-16)	29	27	6,89%	0
Total	1894	1462	22,81%	67

Note: Posts additional to the establishment represent temporary staff appointed on fixed term contracts to assist with specific projects.

TABLE 3.3 – Employment and vacancies by critical occupation, 31 March 2005

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Industrial Technicians	92	49	46,74%	0
Quantity Surveyors	11	6	45,45%	0
Engineers	49	30	38,77%	0
Architects	12	11	8,33%	0
Senior Management Service	29	26	10,34%	0
Total	1933	1222	36,79%	0

The information in each case reflects the situation as at 31 March 2005. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

5.4 Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 – Job Evaluation, 1 April 2004 to 31 March 2005

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	640	603	94,22%	66	10,94%	11	1,82
Skilled (Levels 3-5)	459	318	69,28%	78	24,53%	52	16,35
Highly skilled production (Levels 6-8)	492	205	41,66%	73	35,61%	6	2,92
Highly skilled supervision (Levels 9-12)	274	162	59,12%	80	29,09%	5	3,08
Senior Management Service Band A	20	2	10,00%	0	-	0	-
Senior Management Service Band B	6	0	-	0	-	0	-
Senior Management Service Band C	2	0	-	0	-	0	-
Senior Management Service Band D	1	0	-	0	-	0	-
Total	1894	1290	68,11%	297	23,02%	74	5,73

Note: In addition to the posts indicated above, some 22% of posts have been job evaluated in the previous report year

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded.

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2004 to 31 March 2005

Beneficiaries	African	Asian	Coloured	White	Total
Female	7	0	47	19	73
Male	29	0	148	47	224
Total	36	0	195	66	297

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

TABLE 4.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2004 to 31 March 2005 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2004/ 05				0
Percentage of total employment				0

5.5 Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2).

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	580	65	30	5,17%
Skilled (Levels 3-5)	275	150	69	25,09%
Highly skilled production (Levels 6-8)	410	74	60	14,63%
Highly skilled supervision (Levels 9-12)	125	18	26	20,80%
Senior Management Service Band A	12	5	2	16,67%
Senior Management Service Band B	6	0	0	0%
Senior Management Service Band C	2	0	0	0%
Senior Management Service Band D	1	0	0	0%
Total	1411	312	187	13,25%

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2004 to 31 March 2005

Occupation:	Number of employees per occupation as on 1 April 2004	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Industrial Technicians	29	6	3	10,34%
Quantity Surveyors	8	2	2	25,00%
Engineers	28	3	2	7,14%
Architects	10	1	2	20,00%
Senior Management Service	21	5	2	9,52%
Total	96	177	11	11,46%

Table 5.3 identifies the major reasons why staff left the department.

TABLE 5.3 – Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	11	5,88%
Resignation	21	11,23%
Expiry of contract	101	54,01%
Dismissal – operational changes	-	-
Dismissal – misconduct	4	2,14%
Dismissal – inefficiency	-	-
Discharged due to ill-health	8	4,28%
Retirement	17	9,09%
Transfers to other Public Service Departments	25	13,37%
Other	0	-
Total	187	100%
Total number of employees who left as a % of the total employment		13,25%

TABLE 5.4 – Promotions by critical occupation

Occupation:	Employees as at 1 April 2004	Promotions to another salary level *	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Industrial Technicians	29	6	20,68%	8	27,59%
Quantity Surveyors	8	-	-	4	50,00%
Engineers	28	-	-	21	75,00%
Architects	10	-	-	4	40,00%
Senior Management Service	21	1	4,76%	2	9,52%
Total	96	7	7,29%	39	40,62%

TABLE 5.5 – Promotions by salary band

Salary Band	Employees as at 1 April 2004	Promotions to another salary level *	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	580	0	-	519	89,48%
Skilled (Levels 3-5)	275	16	5,82%	141	51,27%
Highly skilled production (Levels 6-8)	410	27	6,58%	252	61,46%
Highly skilled supervision (Levels 9-12)	125	10	8,00%	76	60,80%
Senior management (Levels 13-16)	21	1	4,76%	2	9,52%
Total	1411	544	3,82%	990	70,16%

* Note: Excludes salary upgrade as a result of Job Evaluation

5.6 Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

TABLE 6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2005

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators and senior officials	4	7	0	10	2	1	0	3	277
Professionals and managers	2	14	1	59	1	4	0	13	94
Technicians and associate professionals	11	47	0	27	2	2	0	9	98
Clerks & Administrative office workers	14	83	0	55	19	150	3	90	414
Craft & related trade workers	12	63	1	63	1	1	0	1	142
Plant & machine operators and assemblers	3	9	0	8	0	0	0	0	20
Elementary occupations	276	308	0	1	6	76	0	0	667
Total	322	531	2	223	31	234	3	1166	17122
Employees with disabilities	0	2	0	3	1	0	0	0	6

TABLE 6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	1	0	1	0	0	0	0	4

(Levels 15 & 16)									
Senior Management (Levels 13 & 14)	2	6	0	9	2	1	0	3	23
Professionally qualified and experienced specialists and mid-management	7	56	1	91	1	4	0	19	179
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	18	89	0	108	7	62	1	84	369
Semi-skilled and discretionary decision making	42	127	1	13	14	93	1	10	3011
Unskilled and defined decision making	251	252	0	1	7	74	1	0	586
Total	322	531	2	223	31	234	3	116	41722

TABLE 6.3 Recruitment for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	2	1	0	1	6
Professionally qualified and experienced specialists and mid-management	6	3	0	4	2	1	0	2	18
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	20	24	0	5	10	11	1	3	74
Semi-skilled and discretionary decision making	22	21	0	0	42	64	0	1	150
Unskilled and defined decision making	9	36	0	1	0	19	0	0	65
Total	59	84	0	10	56	96	1	7	3133
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 6.4 Promotions for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	2	3	0	2	0	1	0	2	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4	8	0	2	5	7	0	1	27
Semi-skilled and discretionary decision making	2	6	0	0	2	6	0	0	16
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	8	18	0	4	7	14	0	3	54
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 6.5 Terminations for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	1	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	4	4	0	9	3	3	0	3	26
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	13	0	10	13	7	0	5	60
Semi-skilled and discretionary decision making	10	13	0	1	22	22	0	1	69
Unskilled and defined decision making	18	8	0	0	1	3	0	0	30
Total	44	38	0	21	39	35	0	9	186
Employees with disabilities	1	0	0	0	0	0	0	0	1

TABLE 6.6 Disciplinary action for the period 1 April 2004 to 31 March 2005

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	2	7	0	5	0	2	0	3	19

TABLE 6.7 Skills development for the period 1 April 2004 to 31 March 2005

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	4	7	0	13	0	0	0	12	36

Professionals	14	95	0	97	7	32	0	59	304
Technicians and associate professionals	28	75	0	89	5	73	0	101	371
Clerks	30	133	0	7	18	137	0	14	339
Elementary occupations	220	173	0	3	3	29	0	0	428
Total	296	483	0	209	33	271	0	186	1478
Employees with disabilities	0	0	0	0	0	0	0	0	0

5.7 Performance rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 7.1), salary bands (table 7.2) and critical occupations (Table 7.3).

TABLE 7.1 – Performance Rewards by race, gender, and disability, 1 April 2004 to 31 March 2005 (Senior Management included)

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2005	% of total within group	Cost (R'000)	Average cost per employee
African	42	353	11,89%	185	R4 405
Male	41	322	12,73%	165	R4 024
Female	1	31	3,23%	20	R19 577
Asian	1	5	20,00%	7	R7 278
Male	1	2	50,00%	7	R7 278
Female	0	3	-	0	-
Coloured	141	765	18,43%	879	R6 234
Male	98	531	18,45%	592	R6 041
Female	43	234	18,37%	287	R6 674
White	109	338	32,25%	1,239	R11 367
Male	62	223	27,80%	805	R12 983
Female	47	115	40,87%	434	R9 234
Employees with a disability	0	6	-	-	-
Total	293	1461	20,05%	2,310	R7 884

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2004 to 31 March 2005

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	69	586	11,77%	245	R3 550	0,87%
Skilled (Levels 3-5)	41	299	13,17%	205	R5 000	0,95%
Highly skilled production (Levels 6-8)	125	371	33,69%	918	R7 344	1,60%
Highly skilled supervision (Levels 9-12)	43	179	24,02%	725	R16 860	1,97%
Total	278	1435	19,37%	2 094	R7 532	1,46%

TABLE 7.3 – Performance Rewards by critical occupations, 1 April 2004 to 31 March 2005

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Industrial Technicians	13	49	26,53%	148	R11 384
Quantity Surveyors	0	6	-	0	0
Engineers	14	30	46,66%	286	R20 428
Architects	1	11	9,09%	9	R9 090
Senior Management Service	15	26	57,69%	216	R14 400
Total	43	122	22,95%	659	R15 325

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total SMS budget
	Number of beneficiaries	Number of employees	% of total within band			
Band A	9	17	52,94%	118	R13 111	1,83%
Band B	4	6	66,66%	61	R15 250	1,69%
Band C	2	2	100%	37	R18 500	1,54%
Band D	0	1	-	-	-	-
Total	15	26	57,69%	216	R14 400	1,62%

Note: The Department of Public Service and Administration has set a maximum of 1,5% of departments' total annual SMS-budgets to be allocated as performance rewards, unless otherwise approved by the relevant Executing Authority. In this regard the deviation of 0,12% was duly approved.

5.8 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 8.1 – Foreign Workers, 1 April 2004 to 31 March 2005, by salary band

Salary Band	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	-
Skilled (Levels 3-5)	0	0	0	0	0	-
Highly skilled production (Levels 6-8)	0	0	0	0	0	-
Highly skilled supervision (Levels 9-12)	1	100%	1	100%	0	-
Senior management (Levels 13-16)	0	0	0	0	0	-
Total	1	100%	1	100%	0	-

TABLE 8.2 – Foreign Worker, 1 April 2004 to 31 March 2005, by major occupation

Major Occupation	1 April 2004		31 March 2005		Change	
	Number	% of total	Number	% of total	Number	% change
Engineer	1	100%	1	100%	0	0
Total	1	100%	1	100%	0	0

5.9 Leave utilisation for the period 1 January 2004 to 31 December 2004

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave, 1 January 2004 to 31 December 2004

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	5218	80,96%	454	70,93%	11,49	691
Skilled (Levels 3-5)	2433	69,54%	254	55,33%	9,57	464
Highly skilled production (Levels 6-8)	3871	71,68%	349	70,93%	11,09	1 351
Highly skilled supervision (Levels 9-12)	803	74,97%	99	36,14%	8,11	559
Senior management (Levels 13-16)	116	88,79%	12	41,38%	9,66	274
Total	12441	75,53%	1168	61,66%	10,65	3 339

TABLE 9.2 – Disability leave (temporary and permanent), 1 January 2004 to 31 December 2004

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	435	100%	13	2,03%	33,46	57
Skilled (Levels 3-5)	89	100%	5	1,08%	17,80	17
Highly skilled production (Levels 6-8)	503	100%	11	2,23%	45,73	175
Highly skilled supervision (Levels 9-12)	152	100%	2	0,72%	76,00	106
Senior management (Levels 13-16)	22	100%	1	3,44%	22,00	2
Total	1201	100%	32	1,69%	36,53	357

Note: The average days disability leave per employee excludes the 36 days normal sick leave allocated per leave cycle.

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 9.3 – Annual Leave, 1 January 2004 to 31 December 2004

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	14 812	21,66
Skilled Levels 3-5)	6 298	20,78
Highly skilled production (Levels 6-8)	10 673	25,11
Highly skilled supervision(Levels 9-12)	3 290	25,11
Senior management (Levels 13-16)	473	22,52
Total	473	23,00

TABLE 9.4 – Capped leave, 1 January 2004 to 31 December 2004

Salary Bands	Total days of capped leave taken	Average number of days taken per employee, using capped leave	Average capped leave per employee as at 31 December 2003
Lower skilled (Levels 1-2)	1 269	10,07	29
Skilled Levels 3-5)	366	2,62	24
Highly skilled production (Levels 6-8)	1 093	13,49	44
Highly skilled supervision(Levels 9-12)	779	31,16	71
Senior management (Levels 13-16)	4	2,00	108
Total	783	13,35	37

TABLE 9.5 – Leave payouts for the period 1 April 2004 to 31 March 2005

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

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2004/05	202	47	4,29
Current leave payout on termination of service for 2004/05	779	28	27,82
Total	981	75	13,08

Note: Capped leave is only paid out in the case of medical or normal retirement.

5.10 HIV & AIDS, and Health Promotion Programmes

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Specific categories of staff were not identified. All staff are regarded to be at risk of contracting HIV and related diseases.	<p>The measures taken in this regard for general staff are limited to:</p> <ul style="list-style-type: none"> ▪ First Aiders use gloves when treating injuries ▪ Awareness raising in HIV-AIDS monthly meetings ▪ Annual Roadshow to all areas of the Department

TABLE 10.2 – Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr J du Plessis: Senior Manager Human Resource Management
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		<p>The Department has employed a full time HIV & AIDS Co-ordinator who chairs a committee that meets on a monthly basis.</p> <p>The committee comprises 17 members who represent all sectors of the Department</p> <p>HIV & AIDS are incorporated within the component Special Programmes which has a total budget of R 1 079 000.00 for 3 sub components. The budget for HIV & AIDS may be regarded one-third = R 359 666.00 for the year under review.</p>

Question	Yes	No	Details, if yes
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.		X	A draft programme is currently in consultation phase. It will be rolled out in the new financial year.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		<p>JS van Stade: Chairperson BP Maqendwana: Secretary W Canterbury : Financial Management J van Eeden : Roads Infrastructure C Osman : Public Transport L Thomas : Public Works F Ohlson : CBPWP M vd Merwe : Ceres District Office D Lippert : Oudtshoorn District Office L Rhode : Paarl District Office G Hendricks : George Regional Office N Simandla : Goulburn Centre B Plaatjies : Bellville Workshop G Anderson : GMT Union representatives: Q Resandt : Nehawu C Petersen : PSA W Taylor : PSA</p>
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		No specific changes have been made to employment policies but there is no discrimination during the recruitment process.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		<p>As of yet VCT has not revealed any staff member who is HIV positive.</p> <p>The Departmental HIV & AIDS Policy and Workplace Programmes address this matter specifically.</p> <p>Information sessions were held with all staff with regard to discrimination and stigmatisation. This is an ongoing process.</p>

7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X	127 staff members have been tested by departmental initiatives. All 127 tested negative. It is not yet known how many staff members had themselves tested independently and what the outcomes of these tests were.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X	The impact of HIV and AIDS in the department, has been calculated in rand terms. The calculation amounted to approximately R35 million which was based on a model developed by the HRM component of Corporate Affairs on an assumption that 10% of the total staff complement tests positive with HIV.

5.11 Labour Relations

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

TABLE 11.1 – Misconduct and disciplinary hearings finalised, 1 April 2004 to 31 March 2005

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling/rehabilitation	1	5,26%
Written warning	9	47,37%
Final written warning	2	10,53%
Suspended without pay	1	5,26%
Fine	0	-
Demotion	0	-
Dismissal	3	15,79%
Not guilty	0	-
Case withdrawn	0	-
Pending cases	3	15,79%
Total	19	100%

TABLE 11.2 – Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Excessive absenteeism	2	10,53%
Fraud	9	47,37%
Substance abuse	1	5,26%
Negligence	7	36,84%
Total	19	100%

TABLE 11.3 – Grievances lodged for the period 1 April 2004 to 31 March 2005

	Number	% of total
Number of grievances resolved	21	45,65%
Number of grievances not resolved	25	54,35%
Total number of grievances lodged	46	100%

TABLE 11.4 – Disputes lodged with Councils for the period 1 April 2004 to 31 March 2005

	Number	% of total
Number of disputes upheld	0	-
Number of disputes dismissed	0	-
Total number of disputes lodged	3	100%

TABLE 11.5 – Strike actions for the period 1 April 2004 to 31 March 2005

Total number of person working days lost	366
Total cost (R'000) of working days lost	50
Amount (R'000) recovered as a result of no work no pay	50

TABLE 11.6 – Precautionary suspensions for the period 1 April 2004 to 31 March 2005

Number of people suspended	1
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	30
Cost (R'000) of suspensions	R5151

5.12 Skills development

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

TABLE 12.1 Training needs identified 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2		8		8
	Male	19		15		15
Professionals	Female	26		67		67
	Male	99		160		160
Technicians and associate professionals	Female	147		220		220
	Male	263		280		280
Clerks	Female	110		307		307
	Male	165		347		347
Elementary occupations	Female	67		52	24	76
	Male	513		75	374	449
Sub Total	Female	352		654	24	678
	Male	1059		877	374	1251
Total		1411		1531	398	1929

Note: Other forms of training mainly refer to ABET

TABLE 12.2 Training provided 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training provided within the reporting period				
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total	
Legislators, senior officials and managers	Female	2		12		12	
	Male	19		24		24	
Professionals	Female	26		98		98	
	Male	99		206		206	
Technicians and associate professionals	Female	147		179		179	
	Male	263		192		192	
Clerks	Female	110		169		169	
	Male	165		170		170	
Elementary occupations	Female	67		0	32	32	
	Male	513		0	396	396	
Sub Total	Female	352		47	458	32	537
	Male	1059		80	592	396	1068
Total		1411		127	1050	428	1605

Note: 127 Students were involved in Learnerships in the Department. Students cannot be linked to specific occupational categories

5.13 Injury on duty

The following tables provide basic information on injury on duty.

TABLE 13.1 – Injury on duty, 1 April 2004 to 31 March 2005

Nature of injury on duty	Number	% of total
Required basic medical attention only	65	100%
Temporary/Total Disablement	0	-
Permanent Disablement	0	-
Fatal	0	-
Total	65	100%

5.14 Utilisation of Consultants

Table 14.1: Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Ministerial Monitoring and Evaluation Committee	3	205	1 063 963
Freight policy development	1	200	458 772
Public Transport	1	256	687 465
Strategic Infrastructure Plan	1	22	49 980
Operating licence Strategy: Overberg	2	37	127 084
Central Karoo mobility Strategy	1	41	102 079
Klipfontein Corridor (Prime)	5	156	3 284 629
Klipfontein Corridor – subcontractors Arcus Gibb	2	36	97 277
Human Resources: Situational Analysis	2	90	75 000
Customer care and business development at Goulburn	3	86	716 934
Development of a business model: Klipfontein	3	65	972 000
Scheduled subsidy services	6	6	640 246
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
	30	1 200	8 275 429

Table 14.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Ministerial Monitoring and Evaluation Committee	100%	100%	3
Freight policy development	100%	100%	1
Public Transport	0	0	0
Strategic Infrastructure Plan	100%	100%	1
Operating licence Strategy: Overberg	0	0	0
Central Karoo mobility Strategy	50%	50%	1
Klipfontein Corridor (Prime)	100%	100%	5
Klipfontein Corridor - subcontractors Arcus Gibb	100%	100%	2
Human Resources: Situational Analysis	100%	100%	2
Customer care and business development at Goulburn	100%	100%	3
Development of a business model: Klipfontein	0	30%	2
Scheduled subsidy services	0	30%	2

Table 14.3: Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None			

Table 14.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None			