Western Cape Government

Transport and Public Works

Annual Report
2017/2018

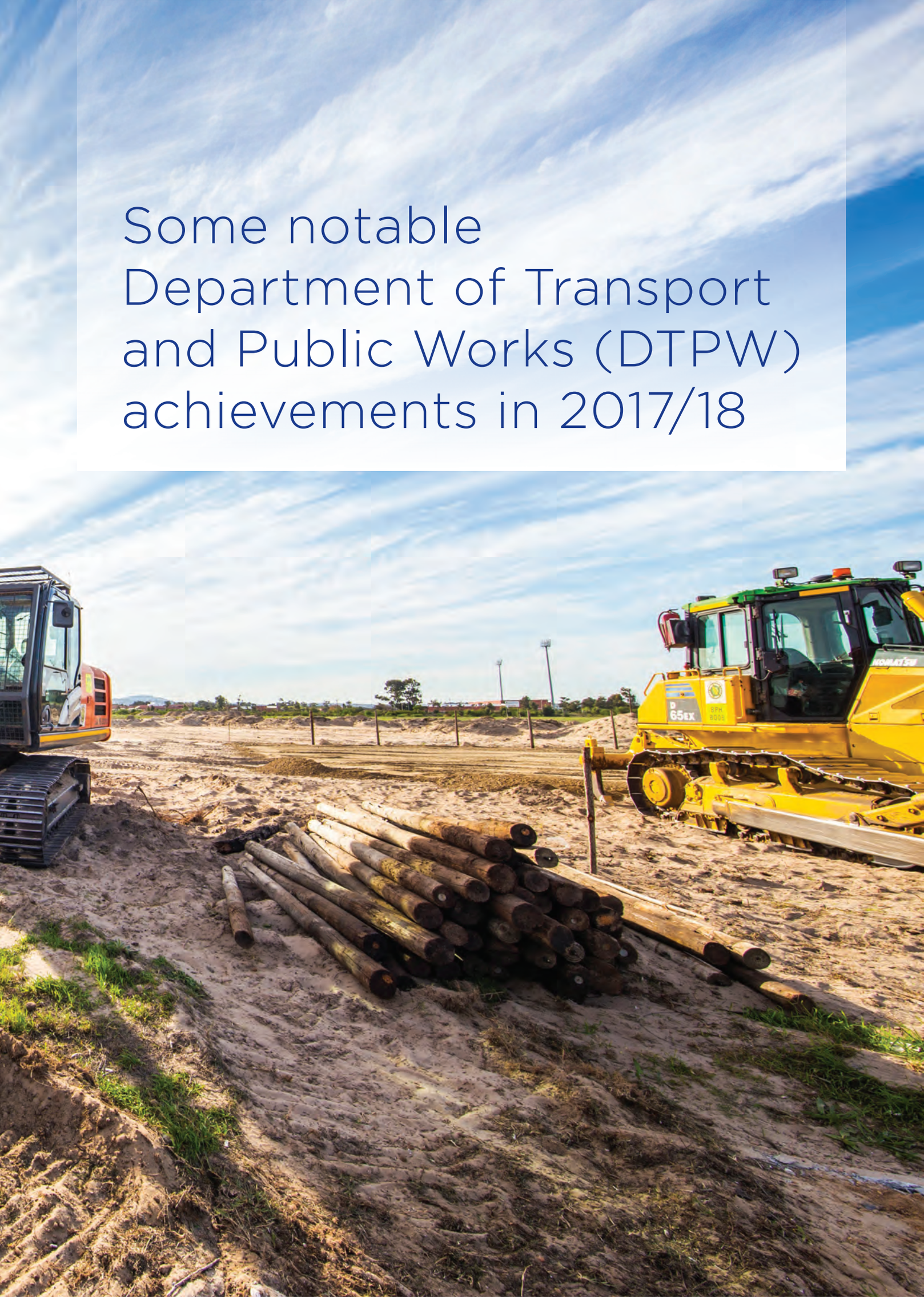
Western Cape Government

Transport and Public Works

Departmental achievements

HITACHI
BURMA PLANT HIRE
CATERPILLAR

Some notable Department of Transport and Public Works (DTPW) achievements in 2017/18



Provincial roads

DTPW builds, repairs and maintains provincial roads to support social and economic development in the Western Cape.

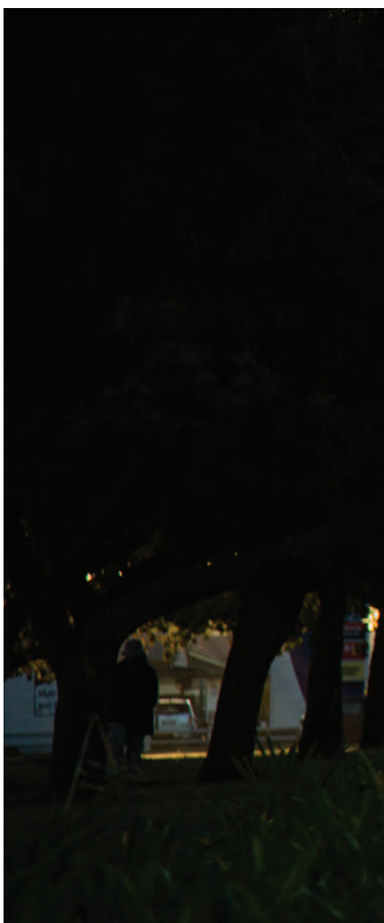
In April 2017, a flash flood washed away a section of the Swartberg Pass between the entrance on the Prince Albert side and Tweede Water. Less than a year later, the road was repaired and is back in use. This road will have far-reaching economic benefits for this region, because it links the Great Karoo and the Klein Karoo.

Traffic law enforcement

DTPW takes continual action to reduce the death toll from fatal road crashes by enforcing traffic legislation, including roadblocks and random breath testing to combat driving under the influence.

In December 2017, the Western Cape launched South Africa's first Mobile Alcohol Evidentiary Unit, a repurposed emergency services vehicle that can test the blood alcohol levels of drivers on the spot. This makes it possible to arrest and charge drivers who are over the legal limit immediately.

Transport management



The George Integrated Public Transport Network (GIPTN) and its high-quality scheduled Go George bus service was the first such service outside a major South African city. Phase 1 of Go George began in December 2014 and three phases are currently in operation. Services are provided by George Link, a 100% black-owned private company comprising former licensed taxi operators from George.

Skills development

The DTPW Masak'iSizwe Bursary Programme and its Professional Development Programme provide a tailored package of support to address the shortage of critical skills in the transport, engineering and built environment professions, and to enable newly qualified graduates to get the necessary practical experience to become registered professionals.

Masakh'iSizwe ("let's build the nation") enables students from disadvantaged backgrounds to study towards a transport, engineering, or built environment qualification at a higher education institution in the Western Cape. A total of 41 bursaries were awarded to promising students during the 2018 calendar year.

EPWP – professional development

In March this year, nine university of technology graduates in the construction and built environment disciplines joined the Department of Transport and Public Works Professional Development Programme (PDP). These graduates are all employed within the Provincial Public Works branch. In addition, eight civil engineering-related candidates were employed by DPTW Road Network Management.

Traffic officer training

Since 1989, Gene Louw Traffic College (GLTC) has offered high-quality road traffic law enforcement training for participants from all over South Africa.

The College offers initial traffic officer training, as well as training for examiners for driving licences, examiners of vehicles, and various short courses. In March 2017, GLTC introduced the first online e-Learning platform, as well as video conferencing technology to facilitate off-site participation in learning events.

Government Motor Transport (GMT)

GMT provides cost-effective fleet management services to provincial and national departments as well as other government entities within the Western Cape.

During the year, GMT continued to procure specialised vehicle conversions such as ambulances, rescue and forensic pathology services vehicles, mobile clinics, and traffic law enforcement vehicles from Western Cape-based suppliers to promote empowerment and economic growth.

Education infrastructure

DTPW is the implementing agent for Western Cape Education Department infrastructure.

The Western Cape Government (WCG) is committed to ensuring that all children with special needs and disabilities receive an education that allows them to achieve their full potential. Opened in January 2018, the new Cheré Botha LSEN (Learners with Special Educative Needs) School in Bellville caters for 165 learners with severe intellectual disability and 130 learners with autism spectrum disorder.

Health infrastructure

As the implementing agent for the provincial Department of Health, DTPW builds and maintains hospitals and clinics.

The new Hillside Clinic in Beaufort West contains the most “green” features of any primary healthcare facility in the Western Cape. Rammed earth walls and underground rock stores reduce the need for air conditioning by mitigating temperature extremes (high temperatures during the day, and cold temperatures at night). The design also features optimised natural daylight, energy-efficient light fittings, solar water heating, and a borehole for irrigating the water-wise garden.

Property management

The purpose of DTPW Provincial Public Works is to provide balanced provincial government building infrastructure that promotes integration, accessibility, sustainability, equity, environmental sensitivity, economic growth, and social empowerment.

In 2017/18, the 6th annual Property Efficiency Report (PER) reported an increase in workspace efficiency of 7,6 per cent in the previous year, as well as decreases in energy consumption of 6 per cent and reduced water consumption in the amount of 20 per cent across a range of 35 selected office buildings in the DTPW portfolio.

General infrastructure

Among other things, DTPW is responsible for maintaining WCG buildings, improving their efficiency, and providing office accommodation for provincial government purposes.

In order to reduce expenditure on energy and to make the provincial government less dependent on grid electricity, a total of 800 solar photovoltaic (PV) panels have been installed at WCG buildings: 345 at Vangate Shared Services Centre in Athlone, 240 at the Library Building in Alfred Street; 164 at 9 Dorp Street; and 51 at 27 Wale Street.

Western Cape Government
Transport and Public Works

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

Western Cape Government

VOTE 10

ANNUAL REPORT
2017-2018

PR: 88/2017
ISBN: 978-0-621-45324-9

Contents

Part A: General Information 1

1 Department's general information 1
2 Acronyms 2
3 Foreword by the Provincial Minister 6
4 Report of the Accounting Officer (AO) 8
4.1 Overview of the operations of the DTPW 8
4.2 Events 10
4.3 Overview of the financial results of the DTPW 12
4.4 Virements and rollovers 16
4.5 Revenue retention 17
4.6 Unauthorised, irregular and fruitless and wasteful expenditure 18
4.7 Future plans of the DTPW 19
4.8 Discontinued activities 22
4.9 New or proposed activities 22
4.10 Supply Chain Management (goods and services) 22
4.11 Gifts and donations received in kind from non-related parties 23
4.12 Exemptions and departures received from National Treasury 23
4.13 Events after the reporting date 23
4.14 Other 23
4.15 Acknowledgements 23
5 Statement of responsibility and confirmation of accuracy for the Annual Report 25
6 Strategic overview 26
6.1 Vision 26
6.2 Mission 26
6.3 Values 26
7 Legislative and other mandates 27
8 Organisational structure as at 31 March 2018 35
9 Entities reporting to the Provincial Minister 40

Part B: Performance Information 41

1 Auditor-General's report: Predetermined objectives 41
2 Overview of departmental performance 41
2.1 Service delivery environment 41
2.2 Service Delivery Improvement Plan (SDIP) 58
2.3 Organisational environment 66
2.4 Key policy developments and legislative changes 69
3 Strategic Outcome-Oriented Goals 69
4 Performance Information by Programme 73
4.1 Programme 1: Administration 73
4.2 Programme 2: Public Works Infrastructure 81
4.3 Programme 3: Transport Infrastructure 98
4.4 Programme 4: Transport Operations 108
4.5 Programme 5: Transport Regulation 118
4.6 Programme 6: Community-Based Programmes 127
5 Transfer payments 131
5.1 Transfer payments to public entities 131
5.2 Transfer payments to all organisations other than public entities 131
5.3 Transfer payments budgeted for, but not made 137
6 Conditional grants 138
6.1 Conditional grants and earmarked funds paid 138

6.2 Conditional grants and earmarked funds received 138
7 Donor funds 143
8 Capital investment 143
8.1 Provincial Public Works: capital investment, maintenance and asset management 143
8.2 Transport Infrastructure: capital investment, maintenance and asset management 147

Part C: Governance 152

1 Introduction 152
2 Risk management 152
2.1 Enterprise Risk Management Committee (ERMCO) Report 153
3 Fraud and corruption 157
4 Minimising conflicts of interest 158
5 Code of Conduct 159
6 Health, safety and environmental issues 159
7 Standing Committee on Transport and Public Works 160
7.1 Standing Committee on Transport and Public Works 160
8 Public Accounts Committee (PAC) resolutions 168
8.1 Response to the report of the PAC on the 2016/17 Annual Report dated 14 December 2017 168
8.2 List of information required 173
9 Prior modifications to Audit Reports 173
10 Financial Governance Directorate 174
11 Chief Directorate Supply Chain Management: Directorate Governance and Demand Management 176
12 Internal Audit and Audit Committees 182
13 Audit Committee Report 184

Part D: Human Resource Management 186

1 Introduction 186
2 Status of people management at the Department 186
2.1 Departmental workforce planning 186
2.2 Employee performance management 187
2.3 Employee wellness 187
2.4 People management monitoring 188
3 People management oversight statistics 188
3.1 Personnel related expenditure 188
3.2 Employment and vacancies 190
3.3 Job evaluation 192
3.4 Employment changes 193
3.5 Employment equity 197
3.6 Signing of performance agreements by SMS members 202
3.7 Filling of SMS posts 203
3.8 Employee performance 204
3.9 Foreign workers 207
3.10 Leave utilisation for the period 1 January 2017 to 31 December 2017 207
3.11 Health promotion programmes, including HIV and AIDS 210
3.12 Labour relations 214
3.13 Skills development 215
3.14 Injury on duty 216
3.15 Utilisation of consultants 218

Part E: Financial Information 231

1 Report of the Auditor-General 231
2 Annexure – auditor-general's responsibility for the audit 236
3 Annual Financial Statements for the year ended 31 March 2018 238

Report tables

Table 1: Key departmental events 10
Table 2: Departmental receipts 13
Table 3: Expenditure per Programme 15
Table 4: Virements for 2017/18 16
Table 5: Rollovers requested from 2016/17 to 2017/18 17
Table 6: Revenue retained from 2016/17 to 2017/18 17
Table 7: Provincial values and behavioural statements 26
Table 8: Entities reporting to the Provincial Minister 40
Table 9: Main services provided and standards 60
Table 10: Batho Pele arrangements with beneficiaries (Eight Principles: consultation, access, etc.) 60
Table 11: Service information tool 62
Table 12: Complaints mechanism 63
Table 13: Promotion of Access to Information Act (PAIA) applications granted in terms of Section 46 65
Table 14: Programme 1: Administration: Strategic Objectives 76
Table 15: Programme 1: Administration: Performance Indicators 78
Table 16: Programme 1: Administration: Sub-programme expenditure 80
Table 17: Programme 2: Public Works Infrastructure: Strategic Objectives 84
Table 18: Programme 2: Public Works Infrastructure: Performance Indicators 86
Table 19: Programme 2: Public Works Infrastructure: Sub-programme 97
Table 20: Condition of surfaced roads in the Western Cape 99
Table 21: Condition of gravel roads in the Western Cape 99
Table 22: Programme 3: Transport Infrastructure: Strategic Objectives 101
Table 23: Programme 3: Transport Infrastructure: Performance Indicators 102
Table 24: Programme 3: Transport Infrastructure: Sub-programme expenditure 107
Table 25: Programme 4: Transport Operations: Strategic Objectives 111
Table 26: Programme 4: Transport Operations: Performance Indicators 113
Table 27: Programme 4: Transport Operations: Sub-programme expenditure 117
Table 28: Programme 5: Transport Regulation: Strategic Objectives 121
Table 29: Programme 5: Transport Regulation: Performance Indicators 123
Table 30: Programme 5: Transport Regulation: Sub-programme expenditure 126
Table 31: Programme 6: Community-Based Programmes: Strategic Objectives 128
Table 32: Programme 6: Community-Based Programmes: Performance Indicators 129
Table 33: Programme 6: Community-Based Programmes: Sub-programme expenditure 130
Table 34: Programme 2: Transfer payments in respect of property rates 133
Table 35 : Programme 4: Transfer payments 135
Table 36: Programme 4: Transfer payments to private enterprises 137
Table 37: Programme 3: Transfer payments budgeted 137
Table 38: Programme 2: Capital Projects currently under construction 145
Table 39: Programme 3: Capital projects currently under construction 149

Human resource management tables

Table 3.1.1: Personnel expenditure by Programme, 2017/18 189
Table 3.1.2: Personnel expenditure by salary band, 2017/18 189
Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2017/18 190
Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2017/18 190
Table 3.2.1: Employment and vacancies by programme, as at 31 March 2018 191
Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2018 191
Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2018 191
Table 3.3.1: Job evaluation, 1 April 2017 to 31 March 2018 192
Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2017 to 31 March 2018 193
Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2017 to 31 March 2018 193
Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2017 to 31 March 2018 193
Table 3.4.1: Annual turnover rates by salary band, 1 April 2017 to 31 March 2018 194
Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2017 to 31 March 2018 194
Table 3.4.3: Staff leaving the employ of the DTPW, 1 April 2017 to 31 March 2018 195
Table 3.4.4: Reasons why staff resigned, 1 April 2017 to 31 March 2018 195
Table 3.4.5: Different age groups of staff who resigned, 1 April 2017 to 31 March 2018 196
Table 3.4.6: Employee initiated severance packages 196
Table 3.4.7: Promotions by salary band, 1 April 2017 to 31 March 2018 196
Table 3.4.8: Promotions by critical occupation, 1 April 2017 to 31 March 2018 197
Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2018 197
Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2018 198
Table 3.5.3: Recruitment, 1 April 2017 to 31 March 2018 199
Table 3.5.4: Promotions, 1 April 2017 to 31 March 2018 200
Table 3.5.5: Terminations, 1 April 2017 to 31 March 2018 200
Table 3.5.6: Disciplinary actions, 1 April 2017 to 31 March 2018 201
Table 3.5.7: Skills development, 1 April 2017 to 31 March 2018 201
Table 3.6.1: Signing of performance agreements by SMS Members, as at 31 May 2017 202
Table 3.6.2: Reasons for not having concluded performance agreements with all SMS members on 31 May 2017 202
Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2017 202
Table 3.7.1: SMS posts information, as at 30 September 2017 203
Table 3.7.2: SMS posts information, as at 31 March 2018 203
Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2018 203
Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant 203
Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months 204
Table 3.8.1: Notch progressions by salary band, 1 April 2017 to 31 March 2018 204
Table 3.8.2: Notch progressions by critical occupation, 1 April 2017 to 31 March 2018 204
Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2017 to 31 March 2018 205
Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2017 to 31 March 2018 205
Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2017 to 31 March 2018 206

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2017 to 31 March 2018 206
Table 3.9.1: Foreign workers by salary band, 1 April 2017 to 31 March 2018 207
Table 3.9.2: Foreign workers by major occupation, 1 April 2017 to 31 March 2018 207
Table 3.10.1: Sick leave, 1 January 2017 to 31 December 2017 207
Table 3.10.2: Incapacity leave, 1 January 2017 to 31 December 2017 208
Table 3.10.3: Annual Leave, 1 January 2017 to 31 December 2017 209
Table 3.10.4: Capped leave, 1 January 2017 to 31 December 2017 209
Table 3.10.5: Leave pay-outs, 1 April 2017 to 31 March 2018 209
Table 3.11.1: Health promotion programmes, including HIV and AIDS 210
Table 3.11.2: Details of health promotion including HIV and AIDS Programmes, 1 April 2017 to 31 March 2018 210
Table 3.12.1: Collective agreements, 1 April 2017 to 31 March 2018 214
Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2017 to 31 March 2018 214
Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2017 to 31 March 2018 214
Table 3.12.4: Grievances lodged, 1 April 2017 to 31 March 2018 214
Table 3.12.5: Disputes lodged with councils, 1 April 2017 to 31 March 2018 215
Table 3.12.6: Strike actions, 1 April 2017 to 31 March 2018 215
Table 3.12.7: Precautionary suspensions, 1 April 2017 to 31 March 2018 215
Table 3.13.1: Training needs identified, 1 April 2017 to 31 March 2018 215
Table 3.13.2: Training provided, 1 April 2017 to 31 March 2018 216
Table 3.14.1: Injury on duty, 1 April 2017 to 31 March 2018 216
Table 3.15.1: Utilisation of consultants 218

PART A

General Information

Part A: General Information

1 Department's general information

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

PHYSICAL ADDRESS: HEAD OFFICE
9 Dorp Street
Cape Town
8001

POSTAL ADDRESS: HEAD OFFICE
Private Bag X9185
Cape Town
8000

TELEPHONE NUMBER: 0860 212 414

FAX NUMBER: 021 483 9851

EMAIL ADDRESS: transport.publicworks@westerncape.gov.za

WEBSITE ADDRESS: www.westerncape.gov.za/dept/tpw

2 Acronyms

AARTO	Administrative Adjudication of Road Traffic Offences Act, 1998
AFS	Automated Fare Collection system (Go George)
AGM	Annual general meeting
AGSA	Auditor-General of South Africa
ANPR	Automatic Number Plate Recognition system
AO	Accounting Officer
AOS	Accounting Officer System
APP	Annual Performance Plan
ASOD	Average Speed Over Distance (system)
BAS	Basic Accounting System
BBBEE	Broad-based black economic empowerment
BLM	Better Living Model Exemplar Project
bn	billion
CATA	Cape Amalgamated Taxi Association
CBD	Central business district
CCTV	Closed circuit television
CD	Chief Director
CDP	Contractor Development Programme
CE-I	Centre for e-Innovation
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CIS	Construction information sessions
CMAP	Conflict Management Action Plan
CoCT	City of Cape Town
CODETA	Congress of Democratic Taxi Associations
COE	Cost of employees
COSATU	Congress of South African Trade Unions
CSC	Corporate Services Centre (Department of the Premier)
CSD	Central Supplier Database
DCGIP	Departmental Corporate Governance Improvement Plan
DDG	Deputy Director-General
DEDAT	Department of Economic Development and Tourism
DHS	Department of Human Settlements
DLTC	Driving licence testing centre
DM	District municipality
DoH	Department of Health (Western Cape)
DORA	Division of Revenue Act (annual)
DotP	Department of the Premier
DPSA	Department of Public Service and Administration
DRE	District Roads Engineer
DSD	Department of Social Development (Western Cape)
DSP	District Safety Plan
DTIMS	Deighton's Total Infrastructure Management System

DTPW	Department of Transport and Public Works
EBAT	Evidentiary Breath Alcohol Testing
ECSA	Engineering Council of South Africa
EE	Employment equity
EHW	Employee health and wellness
EHWP	Employee Health and Wellness Programme
EmpIA	Empowerment impact assessment
EPWP	Expanded Public Works Programme
ERM	Enterprise risk management
ERMCO	Enterprise Risk Management Committee
FM	Financial management
FTE	Full-time equivalent
FTEC	Full-time employees cost
GABS	Golden Arrow Bus Services
GBCSA	Green Building Council of South Africa
GIAMA	Government Immovable Asset Management Act, 2007
GIPTN	George Integrated Public Transport Network
GIS	Geographical information system
GLTC	Gene Louw Traffic College
GMT	Government Motor Transport
GPEP	Graduate Professional Engineering Programme
HCT	HIV and AIDS counselling and testing
HDI	Historically disadvantaged individuals
HIA	Heritage impact assessment
HOD	Head of Department
HR	Human resources
HVAC	Heating, ventilation and air conditioning
IAM	Immovable asset management
IAR	Immovable Asset Register
IDMS	Infrastructure Delivery Management System
IDP	Integrated development plan/ integrated development planning
IDZ	Industrial development zone
IESBA	International Ethics Standards Board for Accountants
INPAS	Internet Number Plate Application System
ISAs	International Standards on Auditing
ITIS	Integrated Transport Information System
ITP	Integrated transport plan/planning
JPI	Joint planning initiative
km	kilometre
LOGIS	Logistical Information System
LRA	Labour Relations Act, 1995
m	million
m^2	square metre
MEC	Member of the (provincial) Executive Council (Provincial Minister)
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority

MOA	Memorandum of agreement
MPAT	Management Performance Assessment Tool
MR	Main road
MTITT	Minibus Taxi Industry Task Team
MTEF	Medium Term Expenditure Framework
NDoT	National Department of Transport
NDP	National Development Plan
NDPW	National Department of Public Works
NEMA	National Environmental Management Act, 1998
NLTA	National Land Transport Act, 2009
NMT	Non-motorised transport
NPA	National Prosecuting Authority
NQF	National Qualifications Framework
NRTA	National Road Traffic Act, 1996
NT	National Treasury
NYS	National Youth Service
NQF	National Qualifications Framework
OHS	Occupational Health and Safety
PAA	Public Audit Act
PAC	Public Accounts Committee
PAIA	Promotion of Access to Information Act, 2000
PAJA	Promotion of Administrative Justice Act, 2000
PAY	Premier's Advancement of Youth (programme)
PDP	Professional Development Programme
PER	Property Efficiency Report
PERSAL	Personnel and Salary Information System
PET	Participatory Educational Technique
PFMA	Public Finance Management Act, 1999
PFS	Provincial Forensic Service
PPP	Public-private partnership
PRASA	Passenger Rail Agency of South Africa
PRE	Provincial Regulatory Entity
PRMG	Provincial Roads Maintenance Grant
PSCBC	Public Service Coordinating Bargaining Council
PSETA	Public Service Sector Education and Training Authority
PSG	Provincial Strategic Goal
PSP	Provincial Strategic Plan
PSR	Public Service Regulations
PSTP	Provincial Sustainable Transport Programme
PT	Provincial Treasury
PTOG	Public Transport Operations Grant
PV	Photovoltaic
RAMP	Road Asset Management Plan
RAMS	Road Asset Management System
RBT	Random Breath Testing
RCAM	Road Classification and Access Management

RISFSA	Road Infrastructure Strategic Framework for South Africa
RNM	Branch: Road Network Management
RSIP	Road Safety Implementation Plan
RSM	Directorate: Road Safety Management
RTMC	Road Traffic Management Corporation
SACAP	South African Council for the Architectural Profession
SACPCMP	South African Council for Project and Construction Management Professions
SACPVP	South African Council for Property Valuers Profession
SANRAL	South African National Roads Agency
SAPS	South African Police Service
SANTACO	South African National Taxi Council
SCM	Chief Directorate: Supply Chain Management
SDIP	Service Delivery Improvement Plan
SITS	Supplier Invoice Tracking System
SMS	Senior Management Service
SNPs	Special needs passengers
SOP	Standard operating procedure
STIs	Sexually transmitted infections
STP	Strategic Talent Plan
TALS	Traffic Administration and Licensing System
TB	Tuberculosis
TDA	Transport and Urban Development Authority
TMH	Technical Methods for Highways
VAT	Value Added Tax
VTS	Vehicle testing station
VTU	Vehicle testing units
WCG	Western Cape Government
WCBD	Western Cape Bid Document
WCED	Western Cape Education Department
WCLAA	Western Cape Land Administration Act, 1998
WCSD	Western Cape Supplier Database
WCRTA	Western Cape Road Transportation Act, Amendment Law (Law 8 of 1996)
WPBTS	Western Province Blood Transfusion Services

3 Foreword by the Provincial Minister

The 2017/18 financial year brought significant pressure to bear on public office bearers and administrations alike. International developments, and national political instability and policy uncertainty have significantly contributed to a growing trust deficit between government and the people it serves. Increased civil unrest which at times spills over and causes damage to critical infrastructure as well as disrupting service delivery represents a significant and growing challenge. In a constrained fiscal environment, and an increase in climate-related severe weather events, the ability of government departments to adequately respond has been severely challenged.

The ongoing prevalence of disruptions in the minibus taxi industry such as the September 2017 taxi strike and the taxi violence in both Delft and Vrygrond, as well as operational failures at Metrorail, including the June 2017 arson attacks and August 2017 service interruptions, hampered the smooth functioning of the public transport system. These challenges are not only regarded as a risk to society, but also to the Department of Transport and Public Works (DTPW) staff, particularly traffic law enforcement officers.

The year under review has necessitated agility, flexibility and above all sound leadership. I am proud to say that the Department has once again borne testimony to the value to be had in the prudent planning and execution of projects and the effective spending of its budget. The contribution to, and the role played by, the Department during the devastating Knysna fire as well as the water crisis affecting the Western Cape bears testimony to this as well as the dedication of the 2 145 employees, most of whom face the same challenges and concerns as the residents of Cape Town and surrounds around the possibility of severe water supply disruptions, and the inability of passenger rail service to deliver a safe and reliable service.

These unprecedented challenges necessitate all of government to work together to the benefit of the marginalised and poor. In the area of public transport, I have continued to engage with my national counterparts in trying to find practical solutions to the ongoing passenger rail crisis. The memorandum of understanding between the DTPW, the City of Cape Town (CoCT) and Passenger Rail Agency of South Africa (PRASA)/ Metrorail around increasing security on the passenger rail network is an important step in the right direction. The further implementation of the District Safety Plan (DSP) model, piloted in the Overberg in the previous financial year, is a further important signal of the value to be had through focused collaboration amongst the three spheres of government. Continued work on the Conradie Better Living Model Exemplar Project (BLMEP) Game-Changer, around the contribution government can make to local communities through the leveraging of its critical infrastructure and planning work in Manenburg and the Vredenburg Urban Revitalisation Project, offer unique opportunities to address some of the legacy of apartheid spatial planning and the historical disempowerment of communities.

Road safety and the behaviour of motorists remains a significant focus of the Department and while a number of initiatives have been rolled out during the period under review, every single death on our roads is one too many. During the year under review various skills improvement opportunities were provided through the Masakh'iSizwe Bursary Programme, Professional Development Programme (PDP), Staff Bursary Scheme,

Departmental Work Place Skills Plan and apprenticeships to empower and develop new and present bursars. In June 2017, 20 new traffic law enforcement officers graduated from the Gene Louw Traffic College (GLTC). The new officers are the product of a twelve-month training programme that saw a proud 100 per cent completion rate. I wish them as well as our existing traffic enforcement staff well in the execution of this important function.

Finally, I wish to acknowledge the leadership and staff of the Department for the achievement of another clean financial audit in the 2017/18 financial year.

Donald Grant
Provincial Minister of Transport and Public Works
Date: 31 August 2018

4 Report of the Accounting Officer (AO)

4.1 Overview of the operations of the DTPW

The year under review challenged provincial government departments to find innovative ways to deliver on their mandates in an environment characterised by high levels of climate change impacts, rising input costs, economic volatility, policy uncertainty, as well as a further deterioration in the functioning of the public transport system, specifically passenger rail in the Cape Town metropole.

As the custodian of key service delivery enabling infrastructure, the DTPW collaborated with its sister departments and stakeholders to deal decisively with the unfolding water crisis brought about by the crippling drought, the devastating Knysna fire, and climate change-related challenges, including severe weather events. It is within this context that the DTPW committed staff to play an active role in the mitigation initiatives of the Western Cape Government (WCG) and has, as a specific intervention, seconded the Deputy Director-General: Provincial Public Works to lead the provincial government's water business continuity response to the drought. In the area of public transport, the Department continued to engage with PRASA, Metrorail and the CoCT to find innovative and sustainable solutions to the current unacceptable situation.

Together with the environmental challenges alluded to above, continued weak economic growth, declining confidence levels and the downgrade in the country's sovereign credit rating impacted on the manner in which the DTPW planned and executed its projects within limited available resources.

The strong mitigating measures started already in the previous financial year, continued during the reporting period. Prudent cost of employees (COE) expenditure and procurement strategies aimed at, amongst others, realising greater levels of efficiency, were utilised during the period under review. Work will continue on implementing framework contracts, pricing and packaging strategies to increase delivery capacity of goods and services. Within the context of the constrained fiscal environment, a strategic shift from construction to maintenance to increase the life cycle and socio-economic value of the Western Cape's critical enabling infrastructure has been implemented as far as is possible within DTPW's control. However, significant challenges remain in gaining ground against historical maintenance backlogs in health and education infrastructure as well as in maintaining the provincial road infrastructure at an appropriate level.

Despite the challenges alluded to above, the DTPW managed to spend 99,4 per cent of its R7,5 bn budget allocated for the financial year.

The DTPW actively participated in relevant Provincial Strategic Goal (PSG) steering committees and their workgroups to achieve greater levels of alignment between the infrastructure delivery work of the three spheres of government. Work on critical projects aimed at addressing the spatial inequalities of the past continued and the Conradie BLMEP and Vredenburg Urban Revitalisation Project made good progress in the period under review.

The DTPW continued to leverage the development and empowerment of communities, emerging contractors and the construction industry in its work to positively contribute to sustainable economic and employment growth. This is a critical investment in the context of the continued weak economic climate.

The 6th iteration of the annual Property Efficiency Report (PER) saw an increase in workspace efficiency of 7,6 per cent as well as decreases in energy consumption of 6 per cent and a reduction in water consumption of 20 per cent across a range of 35 selected office buildings in the DTPW portfolio.

Infrastructure projects related to planning, additions, renovations, refurbishments and maintenance of general building infrastructure continued in the year under review. Specific focus areas in 2017/18 included the Office Modernisation Programme, as well as the implementation of a range of water savings measures and investment in supplementary water sources at critical service delivery infrastructure points such as schools and hospitals.

An efficient infrastructure system is integral to economic growth. The provincial road network in the Western Cape is a key economic and social enabler. The DTPW's investment in provincial road infrastructure aims to preserve surfaced roads, gravel roads and bridges and to prevent the accumulation of backlogs. Our investment also aims to upgrade roads from gravel to surfaced standard, as well as to improve safety at hazardous locations to achieve a downward trend in road deaths.

The optimisation of the road asset investment programme, the exercising of land-use access control procedures and road network planning and delivery continued during the year through ongoing liaison with road authorities such as Transport for Cape Town, the South African National Roads Agency (SANRAL), and municipalities.

An investigation continues into the economic and operational efficiency of the present regional road maintenance model in which the district municipalities act as service providers to maintain provincial roads.

The year under review saw increased costs across the operations of the Department, ranging from increases in the cost of capital equipment procurement to the transfer of municipal costs onto consumers through increases in rates and taxes.

In the area of public transport, the implementation of the Provincial Sustainable Transport Programme (PSTP) aimed at incremental development and implementation of sustainable transport systems in the Western Cape continued as well as capacity and financial support to local municipalities in the formulation of their integrated transport plans. Significant partnerships were formed with key stakeholders, including local municipalities, communities, and businesses. Specific focus is being placed on improving access for low-income communities through public transport and non-motorised transport (NMT) initiatives.

The DTPW managed to maintain its clean audit outcome status in 2017/18 as was the case the year before. Work is continuing to improve the financial capability maturity levels of the DTPW to the next level – the "intermediate" level of capability. The implementation of the Infrastructure Delivery Management System (IDMS) continued during the year to

explore, pilot and implement alternative procurement and delivery strategies that will accelerate infrastructure delivery and mitigate infrastructure delivery risks.

4.2 Events

Table 1 describes key departmental events held during 2017/18.

Table 1: Key departmental events

No	Date	Event	Report
1	22 April 2017	Minister Grant and Head of Department (HOD) Jaqueline Gooch awarded Masakh'iSizwe bursaries to tertiary-level students.	The Masakh'iSizwe Bursary Awards Ceremony took place in Cape Town on 22 April 2017. Bursaries were awarded to 72 tertiary-level students in the transport, engineering and built environment fields.
2	8 May 2017	Site visit to Khayelitsha Shared Services Centre.	The Western Cape Ministers of Transport and Public Works, Health, and Social Development visited the new "Five Star Green" Khayelitsha Shared Services Centre. This is the first public building in the South Africa to be awarded a Five-Star Green Design Rating by the Green Building Council of South Africa (GBCSA).
3	June 2017 – Ongoing	Thusong Mobile events.	The DTPW participated in all the Thusong Mobile events which bring government services directly to communities that are far from service points. The Masak'isizwe Bursary Programme was showcased at these events.
4	June 2017 – Ongoing	Western Province Blood Transfusion Services (WPBTS).	DTPW and other WCG staff participated in the WPBTS blood donation clinics held at 9 Dorp Street.
5	16 June 2017	Youth Day Career Exhibition.	The DTPW showcased various government opportunities available to the youth at an exhibition in Riviersonderend, including the Masakh'iSizwe Bursary Programme, apprenticeships at the Bellville Mechanical Workshop, Road Safety Management (RSM) activities, and traffic law enforcement training at GLTC.
6	23 June 2017	Graduation Ceremony at GLTC.	A total of 20 traffic law enforcement officers graduated from GLTC. They are the product of a twelve-month training programme that saw a 100 per cent completion rate.
7	2 July 2017	Launch of Random Breath Testing (RBT) project in Caledon.	Minister Grant launched the RBT project in Caledon. RBT is a joint project of national, provincial, and local government agencies. It is a partnership with the South African Police Service (SAPS), Provincial Traffic Services, the Road Traffic Management Corporation (RTMC), Safely Home, the CoCT, and the traffic services of the Cape Agulhas, Overstrand, and Theewaterskloof municipalities.

No	Date	Event	Report
8	29 July 2017	Participatory Educational Techniques (PETs) Open Day.	Nomzamo High School (urban category winner), Groenberg Secondary School, Grabouw (rural category) and Batavia School of Skill, Claremont (disability category) were chosen from the competing schools at a provincial PET event arranged by the DTPW. The competition is a technology transfer project aimed at changing learner attitudes towards road safety through participatory education. The project challenges learners from Grade 10 and 11 to identify road safety problems in their communities and to find research-based solutions. Competing schools were adjudicated on: 1) the quality of their models (displays); and 2) their presentations on research-based solutions to road safety challenges in their communities. The event gave learners an opportunity to express their views on road safety, and to actively contribute to solving road safety challenges in their communities. These high schools represented the Western Cape in the PET national competition held from 1 to 7 October 2017 in North West Province.
9	23 – 24 August 2017	Cape Construction Expo.	DTPW shared an exhibition stand with the Western Cape Department of Human Settlements (DHS) at the Cape Construction Expo held in Cape Town. The Expo provided an opportunity for industry stakeholders to network with built environment service providers and professionals from across the Western Cape. The interactive DTPW/DHS exhibition was one of about 80 exhibitions at the event, and it was visited by approximately 4 000 small and medium contractors. The two departments distributed information to contractors on how to register as service providers so that they can submit bids for WCG contracts. Expanded Public Works Programme (EPWP) representatives provided information on training and skills development programmes. Staff members from the DTPW Chief Directorate: Supply Chain Management (SCM) assisted contractors visiting the Expo to register online on the Western Cape Supplier Database (WCSD).
10	9 October 2017	Ministers inspect progress on DTPW roadworks project.	The Minister of Transport, Joe Maswanganyi, and provincial Minister of Transport and Public Works, Donald Grant, conducted a site inspection to monitor progress on a roadworks project currently under way on the N1 between Plattekloof Road and the Old Oak Interchange. This R487 m project started in February 2016 and is expected to be complete in 2019/20.
11	10 October 2017	Site visit to Eerste River High School.	Minister of Education Debbie Schäfer and Minister Donald Grant visited the new Eerste River High School in Blue Downs, Cape Town. Construction commenced in June 2016 on the R60 m project and is nearing completion.

No	Date	Event	Report
12	19 October 2017	Solar photovoltaic (PV) panel project launch.	Premier Helen Zille visited the rooftop solar PV system installed at 9 Dorp Street in Cape Town central business district (CBD). The WCG is set to save R500 000 per annum in electricity costs from having installed solar PV panels on the rooftops of buildings in the Cape Town CBD.
13	25 October 2017	Premier's visit to the Green Building at the Karl Bremer Hospital.	Premier Helen Zille and officials of the DTPW conducted a site visit to the new Green Building at the Karl Bremer Hospital site in Bellville. The building will use an estimated 1,1 m litres a year less in potable water than a conventional building of the same size.
14	26 October 2017	Official opening of the rehabilitateded R399 – Velddrift to Piketberg road.	Minister Grant opened the upgraded road R399 near Piketberg. This 35-month mega-project is set to significantly improve economic development prospects for the West Coast District and Piketberg in particular. It involved much-needed upgrades to two road sections between Piketberg and Velddrift comprising a total of 55,77 km.
15	16 November 2017	Development programme for emerging contractors begins.	Owners of 55 small construction businesses began the 10-month DTPW Contractor Development Programme (CDP) training. The course is accredited by the Construction Education and Training Authority. Training topics include enterprise development, effectively managing a construction site, and applying innovative safety principles to the site.
16	5 December 2017	Launch of provincial traffic safety operational plan at GLTC.	Minister Grant and Traffic Chief Kenny Africa launched the festive season provincial traffic safety operational plan under the theme #BoozeFreeRoads.
17	15 December 2017	Public transport sticker project at Joostenberg Vlakte and Sonstraal.	The DTPW launched its public transport sticker project at Joostenberg Vlakte and Sonstraal. This project runs at least twice a year, during Easter and the December/ January holiday season. Drivers of vehicles in good order get stickers to display on their windscreens. This facilitates the work of traffic officers doing routine vehicle checks en route. These vehicle checks help ensure that road users and commuters travel safely to their destinations during busy holiday periods.
18	12 February; 1 and 8 March 2018	Long Service Awards.	Minister Grant handed staff members certificates to recognise dedicated government service of 10, 20, 30 and 40 years.

4.3 Overview of the financial results of the DTPW

Departmental receipts

Table 2 provides information on departmental receipts.

Table 2: Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimated amount R'000	Actual amount collected R'000	(Over)/ under collection R'000	Estimated amount R'000	Actual amount collected R'000	(Over)/ under collection R'000
Tax Receipts:						
Motor vehicle licences	1 399 552	1 572 067	(172 515)	1 285 065	1 433 664	(148 599)
Sale of goods and services other than capital assets	92 224	127 679	(35 455)	87 833	113 723	(25 890)
Interest, dividends and rent on land	-	984	(984)	-	1 976	(1 976)
Sale of capital assets	-	475	(475)	-	3 369	(3 369)
Transactions in financial assets and liabilities	1 179	16 407	(15 228)	8 088	24 194	(16 106)
Transfers received	-	3 000	(3 000)	-	6 765	(6 765)
Fines penalties and forfeits	244	1 602	(1 358)	232	1 307	(1 075)
Total	**1 493 199**	**1 722 214**	**(229 015)**	**1 381 218**	**1 584 998**	**(203 780)**

An over collection of R229,015 m or 15,34 per cent was realised on departmental receipts for the 2017/18 financial year. In the previous financial year, the over-collection on receipts amounted to R203,780 m or 14,75 per cent. The increase in actual collections compared to those of the previous year is R137,216 m or 8,66 per cent. The main contributor to the over collection of departmental receipts in 2017/18 is motor vehicle licences at 75,33 per cent of the total over-collection.

Motor vehicle licence revenue continue to dominate departmental own receipts, with the remainder consisting mainly of refunds, abnormal load licences, operating licences special motor vehicle licence numbers, course fees, rental of office buildings, fines, penalties and forfeits, as well as a transfer received from Drakenstein municipality in respect of co-funding of the improvements required to Main Road (MR) 201 between the N1 and MR91.

The number of registered vehicles increased from 1 939 657 as at 31 March 2017 to 1 991 566 as at 31 March 2018, a net increase of 51 909 motor vehicles or 2,68 per cent.

There was a net decrease in the number of special licence plates of 675 or 8,93 per cent from 7 557 as at 31 March 2017 to 6 882 as at 31 March 2018. The number of abnormal load permits issued in the year under review also decreased by 566 or 6,26 per cent from 9 041 as at 31 March 2017 to 8 475 as at 31 March 2018.

The main reasons for the improvement on anticipated performance in 2017/18 are:

- Motor vehicle licences:
  - An average increase of 6 per cent on motor vehicle licence fees with effect from 1 April 2017;
  - Improved collection procedures for outstanding fees;
  - Voluntary payment of prescribed motor vehicle licence fees by vehicle owners; and
  - An increase in the motor vehicle population.
- Receipt of arrears on leases.
- Sale of property:
  - Erven 227; 228 and 231 Kraaifontein; and
  - Portion of Erf 3779 Langa.
- Funding received from the Drakenstein Municipality for upgrades to provincial road MR201.

Apart from the DTPW providing accommodation free of charge to government departments and entities, there were no free services that would have yielded significant revenue had a tariff been charged.

Bad debts of R2 075 000, mainly related to damages to vehicles, road construction and maintenance plant and employee debt, were written off for the year under review.

Details on tariffs charged by the DTPW

Tariffs determined at provincial level:

- Motor vehicle licence fees: These fees are governed by the National Road Traffic Act, 1996 (Act 93 of 1996) (NRTA). The Provincial Minister of Transport and Public Works in concurrence with the Provincial Treasury implemented an average tariff increase of 6 per cent effective from 1 April 2017.
- Impoundment fees: These fees are governed by the National Land Transport Act, 2009 (Act 5 of 2009) (NLTA) and the NRTA. The tariffs determined by the Provincial Minister of Transport and Public Works effective from 21 April 2011 remained unchanged.
- Course fees in respect of the GLTC: These fees are governed by the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA). An average tariff increase of 6,2 per cent was implemented with effect from 1 April 2017.
- Leasing of State housing: The prescribed tariffs are applied as contemplated in the PFMA.
- Leasing of government buildings: Agreements are entered into at market-related tariffs or as approved otherwise by the Provincial Treasury as contemplated in the PFMA.

Tariffs determined at national level:

- Exemption permit fees: These fees are governed by the NRTA. The Minister of Transport increased the fees effective from 19 February 2016 based on actual scientifically determined costs and indexed to the Producer Price Index.

- Special discrete motor vehicle and personalised licence number fees: These fees are governed by the NRTA. The tariffs determined by the Minister of Transport effective from 1 February 2003 remained unchanged.
- Miscellaneous fees: These fees are governed by the Western Cape Road Traffic Act, 1998 and the NRTA. The tariffs determined by the Minister of Transport effective from 1 April 2010 remained unchanged.
- Operating licence fees: These fees are governed by the NLTA. The tariffs determined by the Minister of Transport effective from 17 December 2009 remained unchanged.
- Provincial traffic escort services fees: (abnormal loads). These fees are governed by the NRTA.

Programme expenditure

Table 3 provides detail on programme expenditure.

Table 3: Expenditure per Programme

Programme name	2017/2018			2016/2017		
	Final appropria-tion R'000	Actual expenditure R'000	(Over)/ under expenditure R'000	Final appropri-ation R'000	Actual expenditure R'000	(Over)/ under expenditure R'000
Administration	174 981	172 753	2 228	165 468	162 645	2 823
Public Works Infrastructure	1 866 836	1 842 558	24 278	1 731 166	1 696 286	34 880
Transport Infrastructure	3 438 947	3 429 381	9 566	3 256 339	3 243 655	12 684
Transport Operations	1 212 071	1 211 596	475	1 189 556	1 188 287	1 269
Transport Regulation	801 912	794 428	7 484	690 725	681 973	8 752
Community-Based Programmes	53 841	52 904	937	59 410	55 862	3 548
Total	**7 548 588**	**7 503 620**	**44 968**	**7 092 664**	**7 028 708**	**63 956**

The DTPW spent 99,4 per cent of its budget allocation for the year under review. In the previous financial year, the spending was 99,1 per cent of the budget allocation. The growth in actual expenditure, when compared to the previous year's expenditure, is 6,76 per cent.

The original provision for COE in the Department was determined based on the cost of filled positions as at February 2017 plus provision for the filling of a limited number of critical posts, mainly in the infrastructure and traffic management and regulation components.

As the budget for COE was earmarked and classified as specifically and exclusively appropriated, shifting of funds away from COE was not permitted unless approved through an Act of Parliament. During the 2017 Adjusted Estimate process, the Department shifted funds from compensation of employees to goods and services to augment the

provision for alternative service delivery mechanisms such as a management contractor to support infrastructure delivery.

The underspending on COE was mainly due to vacancies not being filled within the planned timeframe, as well as natural attrition of the staff complement, the cost of which also impacted on related goods and services items.

Over and above the underspending on COE and related goods and services items, which affected all the programmes, further reasons for variances in expenditure are indicated per programme below.

Programme 2: Public Works Infrastructure

The underspending on property rates is mainly due to outstanding invoices for rates on roads as well as the time-consuming process of validating and reconciling accounts.

Programme 3: Transport Infrastructure

Certain municipalities did not claim their subsidies for the construction and maintenance of transport infrastructure during the 2017/18 financial year. This resulted in marginal underspending on the programme for transfer payments as municipalities were unable to execute infrastructure projects as planned.

4.4 Virements and rollovers

Virements

Table 4 provides details on virements effected in the year under review.

Table 4: Virements for 2017/18

Main Division from	To	R'000	Reason
1. Administration	3. Transport Infrastructure	1 100	Accelerated roads infrastructure delivery.
	5. Transport Regulation	3 900	Agency fees payable to municipalities due to over collection of motor vehicle licence fees.
2. Public Works Infrastructure	3. Transport Infrastructure	56 465	Accelerated roads infrastructure delivery.
		727	Provision for professional driving permits and transport costs.
	5. Transport Regulation	1 466	Agency fees payable to municipalities due to over collection of motor vehicle licence fees.
3. Transport Infrastructure	5. Transport Regulation	25 960	Agency fees payable to municipalities due to over collection of motor vehicle licence fees.
4. Transport Operations	5. Transport Regulation	7 000	Agency fees payable to municipalities due to over collection of motor vehicle licence fees.
5. Transport Regulation	3. Transport Infrastructure	1 800	Accelerated roads infrastructure delivery.

Main Division from	To	R'000	Reason
	4. Transport Operations	109	CoE realignment.
6. Community-Based Programmes	5. Transport Regulation	1 000	Agency fees payable to municipalities due to over collection of motor vehicle licence fees.

Rollovers

Table 5 provides details on rollovers requested from 2016/17 to 2017/18.

Table 5: Rollovers requested from 2016/17 to 2017/18

Programme	R'000	Purpose
Programme 1: Administration	905	To provide for thefts and losses.
Programme 3: Transport Infrastructure	1 800	To subsidise the Stellenbosch Municipality upgrading of municipal proclaimed road MR27.
Programme 4: Transport Operations	2 708	To George Municipality to support the George Integrated Transport Network (GIPTN) implementation of subsequent GIPTN phases.
	13 424	To provide for the planning, development, oversight and implementation of projects at priority municipalities in terms of the PSTP.
	4 500	For the drafting of impoundment regulations.
Programme 5: Transport Regulation	484	For the conclusion of the online web application facility on the Internet Number Plate Application System (INPAS).
	3 060	To provide for increasing overload control operational costs.
Total	**26 881**	

4.5 Revenue retention

Table 6 provides details on revenue retained from 2016/17 to 2017/18.

Table 6: Revenue retained from 2016/17 to 2017/18

Programme	R'000	Purpose
Programme 3: Transport Infrastructure	5 000	From over collected motor vehicle licence fees to provide for security at all Average Speed Over Distance (ASOD) sites to mitigate against the risk of vandalism and theft.
Programme 4: Transport Operations	292	From financial transactions in assets and liabilities to be used for GIPTN infrastructure implementation at George Municipality.
	4 000	From over collected motor vehicle licence fees; sales of goods and services; interest, dividends, rent on land and financial transactions in assets and liabilities to be transferred to Overstrand Municipality for NMT infrastructure implementation.
	1 016	From over collected motor vehicle licence fees to be utilised for the planning, development, oversight and implementation of PSTP projects in Stellenbosch and Overstrand municipalities.
	5 000	From over collected motor vehicle licence fees to provide for the GIPTN dispute resolution process.
	6 000	From over collected motor vehicle licence fees for the planning of the Conradie Better Living Model transport services.

Programme	R'000	Purpose
	7 000	From over collected motor vehicle licence fees to improve and optimise transport systems by providing for the migration of the Integrated Transport Information System (ITIS) from the original developer to the Department (R2 000 000), and to complete the ITIS/ASOD Enforcement System (R5 000 000) by including the development of reporting and GIS functionality as well as a duty roster for traffic officers in the field.
Programme 5: Transport Regulation	6 068	Conditional allocation received from the RTMC for road safety projects.
	2 000	From over collected motor vehicle licence fees for increasing overload control operational funding.
	10 000	From over collected motor vehicle licence fees to improve and optimise transport systems by the refinement and development of the Business Process Management System and its migration to Process Suite to integrate multiple business processes in the operating licence environment (R4 000 000), and to replace the outdated Law Administration Operating System with an integrated Traffic Administration and Licensing System (TALS) (R6 000 000).
	3 000	From over collected motor vehicle licence fees for road safety education and communication campaigns.
	1 000	From over collected motor vehicle licence fees for the acquisition of Evidentiary Breath Alcohol Testing (EBAT) machines and equipment for the reimplementation of breath alcohol testing at the alcohol evidence centres in George and Worcester.
	2 100	From over collected motor vehicle licence fees for the acquisition and installation of play detectors at 14 vehicle testing stations (VTSs) to comply with the legislative requirements of the NLTA.
	620	From over collected motor vehicle licence fees for the upgrading and equipping of traffic centres, mainly office furniture.
	7 000	From over collected motor vehicle licence fees and sales of goods and services for operational radio communication equipment that will allow traffic officers to be in radio contact even if they are not in close proximity to their patrol vehicles, to upgrade the two-way radio network from analogue to digital at traffic centres, as well as the upgrading of the radio control room with internet connections.
	4 500	From sales of goods and services for the acquisition and upgrading of alcohol screeners to equip traffic officers to effectively do random breath testing as part of their official duties.
Programme 6: Community-Based Programmes	697	Conditional allocation received from Public Service Sector Education and Training Authority (PSETA) for the welding apprenticeship programme.
Total	**65 293**	

4.6 Unauthorised, irregular and fruitless and wasteful expenditure

The reasons for unauthorised, irregular and fruitless and wasteful expenditure identified in 2017/18, amounts involved, and steps taken to prevent recurrence are set out below.

Unauthorised expenditure

File number	Description	Amount	Corrective steps
-	-	Nil	-

Fruitless and wasteful expenditure

File number	Description	Amount	Corrective steps
-	-	Nil	-

Irregular expenditure

The table below shows the cases that emerged in 2017/18.

File number	Description	Amount	Corrective steps
FC 3/6/1/4/149	Non-adherence to Finance Instruction – exceeding approved limitations.	R500.00	Training was provided to the implicated officials.
FC 3/6/1/4/150	Non-compliance with SCM delegations – obtaining only one quotation.	R495.90	Training was provided to the implicated officials.
FC 3/6/1/4/151	Non-adherence to Finance Instruction – exceeding approved limitations.	R2 486.65	Officials received cautionary letters and an Internal Communication was distributed to invite officials for training.

4.7 Future plans of the DTPW

The following legislative and policy matters will be undertaken:

- Western Cape Immovable Asset Management Act and regulations to replace the Western Cape Land Administration Act;
- Western Cape Provincial Road Traffic Act – provision for the Minister to make regulations including for impoundments;
- Western Cape Public Transport Framework Bill;
- Revised Policy on Community Participation in Infrastructure Projects; and
- Digital Strategy.

The DTPW has plans in respect of other areas of endeavour:

- The Masakh'iSizwe Bursary Programme and PDP aim to address the skills shortage by assisting the DTPW to build its human resource capacity to enable the organisation to deliver on its mandate while providing youth with access to training and employment opportunities. Furthermore, the PDP will investigate the inclusion of other disciplines and implementing the programme in local authorities.
- Realising greater efficiencies in the use of potable and non-potable water in office buildings over the medium term will be one of the focus areas for infrastructure projects in 2018/19.
- An invitation to bid is to be issued to qualifying respondents for the expression of interest for an integrated property management system that will assist with whole life cycle management of the immovable asset portfolio.

- The full implementation of the consolidated GIPTN, with a focus on providing a high standard of service to the people of George, refining operations to improve financial sustainability, and enhancing the ability of government to manage operations and the contract.
- Pursue the implementation of appropriate measures to enhance rail, freight and transport safety in the Western Cape through coordination and cooperation with key sector stakeholders, in line with the relevant implementation programmes.
- The implementation of the pilot DSP in the Theewaterskloof, Cape Agulhas and Overberg Municipalities will continue, whilst planning for the West Coast and Khayelitsha region is expected to be completed. In-vehicle law enforcement technology that is integrated with the Automatic Number Plate Recognition (ANPR) and ASOD systems will continue to be tested and refined.
- More innovative water- and energy-saving measures are planned.

The Provincial Regulatory Entity (PRE), National Department of Transport (NDoT) and the CoCT will resume the process to establish South Africa's first Municipal Regulatory Entity.

Public Private Partnerships (PPP)

PPP supports the public and private sectors to work together to fund and build infrastructure. PPPs are governed by Treasury Regulation 16 and the PFMA. The PPP project cycle comprises four stages and National Treasury (NT) approval must be obtained at every stage.

Approval stage	Description
TA I	NT approval for the project feasibility study.
TA II A	NT approval for the procurement documentation, including the draft PPP agreement.
TA II B	NT approval for the report that demonstrates how the three PPP criteria were applied in the evaluation of the bids, how they were satisfied in the preferred bid, and any other information the NT requires.
TA III	NT approval of the PPP agreement that certifies the project meets all the requirements of Treasury Regulation 16.

Project	Treasury approval stage				Comment
	TA I	TA IIA	TA II B	TAIII	
Chapman's Peak Drive				X	Chapman's Peak Drive continues to operate as a toll road in terms of the Western Cape Toll Roads Act, 1999 (Act 11 of 1999). The concession agreement runs until 2033.

Project	Treasury approval stage				Comment
	TA I	TA IIA	TA II B	TAIII	
13 Dorp Street – Western Cape Education Department (WCED) Head Office		X			The project entails the construction of a 22 000 square metre ($m^{2)}$ office building through a PPP. The project had been registered with NT and Treasury Approvals (TA I and TA II A) were granted. On 31 October 2017 the Department informed the 2 pre-qualified bidders in writing that the Head Office Accommodation PPP tender was terminated due to the "affordability criteria not being achieved".
Government Motor Transport (GMT) – Top Yard	X				The Top Yard project was registered as a PPP with the NT in January 2015. In August 2015, TA I Treasury Approval was received. This project is now on hold and will be held in abeyance as the site is not surplus to government's needs.

Note: Schedule of NT approvals for Public Private Partnerships

Regeneration Projects

During the finalisation of the 2017/18 main budget, the Cape Town Central City Regeneration Programme was identified as a programme to be phased out over the medium term, mainly due to funding considerations as a result of the weak economic climate. Except for the Better Living Model Exemplar Project Game-Changer, the other projects were to be concluded up to the next phase and then put on hold pending availability of funding in the future. However, developments with regard to affordable housing during 2017/18 put the spotlight back onto the utilisation of strategic assets and the Artscape Founders Garden and Somerset Precinct (Helen Bowden Nursing Home) projects were identified as projects that can be considered to support such development.

A rezoning application for the whole of the Somerset Precinct was submitted in 2016 and the application is currently in the public participation phase. Responses were sent to objections received.

Game-Changer project

The table below provides a high-level summary of the current game changer project.

Project	Comment
BLMEP - Conradie Game-Changer	The Project consists of three primary work streams namely the securing of: • development rights; • public sector funding; and • a property developer incorporating a social housing institution. **Development rights** The City Municipal Planning Tribunal approved the rezoning application in October 2017. A public appeal process followed and final decision by the City Appeal Authority is expected in May 2018. **Public sector funding** The necessary WCG funding commitments were secured through a Treasury-approved PFMA section 66 application in March 2018.

Project	Comment
	CoCT funding commitments approved by Transport and Urban Development Authority (TDA) resolutions are subject to a Municipal Finance Management Act, 2003 (Act 56 of 2003) sction 33 process that is currently in progress and expected to have been concluded by a full council resolution in October 2018. **Property developer procurement** Development proposals are expected from market in June 2018 and, following a 4-stage evaluation and negotiation process, are expected to culminate in a conditional appointment by September 2018. Following compliance with the requirements of the Western Cape Land Administration Act, 1998 (Act 6 of 1998) (WCLAA) and Government Immovable Asset Management Act, 2007 (Act 19 of 2007) (GIAMA), unconditional appointment is expected in December 2018. Sod-turning is expected in December 2018.

4.8 Discontinued activities

There are no discontinued activities to report.

4.9 New or proposed activities

There are no new or proposed activities to report.

4.10 Supply Chain Management (goods and services)

There were no unsolicited bids concluded for the year under review.

Standard operating procedures (SOPs), templates and tools are in place to mitigate the risk of irregular expenditure through the design and implementation of detective, corrective and preventative controls in the AO's SCM delegations and accompanying delegations.

The AO's SCM delegations have been reviewed and will be finalised for issuance to the Department in the 2018/19 financial year.

The main challenges relating to SCM include:

- The transversal Integrated Financial Management System still being under development;
- The lack of a functional standard project management system that is configured for the Department;
- The legislative framework for SCM being under review with the associated potential change management risks; and
- The implementation of the National Treasury's Central Supplier Database (CSD) and its implications for suppliers and contractors.

These challenges are of particular concern given the fact that the Department is both supply chain- and project-intensive. These challenges were mitigated in the interim through:

- The design of standardised tools and templates;
- Using electronic application and services;

- The further implementation in the line function of a user-specific Enterprise Project Management system, based on the requirements of the IDMS;
- Dealing with the challenges experienced with CSD on a case-by-case basis; and
- Various workshops and consultations with the Provincial Treasury (PT) and Legal Services on the 2017 Preferential Procurement Regulations.

4.11 Gifts and donations received in kind from non-related parties

No gifts and no donations were received from non-related parties.

4.12 Exemptions and departures received from National Treasury

The modified cash standard exempts a department from the recording of an accrual for taxation revenue. By implication, a department need not accrue for any receivables or payables such as interest or other charges that are directly related to the levying and or collection of the tax receipt.

4.13 Events after the reporting date

On 21 February 2018, the Minister of Finance announced during the 2018/19 budget speech that Value Added Tax (VAT) on taxable goods and services will increase from 14 per cent to 15 per cent with effect from 1 April 2018. The VAT increase will have a R27 m impact on the DTPW's financial statements.

4.14 Other

There are no other matters to report.

4.15 Acknowledgements

The following official received awards at the 2018 National Batho Pele Excellence Awards ceremony on 2 March 2018:

- HOD Jacqueline Gooch received the silver award (joint) for the Best Head of a Provincial Department; and
- She also received the bronze award (joint) for the Best Functioning Provincial Department.

Long service awards were given to staff members with 10, 20, 30 and 40 years of dedicated service.

Categories	10 years	20 years	30 years	40 years	Total
Number of recipients	101	16	73	7	**197**

Furthermore, while it is acknowledged that there is always room for improvement, many staff work long hours and put in substantial effort to support the Department in the continuous journey of improvement. This dedication is truly valued.

Acknowledgement and gratitude is extended to Minister Grant for his strong leadership and governance during the reporting period.

The Annual Financial Statements set out on pages 239 to 348 are hereby approved.

_____

JT Gooch
Accounting Officer
Department of Transport and Public Works

Date: 31 August 2018

5 Statement of responsibility and confirmation of accuracy for the Annual Report

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

- All information and amounts disclosed throughout the Annual Report are consistent.
- The Annual Report is complete, accurate and is free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on the Annual Report issued by NT.
- The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by NT.
- The AO is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.
- The AO is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, Annual Financial Statements and, in line with an agreed governance framework with the Corporate Services Centre (CSC) in the Department of the Premier (DotP), for human resources (HR) information.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.
- In my opinion, the Annual Report fairly reflects the operations, the performance information, the HR information and the financial affairs of the Department for the financial year ended 31 March 2018.

Yours faithfully

JT Gooch
Accounting Officer
Department of Transport and Public Works

Date: 31 August 2018

6 Strategic overview

6.1 Vision

The Department of Transport and Public Works (DTPW) embraces the Western Cape Government's vision as contained in the Provincial Strategic Plan 2014 – 2019:

"An open opportunity society for all".

The DTPW's own vision is consistent with the Western Cape Government's vision:

"To lead in the delivery of government infrastructure and related services".

6.2 Mission

"The DTPW delivers infrastructure and services to promote socio-economic outcomes and safe, empowered and connected communities".

6.3 Values

DTPW fully subscribes to the core values of the WCG:

These values are all underpinned by team work. A detailed explanation of the meaning of each core value follows.

Table 7: Provincial values and behavioural statements

Value	Behavioural statement
Caring	We will endeavour to understand people's needs and pay attention to them. We will show respect for others. We will treat staff members as more than just workers and value them as people. We will empathise with staff members. We will emphasise positive features of the workplace. We will provide constructive criticism when necessary.
Competence	We will endeavour to ensure that staff members are able to do the tasks they are appointed to do, that they internalise DTPW's values, and that they always strive for excellence. We will deliver on our outcomes and targets with quality work, within budget, and on time. We will strive to achieve the best results to serve all the people of the Western Cape. We will work together to meet our constitutional obligations and our electoral mandate commitments.

Value	Behavioural statement
Accountability	We fully understand our objectives, roles, delegations, and responsibilities. We are committed to delivering all agreed outputs on time. We will hold each other accountable in a spirit of mutual trust and honouring all our commitments. As individuals we will take responsibility for and ownership of our work outcomes and accept the consequence of failing to do so.
Integrity	We will seek greater understanding of the truth in every situation and act with integrity at all times. We will be honest, show respect, and practise positive values. We will be reliable and trustworthy at all times, doing what we say we will do. We will act with integrity at all times and in all instances, ensuring that we remain corruption-free.
Innovation	We seek to implement new ideas, create dynamic service options and improve services. We strive to be creative thinkers who view challenges and opportunities from all possible perspectives. We are citizen-centric and have the ability to consider all options and find a resourceful solution. We value employees who question existing practices with the aim of renewing, rejuvenating and improving them. We foster an environment where innovative ideas are encouraged and rewarded. We understand mistakes made in good faith, and allow employees to learn from them. We solve problems collaboratively to realise our strategic organisational goals.
Responsiveness	We will take public opinion seriously, listening to and hearing the voice of the people (more listening and less talking). We will respond to all situations timeously, always asking ourselves whether it is the right response, where we could be wrong, and how we can provide better service. We will engage collaboratively with each other, our stakeholders, and the media, providing full information. We will strive to achieve the best results for the people we serve and to act on their feedback.

7 Legislative and other mandates

The DTPW's mandate is derived from the Constitution of the Republic of South Africa, 1996, (hereafter referred to as the Constitution) and the Constitution of the Western Cape, 1997 (Act 1 of 1998). Certain mandates are concurrent responsibilities, while others are exclusively the responsibility of the provincial sphere of government. These mandates, as well as those derived from the functional legislation and policies, are outlined in this section.

Function	Legislation
Transport	**Administrative Adjudication of Road Traffic Offences Act, 1998 (Act 46 of 1998) (AARTO)** Promotes road traffic quality by providing for a scheme to discourage road traffic contraventions; facilitates the adjudication of road traffic infringements; supports the prosecution of offenders in terms of national and provincial laws relating to road traffic; implements a points demerit system; provides for the establishment of an agency to administer the scheme; provides for the establishment of a board to represent the agency; and provides for related matters.
	Advertising Along Roads and Ribbon Development Act, 1940 (Act 21 of 1940) Requires the DTPW to regulate the display of advertisements outside certain urban areas at places visible from provincially proclaimed roads; and the depositing or leaving of disused machinery or refuse; and the erection, construction, or laying of structures and other things near certain provincially proclaimed roads; and the access to certain land from such roads.
	National Land Transport Act, 2009 (Act 5 of 2009) Provides for the process of transformation and restructuring of the National Land Transport System initiated by the National Land Transport Transition Act, 2000 (Act 22 of 2000), through: • the formulation and implementation of provincial land transport policy and strategy; • the planning, coordination, and facilitation of land transport functions; • collaboration between municipalities; and • liaison with other government departments.
	National Road Traffic Act, 1996 (Act 93 of 1996) The DTPW, with the Member of the (provincial) Executive Council (Provincial Minister) (MEC) as designated authority, must ensure that all functions relating to the registration and licensing of motor vehicles, driver fitness testing and vehicle fitness testing are performed. In addition, the DTPW is responsible for the management of events that take place on public roads. The NRTA regulates registration and licensing of motor vehicles, manufacturers, builders and importers; fitness of drivers; operator fitness; road safety; road traffic signs; speed limits; accidents and accident reports; reckless or negligent driving; inconsiderate driving; driving while under the influence of intoxicating liquor or a drug having a narcotic effect; and miscellaneous road traffic offences.
	National Qualifications Framework Act, 2008 (Act 67 of 2008) (NQF) Provides for the further development, organisation and governance of the NQF. Applies to: education programmes or learning programmes that lead to qualifications or part-qualifications offered within the Republic by education institutions; and skills development providers.
	Road Traffic Management Corporation Act, 1999 (Act 20 of 1999) Provides, in the public interest, for cooperative and coordinated strategic planning, regulation, facilitation, and law enforcement in respect of road traffic matters by the national, provincial, and local spheres of government; regulates the contracting out of road traffic services; provides for the phasing in of private investment in road traffic and, to that end, provides for the establishment of the RTMC and related matters.
	Road Transportation Act, 1977 (Act 74 of 1977) Provides for the control of certain forms of road transportation and related matters.
	Western Cape Provincial Road Traffic Administration Act, 2012 (Act 6 of 2012) Regulates certain road traffic matters in the province.

Function	Legislation
	Western Cape Road Transportation Act Amendment Law (Law 8 of 1996) (WCRTA) Makes provision for the establishment of a provincial transport registrar and the registration of minibus taxi associations, operators, and vehicles.
	Western Cape Toll Road Act, 1999 (Act 11 of 1999) Provides for the tolling of provincial public roads in the Western Cape and for the planning, design, declaration, construction, operation, management, control, maintenance, and rehabilitation of provincial toll roads.
	Cape Roads Ordinance, 1976 (Ordinance 19 of 1976) Provides that the province has sole authority over relaxations of the statutory 5,0 metre and 95 metre building lines pertaining to various classes of provincially proclaimed roads, and provides for the alteration/change of a road's classification (section 4). Such applications are usually received from the district municipality with jurisdiction over the area in question via the District Roads Engineer (DRE), but they can also originate from DTPW's head office.
Public Works and Property Management	**Government Immovable Asset Management Act, 2007 (Act 19 of 2007)** Promotes government's service delivery objectives through the sound management of immovable assets they use or control. GIAMA stipulates the responsibilities of the user and those of the custodian which, in the Western Cape, is DTPW Provincial Public Works.
	National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977) Requires DTPW, as custodian and regulator of the built environment in the Western Cape, to ensure that all building and construction work on government property complies with the law.
	National Heritage Resources Act, 1999 (Act 25 of 1999) Introduces an integrated and interactive system for the management of the national heritage resources, sets down general principles for governing heritage resources management, introduces an integrated system for the identification, assessment and management of heritage resources, and enables the provinces to establish heritage authorities which must adopt powers to protect and manage certain categories of heritage resources. Requires DTPW to subject properties identified for development or regeneration activities to comprehensive heritage impact assessments (HIAs) (where these are required by the Act) and an approval process to preserve the heritage aspects of the properties in question.
	Western Cape Land Administration Act, 1998 (Act 6 of 1998) Provides for the acquisition of immovable property and the disposal of land that vests in the WCG, and for the management of incidental matters. DTPW is responsible for continuously updating the asset and property register, procuring additional properties that may be required, and relinquishing or redeveloping properties that fall into disuse.
Transversal	**Basic Conditions of Employment Act, 1997 (Act 75 of 1997)** Gives effect to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment, and thereby to comply with the obligations of the Republic as a member state of the International Labour Organization.
	Basic Conditions of Employment Act, 1997 (Act of 1997): Ministerial Determination 4: EPWP, gazetted 4 May 2012 Contains the standard terms and conditions for workers employed in elementary occupations in an EPWP project.
	Broad-Based Black Economic Empowerment (BBBEE) Act, 2003 (Act 53 of 2003) Establishes a legislative framework for the promotion of BBBEE; empowers the Minister to issue codes of good practice and to publish transformation charters; and establishes the Black Economic Empowerment Advisory Council.

Function	Legislation
	Competition Act, 1998 (Act 89 of 1998) Provides for the establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers; for the establishment of a Competition Tribunal responsible for adjudicating such matters; for the establishment of a Competition Appeal Court; and for related matters.
	Construction Industry Development Board Act, 2000 (Act 38 of 2000) Establishes the Construction Industry Development Board (CIDB), which is responsible for, among other things, developing the industry for the improved delivery of infrastructure to the South African public; working with all stakeholders for the sustainable growth of construction enterprises and the best practice of employers, contractors and the professions; identifying best practice and setting national standards; and promoting common and ethical standards for construction delivery and contracts.
	Consumer Protection Act, 2008 (Act 68 of 2008) Constitutes an overarching framework for consumer protection. All other laws which provide for consumer protection (usually within a particular sector) must be read together with the Act to ensure a common standard of protection. The Act applies to all suppliers of goods and services.
	Control of Access to Public Premises and Vehicles Act, 1985 (Act 53 of 1985) Provides for the safeguarding of certain public premises and vehicles and for the protection of the people therein or thereon, and for related matters.
	Criminal Procedure Act, 1977 (Act 51 of 1977) Makes provision for procedures and related matters in criminal proceedings.
	Division of Revenue Act (DORA) (Annual) An annual Act of Parliament which provides, *inter alia*, for the equitable division of revenue anticipated to be raised nationally among the national, provincial, and local spheres of government and for Conditional Grants to provinces to achieve government's policy objectives. It further promotes predictability and certainty in respect of all allocations to provinces and municipalities so that such administrations can plan their budgets over a multi-year period.
	Employment Equity, Act, 1998 (Act 55 of 1998) Aims to achieve equity in the workplace by: 1) promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and 2) implementing affirmative action measures to provide redress for the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce.
	Firearms Control Act, 2000 (Act 60 of 2000) Establishes a comprehensive, effective system of firearms control and related matters.
	Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) Provides for: the establishment of a framework for national government, provincial governments, and local governments to promote intergovernmental relations; mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and related matters.
	Labour Relations Act, 1995 (Act 66 of 1995) (LRA) Enables the DTPW to advance economic development, social justice, labour peace, and the democratisation of the workplace through giving effect to the purpose of the Act which includes: providing a framework within which employees and their trade unions, employers and employers' organisations can collectively bargain to determine wages, terms and conditions of employment and other matters of mutual interest; effectively resolve labour disputes; and provide for employee participation in decision-making in the workplace.

Function	Legislation
	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal access to essential services that are affordable to all; defines the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures; provides for the manner in which municipal powers and functions are exercised and performed; provides for community participation; establishes a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government; provides a framework for local public administration and human resource development; to empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts; provides for credit control and debt collection; and establishes a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of progressively integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment.
	National Environmental Management Act, 1998 (Act 107 of 1998) (NEMA) Provides for cooperative environmental governance by establishing principles for decision making on matters affecting the environment, institutions that promote cooperative governance, and procedures for coordinating environmental functions exercised by organs of state; and provides for related matters.
	Occupational Health and Safety Act, 1993 (Act 85 of 1993) Requires DTPW, as custodian and regulator of the built environment, to ensure that all building and construction work on government property, irrespective of whom it is undertaken by, complies with this legislation and that the structures remain compliant throughout their life cycle.
	Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) Provides that an organ of state must determine its preferential procurement policy and implement a preference points system whose aims may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability.
	Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004) Provides for the strengthening of measures to prevent and combat corruption and corrupt activities.
	Promotion of Access to Information Act, 2000 (Act 2 of 2000) (PAIA) Fosters a culture of transparency and accountability in public and private bodies by giving effect to the right of access to information (provided by section 32 of the Constitution), and actively promoting a society in which people have effective access to information to enable them to more fully exercise and protect all their rights.
	Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA) Gives effect to section 33 of the Constitution which provides that everyone has the right to administrative action that is lawful, reasonable, and procedurally fair. Anyone whose rights have been adversely affected by administrative action has the right to be given reasons. PAJA deals with general administrative law and therefore binds the entire administration at all levels of government.

Function	Legislation
	Protection of Personal Information Act, 2013 (Act 4 of 2013) Promotes the protection of personal information processed by public and private bodies; introduces certain conditions so as to establish minimum requirements for the processing of personal information; provides for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and PAIA; provides for the issuing of codes of conduct; provides for the rights of persons regarding unsolicited electronic communications and automated decision making; regulates the flow of personal information across the borders of the Republic; and provides for related matters.
	Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005) Preserves archival heritage for use by the government and people of South Africa, and promotes efficient, accountable, transparent government through the proper management and care of government records.
	Public Finance Management Act, 1999 (Act 1 of 1999) Supports transparency, accountability, and sound management of the revenue, expenditure, assets, and liabilities of DTPW.
	Public Service Act, 1994 (Proclamation 103 published in Government Gazette15791 of 3 June 1994) This is the principal Act governing public administration. It provides the administrative and operational framework for government departments by providing guidelines on employment and human resource practices, i.e. conditions of employment, terms of office, discipline, retirement, and discharge of members of the public service, and related matters.
	Public Administration Management Act, 2014 (Act 11 of 2014) Promotes the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; provides for the transfer and secondment of employees in the public administration; regulates conducting business with the State; provides for capacity development and training; provides for the establishment of the National School of Government; provides for the use of information and communication technologies in the public administration; and provides for the Minister to set minimum norms and standards for public administration.
	Skills Development Act, 1998 (Act 97 of 1998) Provides an institutional framework to devise and implement national, sector and workplace strategies to development and improve the skills in the workplace, and to integrate those strategies in the NQF. As the lead employer, DTPW has to ensure compliance with the employer's duties in terms of the workplace agreement and to ensure the implementation of the agreement in the workplace. Through the EPWP, DTPW implements learnership and skills development programmes to participants in artisan-related fields.
	Radio Act, 1952 (Act 3 of 1952) Controls radio activities and related matters.
	Western Cape Land Use Planning Ordinance, Amendment Act, 2009 (Act 1 of 2009) Regulates land use planning in the Western Cape and related matters.
	Western Cape Monitoring and Support of Municipalities Act, 2014 (Act 4 of 2014) Gives effect to sections 154(1) and 155(6) of the Constitution by making further provision for measures to support municipalities, to develop and strengthen the capacity of municipalities, and to improve their performance. Also gives effect to section 106(1) of the Local Government: Municipal Systems Act by providing for the monitoring of suspected non-performance and maladministration in municipalities, and for related matters.

In the main, the national and provincial policies and strategies described below guide DTPW in the discharge of its responsibilities.

Function	Policies
Transport	**National Freight Logistics Strategy, 2005** Reduces inland freight costs through lower system costs that result from increased efficiency, reliability, and lower transit times, thus offering the customer viable modal choices between road and rail.
	National Public Transport Strategy, 2007 This strategy has two key thrusts, namely: • Accelerated modal upgrading, which aims to provide for new, more efficient, universally accessible, and safe public transport vehicles and skilled operators; and • Integrated rapid public transport networks which aim to develop and optimise integrated public transport solutions.
	National Road Safety Strategy, 2009 – 2015 Deals with road safety issues by integrating and coordinating the various road safety strategies, structures, and interventions of all the role players and agencies in the road safety arena.
	National Road Safety Strategy, 2011 – 2020 Informs a national coordinated effort to improve education and enforcement regarding poor road use behaviour in line with international best practices and recommendations from the World Health Organization for developing countries.
	National Rural Transport Strategy, 2007 Provides guidance to all three spheres of government on dealing with challenges of mobility and access to mobility experienced in rural areas in an integrated, aligned, coordinated manner. Its two main strategic thrusts are: promoting coordinated rural nodal and linkage development; and developing demand-responsive, balanced, sustainable rural transport systems.
	White Paper on National Transport Policy, 1996 Deals with safe, reliable, effective, efficient, fully integrated transport operations and infrastructure. These should meet the needs of freight and passenger customers in a way that supports government strategies for economic and social development while also being environmentally and economically sustainable.
	White Paper on Provincial Transport Policy, 1997 Builds on the foundation created by the White Paper on National Transport Policy by providing details of specific interventions responsive to the needs and opportunities in the Western Cape; and recognises current and future competencies assigned to provinces and other spheres of government under the Constitution.
	Road Access Guidelines Provides guidelines to assist practising engineers and planners, as well as property developers, to develop acceptable road access standards.
	Road Infrastructure Strategic Framework for South Africa (RISFSA) Provides guidelines for the redefinition of the South African road network; and assists roads authorities to reclassify existing road networks.
	Road Safety Strategy for the Western Cape Province, 2005 Encourages a safer road environment by promoting road safety throughout the province focusing on national and provincial routes; and is responsible for the basic training of all traffic officer recruits in the province in order to ensure uniformity and professionalism.

Function	Policies
	Western Cape Policy Statement on Transport for Special Needs Passengers (SNPs), 2009 Places certain responsibilities on the DTPW: • Encouraging the incremental accessibility of rail infrastructure and providing training to operators and their staff on dealing sensitively with special needs persons; • Supporting the provision of universally accessible public transport information services; • In association with the NDoT, preparing and publishing guideline requirements for accessible public transport vehicles; • Ensuring that all new public transport facilities cater for special needs persons; and • Ensuring that all future contracted public transport services in the province progressively include the operation of accessible services until all contracted services are either accessible and/or an alternative demand-responsive service is available.
Public Works and Property Management	**Western Cape Provincial Acquisition Policy** Guides custodian(s), among others, in the acquisition of immovable assets; promotes and specifies uniform criteria and processes.
	Western Cape Provincial Government White Paper on the Management of Provincial Property, 2004 Provides a framework to guide activities relating to fixed properties of WCG and other properties it uses; and covers coordination with the property management activities of other public and civil society role-players in the province.
	Western Cape Infrastructure Framework, 2013 Aligns the planning, delivery, and management of infrastructure provided by all stakeholders (national government, provincial government, local government, parastatals, and the private sector) with the strategic agenda and vision for the province.
Expanded Public Works Programme	**Guidelines on the implementation of the EPWP** The EPWP's objective is to create short- and medium-term work opportunities for the poor and unemployed as part of government's anti-poverty strategy. These work opportunities are combined with training to increase the employability of the low-skilled beneficiaries in the formal employment market. The programme targets opportunities in the infrastructure, environment, culture, and social and non-state sectors.
	Guidelines on the Implementation of the National Youth Service (NYS) Provides that implementation of youth programmes is the responsibility of all the institutions of government. The responsibility for planning, coordinating, and initiating effective and innovative strategies for youth development therefore reside equally with the National Youth Commission and individual government departments in the national and provincial spheres.
Transversal	**Provincial Strategic Plan (PSP), 2015/16 – 2019/20** A set of overarching Strategic Objectives for the WCG for the current electoral term, setting out desired outcomes for the medium term (five years). These objectives reflect the needs and priorities of the provincial government and jointly promote integrated, improved performance across the public sector in the Western Cape.
	Departmental Monitoring and Evaluation Framework and Manual Describes the monitoring and evaluation systems and tools in place for results-based management in the public service.

Function	Policies
	Departmental Records Management Policy Provides the foundation for a corporate culture of responsibility for the management of information and records as an essential requirement for effective service delivery.
	Western Cape E-Mobility Policy Transversal policy on the use of cellular data cards for official purposes. It regulates and standardises the practices and procedures for the acquisition, provisioning, and use of the data cards in the WCG and its departments and for the efficient and cost-effective management of this essential service.
	Western Cape Government Transversal Management System Aims to achieve measurable outcomes through the facilitation of sectoral clusters addressing issues transversally with individual line departments as the implementing agents; and manages the implementation of the PSP transversally throughout the WCG. The Executive Project Dashboard is the information management tool for the system.
	White Paper on Human Resource Management, 1997 Focuses on the essential role of developing and transforming human resource capacity in order to meet the goals of efficient service delivery and transforming the public service.

8 Organisational structure as at 31 March 2018

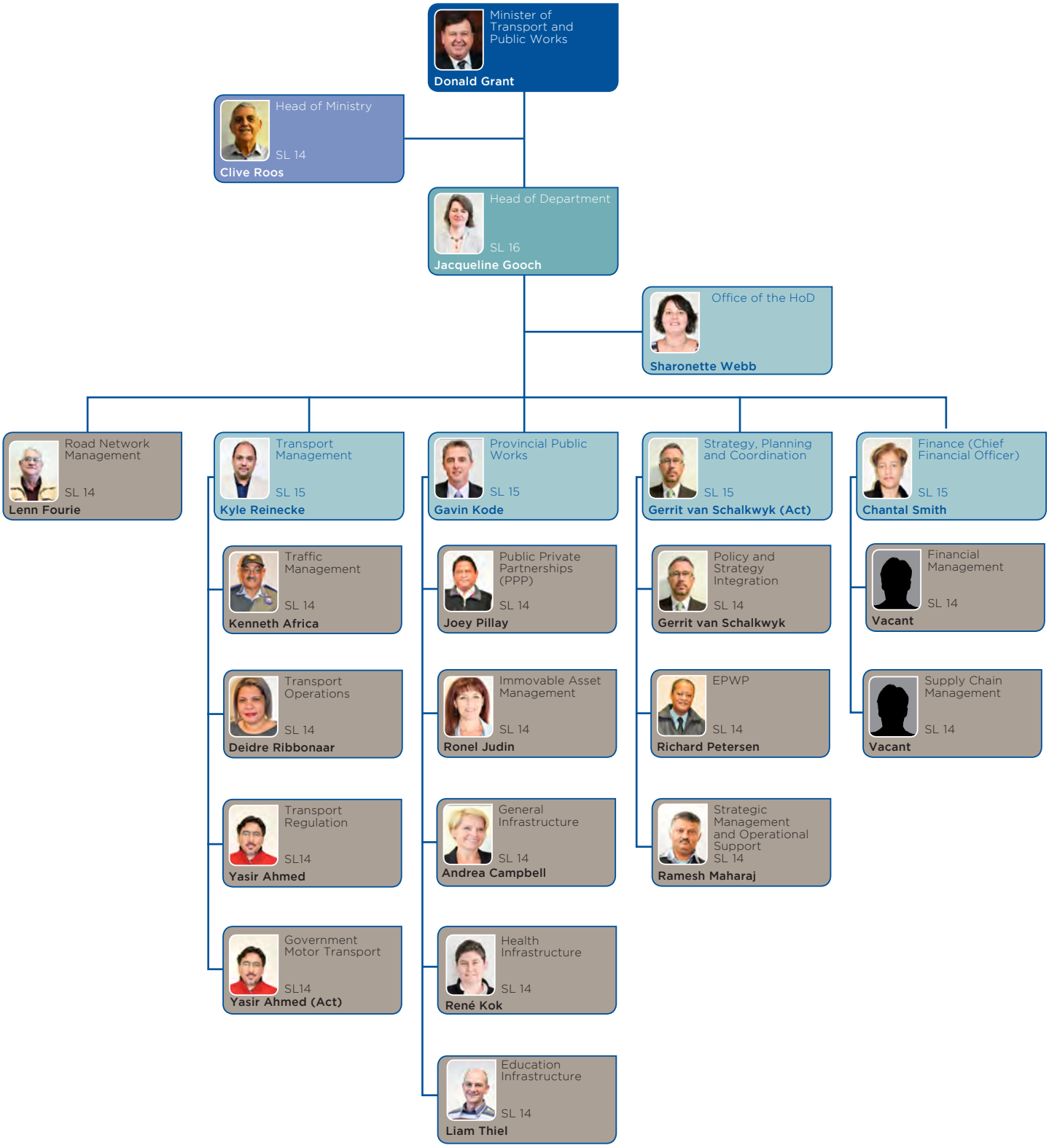
DTPW's macro-organisational structure is presented on the next four pages of this report.

Western Cape Government

BETTER TOGETHER.

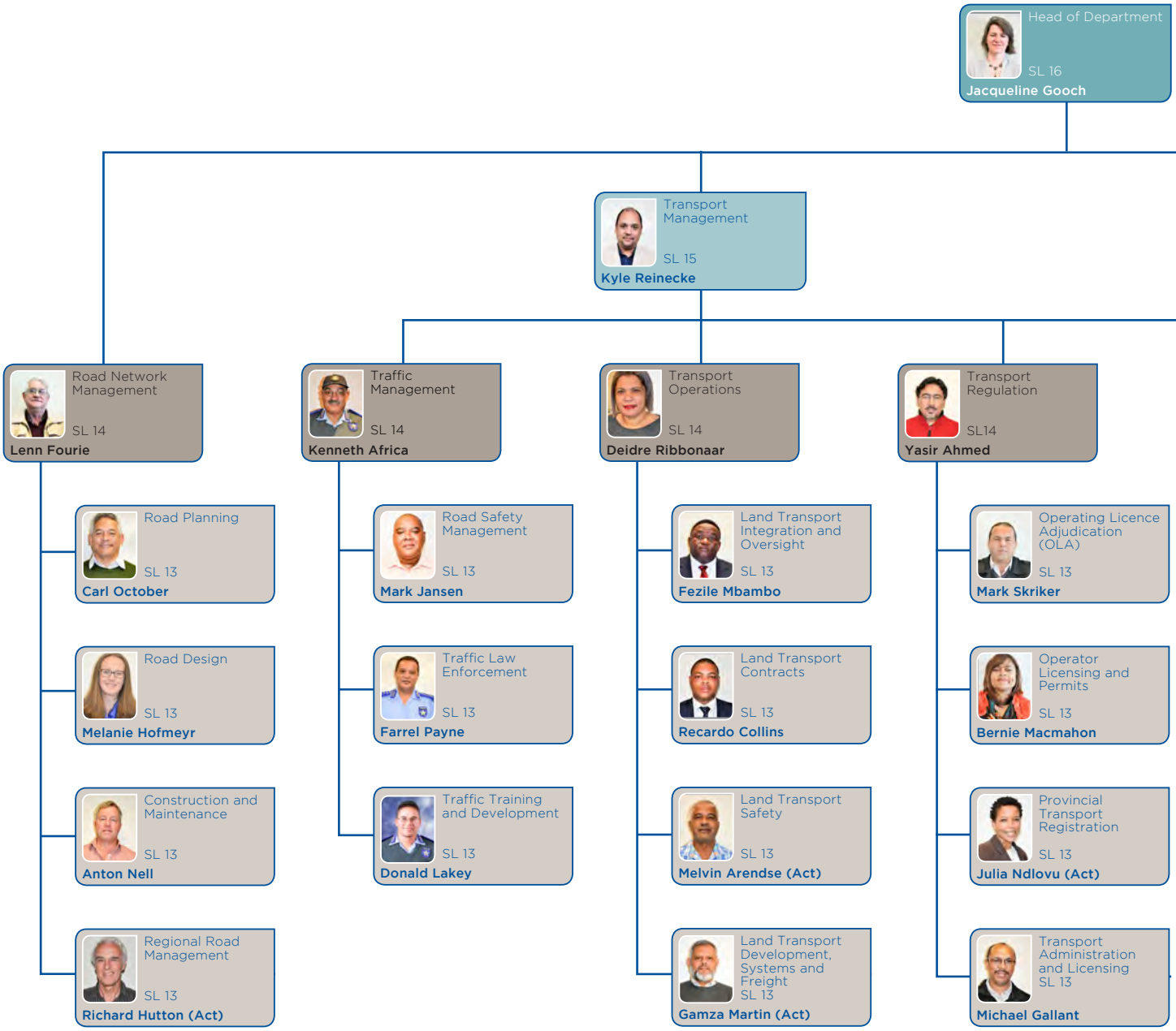
Organisational Organogram

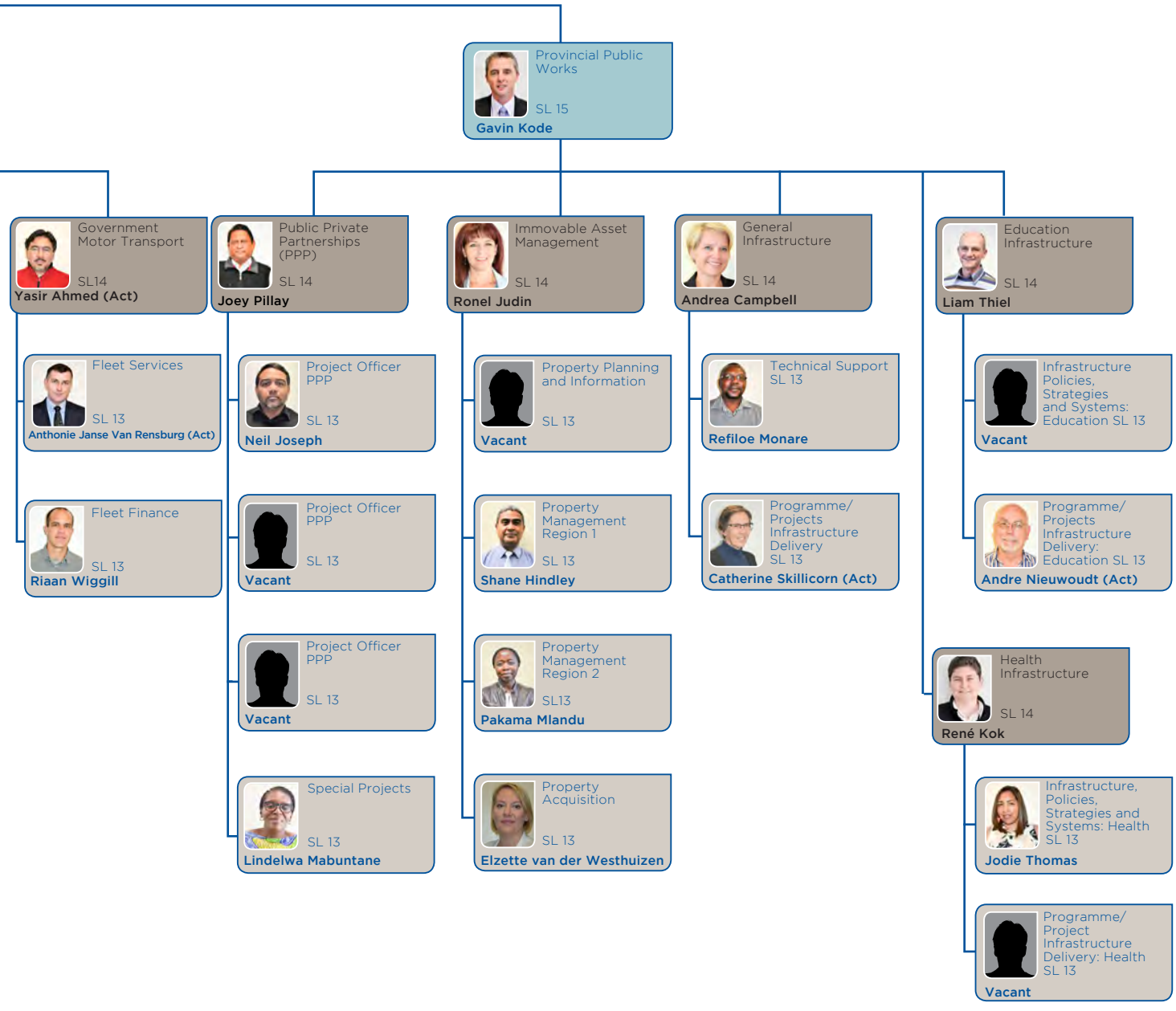
Extended Top Management 17/18



Organisational Organogram

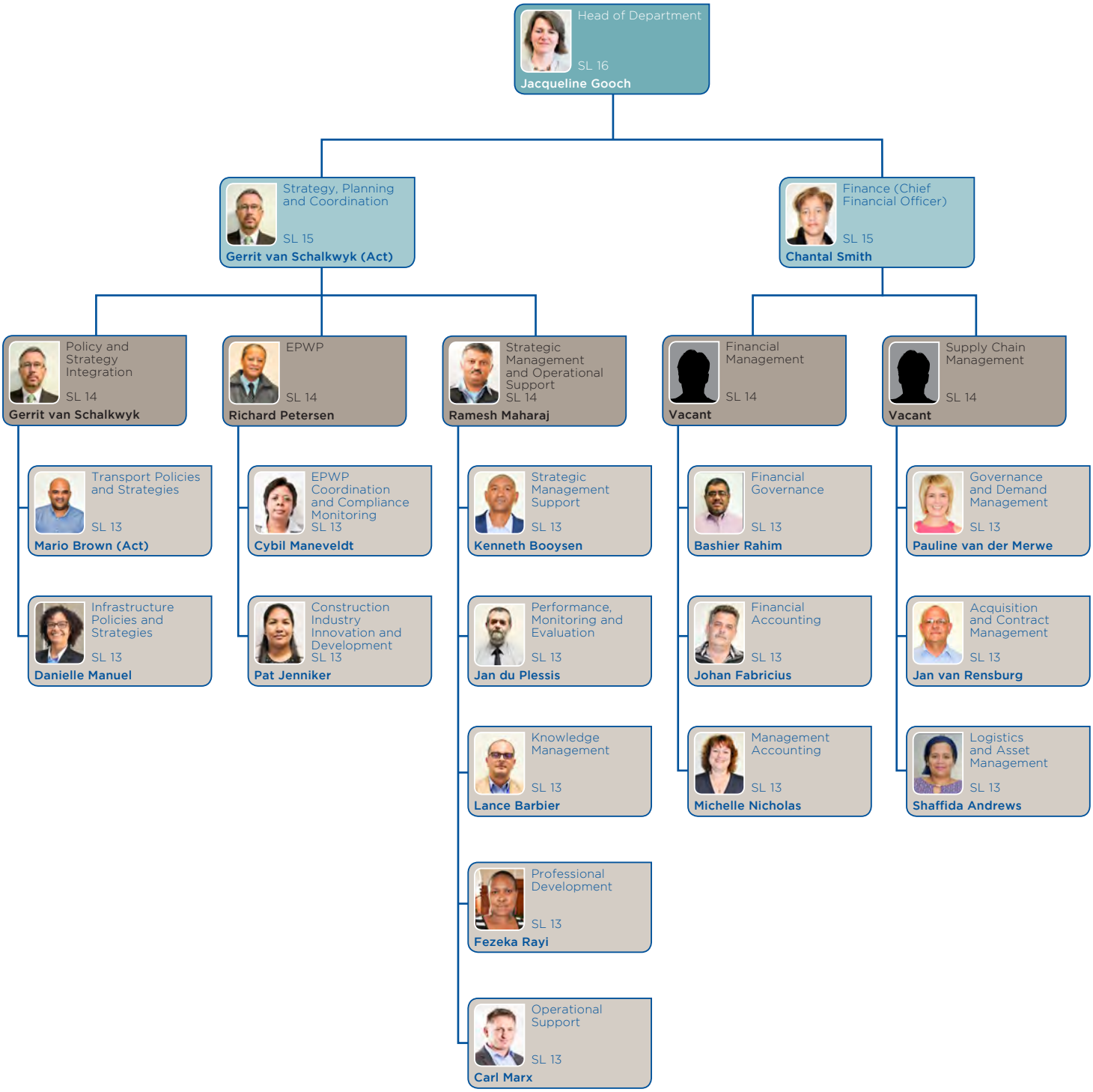
Senior Management




Provincial Public Works
SL 15
Gavin Kode
Government Motor Transport
SL14
Yasir Ahmed (Act)
Public Private Partnerships (PPP)
SL 14
Joey Pillay
Immovable Asset Management
SL 14
Ronel Judin
General Infrastructure
SL 14
Andrea Campbell
Education Infrastructure
SL 14
Liam Thiel
Fleet Services
SL 13
Anthonie Janse Van Rensburg (Act)
Fleet Finance
SL 13
Riaan Wiggill
Project Officer PPP
SL 13
Neil Joseph
Project Officer PPP
SL 13
Vacant
Project Officer PPP
SL 13
Vacant
Special Projects
SL 13
Lindelwa Mabuntane
Property Planning and Information
SL 13
Vacant
Property Management Region 1
SL 13
Shane Hindley
Property Management Region 2
SL13
Pakama Mlandu
Property Acquisition
SL 13
Elzette van der Westhuizen
Technical Support
SL 13
Refiloe Monare
Programme/ Projects Infrastructure Delivery
SL 13
Catherine Skillicorn (Act)
Infrastructure Policies, Strategies and Systems: Education SL 13
Vacant
Programme/ Projects Infrastructure Delivery: Education SL 13
Andre Nieuwoudt (Act)
Health Infrastructure
SL 14
René Kok
Infrastructure, Policies, Strategies and Systems: Health SL 13
Jodie Thomas
Programme/ Project Infrastructure Delivery: Health SL 13
Vacant

Organisational Organogram

Senior Management continued



9 Entities reporting to the Provincial Minister

Although the Department is not responsible for any public entities, it operates the Government Motor Transport trading entity within its administration.

Table 8: Entities reporting to the Provincial Minister

Name of entity	Legislative mandate	Financial relationship	Nature of operations
GMT	Chapter 19 of the Treasury Regulations.	GMT operates as a trading entity in terms of Chapter 19 of the Treasury Regulations. The AO of the Department is also the AO of the trading entity. The AO reports to the Provincial Minister.	Provision of government motor vehicles to client departments for service delivery purposes.

PART B

Performance Information

Part B: Performance Information

1 Auditor-General's report: Predetermined objectives

The Auditor-General of South Africa (AGSA) performed the necessary audit procedures on the performance information to provide an audit conclusion on the performance against predetermined objectives in the report to management. The objective of the test was to identify reportable findings on the reported performance information but not to gather evidence to express assurance or to express an opinion or conclusion on these matters in the audit report.

Refer to page 231 for the Report of the Auditor-General, published as Part E: Financial Information.

2 Overview of departmental performance

2.1 Service delivery environment

The main services of the Department are:

Main service	Key functions
Administrative Services	• Provide strategic, policy and operational support within the Department. • Provide financial management and supply chain services within the Department. • Assist municipalities to develop integrated transport plans (ITPs). • Facilitate the development of provincial, departmental strategies, policies and plans. • Manage the PDP to develop scarce skills in the transport, built environment and engineering fields. • Provide bursaries for individuals studying in the transport, engineering and built environment fields.
Public Works Infrastructure Services	• Acquire and dispose of immovable assets. • Ensure optimal utilisation of provincially owned properties. • Lease property to provide accommodation. • Provide accommodation services to provincial departments and entities. • Construct and maintain health, education and general building facilities. • Create job opportunities and economic empowerment through infrastructure provision.
Transport Infrastructure Services	• Construct, rehabilitate and maintain the provincial road network. • Offer learnerships and graduate training. • Offer diesel mechanic apprenticeships. • Provide technical support services. • Create job opportunities and economic empowerment through infrastructure provision.

Main service	Key functions
Transport Operations Services	• Manage and monitor subsidised and specialised public transport services. • Coordinate and facilitate land transport safety and compliance programmes. • Assess, assist and capacitate municipalities on land transport mobility. • Support the implementation of NMT.
Transport Regulatory Services	• Provide motor vehicle registration and licensing services through municipalities. • Provide motor vehicle roadworthy testing services. • Issue driving licences to competent drivers through municipalities. • Issue permits for abnormal load vehicles and events on public roads. • Provide overload control services on national and provincial roads. • Provide licensing services to public transport operators. • Register minibus taxi operators and associations. • Implement and coordinate road safety programmes. • Provide dispute resolution services in the public transport domain. • Provide law enforcement on national and provincial public roads.
Community-Based Programmes	• Coordinate the EPWP. • Facilitate programmes to develop emerging contractors. • Offer construction-related skills development opportunities, including apprenticeships for artisanal skills.

Key service delivery challenges

During the year under review, a number of challenges had a negative impact on the DTPW's service delivery:

- Public transport sector unrest relating to the GIPTN.
- Public demands for WCG-owned land in centrally located parts of Cape Town to be used for affordable housing purposes.
- Community unrest at construction sites that slowed down the delivery of public infrastructure.
- Violence relating to disputes within the taxi industry impacted on commuter safety and the efficient functioning of the public transport system.
- The sharp increase of service delivery protests in the past year had a major impact on bus operations with buses being burned and longer travel times which had a further negative impact on timetable adherence.
- Scarce project management resources had to be diverted from acquisitions and maintenance programmes to plan an intensive drought mitigation programme.
- Changes in NEMA continued to affect the utilisation of gravel borrow pits for road construction.
- The increase in VAT on taxable goods and services is expected to have an impact on service delivery.
- Possible increases in rates, services and other municipal charges are expected to have an impact on service delivery.

- Current transport legislation limits the potential role that provinces can play in enhancing certain public transport initiatives. This is being addressed at a national level.
- The development of new housing estates and malls in places that are far away from economic nodes and activity have placed enormous pressure on already overstretched demands for public goods and services.
- Internal divisions within the taxi industry and legal challenges resulted in a delay in elections for office bearers the Western Cape branch of the South African National Taxi Council (SANTACO), with an associated negative impact on the public transport system.
- Service disruptions and operational failures in the passenger rail system have caused additional pressure on other modes of public transport and increased the amount of road traffic.

These challenges are managed through various mitigating strategies.

The Western Cape was also struck by three natural disasters, namely the Garden Route fire, a serious winter storm in the City of Cape Town in June 2017, and the water crisis as a result of a drought. These disasters had a fundamental impact on the service delivery of the Department in that critical resources had to be diverted to assist the WCG and municipalities to address immediate threats to life and infrastructure.

The devastating fires in Plettenberg Bay and Knysna resulted in untold hardship for the people of these towns and surrounding areas and caused millions of rands worth of damage to public infrastructure. During the course of the crisis, people were stranded in areas threatened by the fire with no way to get out. DTPW assisted these people through engaging the GIPTN bus operating company George Link, which enabled Go George buses to be made available to transport people away from danger.

A freak storm preceded the Garden Route fires. An unusually large storm event struck the southern coast in the first week of June 2017 with wind speeds as high as 120 km/h. The storm directly caused deaths and damaged schools across the Western Cape. Homes were flooded across Cape Town and surrounds.

Traffic law enforcement officers were deployed to the disaster areas at great risk to themselves to regulate and divert traffic to alternative safe routes, and escort emergency vehicles where required. Public works infrastructure projects had to be re-organised and construction teams re-assigned to attend to the damages urgently so that affected schools could be made operational in the shortest possible time.

Poorly performing contractors impacted on the quality of certain infrastructure projects and their completion dates. Delays and in some cases cancellation of projects had a negative impact on the work and empowerment opportunities that could have resulted from these. These failures also meant that maintenance spending came under increased pressure.

On the contract to rehabilitate Trunk Road 33 between Oudtshoorn and De Rust for example, NMC Civils JV, a joint venture between NMC (Pty) Ltd and NMC Civils (Pty) Ltd, was appointed to construct the rehabilitation and partial widening of Trunk Road 3 section 3 between Oudtshoorn and De Rust on 25 January 2017. Initial progress on the project was

satisfactory, if not outstanding, but concerns were raised following poor performance in July and August 2017. These concerns were again raised during September 2017 when numerous complaints, queries and appeals were received from suppliers regarding non-payment. By the beginning of October 2017 progress was severely restricted and a decision was made to formally instruct the contractor to immediately remedy the situation or face termination of the contract. Unfortunately, the contractor was unable to meet the requirements and the contract was terminated with effect from 7 November 2017.

As a result of a court challenge to the termination, it was not possible to proceed with appointment of a replacement contractor until early February 2018. A limited bid process has been used to identify the replacement contractor and the works are expected to recommence in June 2018.

Key service delivery achievements

Service: Coordinate the EPWP

The DTPW continues to coordinate the EPWP in the Western Cape aimed at improving the total number of work opportunities created within the provinces (across all spheres of government and the non-state sector), and targeting women participants, the youth and persons with disabilities.

The provincial institutional arrangement was maintained through the 12 functional Provincial Forums. Forty public bodies were provided with technical support to improve the quality of their EPWP data management and reporting linked to Programme objectives and targets.

Service: Facilitate programmes to develop emerging contractors

The Contractor Development Programme implemented four main training programmes.

- Construction information sessions (CIS) for emerging contractors from across the Western Cape in partnership with DTPW Supply Chain Management, the National Department of Public Works, South African Revenue Service, Department of Economic Development and Tourism (DEDAT), the CIDB, the Building Bargaining Council and local municipalities. These two-day sessions focused on providing participating contractors with information to ensure that they are compliant in terms of all government regulations and policies.
- The municipality-based training programme, a five-week training programme aimed at CIDB Grade 1 and 2 contractors.
- The structured training programme aimed at Grade 1 and 2 emerging contractors and implemented over ten months.
- Advanced training and mentoring support, which was provided to 19 Grade 3 to 5 contractors in the year under review.

In addition, skills training was provided to contractors in computer skills training such as Microsoft Excel and Microsoft Project, as well as in occupational health and safety (OHS).

Service: Create jobs and economic empowerment through infrastructure provision

The Empowerment Impact Assessment (EmpIA) tool informs the design and construction process of specific departmental projects worth in excess of R5 m as well as record the actual impact with respect to historically disadvantaged individuals (HDIs). In the year under review, 19 EmpIAs were initiated on planned departmental infrastructure projects. Twelve empowerment target implementation reports were initiated. The unit supported the implementing Directorates and their client departments at 35 community engagements in the year under review.

Service: Offering construction-related skills development opportunities, including apprenticeships

Skills development programmes aimed at exposing youth to construction-related trades were implemented through the initiatives below:

- NYS programmes trained youth through 12-month learnerships across the Western Cape;
- Welding apprentices were trained in partnership with the Public Service Sector Education and Training Authority;
- Further apprentices were trained in electrical and welding trades; and
- Youth participated in the Premier's Advancement of Youth (PAY) programme.

Service: Offering transport mechanic-related apprenticeships

To become qualified artisans, apprentices undergo a four-year period of formal and practical training, prescribed examinations, and practical assessment by the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA). Apprentices who are supported by DTPW attend training at the Bellville Mechanical Workshop and do National Technical Certificate courses at technical college. Eight apprentices qualified as artisans by completing their training through the Apprenticeship Programme in the year under review.

In-house training of diesel mechanics began in 2010. By the end of the 2017/18 financial year, 32 apprentices had successfully completed the trade level test (the practical assessment by MERSETA for the designated trade of diesel mechanic). Of the 32 trained diesel mechanics, 26 pursued careers in the private sector. Six artisans from the programme were permanently employed by the DTPW after qualifying.

There are currently 16 apprentices on the programme, 15 of whom are diesel mechanic apprentices and one of whom is a fitter and turner apprentice.

Service: Manage the Professional Development Programme to address the shortage of skills in the transport, engineering and built environment fields

The PDP has continued to assist employees by creating a conducive learning workplace environment for the training and development of employees and graduates to attain and retain professional registration. In addition to assisting the employees of the DTPW, the programme assisted the West Coast District Municipality in Moorreesburg regarding the

professional registration of their candidates. One of these candidates successfully obtained professional registration in the year under review and another submitted his documentation towards professional registration.

In the year under review, four DTPW participants successfully attained professional registration with the relevant professional bodies.

Discipline	Category	Total	Race				Gender	
			A	C	W	I	M	F
Civil	Technician	4	-	3	-	1	-	4
Total		**4**	**-**	**3**	**-**	**1**	**-**	**4**

A=African; C=coloured; I=Indian; W=white; F=female; M=male

Service: Manage the Graduate Professional Engineering Programme (GPEP) to facilitate the proper training and retention of graduates in the transport and engineering fields

In support of infrastructure delivery, the Roads GPEP, supported by mentors to facilitate the proper training and retention of graduates, continued during the year. Graduates who have met the minimum requirements for professional registration with the Engineering Council of South Africa (ECSA) were subsequently registered as professionals. Some of these engineering and technician graduates, were permanently employed within the Road Network Management (RNM) Branch.

Service: Provide bursaries for deserving students through the Masakh'iSizwe Bursary Programme

The Masakh'iSizwe Bursary Programme focuses on attracting and facilitating the development of scarce and critical skills to meet the operational needs of the Department. Bursaries are awarded for fields of study related to a degree, higher diploma or post graduate study in the transport, engineering, or built environment fields. The Masakh'iSizwe Bursary and PDP provide a coherent package of support that puts bursars in a position to perform well academically, obtain experience, obtain employment, and obtain professional registration.

The underpinning concept of the bursary programmes is to empower financial disadvantaged youth through tertiary education, support services, employment placement and tutoring. The programme provides a bursary collaborative venture with private sector and higher education institutions to share resources in support of socio-economic development while addressing skills shortages and maximising the opportunities for learning and employment.

A total of 72 new external bursaries were awarded for the academic year, bringing the total to 188 external bursaries for the year under review.

Discipline	Number of bursars	Race				Gender	
		A	C	I	W	F	M
Architecture	9	1	5	-	3	6	3
Built Environment	9	2	4	1	2	2	7
Civil Engineering	110	41	53	5	11	41	69
Electrical Engineering	21	9	7	-	5	7	14
Geomatics	5	1	3	-	1	1	4
Mechanical Engineering	26	6	10	2	8	6	20
Property Studies	4	-	3	-	1	2	2
Town and Regional Planning	3	2	1	-	-	2	1
Transport Studies	1	-	1	-	-	1	-
Total	**188**	**62**	**87**	**8**	**31**	**68**	**120**

A=African; C=coloured; I=Indian; W=white; F=female; M=male

Service: Provide, construct and maintain accommodation for provincial departments

Education facilities

Infrastructure delivery for education facilities is provided under Vote 5: Education, while provision is made in Vote 10: DTPW to perform the function of implementing agent for the WCED.

DTPW contributed through providing infrastructure to improving education outcomes in the Western Cape, while also giving effect to PSG1: "Creating opportunities for growth and jobs". One example is the construction of the new Eerste River High School in Blue Downs, Cape Town. This state-of-the-art, R60 m school construction project commenced in June 2016 and now provides a much-needed school for the ever-increasing population in Eerste River. The high school provides accommodation for 1 200 Grade 8 to 12 learners, teaching and support staff, with a planned future expansion that could see learner capacity increased to 1 480.

The building of this school required the participation and cooperation of the WCED as client. The school comprises of:

- 33 classrooms;
- 2 specialist classrooms;
- 2 science laboratories;
- 1 multi-media centre; and
- 1 computer aided training laboratory.

The project included extensive construction work as well as empowerment opportunities for targeted enterprises and local labourers. A total of 22 per cent of the construction value was allocated to targeted enterprises, while 6 per cent was dedicated to local labour. During this project, the NYS provided 10 life-skills training opportunities which took place off-site, while an additional 10 building trade training opportunities were provided on-site.

Health facilities

Infrastructure delivery for health facilities is funded under Vote 6: Health, and provision is made in Vote 10: DTPW to perform the function of implementing agent for the provincial Department of Health (DoH).

DTPW contributed through providing infrastructure to improving the efficacy of the health delivery system in the Western Cape, while also giving effect to PSG1: "Creating opportunities for growth and jobs", and the WCG's Green Economy initiative through completing the new Hillside Clinic in Beaufort West at a cost of approximately R24,5 m.

The new clinic was built to replace the Constitution Street Clinic which had become too small to meet the primary health care needs of Beaufort West's growing population. Importantly, this new facility boasts the most "green" features of any primary health care facility in the province.

This 1 050 m² single-storey building incorporates a host of sustainable design features. A passive design approach was adopted to mitigate the extreme climatic conditions of the Karoo and reduce the need for heating and cooling. Thick rammed earth walls were chosen for their high thermal mass. They are slow to heat up, which keeps the interior cool during the intense heat of the day. Underground thermal rock stores with ventilation chimneys are used to pre-heat and pre-cool the air from the outside before it is circulated into the facility.

The clinic was designed to optimise natural daylight. North-facing single-banked corridors and large overhangs limit the penetration of the sun in summer, but allow winter sunlight deep into the building. The corridors are wide enough to incorporate patient waiting areas, and are located around landscaped courtyards. The facility provides the full range of primary health care services including infectious disease and support care, rehabilitation, oral health, chronic disease care, and woman and child health services. It also has a pharmacy, and areas for reception and record-keeping. Other sustainable design features include energy-efficient light fittings, solar water heating, and a borehole for irrigation of the water-wise landscaping. The biggest challenge was around the construction of the rammed earth walls, an unconventional approach to construction, but is highly appropriate on this site.

General buildings

The refurbishment and modernisation of the Department of Social Development (DSD) Langa local office and service centre, which includes a purpose-built child therapy room, was completed in 2017.

The newly constructed office accommodation in the Green Building on the Karl Bremer Hospital site in Bellville was also completed. This R152 m facility provides office accommodation for 320 DoH staff members. The building uses less water, generates less waste, and provides healthier working conditions, compared to other office buildings of a similar size. The GBCSA awarded the building a 5-Star Green Star SA design rating, as well as the first GBCSA Socio-Economic Category Pilot Award.

The building features a blackwater treatment plant which cleans sewerage water so that it can be reused in the heating, ventilation and air conditioning (HVAC) system, as well as

in the sewerage flushing system. HVAC waste water is also harvested and re-used. While storm water runs off most urban buildings into municipal drains, the surroundings of the Green Building have been designed to facilitate the infiltration of storm water into the ground.

The DTPW, in its role as immovable asset manager for the WCG, is responsible for continually improving the environmental sustainability of its property holdings. All these efforts also help to give effect to the demand-side interventions of the WCG Water Business Continuity Plan to reduce water consumption during the current drought and beyond.

The bulk infrastructure in the York Park office building in George was upgraded with the replacement of the HVAC installation, passenger lifts and electrical reticulation during the year under review. This infrastructure upgrade had to be completed before commencing with the modernisation of the various floors in the building. The modernisation of the ground and first floors has commenced and is scheduled for completion in 2018/19.

Various office modernisation projects were completed during the year under review including the 1st and 5th floors in 9 Dorp Street which accommodate components of the DTPW, as well as several floors in Union House, which accommodates the DSD. The construction on the modernisation of 3 Dorp Street commenced. This will include a black water treatment and grey water recycling system.

The Energy Security Game-Changer has conducted "lighting blitzes" to make government buildings more resource-efficient by encouraging staff to switch off lights outside office hours. The DTPW, in particular 9 Dorp Street, was one of the top five best-performing departments in this regard. During 2017/18, the DTPW installed a total of 554 remote water and electricity meters which significantly enhances real-time measuring of utility usage in WCG buildings and informed the performance of our buildings which is captured in the annual Property Efficiency Report. The main management focus of the PER is premised on gathering and measuring property performance data, regularly and rigorously monitoring that performance data, and managing the opportunities for efficiency and effectiveness gains that emerge from the data.

Following feasibility studies, a further eight solar PV plants were installed during the year, following on from the four rooftop PV plants that were installed in provincially owned buildings in the preceding year.

Water reduction initiatives

In response to the crippling drought and water crisis, a number of key projects and initiatives to enhance water saving in office accommodation were initiated, including:

- Switching-off chemical systems in water-cooled chillers in CBD buildings and adjusting the set points of the chillers;
- Re-commissioning the ground water system in 9 Dorp Street for flushing toilets and the existing water-cooled chiller in summer;
- Conducting a feasibility assessment of provincially owned office buildings in the CBD for ground and grey water recycling, black water treatment systems, and pressure booster pumps;

- Installation of booster pumps at the Vangate Shared Service Centre; and
- Waterless urinal retrofitting in the WCG government precinct.

With regard to immovable asset management (IAM), the Department invited expressions of interest from potential service providers for the development of an integrated property management system that will assist with whole life cycle management of the immovable asset portfolio and facilitate an appropriate information and communication technology solution in the IAM domain.

Service: Road infrastructure provision

The DTPW facilitated road network planning through integrated planning engagements convened through the joint-planning initiatives (JPIs) of the Department of Local Government and the Department of Environmental Affairs and Development Planning. Furthermore, one-on-one engagements with the municipalities of Swartland, Drakenstein, Overstrand, Mosselbay and the Stellenbosch Transport Workgroup also took place. The DTPW maintained ongoing liaison with key stakeholders such as the CoCT Transport and Urban Development Authority and SANRAL.

At a project level, the DTPW facilitated environmental assessments and implementation agreements with municipal and national authorities, including agencies such as SANRAL, PRASA, CoCT Electrical, Eskom, and the national Department of Water Affairs and Sanitation.

The extensive roads network remains a critical asset of the Department, with a replacement cost value which is in excess of R100 bn. The importance of this asset to the economic growth of the Western Cape is demonstrated by the fact that, in just this reporting financial year alone (2017/18), the WCG allocated R3,405 bn to the construction and maintenance of transport infrastructure, forming a significant portion of the DTPW's expenditure. The network carries the bulk of the traffic in the province, and provides key economic linkages between communities and regions.

Repairs to the historic Swartberg Pass were made during the year after a flash flood in April 2017 washed away the section between the entrance to the pass on the Prince Alfred side and Tweede Water. The reconstruction works cost approximately R10 m and stretched over a year. Repairing this iconic road link between the Groot Karoo and the Klein Karoo is expected to have far-reaching economic benefits for the region.

A major economic driver to both Prince Albert and Oudtshoorn is tourism. Tourism activities include annual visits to the Swartberg Pass. For this reason, restoring the pass to its normal operations became a top priority for the DTPW and the Prince Albert Municipality. The Swartberg Pass became a crucial alternative route between the Great Karoo and the Klein Karoo through Meiringspoort and Seweweekspoort, both of which were often prone to flooding. This "in-house" project saw the appointment of 16 temporary local workers. One skilled worker did the wall reconstruction work. The construction team responsible for the reconstruction of the wall received training in the packing of dry walls to help develop their skills. Plant operators were also hired when necessary. The rest of the project team was drawn from internal resources, at the Oudtshoorn District Regional Engineer (DRE)

Office and the Eden District Municipality, thereby significantly reducing the cost of the project. The pass was opened in April 2018.

Work continued on the projects that were approved based on their contribution to economic growth and job creation in the Asset Reserve Fund:

- Addition of a 3rd lane on the N1 at Durban Road Interchange;
- Roadworks to service the Saldanha Bay Industrial Development Zone (IDZ) with the second phase of construction commencing during this year; and
- The preliminary design stage of the Wingfield Interchange upgrade project continued during the year, in consultation with various technical stakeholders.

The planning stage for upgrading the N7 between Potsdam and Melkbosstrand to freeway standards is nearing completion.

Innovative measures were implemented to save potable water and utilise non-potable water at road construction sites. Many of the roads projects undertaken during the reporting period were not within the greater municipal areas of CoCT. Projects that were affected by water restrictions were proactive in minimising the water demand for construction activities, i.e. on the N1 widening project between Plattekloof Road and Old Oak Interchange, boreholes were sunk at the construction site. The boreholes were not decommissioned after construction, but were kept as backup water sources, in the event that the CoCT would require their use in the future.

On the Annandale road upgrade project in Stellenbosch, water restrictions in place at the time in Stellenbosch were not as onerous as those imposed by the CoCT and municipal water was available for the project. However, a conscious decision was made to rather use treated effluent water from Sandvlei Water Treatment Works at an additional cost to the project. Approximately 20 m litres of potable water was saved on the project as a result of this decision.

Road contracts included references to water restrictions, because contractors were required to be conscious of the importance of minimising their water use during construction activities. More stringent contract mechanisms are being developed to realise greater savings for future projects.

Service: Manage and monitor subsidised and specialised public transport services

During the year under review, the DTPW continued to manage and subsidise bus services in the Cape Metropolitan Area through its contract with Golden Arrow Bus Services (GABS). The electronic monitoring of the service continued, empowering the DTPW to make ongoing service improvements, and to verify payments to the operator.

The subsidy is funded through the Public Transport Operations Grant (PTOG) which increased by 5,97 per cent, lower than the contracted payment rate to the subsidised bus operator – 8,71 per cent. This resulted in a decrease in the number of kilometres that could be subsidised, as well as the number of subsidised services provided by the operator. The effect of this change was particularly impactful on areas with very high service demand. In addition, the suspension of Metrorail services on the Central Line for almost three months

had a major impact, resulted in a noticeable increase in demand on bus routes along the Central Line, placing significant strain on bus operations during peak hours.

Uncertainty remains on the assignment of responsibility for the Cape Metropolitan Area subsidised bus operator service to the CoCT. The City's application is still being considered by the Minister of Transport.

The partnership with the CoCT in support of the Dial-a-Ride service continued in the year under review and is considered a successful intervention to address some of the public transport needs of SNPs.

The DTPW, together with the Municipality of George and George Link (a private company comprised of former taxi and small bus operators) continued to operate and refine Phase 1, Phase 2 and Phase 3 of the Go George bus service, with a focus on increasing bus patronage. Although there has been a delay in the implementation of Phase 4, which will serve the communities of Thembalethu, Borcherds and Parkdene, there has been a 50 per cent increase in trips on existing services since May 2015. Moreover, the ability of passengers to purchase tickets has been enhanced through an expanded "ticketing footprint". There are now 50 points where passengers can buy tickets off-board, thus reducing boarding times and promoting local business and entrepreneurs in George. With regard to training initiatives, more than 250 candidates from the minibus taxi industry have received driver training and are eligible to be employed as Go George bus drivers. First aid training was also conducted for 237 persons and universal access training was conducted for 31 persons. This training will continue.

Several infrastructure improvements for the Go George service were completed during the year under review. This included the manufacture of an additional 120 bus shelters, of which 51 have been installed. There have been incidences of vandalism of bus shelters, so the remaining shelters will only be installed closer to the next implementation of new routes. New sidewalks (8,4 km) have been completed on Knysna, Blanco, Courtney, York and Pacaltsdorp roads. Five intersections have been upgraded with signalisation, and road improvements are continuing. Most importantly, the upgrade to Nelson Mandela Boulevard is well underway, with the contractor having been appointed in June 2017 and aiming to complete works by June 2018.

The sale of an off-bus multi journey ticket was introduced in the year, which afforded the public the ability to gain a discount for purchasing "bulk" trips in advance. In addition, this assisted in reducing boarding times and the amount of cash carried on buses.

The DTPW remained central to the management and oversight of the Go George service implementation, finalising the commissioning and audit of the Intelligent Transport Information System (ITIS), and making significant progress on the implementation of the Automated Fare Collection (AFC) system, due to be implemented in the next financial year.

Service: Coordinate and facilitate land transport safety and compliance programmes

The DTPW conducted integrated driver fatigue awareness campaigns which were aimed at modifying driver behaviour and contributing to a reduction in the incidence of fatal road crashes.

The Road Safety Implementation Programme was finalised. The DTPW will evaluate and implement the recommendations of the Programme during 2018/19.

Service: Issue driving licences to competent drivers

The DTPW continued to work closely with authorised municipalities to improve the standards of the services they provide to the public. Driver licence testing centres (DLTCs) were able to reduce the average time a member of the public had to wait to obtain a learner's licence to two months, and to obtain a driving licence to three months. These waiting periods are considered reasonable as they allow applicants to thoroughly prepare for examination and may reduce the likelihood of high failure rates that could create backlogs and increase waiting periods.

The DTPW ensure a safe and appropriately regulated vehicle and driver population through compliance inspections to combat fraud at VTSs and DLTCs.

Service: Issue permits for abnormal load vehicles and events on public roads

The DTPW continued to process and issue abnormal load vehicle permits during 2017/18. A system for streamlining the classification and registration of abnormal load vehicles is being developed and substantial progress has been made in this regard.

Service: Register minibus taxi operators and associations

The Provincial Transport Registrar supervised annual general meetings of minibus taxi associations as required by the Standard Minimum Constitution of associations and the Western Cape Land Transport Act Amendment Law.

Memoranda of understanding between the DTPW and industry structures representing minibus taxi, metered taxi, and small bus operators were reviewed in 2017/18.

Service: Provide dispute resolution services in the public transport domain

A Conflict Management Action Plan (CMAP) which was developed and signed by key government stakeholders including municipalities, traffic authorities and the SAPS provided agreed internal procedures to be followed in cases of disputes between taxi operators and associations, and established protocols to be followed by all government stakeholders in the event of violent conflict in the public transport domain.

With minibus taxi council elections having been due in 2017/18, factional battles and jockeying for executive positions came to a head, with the emergence of a body called the Minibus Taxi Industry Task Team (MTITT) that challenged the legitimacy of the elected provincial leadership of SANTACO Western Cape. The DTPW intervened by appointing a retired Supreme Court of Appeal judge to independently mediate between the two

groups and to make recommendations to all parties on the interpretation and applicability of disputed constitutions to the overdue elections.

E-hailing services such as Uber, Taxify and others continued to cause major disruptions to the established metered taxi business model all over the world, and South Africa and the Western Cape were no exception. Metered taxi operators as well as Uber drivers organised protests against Uber and requested DTPW intervention. The DTPW established and led an inter-governmental task team comprising the CoCT and the SAPS to address the major concerns raised by parties, including illegal operations (operating without valid operating licences) and the impact that an oversupply of vehicles has on the viability of metered taxi operations as well as Uber drivers. The task team agreed on a plan of action which included a review by the PRE of legislation and practice notes in order to accommodate e-hailing services, a joint enforcement plan, and a review of the City's ITP to accommodate and regulate e-hailing services. The DTPW and the PRE also gave input on the possible amendment of the NLTA in order to clearly define e-hailing services and the manner in which these may be regulated.

Tensions between legal and illegal minibus taxi operators remain a cause for concern, and the SAPS engaged in ongoing monitoring of the situation with the support of CoCT and DTPW Traffic Law Enforcement. Blatantly illegal acts such as recruiting illegal operators and preventing legal operators from operating led to the Provincial Transport Registrar implementing disciplinary measures against a number of associations in terms of section 7(A)(20) of the WCRTA Amendment Law. Vrygrond Taxi Association, which affiliated itself to Congress of Democratic Taxi Associations (CODETA), is one association that was sanctioned by the Registrar.

Conflict between member associations and operators affiliated with the Cape Amalgamated Taxi Association (CATA) escalated into violence, with a number of fatal shootings being directly associated with the conflict. In terms of the CMAP, the SAPS took charge of situations in Delft and Langa, with support from the DTPW and CoCT, to identify legal and illegal operators and provide mediation services. The Provincial Transport Registrar prepared notices in terms of section 91 of the NLTA, enabling the MEC for Transport and Public Works to declare areas where extraordinary measures may be applied, including the closure of certain ranks or routes. The prospect of ranks and routes being closed was enough to bring all parties to the negotiating table. Agreements were reached with the assistance of independent mediators to settle conflicts and end the violence, at least for a short period. The DTPW, in partnership with the SAPS and the National Prosecuting Authority (NPA), have since undertaken to investigate and address the root causes of these conflicts, including overtrading, route invasions, and extortion services such as organised criminal operatives.

Service: Road safety communication

In 2017/18, the Safely Home Calendar was successfully maintained despite fiscal challenges. Major expansion of digital activity, especially social media, was used to grow campaign reach due to relatively high levels of return on investment available. An online "influencer" campaign was added to the calendar for the first time. In addition, cheaper

"guerrilla" type advertisements were produced, using volunteer talent wherever possible. Aggressive negotiation of usage rights will also yield cost savings in future.

The asset base of high-quality road safety content was built on considerably during the year, with several major pieces of creative development having taken place, including a very strong emphasis on alcohol use among motorists in support of the WCG's objective to reduce alcohol harms:

- "Everybody Knows" focused on drinking and driving.
- "Boys" (RBT) focused on drinking and driving.
- "It Can Wait" focused on distracted driving.
- "The Knock On Effect" focused on speeding.
- "Man Up, Slow Down" (In support of 16 Days of Activism) focused on speeding.
- "It Can Wait 2" (World's Biggest Idiot) focused on distracted driving.
- Pikkie Penguin animations:
    - Speeding.
    - Child pedestrians.
    - Senior pedestrians.

Major success in terms of national and international recognition was achieved with the guerrilla piece "It Can Wait", which had tens of millions of views, including more than 50 m on the UK Daily Mail's Facebook page alone. The calendar won numerous national and international awards, including a Bronze Lion at Cannes and numerous Orchids (including overall Orchid of the Year 2017) and a variety of digital creative awards.

The Safely Home Survey Year 3 was carried out in 2017/18. Results showed that road safety is slowly rising in the public consciousness as a major socioeconomic issue, but indicators remain that awareness is not always translating into behaviour change. Insights obtained through the survey continue to drive the planning and development of the calendar. During the year under review, particular attention was paid to packaging results in a manner intended to enable wider adoption of the findings among road safety stakeholders.

Service: Traffic law enforcement

While most private and public transport road users adhere to the rules of the road, ongoing and consistent traffic law enforcement will always be necessary. Traffic law enforcement impact can be improved through enhanced enforcement measures and techniques, including the use of innovative enforcement technology, as well as targeted road safety improvements that accommodate all users and effective public education and communication campaigns.

Service: Innovative regulatory and enforcement initiatives

Road crash fatalities

In comparison to 2016/17, an overall increase in road crash fatalities was experienced in the Western Cape, including all municipal areas. Pedestrian fatalities still remain a huge concern and represent the highest contributory factor to fatalities. However, it is encouraging to note that the statistics in the table below indicate a reduction of 4,75 per

cent of fatalities in 2017/18 for this specific type of road user. Throughout this past year, the DTPW and our partners remained committed to executing the law enforcement mission by conducting integrated traffic and road safety initiatives aimed at saving lives. While we fell short of achieving our vision: "No-one should be killed or injured on our roads", we continue to make progress and learn valuable lessons that help us to adapt our approach regularly. All efforts with regards to continuous regulatory enforcement will continue to stringently reduce road crash fatalities holistically.

Road user	1 April 2016/17	31 March 2017/18	Variance (%)
Cyclist	30	16	46,67
Driver	249	284	(14,06)
Fell off vehicle	9	13	(44,44)
Motorcycle pillion	2	2	0
Motorcyclist	66	72	(9,09)
Other	22	20	9,09
Passenger	325	362	(11,38)
Pedestrian	674	642	4,75
Total	**1 377**	**1 411**	**(2,47)**

***Source**: DoH: Forensic Pathology Services*
Note: Brackets indicate an increase in fatalities

District Safety Plan

The DSP was implemented in the Overberg District in September 2016 in conjunction with all relevant stakeholders. After implementation of the DSP in this district, there was a significant decrease in road fatalities compared to 2016/17.

As a result of the success of the pilot project in the Overberg, the WCG in partnership with the CoCT implemented a second DSP in the Khayelitsha/ Lingelethu West area in January 2018. The emphasis on pedestrian safety seems to have had a particularly significant effect in this locality.

The third DSP earmarked for the West Coast area was planned during 2017/18. All relevant stakeholders have committed to the initiative with full roll-out expected in 2018/19.

Mobile vehicle testing units (VTUs)

Mobile VTUs sponsored by the RTMC to assist Traffic Law Enforcement to perform onsite roadworthy vehicle testing have been extremely successful since their deployment.

Seventy VTU integrated operations were conducted in partnership with local authorities and the SAPS. The VTUs were deployed for 372 operational hours. A total of 1 932 vehicles were tested, 612 of which were issued with Section 44 Discontinued Notices, four of which were impounded, and two drivers were arrested for driving under the influence. Two arrests for fraudulent documentation were made.

Evidentiary breath alcohol testing and mobile testing unit

The Western Cape was the first province to re-introduce EBAT with the establishment of the Alcohol Evidentiary Centre at the Vangate Shared Resource Centre in Athlone. A

second Alcohol Evidentiary Centre was operationalised in December 2017 at the George Provincial Traffic Centre in the N2 region.

South Africa's first mobile Random Breath Testing unit was launched by the Department and is deployed in daily operations in the Overberg District. The implementation of RBT to other areas in the province is being investigated.

Weekly alcohol operations throughout the province remain an ongoing integrated law enforcement priority. The highest recorded Breath Alcohol Test result was 1.69mg/l, which is seven times over the legal limit. The RBT Project made a significant contribution towards the arrests made for driving under the Influence.

Confiscation and arrests for possession of illegal drugs and marine life

Traffic law enforcement was involved in a number of arrests with regard to the possession of illegal drugs and illegal marine life that occurred on provincial and national routes in the Western Cape during the 2017/18 financial year.

Drug type	Marine life type	Number of arrests	Estimated monetary value (R)
Dagga	-	17	2 534 800
Mandrax	-	2	13 600
Khat	-	1	382 000
-	Crayfish	1	720 000
-	Abalone	8	6 344 000
Total:			**9 274 400**

Source: *DTPW Provincial Traffic records*

Provincial Ghost Squad operations

Traffic Law Enforcement has a dedicated Ghost Squad team which operates in the different regions with unmarked patrol vehicles to address reckless and negligent driving, moving violations, as well as suspicious activities dealing with the transportation of illegal drugs and other substances.

Fatigue awareness operations

Fatigue has played a huge role in the increased numbers of road crashes over the last few years specifically on the N1 route which does not have many stops in between towns to provide opportunities for drivers to rest adequately or even break their journeys in a safe place. The implementation of fatigue awareness operations has assisted DTPW Traffic Law Enforcement to reduce the risk of driving while tired.

New technological resources

Traffic Law Enforcement patrol vehicles have been adapted to include in-vehicle information systems which enable traffic officers to enforce the law in a smarter, more efficient, and more reliable manner. The system records operational information and statistics which are fed into the Branch Business Intelligence System for improved planning and deployment of resources.

Media engagements

Media communication is an ongoing priority and a total of 716 radio interviews and 16 television engagements were conducted with local radio and television stations during the year under review. Special broadcasts were regularly done on radio. These media engagements informed motorists about road conditions, traffic patterns and other information which could assist them with planning their journeys. Media releases were issued weekly to local newspapers. Relevant material was published on social media platforms and awareness was created about seatbelts, alcohol, visibility, speed, pedestrian safety and the RBT project, amongst others. Over 1,3 m views of relevant material took place on Facebook and the video #ItCanWait on YouTube still holds the top follower rate amongst all similar road safety awareness-raising video material available on Twitter, YouTube and Facebook.

2.2 Service Delivery Improvement Plan (SDIP)

Service delivery improvement plan

The DTPW developed a SDIP for the Medium-Term Expenditure Framework (MTEF) period 2016/17 – 2019/20 which is informed by its Strategic Plan and was aligned to its Annual Performance Plan (APP) for 2016/17. The SDIP aims to address the following two service improvement areas: Road Network Management and Road Safety Management.

Service 1 for RNM: Manage identification of upgrade projects for design approval for gravel roads

The Road Asset Management Plan (RAMP) describes the status of provincial roads and the effect of current investment in roads on the future condition of the network. The RAMP indicates that the general condition of gravel roads continued to deteriorate due to inadequate amounts of the financial resources required to maintain the entire network to acceptable standards, as well as the continued difficulties with finding approved gravel borrow pits.

An investigation to optimise the "Decision Making Process" was commissioned for design approval for gravel road upgrading projects. This new business process is aimed at optimising the selection process. However, it will not eradicate the gravel roads backlog, nor will it address the annual accumulated gravel road deterioration. The DTPW conducted a case study of MR538, involving key role players such as farmers (potatoes and citrus), truck drivers and the provincial Department of Agriculture to address and facilitate the decision making process for deciding whether to upgrade a gravel road to a surfaced road.

Service 2 for RSM: Enhance road safety awareness amongst the public

Road safety awareness and intervention programmes specifically at schools and in communities were implemented throughout the province, in close collaboration with other departments, particularly the WCED.

The DTPW continued to establish and maintain partnerships with external stakeholders such as SANRAL and the Road Accident Fund to reach the broader public, in order to influence road user behaviour and thus increase the well-being of all residents.

The envisaged service improvement entails fostering better road user behaviour through an increase in the road safety education awareness interventions from the baseline of 440 in 2015/16 to 690 in 2019/20. The 2017/18 target for the number of interventions was 670, while 764 interventions were achieved.

Tables 9 to 13 highlight the Department's SDIP achievements in 2017/18.

Table 9: Main services provided and standards

Main services	Beneficiaries	Base year: 2015/16	Standard of service as at end 2016/17	Desired standard of service: 2017/18	Actual achievement: 2017/18
Manage identification of design approval for upgrade projects.	Residents, farmers, road users.	Currently there is no process in place for the identification of projects. Consequently, a total of 45 (over-committed) upgrade projects have been identified for design approval.	6 projects identified for design approval.	20 projects identified for design approval.	4 projects identified for design approval.
Enhance road safety awareness amongst the public.	General public and schools.	440 road safety education awareness interventions conducted.	782 road safety education awareness interventions conducted.	670 road safety education awareness interventions conducted.	764 road safety education awareness Interventions conducted.

Table 10: Batho Pele arrangements with beneficiaries (Eight Principles: consultation, access, etc.)

Current arrangements: 2016/17	Desired arrangement 2017/18	Actual achievement 2017/18
Manage identification of upgrade projects for design approval.		
Consultation:	**Consultation:**	**Consultation:**
Clients are consulted through: • Branch meetings and field data; • Deighton's Total Infrastructure Management System (DTIMS); • Road Network Preservation Report; • Departmental Intranet and Internet; • Departmental stakeholder relationships; • DTPW newsletter; • Service Charter; and • Billboards.	Clients are consulted through: • Joint planning initiatives (JPIs); • Branch meetings; • District municipality consultation; • Field data; • Liaison with other road authorities; • Departmental stakeholder relationships; • DTPW newsletter; • Service Delivery Charter; and • Billboards.	The desired standard was achieved.

Current arrangements: 2016/17	Desired arrangement 2017/18	Actual achievement 2017/18
Courtesy:	**Courtesy:**	**Courtesy:**
Courtesy is reported and measured through: • Departmental stakeholder relationships; • Head Office; and • DRE offices.	Courtesy is reported and measured through: • Departmental stakeholder relationships; • Head Office; and • DRE offices.	The desired standard was achieved.
Value for money:	**Value for money:**	**Value for money:**
Economic ratings of each project.	Economic ratings of each project.	The desired standard was achieved.
Enhance road safety awareness amongst the public.		
Consultation:	**Consultation:**	**Consultation:**
Client are consulted through: • Meetings with clients and stakeholders; and • Integrated Development Plan (IDP) Indaba sessions.	Client are consulted through: • Focus group meetings with selected stakeholders; and • IDP Indaba sessions.	The desired standard was achieved.
Access:	**Access:**	**Access:**
The service is accessible: • Head Office: 35 Wale Street, Cape Town; • Beaufort West Traffic Centre; • George Traffic Centre; and • Vredenburg Traffic Centre.	The service is accessible: • Head Office: 35 Wale Street, Cape Town; • Beaufort West Traffic Centre; • George Traffic Centre; and • Vredenburg Traffic Centre.	The desired standard was achieved.
Courtesy:	**Courtesy:**	**Courtesy:**
Courtesy is reported and measured through: • Report and easy access to Directorate Management; • Departmental Stakeholder Relations; and • Through Arrive Alive website.	Courtesy is reported and measured through: • Utilisation of Safely Home Reporter and/or website; and • Departmental Stakeholder Relations.	The desired standard was achieved.

Current arrangements: 2016/17	Desired arrangement 2017/18	Actual achievement 2017/18
Openness and transparency:	**Openness and transparency:**	**Openness and transparency:**
Openness and transparency is achieved through: • Annual Performance Plan; • Annual Report; • Annual Report to Citizens; • Intranet and Internet; • JPIs; • IDP Indaba sessions; and • Public meetings.	Openness and transparency is achieved through: • APP; • Annual Report; • Annual Report to Citizens; • Intranet and Internet; • JPIs; • IDP Indaba sessions; and • Public meetings.	The desired standard was achieved.
Value for money:	**Value for money:**	**Value for money:**
Improvement needed in the personnel resourcing of the West Coast and Eden offices.	Improvement needed in the personnel resourcing of the West Coast and Eden offices.	Eden: 2 resources acquired. West Coast: none as yet.

Table 11: Service information tool

Current/actual information tools	Desired information tools	Actual achievements
Manage identification of upgrade projects for design approval.		
Information is communicated through: • DTPW APP; • Annual Report; • Annual Report to Citizens; • Internet and Intranet; • Internal and external newsletter; • Billboards; • DTIMS; • Preservation Report; • JPIs; and • Service Charter.	Information is communicated through: • DTPW APP; • Annual Report; • Annual Report to Citizens; • Internet and Intranet; • Internal and external newsletter; • Billboards; • DTIMS; • Preservation Report; • JPIs; and • Service Charter.	The desired standard was achieved.

Current/actual information tools	Desired information tools	Actual achievements
Enhance road safety awareness amongst the public.		
Information is communicated through: • APP; • Internet and Intranet; • Annual Report; • Annual Report to Citizens; • Public meetings; • Exhibitions; • Awareness interventions; • Radio advertisements; • Social media; • Pamphlets; • Brochures; • Service Delivery Charter; • Email; • Internal and external newsletter; • Billboards; • Flyers; • Media releases; and • Thusong Centres.	Information is communicated through: • APP; • Internet and Intranet; • Annual Report; • Annual Report to Citizens; • Public meetings; • Exhibitions; • Awareness interventions; • Radio advertisements; • Social media; • Pamphlets; • Brochures; • Service Delivery Charter; • Email; • Internal and external newsletter; • Billboards; • Flyers; • Media releases; • Thusong Centres; and • Safely Home Reporter and website.	The desired standard was achieved.

Table 12: Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Manage identification of upgrade projects for design approval.		
Complaints/ suggestions/ compliments/ queries are registered and monitored through: • Panel discussions; • JPIs; and • Departmental stakeholder relationships.	Complaints/ suggestions/ compliments/ queries are registered and monitored through: • Panel discussions; • JPIs; and • Departmental stakeholder relationships.	The desired standard was achieved.

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Enhance road safety awareness amongst the public.		
Complaints/ suggestions/ compliments/ queries are registered and monitored: • Directly with management.	Complaints/ suggestions/ compliments/ queries are registered and monitored: • Directly with management; and • Through the Safely Home Reporter and website.	The desired standard was achieved.

Table 13: Promotion of Access to Information Act (PAIA) applications granted in terms of Section 46

No.	Detail of information requested	Date request received	Date extension granted*	Date request granted
1/2017/2018	Records pertaining to all UBER operating licences	05.04.2017	02.05.2017	12.05.2017
2/2017/2018	Records pertaining to West Coast Swartland Taxi Association	24.04.2017	23.05.2017	13.06.2017
3/2017/2018	Operating Licence: OLB 501654/5	10.07.2017	11.08.2017	24.08.2017
4/2017/2018	Operating Licence: OLB 504056/2	04.07.2017	30.08.2017	20.09.2017
5/2017/2018	Qualifications of Mr VB Le Vack	07.08.2017	n/a	24.08.2017
6/2017/2018	MR 191 Upgrade in Paarl	14.08.2017	29.09.2017	07.11.2017
7/2017/2018	Tender S215/15	13.10.2017	30.10.2017	28.11.2017
8/2017/2018	Tender documents submitted by Generation Education PTY(LTD) for portion 1 of Erf 3331, Constantia	21.11.2017	15.12.2017	02.02.2018
9/2017/2018	MR 191 Upgrade including overhead bridge and service road	07.12.2017	03.01.2018	22.02.2018
10/2017/2018	Tender S002/17	25.01.2018	n/a	16.02.2018
11/2017/2018	Request for copies of various operating licence permits	29.01.2018	n/a	23.02.2018
12/2017/2018	Print out of Permit: CEY17979	18.01.2018	n/a	02.03.2018
13/2017/2018	Operating Licence applications for David Bus Services	06.02.2018	n/a	07.03.2018
14/2017/2018	All the planning authority directives delivered to the Western Cape PRE in respect of the following operating licences: 8389589, 8389596, 8389479, 8389482	28.02.2018	n/a	26.03.2018
15/2017/2018	Project C749: Upgrade of provincial road between Franschhoek and Paarl including the proposed re-alignment of MR191	26.02.2018	27.03.2018	Current
16/2017/2018	SA Roadlink (PTY) LTD: Cancellation of operating licences not in use	19.03.2018	-	Current
17/2017/2018	Records regarding the review of a decision on the transfer of operating licence No 508440/10	23.03.2018	-	Current

Note: *Extension provided in terms of section 26 of PAIA.*

2.3 Organisational environment

Restructuring

During the year under review the micro and macro structure of the Chief Directorate: RNM was designed. The intention with the new organisational structure is to streamline the road network programme, planning, design, construction and maintenance functions, allowing the Branch to be more responsive towards government-wide objectives and optimising the use of internal and external resources. Job evaluation of all posts on the micro structure was finalised in December 2017.

Organisational challenges

The DTPW developed a Strategic Talent Plan (STP) for the next five to 10 years to be implemented from 2018/19. The purpose of the STP is to have people in the right numbers at the right time in the right place, able, willing, wanting and being allowed to perform, thereby enabling the organisation to unlock and grow value for its stakeholders. A critical outcome of the STP at a strategic level is to meet the strategic outcome-oriented goals and strategic objectives of the DTPW. Talent, and effective talent management, play an increasingly crucial role in the ability of an organisation to compete and/or add value successfully and sustainably. The STP enables:

- Timeous Implementation of strategy within the available window of opportunity;
- Ability to capitalise on future opportunities and challenges;
- Delivery of leading edge, innovative and trend-setting services and products; and
- Attainment and the ability to sustain operational excellence.

In the traffic law enforcement environment, the DTPW competes with local government authorities to attract graduates from its own Gene Louw Traffic College.

The DTPW aimed to enhance its delivery capacity through recruitment for targeted positions that promote integrated service delivery and good governance. However, progress has been slower than expected because of difficulties with filling these posts due to COE budget constraints.

The unprecedented drought crisis necessitated that the DTPW second key staff to play an active role in the WCG mitigation initiatives and has, as a specific intervention, seconded the Deputy Director-General: Provincial Public Works to lead the provincial government water business continuity response. This had an impact on the component he manages, which required interim adjustments to be made to the reporting arrangements at a senior level in the Programme.

Organisational successes

In collaboration with the CSC, the DTPW appointed five talent sourcing officials on three-year contracts to assist with its recruitment drive.

In terms of employment equity, the DTPW made progress in addressing its male-dominated staff complement by appointing women at senior levels.

The numerical targets in terms of the DTPW-approved Employment Equity (EE) Plan: 2017 – 22 for the period 1 April 2017 to 31 March 2018 (Year 1 of the EE Plan), are reflected in the table below.

Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	1	0	1	0	1	0	1	0	0	**4**
Senior management	4	13	3	13	4	7	0	5	0	0	**49**
Professionally qualified and experienced specialists and mid-management	40	91	6	67	36	60	0	24	0	0	**324**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	159	331	3	99	136	280	4	80	0	0	**1 092**
Semi-skilled and discretionary decision making)	74	148	1	33	64	133	2	34	0	0	**489**
Unskilled and defined decision making	163	170	1	11	54	84	0	9	0	0	**492**
Total permanent	**440**	**754**	**14**	**226**	**294**	**564**	**6**	**153**	**0**	**0**	**2 451**
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	**440**	**754**	**14**	**226**	**294**	**564**	**6**	**153**	**0**	**0**	**2 451**

Achieving employment equity is an ongoing process requiring systematic attention. DTPW is working towards a demographically representative and equitable workforce and a workplace culture that demonstrates respect for human dignity. Whilst the compulsory COE directives and the lack of the available professionals within the designated groups in the built sector environment negatively impacted on the achievement of EE targets, the decrease in non-designated group totals, due to retirement, within senior management and top management categories, to some extent enabled the recruitment of individuals from designated groups. Table 3.5.1 in Part D reflects the EE status at the end of the reporting period.

Empowerment remains high on the DTPW development agenda, and it cuts across all functions and programmes. In the year under review, the DTPW created a number of jobs and development opportunities to promote empowerment and to strengthen the supply of scarce skills in the built sector environment.

During the reporting period, 75 staff members received support through the Staff Bursary Scheme and, through the Departmental Work Place Skills Plan, another 1 060 were able to improve their academic qualifications and skills.

The relatively high average age of professionals, large proportion of unregistered technical staff, and shortage of registered professionals in South Africa hampers the process of filling technical vacant posts. To assist in professionalising the transport, built and engineering environment, of the six statutory bodies, the PDP is currently covering

occupations governed by four of these bodies: ECSA, the South African Council for the Architectural Profession (SACAP), the South African Council for Project and Construction Management Professions (SACPCMP), and the South African Council for Quantity Surveying Professions (SACQSP). In addition, the programme is investigating the possible inclusion of South African Council for the Property Valuers' Profession (SACPVP) to assist with the professional registration of officials working with property. The importance of professionalising the property infrastructure professions is not yet recognised in the Occupation Specific Dispensation for engineers and related professionals.

Resignations/ appointments

The first female DTPW Chief Financial Officer (CFO) was appointed after the previous incumbent retired at the end of May 2017. This appointment The new CFO assumed duty on 1 June 2017. The Deputy Director-General: Strategy, Planning and Coordination retired during the reporting period.

Strikes

Three employees participated in the Congress of South African Trade Unions (COSATU) protest that took place on 7 September 2017. This was treated as a "no work-no pay" event, in accordance with policy.

System failures

The application status of the system is continually monitored and necessary action taken to keep the system stable.

The DTPW BizProjects program runs on a shared environment with the other Provincial BizProjects instances and is managed by the Transversal Application Support component of Centre for e-Innovation (CE-I). System failures were experienced due to network issues. Although there were initial challenges, upgrading the BizSuite to run in a cloud environment has greatly stabilised the environment.

Cases of fraud or corruption

Cases of fraud or corruption for the year under review are described in the Provincial Forensic Service (PFS) Case Movement Certificate below.

Cases	Number of cases
Open cases as at 1 April 2017	5
New cases (2017/18)	6
Closed cases (2017/18)	(1)
Referred cases (2017/18)	(1)
Open cases as at 31 March 2018	9

2.4 Key policy developments and legislative changes

The draft Western Cape Provincial Traffic Administration Amendment Bill was published for public comment on 12 September 2016. Comments received were analysed, submitted to the MEC, and approval was granted for a request to Cabinet to introduce the Bill to the Western Cape Provincial Parliament.

3 Strategic Outcome-Oriented Goals

The Department's Strategic Outcome Oriented Goals, and progress made towards the achievement of the five-year Strategic Plan targets, are outlined below.

Strategic Outcome-Oriented Goal 1: Maximise empowerment and job creation in the Western Cape.
Goal statement: To maximise empowerment and job creation through development programmes and infrastructure investment in the Western Cape by 31 March 2020.
Justification: Strategic intervention identified by all spheres of government to support the aim to halve unemployment and poverty in terms of the National Development Plan (NDP).
Links to PSGs: Provincial Strategic Goals 1; 2; 4 and 5.

To further support the WCG Skills Game-Changer, meaningful investment was made in ensuring that residents can participate in the infrastructure sector. The DTPW's focus on unemployed youth through various training areas within construction and engineering like plumbing, masonry and road works, allows young people to gain access to occupational skills and experience to participate in the economy.

The continued implementation of the CDP to emerging contractors contributes to their ability to do the job professionally, as far as business skills, management and tendering is concerned.

The empowerment of taxi operators and bus operators and the many training and awareness programmes for both the taxi and bus sectors aim to empower and develop the capability and professionalism of this industry while improving the efficiency of the public transport system.

The coordination of the EPWP in the Western Cape ensured that nationally determined work opportunity targets were met. Support strategies are being implemented at EPWP implementing bodies in the province in order to achieve the set targets.

EmpIAs were concluded on departmental capital projects with a contract value of more than R5 m and a number of these projects were subjected to monitoring and evaluation to determine whether the empowerment objectives were achieved.

Strategic Outcome-Oriented Goal 2: Manage provincial infrastructure and immovable assets in the Western Cape.
Goal statement: To facilitate, plan, design, develop and deliver provincial infrastructure and accommodation and to strategically manage the asset life cycle of the provincial property portfolio in order to unlock socio-economic growth in the Western Cape by 31 March 2020.
Justification: Infrastructure delivery and asset management of the provincial property portfolio is a requirement for unlocking socio-economic growth.
Links to PSGs: Provincial Strategic Goals 1; 2; 3; 4 and 5.

In order to curtail the steady decline in the average condition grade index of the overall portfolio, the DTPW developed an interim approach to maintenance which focuses on three critical components which generates most of the emergency repairs required. This will stabilise the decline and enable reverting back to the general preventative maintenance approach after 2023/24.

The DTPW installed a number of water and electricity remote meters which significantly enhanced the ability to do real-time measuring of utility usage in WCG buildings and informed its performance which was captured in the PER. Based on the feasibility studies of the previous year, more solar PV plants were installed in provincially owned buildings, whilst a number of water saving measures were implemented in CBD buildings.

The implementation of framework contracts continued in the year under review to enhance efficient delivery of building infrastructure projects.

Significant progress has been made in the review of the Western Cape Land Administration Act and its Regulations.

Condition assessments for the 5-year cycle ending 31 March 2018 were undertaken and concluded for the entire IAM portfolio by 31 December 2017.

This informs the programming of scheduled maintenance interventions required and the documentation and compilation of infrastructure programme management plans by facility users (in an IDMS context), as well as enabling DTPW as the custodian to develop a maintenance strategy.

To embed the efficient utilisation of provincial buildings in general and allocated spaces specifically, the results of continued measurement and analysis of energy, water and space utilisation were captured in the 6th edition of the PER that was, for the most part, developed in-house.

Strategic Outcome-Oriented Goal 3: Deliver safe, efficient, integrated transport systems in the Western Cape.
Goal statement: To deliver safe, efficient, integrated transport systems that support economic growth and social connectivity in the Western Cape through partnerships by 31 March 2020.
Justification: Safe, efficient, integrated transport is critical to ensure improvement in all modes of transport and in the infrastructure and systems that supports them in order to achieve the intended modal shift from private to public transport and the movement of freight from road to rail in the Western Cape.
Links to PSGs: Provincial Strategic Goals 1; 3 and 4.

The DTPW began with the implementation of the PSTP which assists municipalities to develop locally appropriate plans for public transport and NMT, incorporating lessons learned through the implementation of public transport improvement initiatives in South Africa, particularly in George and Cape Town. In this regard, a memorandum of agreement (MOA) was concluded with the Municipality of Stellenbosch and extensive planning support resulted in the development of a joint programme of sustainable transport initiatives for incremental implementation in the coming years. MOAs are being concluded with other municipalities.

The DTPW continued to effectively manage and monitor a subsidised bus operator for the Cape Metropolitan Area and the associated PTOG, until such time as the function is transferred to the CoCT. It continued to implement further phases of the high-quality public transport network (Go George/ GIPTN) in George, which is enhancing the quality of life of the people of the town in partnership with the George Municipality and the NDoT.

Pedestrian fatalities remain a concern and further work was done during the year in an attempt to reduce road crash fatalities across all categories of road users, including safety improvements to hazardous locations for pedestrians on provincial roads; providing ASOD infrastructure and ANPR capability; enhancing visible traffic policing at strategic points; conducting visible integrated traffic law enforcement operations through the DSP; implementing road safety education and awareness campaigns with a focus on learners, the youth and communities at risk; and implementing fatigue management interventions.

To stimulate economic growth, construction and maintenance of key projects was undertaken during the year to preserve and improve the condition of the road network and facilitate the creation of temporary jobs, including the rehabilitation and upgrading of the N2 between Borcherds Quarry and Swartklip Interchange, the rehabilitation and upgrading of the N1 between Durbanville Interchange and Old Oak Interchange, and the rehabilitation of Trunk Road 31 between Ashton and Montagu. The planning for the extensions to the road network supporting the development of the Saldanha Bay IDZ was completed. Planning for the Wingfield Interchange upgrade continued.

An investigation continued during the year into the economic and operational efficiency of the present regional road maintenance model in which certain district municipalities act as service providers to maintain provincial roads. Memoranda of agreements with district municipalities were extended for the time being.

Strategic Outcome-Oriented Goal 4: Promote good governance, effectiveness, and efficiency throughout the DTPW.
Goal statement: To provide strategic leadership, governance, and support to enable the DTPW to deliver integrated services in respect of government priorities effectively and efficiently by 31 March 2020.
Justification: An efficient and effective Department that provides integrated services.
Links to PSGs: Provincial Strategic Goal 5.

Building on the approved October 2013 macro and micro organisational structure which is being implemented in a phased manner, further complimentary restructuring was concluded in the Chief Directorate: RNM in order to streamline functions.

A Strategic Talent Plan was developed for the DTPW, which aims to, amongst others, craft the vision for the Department to:

- Develop its talent strategy in line with its 20 year vision;
- Attract and recruit the type of talent that fits that strategy; and
- Develop policy instruments that enable the identification and nurturing of internal talent with the aim of staff career-pathing.

A concerted effort was made to review the COE SOP, resulting in far better outcomes in a constraint economic climate.

Specialised framework agreements for general goods and services were developed with the aim of achieving efficiencies in time, cost and effort, and to avoid repetitive procurement procedures and the associated delays in service delivery.

Internal control measures are continually being strengthened and supported by the exposure of key officials to fraud and corruption training.

The success in the implementation of the Departmental Corporate Governance Improvement Plan (DCGIP) continues to improve the quality of financial management and this is demonstrated by the consecutive achievement of the clean audit outcomes over the last period, and again for 2017/18 financial year.

The prudent monitoring of payment of invoices within 30 days through the Supplier Invoice Tracking System (SITS) continued in the year under review.

The DTPW continues to implement the BBBEE Act in the procurement of all goods and services, contractors, and service providers.

4 Performance Information by Programme

4.1 Programme 1: Administration

Purpose

The purpose of this Programme is to provide overall management support to the Department.

Sub-programmes

- Office of the MEC (Office of the Provincial Minister – Transport and Public Works)
- Management of the Department
- Corporate Support
- Departmental Strategy

Strategic Objectives

1.1	Improve quality of finance management.
1.2	Facilitate effective and secure utilisation of information systems, processes and knowledge within the Department.
1.3	Improve skills and capacity in the transport, built, engineering and related disciplines.
1.4	Improve management of transversal and integrated strategic planning, policy development, coordination and monitoring and evaluation.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome-Oriented Goal 4: Promote good governance, effectiveness and efficiency throughout the Department, through a number of endeavours.

The Directorate: Transport Policies and Strategies participated in integrated municipal engagements and municipal planning by providing capacity to municipalities with the updates of their ITPs as prescribed in Section 36(1) of the NLTA. Section 36(1) requires municipalities to develop five-year ITPs. The DTPW assisted 29 municipalities (excluding the CoCT). These plans are updated annually and reviewed every five years. Assistance was provided in terms of section 9(2)(c) of the NLTA which requires the Provincial Minister to provide assistance to planning authorities that lack the capacity and resources to carry out the integrated planning function.

With respect to facilitating the development of provincial infrastructure strategies, policies and plans, status quo reports were completed for each of the five local municipalities in the West Coast District and consolidated into a West Coast District Status Quo Report. The socio-economic and current status of roads and transport are described here, including future plans as outlined in the ITP and IDP of each local municipality. The Report concludes with a list of development priorities that may provide a common point of departure to inform planning and budgetary process for a more integrated approach to infrastructure development in the short, medium and long term.

As part of its e-vision, the DTPW has investigated the links between technology and sustainable development. As part of our integrated thinking and approach, improved strategic partnerships with the line function were further enhanced in the year under review. This led to a more aligned and productive functioning in congruence with the way the construction industry works. This integrated approach optimises a supply chain that can be viewed as an economic system, a social system, a production system, and an organisational system. This ensures that social objectives are part of mainstream procurement practices and organisational approaches, in the same way OHS and environmental management are "business-as-usual" practices for all levels of government today. This is in line with the approach proposed in the King IV report which emphasises the importance of integrated thinking and integrated reporting (the organisation as an integral part of society, corporate citizenship, and stakeholder inclusivity) in service of sustainable development.

The DTPW has also amended its focus from viewing people, process and technology as the core capability of its business, to putting data in the centre of, and in the service of people, process and technology, a view as conceptualised by Gartner in 2018. This is demonstrated in the analysis of the DTPW's transactions and suppliers. It creates further visibility and also informs our strategic focus and decision making. It is recognised that information and technology overlap, but are also distinct sources of value creation which poses individual risks, as well as provide opportunities.

The SCM component has presented its procurement processes and facilitated the registration of suppliers on the WCSD by participating in CDP with EPWP at CIS, as well as supplier development sessions (in collaboration with the DEDAT as well as various municipalities). Mini workshops were conducted with suppliers, scrutinising registration documents for completeness and following up on the status of submitted registration documents. The unit participated in CSD Roadshows in collaboration with Provincial Treasury as well as to register suppliers on the CSD. A specific intervention was held to train and assist the DRE offices with CSD.

A total of 50 framework contracts for scheduled, day-to-day and emergency maintenance for all classes of work have been put in place. Specific care was taken not to exclude small graded contractors from this process to continue to pursue the objectives of contractor development and the focus of achieving the socio-economic obligations of government.

The DTPW invests in ongoing training and development of staff involved in the supply chain. Infrastructure delivery and construction procurement-focused training was provided to 36 officials in the DTPW and project management-focused training was provided to 46 officials in the Department.

For the purposes of transversal drought procurement needs, it was agreed that the DTPW SCM is the most suitable procurement agency in terms of the level of supply chain maturity, agility, technical skills and capacity required.

The DTPW acknowledged the seriousness of the impending water crisis across the Western Cape and various initiatives are currently being implemented to improve security of supply

at our provincial buildings, including the sourcing of supplementary supplies where feasible.

The DTPW has a zero-tolerance approach towards fraud and corruption. The Financial Governance Directorate coordinated fraud awareness training sessions presented by PFS which were attended by 266 officials from the DTPW. Officials were provided with examples of actual reported incidents and their outcomes.

Internal control measures were further tightened to address control gaps identified during PFS irregular, fruitless and wasteful, or internal control investigations. Training to mitigate the risk of controls being overridden was provided to DTPW officials.

The DTPW maintained its Departmental Corporate Governance Implementation Plan, a strategic intervention to create and continuously improve a control environment that supports the DTPW to achieve its service delivery objectives and planned audit outcomes. By addressing areas of concern through the DCGIP, an unqualified audit opinion was received in 2017/18.

Having successfully put a "mature" stage system in place to help ensure a clean audit of pre-determined objectives, the DTPW is in the process of implementing a programme outcomes monitoring system. This has helped to shift the DTPW's focus from the "compliance" stage to the "performance" stage of organisational maturity.

Conceptual designs were completed and detailed designing commenced for an outcomes monitoring system, which includes a tool to facilitate agreement on the use of anticipated outcomes and indicators for the monitoring of transport and public works outcomes. The design of seven evaluations were informed by theories of change which fit the current understanding of how the Programmes aim to achieve the intended results. The seven evaluations which were undertaken during 2017/18 include:

- Implementation evaluation of the ITP Programme;
- Impact assessment of the Provincial Roads Maintenance Grant (PRMG);
- Impact assessment of the Expanded Public Works Integrated Grant Programme;
- Impact assessment of the Public Transport Operations Conditional Grant;
- Design evaluation of the PSTP;
- Design evaluation of the Road Safety Implementation Programme (RSIP); and
- Benefit realisation of the Enterprise Content Management System.

Discussions of evaluation design, findings, recommendations and planned improvements stemming from evaluations with the respective Programme managers has commenced and the planning of improvements will continue into the second quarter of the new financial year.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in Tables 14 and 15.

Strategic Objectives

Table 14: Programme 1: Administration: Strategic Objectives

No	Strategic Objectives/ Indicators	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
Sub-programme 1.3: Corporate Support						
1.1	**Improve quality of finance management.**					
1.1.1	Level of finance capability maturity.	3+	3+	3+	0	-
1.2	**Facilitate effective and secure utilisation of information systems, processes and knowledge within the Department.**					
1.2.1	Level of Enterprise Information Management maturity.	2	2+	2+	0	-
1.3	**Improve skills and capacity in the transport, built, engineering and related disciplines.**					
1.3.1	Number of candidates registered with relevant professional body.	15	16	19	3	Improvement of registration processes i.e. professional bodies opening satellite offices in the Province.

No	Strategic Objectives/ Indicators	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
Sub-programme 1.4: Departmental Strategy						
1.4	**Improve management of transversal and integrated strategic planning, policy development, coordination and monitoring and evaluation.**					
1.4.1	Number of departmental planning processes achieved.	1	31	8	(23)	The DTPW is assisting municipalities by two means to adhere to Section 36 of the NLTA, i.e. by project managing the ITP process and to transfer funds. The project management of the ITPs for this round of updating concentrated on the Operating Licence System and Current Public Transport Record where surveys are required. The results are still being verified against PRE information. The misalignment of provincial and municipal financial years is proving to be problematic as far as the transferring of funds is concerned. The transferring of funds can only occur within the municipal financial year which makes compliance of the ITP updates difficult as the updates cannot be finalised within the provincial financial year. Despite the lengthy supply chain process the DTPW managed to achieve 15 of the anticipated 30 outputs.

Performance Indicators

Table 15: Programme 1: Administration: Performance Indicators

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 1.3: Corporate Support								
1.1.1.1	Number of strategies reviewed, SCM and FM (FA, MA and FG)*	n/a	4	4	4	4	0	-
1.2.1.1	Number of phases of Knowledge Management strategies implemented	n/a	4	1	1	1	0	-
1.3.1.1	Number of signed commitment and undertakings	n/a	16	14	10	20	10	Expansion of the PDP to include construction project management.

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 1.4: Departmental Strategy								
1.4.1.1	Number of transport integrated processes assessed	n/a	29	0	29	6	(23)	As at end of March 2018, no municipality had submitted draft documents to the DTPW, as they were still in the process of gathering information in order to develop the first draft of the municipal ITP. Municipalities structure the finalisation of their ITPs around the municipal financial year, as opposed to the provincial financial year.
1.4.1.2	Number of infrastructure status quo reports compiled	n/a	2	1	2	2	0	-

*Note: * SCM- Supply Chain Management, Chief Directorate: Financial Management, FA- Financial Accounting, MA- Management Accounting, FG-Financial Governance. n/a – Not applicable as this is a new indicator.*

Strategies to overcome areas of under performance

The DTPW is currently doing an evaluation of the ITPs by means of understanding the actual investment versus the outputs in terms of actual transport implementation by municipalities. The DTPW is furthermore investigating to what extent assistance is to be provided to municipalities in terms of compliance with Section 36 of the NLTA. It must also be noted that due to the difference between provincial and municipal financial years, it is difficult to reach the targets as municipalities schedule the finalisation of their ITPs at the end of municipal financial year rather than the provincial financial year. Set targets will be reviewed accordingly.

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 16: Programme 1: Administration: Sub-programme expenditure

Sub-Programme		2017/2018			2016/2017		
		Final Appro-priation R'000	Actual Expen-diture R'000	(Over)/ Under Expen-diture R'000	Final Appro-priation R'000	Actual Expen-diture R'000	(Over)/ Under Expen-diture R'000
1.1	Office of the MEC	6 937	6 584	353	6 533	6 345	188
1.2	Management of the DTPW	5 100	4 599	501	4 581	4 481	100
1.3	Corporate Support	122 665	122 346	319	122 290	120 273	2 017
1.4	Departmental Strategy	40 279	39 224	1 055	32 064	31 546	518
Total		**174 981**	**172 753**	**2 228**	**165 468**	**162 645**	**2 823**

4.2 Programme 2: Public Works Infrastructure

Purpose

The purpose of this Programme is to provide balanced provincial government building infrastructure that promotes integration, accessibility, sustainability, equity, environmental sensitivity, economic growth, and social empowerment.

Sub-programmes

- Programme Support
- Planning
- Construction
- Maintenance
- IAM
- Facility Operations

Strategic Objectives

2.1	Improve efficiency of office accommodation through the reduction of cost and improved space utilisation.
2.2	Delivery of sustainable infrastructure and accommodation to clients.
2.3	Effective usage of provincial immovable assets.
2.4	Promote and facilitate socio-economic development through infrastructure development and property management projects.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome Oriented Goal 2: Manage provincial infrastructure and immovable assets in the Western Cape.

It is critical to preserve the provincial asset base which consists of a property portfolio of 8 375 683m² with a replacement value of approximately R105 801 bn. The risk of not protecting the asset base can be understood in light of the importance of public works infrastructure, including:

- Construction sector remains a pivotal driver of provincial economic growth;
- DTPW provides balanced provincial government building infrastructure that promotes integration, accessibility, sustainability, equity, environmental sensitivity, economic growth, and social empowerment;
- The quality of such infrastructure is critical to the services offered to the residents of the Western Cape; and
- Since 2014/15 over 5 700 jobs have been created, 85 education facilities completed, 17 health facilities completed, 34 capital projects have been delivered, and numerous office accommodation projects have been completed in support of both health and education.

However, there is a maintenance backlog of approximately R27 bn.

While much has been said about climate change having been a known risk for some time, the drought crisis has brought the reality home. The impact of the water crisis will not affect the province equally. Some municipalities will be harder hit and for longer than others. The diversified impact will challenge DTPW's operations in these municipalities and will require reconsideration of how we collectively plan, budget and implement key projects.

The DTPW is responding to the crises in the following ways:

- Day zero, a business continuity and disaster recovery plan for the DTPW is being developed as well as a provincial business continuity plan; and
- The second, longer term strategy, is delivering infrastructure in a water-scarce environment in an alternative manner as the "new normal".

As product markets change, there will be an impact on critical infrastructure servicing these markets. As weather patterns become more extreme, the potential risk to these critical assets will also increase.

The "new normal" requires partnerships among all three spheres of government. The de-linking of critical decisions is no longer possible. Infrastructure, its use and its quality are critically dependent on how the three spheres of government handles the transmission mechanisms of climate change.

While DTPW is making all effort within the existing budgetary framework to make Provincial buildings more climate-resilient, and to safeguard critical service delivery, these actions would need to be complemented by those who have the mandate over bulk infrastructure.

The new normal requires a holistic approach to addressing critical infrastructure challenges and ensure the preservation of the overall asset portfolio. In this context, it is critical that a "whole-of-asset" approach is followed where every effort is made at introducing climate resilience into the provincial asset portfolio first and foremost before considering the building of new infrastructure. The historic maintenance backlog on critical infrastructure such as education facilities requires immediate intervention as to preserve the critical role that this infrastructure plays in providing the workforce of the future.

Since 1995, education infrastructure development was mainly focused on capital works. Maintenance need did not inform maintenance budgets and was reactive rather than proactive. This approach resulted in significant implications, including:

- No even distribution of relative age of schools along a natural growth curve;
- Life cycle replacement requirements exponentially increasing along the depreciation curve;
- Current peaks and troughs in maintenance spending patterns; and
- Difficulty in predicting maintenance requirements for budgeting purposes.

Due to the current asset condition, emergency works were conducted for education infrastructure over the last 12 months due to the following main elements of failure:

- 38 per cent plumbing and drainage;
- 26 per cent roofs; and
- 19 per cent electrical.

The top causes of failure are due to poor maintenance (30 per cent) and normal wear and tear.

Significant progress and improvements have been made in the DTPW's ability to capture and report on property data and, in turn, IAM's ability to enable efficiency improvements. This system of reporting established a baseline for future reporting on the optimal utilisation of the provincial property portfolio.

The DTPW signed 12 deeds of sale and the transfers of these immovable assets are envisaged to take place during the next financial year.

Infrastructure norms and standards have been set. These demonstrate the DTPW's ongoing commitment to "green principles" across general, health and education infrastructure as well as a response to the current water crisis.

The planning of an additional dormitory at the Clanwilliam Child and Youth Care Centre has been completed. The project has moved into construction and is due for completion in the course of 2018.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in the tables below.

Strategic Objectives

Table 17: Programme 2: Public Works Infrastructure: Strategic Objectives

No	Strategic Objectives/Indicators	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
Sub-programme 2.2: Planning						
2.1	**Improve efficiency of office accommodation through the reduction of cost and improved space utilisation.**					
2.1.1	Full time employees cost (FTEC) expressed as Rand/ FTEC equal to or less than the period applicable private sector benchmark.	2.8%	Less than or equal to the applicable private sector benchmark for the period.	R72 808.00	-R25 656.00 (35%)	The relatively high cost per person across the property portfolio is primarily as a result of relatively poor space utilisation combined with high vacancy rates per government department.
Sub-programmes 2.4: Construction						
2.2	**Delivery of sustainable infrastructure and accommodation to clients.**					
2.2.1	Number of capital and maintenance projects completed.	258	222	206	(16)	Extension of time has been granted for projects thereby extending the completion dates. Delayed completion due to poor contractor performance.
2.2.2	Number of lease and purchase agreements concluded for office accommodation.	22	19	25	6	Introduction of a more streamlined acquisition process which provides for the approval of multiple leases in a single consolidated submission, resulting in a fast-tracked lease approval process.

No	Strategic Objectives/Indicators	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
Sub-programme 2.6: Immovable Asset Management						
2.3	**Effective usage of provincial immovable assets.**					
2.3.1	Number of properties released for regeneration purposes.	0	1	0	(1)	Following a refined process and Request for Proposal documentation and requirements, the project was re-advertised to procure reliable and experienced contractors with proven track records.
Sub-programmes 2.4: Construction, 2.5: Maintenance						
2.4	**Promote and facilitate socio-economic development through infrastructure development and property management projects.**					
2.4.1	Number of jobs created.	15 074	12 221	10 165	(2 056)	Projects have reached final stages and as a result required fewer labour-intensive jobs. The need for specialist installations at the end of health infrastructure contracts reduced the requirement for local labour.

Performance Indicators

Table 18: Programme 2: Public Works Infrastructure: Performance Indicators

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
Sub-programme 2.2: Planning								
2.1.1.1	Custodian Immovable Asset Management Plan submitted to the relevant Treasury in accordance with GIAMA	1	1	1	1	1	-	-
2.1.1.2	Number of EPWP work opportunities created by the Provincial Department of Public Works/Roads*	n/a	n/a	n/a	15 751	6 926	(8 825)	Projects have reached final stages and as a result required fewer labour-intensive jobs. The need for specialist installations at the end of health infrastructure contracts reduced the requirement for local labour.
2.1.1.3	Number of full time equivalents (FTEs) created by the Provincial Department of Public Works/Roads*	n/a	n/a	n/a	5 136	3 277	(1 859)	Projects have reached final stages and as a result required fewer labour-intensive jobs. The need for specialist installations at the end of health infrastructure contracts reduced the requirement for local labour.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
Sub-programme 2.3: Construction								
2.2.1.1	Number of infrastructure designs ready for tender*	n/a	56	29	25	43	18	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	n/a	17	16	3	20	17	Additional relief classrooms. Rescheduling of projects. Short delivery cycle projects.
	• Health Facilities	n/a	16	3	6	1	(5)	Delays in rezoning approval. Delays in budget approvals as a result of the misalignment between the Strategic Brief and budget allocation.
	• General Infrastructure	n/a	23	10	16	22	6	Project rescheduling. Additional water savings projects.
2.2.1.2	Number of capital infrastructure projects completed within the agreed time period*	15	23	39	44	28	(16)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	5	11	17	12	17	5	Additional classrooms constructed at schools.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• Health Facilities	6	1	9	12	3	(9)	Extension of time has been granted for projects thereby extending the completion dates. Delayed completion due to poor contractor performance.
	• General Infrastructure	4	11	13	20	8	(12)	Projects rescheduled as part of an overarching contract.
2.2.1.3	Number of capital infrastructure projects completed within agreed budget*	33	37	54	44	43	(1)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	14	15	25	12	19	7	Additional classrooms constructed at schools.
	• Health Facilities	8	4	11	12	12	-	Extension of time has been granted for projects thereby extending the completion dates. Delayed completion due to poor contractor performance.
	• General Infrastructure	11	18	18	20	12	(8)	Projects rescheduled as part of an overarching contract.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
2.2.1.4	Total number of capital infrastructure projects completed*	n/a	n/a	54	44	45	1	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	n/a	n/a	25	12	20	8	Additional classrooms constructed at schools.
	• Health Facilities	n/a	n/a	11	12	13	1	Additional funding provided by client department.
	• General Infrastructure	n/a	n/a	18	20	12	(8)	Projects rescheduled as part of an overarching contract.
2.2.1.5	Number of projects submitted to the GBCSA for a Green Star rating	1	1	0	0	0	0	-
	• Education Facilities	n/a	-	0	0	0	0	-
	• Health Facilities	n/a	-	0	0	0	0	-
	• General Infrastructure	1	1	0	0	0	0	-
2.2.1.6	Total number of jobs created through construction projects.	n/a	n/a	n/a	5 259	5 430	171	Note: The reasons for the consolidated variance of the indicator are provided below:

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• Education Facilities	n/a	n/a	n/a	2 159	4 217	2 058	Improvement in the controls, tracking of contractor certificates for the reporting of jobs created.
	• Health Facilities	n/a	n/a	n/a	1 600	754	(846)	The need for specialist installations at the end of infrastructure contracts reduced the requirement for local labour.
	• General Infrastructure	n/a	n/a	n/a	1 500	459	(1 041)	Reduced number of projects resulted in the reduced number of jobs.
Sub-programme 2.4: Maintenance								
2.2.1.7	Number of planned maintenance projects awarded*	270	239	239	233	233	-	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	70	78	41	48	53	5	Acceleration of projects as agreed with the client department.
	• Health Facilities	71	61	47	65	23	(42)	Delays in budget approvals as a result of the misalignment between the Strategic Brief and budget allocation.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• General Infrastructure	129	100	151	120	157	37	Utilisation of framework agreements whereby the period required for the finalisation of the Bill of Quantities to the awarding of the contracts has been significantly reduced.
2.2.1.8	Number of planned maintenance projects completed within the agreed contract period*	90	165	182	178	149	(29)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	7	59	42	48	40	(8)	Project rescheduling. Withdrawal of projects by the client department.
	• Health Facilities	42	35	34	80	27	(53)	PSP appointments delayed projects proceeding to construction. Projects cancelled. Late receipt of strategic briefs from client department. Delays in budget approvals as a result of the misalignment between the Strategic Brief and budget allocation.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• General Infrastructure	41	71	106	50	82	32	Higher number of projects completed by the electrical section than originally planned.
2.2.1.9	Number of planned maintenance projects completed within agreed budget*	100	206	204	178	161	(17)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	5	60	50	48	40	(8)	Project rescheduling. Withdrawal of projects by the client department.
	• Health Facilities	46	48	44	80	34	(46)	Delays in budget approvals as a result of the misalignment between the Strategic Brief and budget allocation.
	• General Infrastructure	49	98	110	50	87	37	Higher number of projects completed by the electrical section than originally planned.
2.4.1.1	Total number of jobs created through maintenance projects*	n/a	n/a	n/a	6 962	4 735	(2 227)	Note: The reasons for the consolidated variance of the indicator are provided below:

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• Education Facilities	n/a	n/a	n/a	4 362	2 002	(2 360)	Projects have reached final stages and as a result required fewer labour intensive jobs.
	• Health Facilities	n/a	n/a	n/a	1 600	845	(755)	Need for specialist installations reduced the requirement for local labour.
	• General Infrastructure	n/a	n/a	n/a	1 000	1 888	888	Improvement in the controls, tracking of contractor certificates for the reporting of jobs created.
Sub-programme 2.5: Immovable Asset Management								
National Indicators								
2.1.1.2	Number of immovable assets verified in the Immovable Asset Register (IAR) in accordance with the mandatory requirements of NT	5 353	5 352	5 406	5 353	5 551	198	Movement of acquisitions and disposals which includes Section 42 transfers and Item 28(1) vesting.
Provincial Indicators								
2.1.1.3	Number of utilisation inspections conducted for office accommodation	n/a	150	150	150	150	0	-

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
2.2.2.1	Number of properties acquired for WCG service delivery*	17	19	16	16	10	(6)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	2	6	6	10	3	(7)	Transactions for the planned acquisitions have been completed but the registration of the properties in the name of the province is still in progress.
	• Health Facilities	15	13	10	6	7	1	Successful transfer of the property from the Saldanha Bay Municipality.
	• General Infrastructure	0	0	0	0	0	0	-
2.3.1.1	Number of projects for which feasibility work is completed	n/a	0	1	1	0	(1)	Delay experienced in the completion of the Development Framework impacting on the feasibility work.
2.3.1.2	Number of property partnerships concluded	n/a	0	1	1	0	(1)	Property partnership could not be concluded as the only bid received for the project was non-responsive and non-compliant.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
2.1.1.4	% in electricity consumption reduction (net of solar energy generated) per m^2 in the office estate	n/a	0	10%	6%	6%	0	-
Sub-programme 2.6: Facility Operations								
2.1.1.5	Number of condition assessments conducted on state-owned buildings*	1 137	1 156	1 367	1 390	1 134	(256)	Note: The reasons for the consolidated variance of the indicator are provided below:
	• Education Facilities	0	43	502	360	700	340	Condition assessments were conducted under an accelerated two-year period rather than a five-year period.
	• Health Facilities	142	64	134	130	300	170	Condition assessments were conducted under an accelerated two-year period rather than a five-year period. Condition assessments conducted by works inspectors.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on variances
	• General Infrastructure	995	1 049	731	900	134	(766)	The bulk of the condition assessments were conducted in the first year of an accelerated two-period rather than a five-year period. Different buildings consolidated into one condition assessment per site rather than calculated as separate condition assessments per building.

*Note: *Denotes that this indicator is cumulative (education, health and general);*
n/a – Not applicable as this is a new indicator

Strategies to overcome areas of under performance

A number of strategies are being implemented to improve performance:

- Task orders will be issued to already contracted professionals on commencement of project planning;
- Use of site assessment feasibility studies to prepare an improved brief to appointed service providers, whether design teams or develop and construction teams;
- Utilise standard designs as developed under the Standard Design Schools initiatives;
- Improved collaborative planning to determine numbers of projects and budgets, i.e. critical component maintenance;
- Develop internal SOPs to improve receipt and capturing of information as well as filing of required portfolio of evidence;
- Professional Service Provider Framework is to be established;
- Cancelled projects are to be replaced by other projects of equal value;
- Putting in place a new planned maintenance framework agreement for the entire Public Works Branch with SCM; and
- In the absence of the Strategic Property Management system, condition assessments will be performed by the Works Inspectorate in Works: General Infrastructure (Maintenance).

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 19: Programme 2: Public Works Infrastructure: Sub-programme

Sub-Programme		2017/2018			2016/2017		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
2.1	Programme Support	310 285	303 466	6 819	271 759	245 666	26 093
2.2	Planning	48 316	48 316	-	47 608	45 310	2 298
2.3	Design	-	-	-	-	-	-
2.4	Construction	295 495	289 812	5 683	385 806	385 806	-
2.5	Maintenance	186 886	186 886	-	116 625	116 625	-
2.6	IAM	899 394	887 618	11 776	833 211	826 821	6 390
2.7	Facility Operations	126 460	126 460	-	76 157	76 058	99
Total		**1 866 836**	**1 842 558**	**24 278**	**1 731 166**	**1 696 286**	**34 880**

4.3 Programme 3: Transport Infrastructure

Purpose

The purpose of this Programme is to deliver and maintain transport infrastructure that is sustainable, integrated, and environmentally sensitive that supports and facilitates social empowerment and economic growth and that promotes accessibility and the safe, affordable movement of people, goods and services.

Sub-programmes

- Programme Support Infrastructure
- Infrastructure Planning
- Infrastructure Design
- Construction
- Maintenance

Strategic Objectives

3.1	Enable an efficient road-based transport infrastructure network through maintenance and repair.
3.2	Support economic growth and empowerment through road-based transport Infrastructure investment.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome-oriented Goal 3: Deliver safe, efficient and integrated transport systems in the Western Cape.

The RAMP: 2017/18 – 2026/27 which incorporates road pavement preservation information on the status of provincial roads and the effect of planned and current investment in roads on the future condition of the network was concluded and published during the year under review.

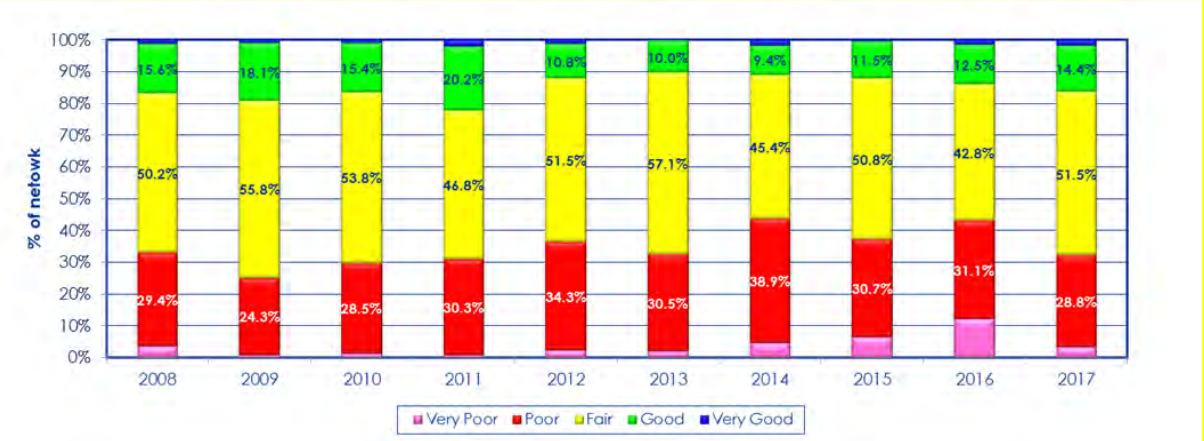
Based on 2017 assessments, of the total surfaced road network of 6 651 km, 6 138 km is in fair to very good condition. This is an increase of 269 km on the previous year. A proportion of 94,8 per cent of all vehicle kilometres travelled on surfaced roads are travelled on roads that are in fair to very good condition. In general, the visual condition of surfaced roads improved slightly between 2016 and 2017.

On the managed gravel road network, 7 019 km of 10 339 km is in a fair to very good condition. When compared to 2016, there is a significant increase of 1 129 km. Only 5 per cent of total vehicle km travelled in the Western Cape are travelled on the gravel road network. The maintenance of the gravel road network remains a challenge due to limited financial resources, inadequate for maintaining the entire network to acceptable standards, as well as continued difficulties with finding approved gravel borrow pits. Available funding is prioritised to go where the most vehicles kilometres are travelled.

The visual condition of the assessed provincial road network over a 10-year period, differentiated between surfaced and gravel roads respectively, is shown in the graphs below.

Table 20: Condition of surfaced roads in the Western Cape

Table 21: Condition of gravel roads in the Western Cape



***Source**: Visual Condition Index/ Gravel Road Management System 2016*

Description of degrees of overall condition of road	
Very good	Very few or no defects. Degree of defects less than warning.
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.
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.

Projects to promote economic growth will continue in their various stages of implementation. Road construction and maintenance investment projects will be identified by continuously improved asset management systems. The development of the Western Cape Transport Model to be used by the DTPW as a strategic planning tool for road-based investment will also continue over the medium term. The development of in-

house capacity to run the model and to incorporate inputs from the WCG-wide strategic planning platforms will also continue over the medium term.

The Western Cape Transport Infrastructure Act, 2013 (Act 1 of 2013) will be repealed and will be replaced by a new Western Cape Transport Infrastructure Bill. The final draft of the new Bill and its Regulations will be submitted to Parliament and is expected to be concluded during the 2018/19 financial year.

Four graduates on the PDP will be ready for registration with the ECSA in 2018/19. It is envisaged that these professionals will be permanently employed within the DTPW after registration.

The following key projects have contributed towards the Branch achieving the prescribed service delivery targets:

C917	Rehabilitation MR529 - Piketberg/Velddrif;
C1039.1	Rehabilitation and Upgrade of TR2/1 between Borcherds Quarry and Swartklip Interchange;
C415.2	Extension of MR559 from Port Services Corridor to MR238 near Saldanha;
C815	Rehabilitation of MR298 and Reseal DR1398 – Worcester (Nekkies);
C818	Rehabilitation of TR31/2 – Ashton / Montagu;
C820	Rehabilitation of MR287 from km14.0 to km 32 – Robertson / Bonnievale;
C821:	Rehabilitation of TR23/3 – Porterville / Piketberg;
	Rehabilitation of MR529 – Piketberg / Velddrift;
C917:	Rehabilitation of TR33/3 – Oudtshoorn / De Rust;
C918:	Rehabilitation of DR1050 – Annandale Road;
C921:	Rehabilitation and Geometric Improvements on MR00332 between N2 and Still Bay;
C989:	Rehabilitation and Upgrade of TR2/1 from km 13.8 – km 20.5 between Borcherds Quarry and Swartklip Interchange;
C1039.1	Extension of the 3rd lane on TR09/01 west of Durban Road Interchange to the NR0101;
C1046	Rehabilitation of TR23/3 – Gouda – Kleinbergrivier Bridge km 0.12 – km 12.5; and
C751.2	The Restoration of MR369 (Swartberg Pass) - Prince Albert.

New key projects that commenced include:

C0984	Reseal of MR191 and MR 279 near Theewaterskloof Dam and MR279 between Villiersdorp and Grabouw;
C1037	Reseal of TR34/01 & TR34/02 between Prince Albert Road and Prince Albert;
C0975.01	Extension of TR85/1 from TR77/1 to TR21/2 (Greenfields link);
C1087	Periodic Maintenance on MR27 – Stellenbosch to Klapmuts;
C0823.01	Rehabilitation of MR352, MR355 and Reseal of MR355 – Wilderness to Hoogekraal; and
C822	Rehabilitation of MR344 and DR1578 near Glentana.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in the tables below:

Strategic Objectives

Table 22: Programme 3: Transport Infrastructure: Strategic Objectives

No	Strategic Objectives/ Indicators	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
Sub-programme 3.5: Maintenance						
3.1	**Enable an efficient road-based transport infrastructure network through maintenance and repair.**					
3.1.1	Percentage vehicle kilometres travelled on surfaced roads that are in a fair to very good condition.	94	91	95	4	An effective economic maintenance policy was followed.
Sub-programmes 3.4: Construction and 3.5: Maintenance						
3.2	**Support economic growth and empowerment through road-based transport Infrastructure investment.**					
3.2.1	Number of work opportunities created.	8 004	10 000	4 257	(5 743)	The NDoT and NDPW (National Department of Public Works) departments were informed early in the financial year that the national expectation was too high and that a more pragmatic approach to target-setting be considered. The main spending was on large capital upgrades like the N1 widening and N2 Borchards Quarry projects which had high materials costs but low labour intensity due to the high traffic volumes and associated safety risks on these projects. As a result, there was less focus on labour-intensive projects such as flood damage repair, leading to lower output in respect of work opportunities created.

Performance Indicators

Table 23: Programme 3: Transport Infrastructure: Performance Indicators

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 3.2: Infrastructure Planning								
3.1.1.1	Number of kilometre of surfaced roads visually assessed as per the applicable Technical Methods for Highways (TMH) manual	6 500	6 522	6 616	6 520	6 651	131	No agreement could be reached between DTPW and the CoCT about the planned assignment of the Metro Divisional Roads back to the City. As a result, these additional kilometres still form part of the total provincial surfaced road network assessed.
3.1.1.2	Number of kilometres of gravel roads visually assessed as per the applicable TMH manual	10 499	10 419	10 366	10 360	10 339	(21)	Nominal underperformance due to gravel roads being upgraded to surfaced roads and gravel roads being de-proclaimed.
3.2.1.1	Number of jobs created	n/a	n/a	n/a	10 000	4 257	(5 743)	The NDoT and NDPW were informed early in the financial year that the national expectation was too high and that a more pragmatic approach to target-setting should be considered. The main spending was on large capital upgrades like the N1 widening
3.2.1.2	Number of Full Time equivalents (FTEs) created	n/a	n/a	n/a	5 000	2 133	(2 867)	
3.2.1.3	Number of youths employed (18 - 35)	n/a	n/a	n/a	6 500	2 526	(3 974)	

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
3.2.1.4	Number of women employed	n/a	n/a	n/a	2 800	1 206	(1 594)	and N2 Borchards Quarry projects which had high materials costs but low labour intensity due to the high traffic volumes and associated safety risks on these projects. As a result, there was a lower focus on labour-intensive projects such as flood damage repair, leading to lower output in respect of work opportunities created.
3.2.1.5	Number of people living with disabilities	n/a	n/a	n/a	15	23	8	Although carrying a much lower labour-intensive weighting, this target was exceeded due to a higher number of workers being classified as disabled by the NDPW.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 3.4: Construction								
3.1.1.3	Number of kilometres of gravel roads upgraded to surfaced roads	24	59	58	39	22	(17)	The Friemersheim (Eden District Municipality – DM), MR 533 (West Coast DM) as well as other gravel road upgrade projects in Cape Winelands and Overberg have not been completed as originally planned. Due to(i) Expropriation delays (ii) Quarry materials supply delays (iii) Availability of gravel borrow pits, suitability of gravel for operational processes and the need for extra or additional processing on the road or in the borrow pit due to materials property variability from the initial soil profiling and deviations of quantities available after mining/excavation, respectively.
3.1.1.4	Number of square metres surfaced roads upgraded	446 228	102 036	31 860	41 540	63 080	21 540	Upgrading by West Coast District Municipality on the Warmbad Road that was not originally in the programme or identified.
3.1.1.5	Number of bridges constructed/ upgraded	7	4	2	7	6	(1)	A decision was made during the design process of the N2 project to exclude the upgrading of a bridge during the current contract and to rather prepare its foundations and piling for upgrade on a future contract.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
3.1.1.6	Number of culverts constructed/ upgraded	88	38	40	72	76	4	Three more culverts were upgraded on the Ladismith West flood damage project and one more on the Worcester project. During the construction stage, it was decided that these four culverts also require upgrading.
Sub-programme 3.5: Maintenance								
3.1.1.7	Number of square metres of surfaced roads rehabilitated	n/a	344 308	559 848	908 042	915 772	7 730	Minor differences in the estimated and actual number of m^2 were realised and compounded over multiple projects.
3.1.1.8	Number of square metres of surfaced roads resealed	1 741 772	1 943 853	5 868 111	2 461 192	2 430 380	(30 812)	The resealing of MR606 in Eden DM was delayed as a result of sourcing challenges experienced in respect of bitumen.
3.1.1.9	Number of kilometres of gravel roads re-gravelled	251	239	133	316	180	(136)	Unavailability of approved gravel borrow pits. Other departmental re-gravelling projects are rescheduled to be only completed in 2018/19.
3.1.1.10	Number of square metres of blacktop patching	55 927	111 860	157 216	60 000	92 582	32 582	Additional black-top patching done to reduce/ eradicate the maintenance backlog.
3.1.1.11	Number of kilometres of gravel roads bladed	43 595	49 549	48 323	45 000	45 997	997	Blading is weather-dependant and more favourable weather was experienced in various regions this year.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
3.1.1.12	Number of bridges rehabilitated	19	13	19	11	22	11	During the construction stage of the Worcester project, it was decided that additional bridges required rehabilitation.
3.1.1.13	Number of culverts rehabilitated	18	21	56	31	36	5	During the construction stage of the Worcester project, it was decided that additional culverts required rehabilitation.

***Note**: n/a – Not applicable as this is a new indicator*

Strategies to overcome areas of under performance

A number of strategies are being implemented to improve performance:

- Monthly monitoring of plant, resources and material on site – the DTPW engaged the contractors on the way forward and risk-mitigation they are implementing to ensure the project continues;
- The DTPW changed the conditions of contract in pro-forma to better contractually deal with risks such water scarcity in future and to ensure no potable water is used for construction; and
- The DPTW Amended contract documentation to improve the contractual obligation of main contractors to make use of local subcontractors and suppliers, that there is good standing with its subcontractors and suppliers of a contract, as well as to encourage contractors to employ more people.

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 24: Programme 3: Transport Infrastructure: Sub-programme expenditure

Sub-Programme		2017/2018			2016/2017		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
3.1	Programme Support Infrastructure	38 245	37 791	454	38 922	38 636	286
3.2	Infrastructure Planning	52 341	52 341	-	84 807	82 773	2 034
3.3	Infrastructure Design	216 221	214 213	2 008	148 561	148 160	401
3.4	Construction	1 710 930	1 704 416	6 514	1 474 016	1 469 891	4 125
3.5	Maintenance	1 421 210	1 420 620	590	1 510 033	1 504 195	5 838
Total		**3 438 947**	**3 429 381**	**9 566**	**3 256 339**	**3 243 655**	**12 684**

4.4 Programme 4: Transport Operations

Purpose

The purpose of this Programme is to plan, regulate and facilitate the provision of integrated land transport services through coordination and cooperation with national planning authorities, municipalities, community-based and non-governmental organisations, and the private sector in order to enhance and facilitate the mobility of all communities.

Sub-programmes

- Programme Support Operations
- Public Transport Services
- Transport Safety and Compliance
- Transport Systems

Strategic Objectives

4.1	Enhance mobility and access in municipalities through the development, implementation and management of incremental public and NMT networks.
4.2	Improve transport safety through the development and implementation of a public transport safety implementation programme.
4.3	Enhance strategic approach to rail and freight and strengthen coordination with key stakeholders through the development of an implementation programme for rail and freight.
4.4	Improve support to public and NMT stakeholders through institutional change initiatives.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome-oriented Goal 3: Deliver safe, efficient and integrated transport systems in the Western Cape.

During the year under review, the DTPW continued to support the development of an Integrated Public Transport Network in the George Municipality (GIPTN) by leading the planning, implementation and management of the services, as well as by underwriting the finances.

In addition, during the 2017/18 financial year, a number of achievements were recorded.

- The PSTP continued to expand its reach and impact. A Minibus Taxi Transformation Model was developed with the aim of piloting the approach in the 2018/19 financial year. The model redefines the approach to public transport improvement and focuses on mechanisms for improving existing operations.
- The Stellenbosch Municipality was assisted to complete a Draft Sustainable Transport Strategy and the provision of extensive transport planning and management support for initiatives including on-travel demand management and transport input to the Spatial Development Framework. Additional support was provided for the design, implementation and construction of several high-priority, high-impact NMT infrastructure projects.

- As part of the PSTP, the DTPW entered into a new partnership with the Overstrand Municipality with the signing of a MOA in October 2017. Support provided to the municipality in 2017/18 included the development of a PSTP Stage 1 Plan that sets the overarching vision for sustainable transport in Overstrand. In addition, the DTPW provided support for the design and construction of a number of high priority, high-impact NMT infrastructure projects in Overstrand.
- The DTPW continue to seek and identify opportunities for cooperation and joint initiatives with PRASA in order to respond to the current rail crisis. The DTPW has agreed to partner with PRASA and the CoCT in order to establish a Metal Thefts Unit that will see up to 100 additional enforcement officials deployed on the rail network, with the aim of enhancing passenger security and asset protection. The initial phase of the project will be for one year and will commence early in the new financial year.
- To align and integrate existing databases in order to improve business intelligence and service delivery, the DTPW commenced with the establishment of the Intelligent Transport Centre (or Transport Data Hub) in a phased approach during the financial year, which is the initiation of the development of the E-Vision/ Digital Strategy for Transport.
- The DTPW developed the draft Provincial Freight Strategy and a Freight Implementation Programme. The Freight Strategy included a comprehensive list of strategic actions that were developed in consultation with both internal and external stakeholders. This list of strategic actions is detailed in the Freight Implementation Programme. Due to complexities of implementing many of the actions, an incremental approach to implementation has been adopted. The Freight Implementation Programme has therefore been separated into two stages, a preparatory stage (Stage 1) consisting of initial actions, and a second stage (Stage 2) consisting of a more comprehensive list of actions representing the bulk of the strategic content. The initial actions are to be implemented in the 2018/19 financial year, while the full list of strategic actions will be implemented in 2019/20 financial year and beyond.

A core focus for the PSTP is on enhancing the conditions for pedestrians and cyclists (NMT users) by improving infrastructure, access to bicycles, and safety and security, as well as reducing traffic speeds in appropriate locations.

During the year under review, the DTPW supported the distribution of 319 bicycles in the Cape Winelands and Central Karoo Districts as part of national government's Shova Kulula Programme.

As mentioned above, the DTPW also provided support to both the Stellenbosch and Overstrand Municipalities for the design and construction of priority NMT infrastructure projects. In Stellenbosch, several NMT construction projects, including pedestrian and cycle pathways and new pedestrian crossings, were completed by June 2017, and 12 additional projects have been taken forward in preparation for construction in later financial years. In Overstrand, two priority projects have been supported through the design and construction process. This work is ongoing, and construction is due to be completed by June 2018.

The public transport projects are reliant on strong stakeholder partnerships, including the CoCT transport entities (such as PRASA) and district and local municipalities. In addition, the mandate for the delivery of key functions, such as rail, does not sit with the DTPW. This adds a level of project complexity that requires strong stakeholder engagement capabilities and the pursuit of effective intergovernmental relationships.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in the tables below.

Strategic Objectives

Table 25: Programme 4: Transport Operations: Strategic Objectives

No	Strategic Objectives / Indicators	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
Sub-programme 4.2: Public Transport Services						
4.1	**Enhance mobility and access in municipalities through the development, implementation and management of incremental public and non-motorised transport networks.**					
4.1.2	Number of subsidised kilometres operated in terms of the approved timetable.	38 315 171	37 446 908	37 361 592	(85 316)	The PTOG km payment rate for 2017/18 was only finalised by the supervisory monitoring firm (SMF) after the finalisation of the APP 2017/18 which contains the planned target.
Sub-programme 4.3: Transport Safety and Compliance						
4.2	**Improve transport safety through the development and implementation of a public transport safety implementation programme.**					
4.2.1	Number of phases of public transport safety implementation programmes developed.	0	1	1	0	-
Sub-programme 4.4: Transport Systems						
4.1	**Enhance mobility and access in municipalities through the development, implementation and management of incremental public and non-motorised transport networks.**					
4.3	**Enhance strategic approach to rail and freight and strengthen coordination with key stakeholders through the development of an implementation programme for rail and freight.**					
4.4	**Improve support to public and non-motorised transport stakeholders through institutional change initiatives.**					
4.1.1	Number of mobility and access enhancement interventions supported.	1	2	2	0	-

No	Strategic Objectives / Indicators	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
4.3.1	Number of implementation programmes developed for rail and freight.	1	1	1	0	-
4.4.1	Number of institutional change initiatives.	1	1	1	0	-

Performance Indicators

Table 26: Programme 4: Transport Operations: Performance Indicators

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 4.2: Public Transport Services								
4.1.2.1	Number of routes subsidised	2 417	2 462	2 520	2 460	2 547	87	The increase in the demand for the service as well as route changes has resulted in the creation of additional routes to accommodate the demand for the service. Applications for route changes were made in terms of the contract.

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
4.1.2.2	Number of kilometres subsidised	36 733 044	37 495 646	38 315 171	37 446 908	37 361 592	(85 316)	The PTOG km payment rate for 2017/18 was only finalised by the SMF after the finalisation of the APP 2017/18 which contains the planned target.
4.1.2.3	Number of trips subsidised	1 333 276	1 360 113	1 422 856	1 325 066	1 351 421	26 355	Increased passenger demand for additional trips resulted in an over-achievement for the year under review. Applications for additional trips were made in terms of the contract.
4.1.2.4	Number of Provincial Regulatory Entity hearings conducted*	-	-	-	-	-	-	-

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 4.3: Transport Safety and Compliance								
4.2.1.1	Number of road safety awareness programmes**	-	-	-	-	-	-	-
4.2.1.2	Number of schools involved in road safety education programmes **	-	-	-	-	-	-	-
4.2.1.3	Number of phases of public transport safety programmes developed	n/a	0	0	1	1	0	-
4.2.1.4	Number of road safety awareness interventions conducted	n/a	13	19	12	12	0	-
Sub-programme 4.4: Transport Systems								
4.1.1.1	Number of detailed incremental public and non-motorised transport plans developed	0	0	1	1	1	0	-

No	Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
4.1.1.2	Number of PSTP pilot projects initiated	0	0	0	1	1	0	-
4.3.1.1	Number of Implementation programmes developed for rail and freight	0	0	1	1	1	0	-
4.4.1.1	Number of institutional change interventions implemented	0	0	1	1	1	0	-

***Note**: * This Programme Performance Indicator is reported in Sub-programme 5.3 Operating licence and permits.*
*** This Programme Performance Indicator is reported in Sub-programme 5.4: Law Enforcement.*
n/a – Not applicable as this is a new indicator.

Strategies to overcome areas of under performance

The DTPW is satisfied that adequate control measures and strategies were put in place to ensure that the set service delivery standards could be met.

To a large extent, the national performance indicators within public transport services are demand-driven and the achievement of the targets is outside the control of the DTPW.

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 27: Programme 4: Transport Operations: Sub-programme expenditure

Sub-Programme		2017/2018			2016/2017		
		Final appropri-ation R'000	Actual expendi-ture R'000	(Over)/ Under Expendi-ture R'000	Final appropri-ation R'000	Actual expendi-ture R'000	(Over)/ Under Expenditure R'000
4.1	Programme Support Operations	2 747	2 679	68	2 329	2 251	78
4.2	Public Transport Services	1 110 888	1 110 885	3	1 097 000	1 096 342	658
4.3	Transport Safety and Compliance	5 254	4 917	337	11 142	10 912	230
4.4	Transport Systems	93 182	93 115	67	79 085	78 782	303
Total		**1 212 071**	**1 211 596**	**475**	**1 189 556**	**1 188 287**	**1 269**

4.5 Programme 5: Transport Regulation

Purpose

The purpose of this Programme is to regulate the transport environment through the registration and licensing of vehicles, associations, operators, and drivers; to promote safety through traffic law enforcement services, facilitate road safety education, communication, awareness, and the operation of weighbridges; and to provide training to traffic policing and other law enforcement officials.

Sub-programmes

- Programme Support Regulation
- Transport Administration and Licensing
- Operator Licence and Permits
- Law Enforcement

Strategic Objectives

5.1	Improve governance in the transport regulatory environment.
5.2	Improve road transport safety.
5.3	Implement an efficient, effective, and professional traffic management service.

Strategic objectives, performance indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome-oriented Goal 3: Deliver safe, efficient and integrated transport systems in the Western Cape.

To enhance and expand the reach of the limited resources available in the programme to deliver services, and to improve efficiencies in the system, the decision was taken a few years ago of investing in technology and other innovative initiatives, some of which are further detailed below:

Working closely with the National Prosecuting Authority, DTPW was able to re-introduce streamlined EBAT processes at the Alcohol Evidentiary Centre at the Vangate Shared Service Centre in Athlone, and open a second Alcohol Evidentiary Centre in George.

The outcome of the re-introduction of EBAT is that traffic officers no longer have to wait at hospitals to get offenders processed and it also eliminates the need to send blood tests to pathology laboratories where long delays have been experienced.

Furthermore, mobile electronic breath testing was also initiated. A vehicle was converted into a mobile electronic breath testing vehicle, and after obtaining the necessary approvals from the NPA, the vehicle was deployed towards the end of the financial year.

The use of the mobile EBAT vehicle allows for immediate on-site testing and eliminates the need for traffic officers to leave an operational site to take offenders to hospitals for further testing. The result of this initiative is faster processing times of offenders, no waiting times for blood results from pathology laboratories, quicker court processes and the improved efficacy of traffic officers.

The concept of RBT was introduced and implemented in the Western Cape. This concept resulted in an increased awareness around the negative effects of drinking and driving, and it also contributed to a perception that there is an increased likelihood of being caught if you drink and drive.

The Integrated Transport Intelligence System was further developed and improved to include traffic officer duty rosters, integration with vehicle cameras, links with PRE systems to determine off-route taxi operations, increased analytics, and printing of fine documents. This system is, in part, a traffic officer enforcement tool which allows traffic officers to process offenders by using handheld devices as opposed to the manual process that was previously in operation. More than 250 handheld devices were procured to begin the process of rolling out the system to all traffic officers. The system improves the efficacy of traffic officers by, amongst others:

- Reducing the time it takes for traffic officers to process offenders. Traffic officers now process offenders in approximately 7 minutes. Previously the same offender would have taken between 30 and 40 minutes to process;
- Reducing the need for back-office administrative duties by traffic officers estimated to be between 1 and 2 hours a day;
- Allowing on-site reporting and taking away the dependence of having to book in at a traffic centre; and
- Improved target monitoring and easier supervision.

In addition, the system allows for improved planning, thereby improving efficiencies and the efficacy of each traffic officer.

The DTPW procured and started installing in-vehicle camera technology in 50 traffic officers' vehicles. The in-vehicle camera technology:

- Reads the number plates of vehicles and alerts traffic officers of unlicensed vehicles, stolen vehicles, off-route taxis, amongst others;
- Allows the provincial control centre to remotely connect to the cameras of installed vehicles when necessary; and
- Is linked to a panic button system that provides increased security for traffic officers.

After the success of the first DSP in the Overberg which resulted in a reduction of fatalities by 29,7 per cent, DTPW partnered with CoCT to embark on a second DSP in the Khayelitsha/ Lingelethu West area and started planning for its third DSP for the West Coast District. The initial results after the first quarter are extremely encouraging, yielding a 70 per cent reduction in fatalities in the Khayelitsha/ Lingelethu West area.

With provincial minibus taxi council elections having been due in 2017/18, factional battles and jockeying for executive positions came to a head, with the emergence of a self-styled MTITT that challenged the legitimacy of the elected provincial leadership of SANTACO Western Cape. The DTPW appointed an independent mediator, a retired Supreme Court of Appeal judge, to mediate between the two groups and to make recommendations to all parties on the interpretation and applicability of disputed constitutions to the elections that became overdue.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in the tables below.

Strategic Objectives

Table 28: Programme 5: Transport Regulation: Strategic Objectives

No	Strategic Objectives / Indicators	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
Sub-programme 5.2: Transport Administration and Licensing						
5.1	**Improve governance in the transport regulatory environment.**					
5.1.1	Number of governance interventions implemented.	2	2	2	0	-
Sub-programme 5.4: Law Enforcement						
5.2	**Improve road transport safety.**					
5.2.1	Number of road crash fatalities per 100 000 population.	21	18	21	3	Road transport safety is a shared mandate across all three spheres of government. The lack of a co-ordinated response to the problem within South Africa broadly is being reflected in the Western Cape, notably in the deterioration of the Provincial Road Traffic Management Co-ordinating Committee. Under-prioritisation and under-funding of road safety activities at national level, despite large increases in the population, also contributes to the problem. Under-funding limits the impact of road safety education through restricting the deployment of road safety practitioners and curtailing the reach and frequency of marketing efforts. Improvements in equipment and the introduction of better systems, including for both field operations and data analysis, take time to manifest in results. In the meantime, road death figures remain stubbornly high.

No	Strategic Objectives / Indicators	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
5.3	**Implement an efficient, effective, and professional traffic management service.**					
5.3.1	Number of traffic law enforcement operations implemented.	7 251	7 445	9 331	1 886	Additional operations executed in conjunction with SAPS to address public transport related matters and other operational requirements
5.3.2	Number of education and awareness interventions facilitated.	782	530	764	234	Additional requests for Walking Bus training interventions from the Department of Community Safety resulted in additional education awareness interventions.

Performance indicators

Table 29: Programme 5: Transport Regulation: Performance Indicators

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 5.2: Transport Administration and Licensing								
5.1.1.1	Number of compliance inspections conducted	367	390	390	390	383	(7)	Two compliance inspectors were temporarily redeployed to assist the Hawks and NPA with important criminal investigations.
Sub-programme 5.3: Operating License and Permits								
5.1.1.2	Number of Provincial Regulatory Entity (PRE) hearings conducted	n/a	111	113	120	139	19	PRE hearings depend on the number and type of applications lodged throughout the year, which is demand-driven. The PRE also conducts separate enquiries which are interspersed between public hearings.
5.1.1.3	Number of taxi associations that held AGMs	132	98	105	110	105	(5)	Taxi violence during quarter 4 in certain areas rendered the situation too volatile for both associations and staff to proceed with planned AGMs in certain areas.
Sub-programme 5.4: Law Enforcement								
5.3.1.1	Number of speed operations conducted	2 276	3 085	4 708	3 200	4 854	1 654	Implementation of new technology at ASOD sites and increased deployment at these sites.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
5.2.1.1	Number of vehicles weighed	673 920	668 101	591 064	675 000	620 212	(54 788)	The under achievement was due to the redeployment of operational staff to assist with road closures as result of an abnormally high number of protests due to service delivery and unauthorised public transport industry related strike action. The closure of Vredenburg weighbridge and the extended servicing of the Rawsonville weighbridges contributed as well.
5.3.1.2	Number of drunken driving operations conducted	n/a	1 421	2 467	2 380	3 007	627	RBT projects were implemented at all traffic centres and were successfully executed.
5.2.1.2	Number of vehicles stopped and checked	n/a	1 170 701	1 128 873	1 195 000	1 112 071	(82 929)	The deployment of officers from three traffic centres to assist with Knysna fire impacted on operations.
5.2.1.3	Number of road safety awareness programmes	634	384	562	420	574	154	Additional requests for Walking Bus training interventions from the Department of Community Safety resulted in additional education awareness interventions.
5.2.1.4	Number of schools involved in road safety education programme	362	281	361	345	423	78	Additional requests for Walking Bus training interventions from the Department of Community Safety were held.

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
5.3.2.1	Number of students successfully completing formal traffic training courses as a percentage of students enrolled for formal training courses	n/a	(94%) 149	98% 154	90% 130	96% 150	6% 20	The over-achievement of the set target can be attributed to addressing the need to training more officials as examiners of vehicles. This can also be attributed to proper planning and commitment to ensure sufficient learner support was in place to comply with learner-centred outcomes- based training principles.

Strategies to overcome areas of under performance

A number of strategies are being implemented to improve performance.

- Rolling out, testing and developing in-vehicle enforcement technology to improve the planning and operational efficiency of traffic law enforcement.
- Continued deployment of officials at unplanned road activities which include disasters, protest actions, escort duties of abnormal loads, and other auxiliary services.

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 30: Programme 5: Transport Regulation: Sub-programme expenditure

Sub-Programme		2017/2018			2016/2017		
		Final appropriation R'000	Actual expenditure R'000	(Over)/ Under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over)/ Under expenditure R'000
5.1	Programme Support Regulations	7 315	6 765	550	6 964	6 949	15
5.2	Transport Administration and Licensing	384 541	379 989	4 552	337 557	335 150	2 407
5.3	Operator Licence and Permits	63 400	62 203	1 197	56 806	56 806	-
5.4	Law Enforcement	346 656	345 471	1 185	289 398	283 068	6 330
Total		**801 912**	**794 428**	**7 484**	**690 725**	**681 973**	**8 752**

4.6 Programme 6: Community-Based Programmes

Purpose

The purpose of this Programme is to manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors, including the provincial management and co-ordination of the EPWP.

Sub-programmes

- Programme Support Community-Based
- Innovation and Empowerment
- Coordination and Compliance Monitoring

Strategic Objectives

6.1	To contribute to sustainable economic and employment growth in communities through construction-related development and empowerment interventions.
6.2	Facilitate provincial coordination and monitoring of EPWP activities amongst all implementing bodies.

Strategic Objectives, Performance Indicators, planned targets and actual achievements

This Programme contributes to Departmental Strategic Outcome-oriented Goal 1: Maximise empowerment and job creation in the Western Cape. This was achieved through three key areas of activity.

- Coordinating the EPWP in the Western Cape: To ensure the achievement of the EPWP objectives and targets, 12 institutional forums were maintained as platforms for monitoring and reporting. These informed the technical support that was provided to 40 provincial public bodies.
- Facilitating programmes to develop emerging contractors: These included skills and business training, information sessions, foundation phase training; the Advanced Training and Mentoring Programme, and EmpIAs for contracts worth over R5 m.
- Offering construction-related skills development opportunities, including apprenticeships in construction related trades and skills development as part of the NYS Programme, artisanal training in trades like electrical wiring, welding, carpentry, and plumbing as part of the Western Cape Apprenticeship Game-Changer.

The Programme's strategic objectives, performance indicators, planned targets and actual achievements are presented in the tables below.

Strategic Objectives

Table 31: Programme 6: Community-Based Programmes: Strategic Objectives

No	Strategic Objectives / Indicators	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
Sub-programme 6.3: Innovation and Empowerment						
6.1	**To contribute to sustainable economic and employment growth in communities through construction-related development and empowerment interventions.**					
6.1.1	Number of construction industry empowerment programmes sustained.	3	3	3	-	-
Sub-programme 6.4: EPWP Provincial Coordination and Compliance Monitoring						
6.2	**Facilitate provincial coordination and monitoring of EPWP activities amongst all implementing bodies.**					
6.2.1	Number of Provincial EPWP Forums maintained.	12	12	12	-	-

Performance Indicators

Table 32: Programme 6: Community-Based Programmes: Performance Indicators

No	Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target for 2017/2018	Comment on deviations
Sub-programme 6.3: Innovation and Empowerment								
6.1.1.1	Number of beneficiary empowerment Interventions	4	3	3	3	3	-	-
Sub-programme 6.4: Coordination and Compliance Monitoring								
National indicators								
6.2.1.1	Number of public bodies reporting on EPWP targets within the Province*	40	40	40	40	40	-	-
6.2.1.2	Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province	53	88	81	80	80	-	-
6.2.1.3	Number of work opportunities reported in the EPWP Reporting System by public bodies aligned to the approved EPWP Phase III Business Plan targets **	n/a	n/a	n/a	82 973	74 384	8 589	Target set by the National Department of Public Works.

***Note**: * Target indicator is not cumulative.*

*** This figure of 74 384 excludes the contribution of the National departments located with the Province*

*** n/a – Not applicable as this is a new indicator.*

Strategy to overcome areas of under performance

The DTPW is satisfied that adequate control measures and strategies were put in place to ensure that the set service delivery standards could be met.

Changes to planned targets

There were no changes to planned targets.

Sub-Programme expenditure

Table 33: Programme 6: Community-Based Programmes: Sub-programme expenditure

Sub-Programme Name		2017/2018			2016/2017		
		Final appropri-ation R'000	Actual expen-diture R'000	(Over)/ under expen-diture R'000	Final appropri-ation R'000	Actual expen-diture R'000	(Over)/ under expen-diture R'000
6.1	Programme Support Community	1 872	1 829	43	1 925	1 731	194
6.2	Community Development*	-	-	-	-	-	-
6.3	Innovation and Empowerment	36 610	35 945	665	42 285	39 292	2 993
6.4	EPWP Coordination and Compliance Monitoring	15 359	15 130	229	15 200	14 839	361
Total		**53 841**	**52 904**	**937**	**59 410**	**55 862**	**3 548**

Note: **Sub-Programme 6.2: Community development as per the National Treasury uniform budget and Programme structure is not utilised as it is not part of the DTPW's mandate.*

5 Transfer payments

5.1 Transfer payments to public entities

No transfer payments were made to public entities.

5.2 Transfer payments to all organisations other than public entities

The tables below reflect the transfer payments made for the period 1 April 2017 to 31 March 2018 per Programme.

Programme 1: Administration

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018 for Programme 1: Administration.

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Cape Winelands	To review and update municipal ITPs in terms of the NLTA, 2009 (Act No. 5 of 2009).	Complied	900	0	The transfer to the municipality was made in October. The municipality went out on a full tender (SCM) process, for the appointment of service provider, the appointment is in process.
Eden		Complied	900	0	The transfer to the municipality was made in November. The municipality went out on a full tender (SCM) process, for the appointment of service provider, the appointment is in process.
George		Complied	600	0	The transfer to the municipality was made in November. The municipality went out on a full tender (SCM) process, for the appointment of service provider, the appointment is in process.
Stellenbosch		Complied	600	0	The transfer to the municipality was made in November. The municipality went out on a full tender (SCM) process, for the appointment of service provider, the appointment is in process.
Total			**3 000**	**0**	

Programme 2: Public Works Infrastructure

The transfer payments per municipality listed in the table below relate to the payment of property rates in respect of provincially owned and deemed owned properties.

Table 34: Programme 2: Transfer payments in respect of property rates

Name of recipient	Amount transferred (R'000)
Beaufort West	3 076
Bellville	123
Berg River	1 246
Bitou	601
Breede Valley	7 855
Cape Agulhas	1 165
Cape Town	437 539
Cederberg	1 623
Drakenstein	12 392
George	7 356
Hessequa	2 065
Kannaland	2 172
Knysna	290
Laingsburg	276
Langeberg	1 337
Matzikama	83
Mossel Bay	297
Oudtshoorn	7 985
Overstrand	1 896
Saldanha Bay	3 877
Somerset West	28
Stellenbosch	9 308
Swartland	2 427
Swellendam	1 728
Theewaterskloof	4 528
Vredendal	22
Witzenberg	6 029
Total	**517 324**

Programme 3: Transport Infrastructure

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018 for Programme 3: Transport Infrastructure.

Name of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Beaufort West	To financially assist/subsidise municipalities with the maintenance/ construction of proclaimed municipal main roads, where the municipality is the road authority (Section 50 of Ordinance 19 of 1976).	Complied	1 035	1 035	-
Berg River		Complied	76	76	-
Bitou		Complied	1 589	1 589	-
Breede Valley		Complied	149	149	-
Cape Agulhas		Complied	72	72	-
Drakenstein		Complied	42 647	42 647	-
George		Complied	441	441	-
Hessequa		Complied	111	111	-
Knysna		Complied	72	72	-
Laingsburg		Complied	41	41	-
Matzikama		Complied	65	65	-
Mossel Bay		Complied	800	800	-
Oudtshoorn		Complied	106	106	-
Overstrand		Complied	139	139	-
Saldanha Bay		Complied	101	101	-
Stellenbosch		Complied	2 176	2 176	-
Swartland		Complied	13 036	13 036	-
Swellendam		Complied	50	50	-
Theewaterskloof		Complied	105	105	-
Witzenberg		Complied	120	120	-
Total			**62 931**	**62 931**	

Transfer payments for Category B municipalities are only effected upon submission of claims for work done as per the Service Level Agreements concluded with all the municipalities. The transfers are monitored through In-Year expenditure Monitoring and Reporting and Grant Framework reporting processes.

Programme 4: Transport Operations

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018 by Programme 4: Transport Operations.

Table 35 : Programme 4: Transfer payments

Name of recipient	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity/ difficulties experienced
Cape Town	• To sustain the movement of people in the public transport system with a focus on persons with special needs.	Complied	10 000	8 371	The funds will be spent by the CoCT on a Dial –A-Ride project.
George	• To enable George Municipality to implement a public transport service as contemplated in the GIPTN. • To provide supplementary funding towards public transport services provided by the George Municipality. • To provide supplementary funding to cover the shortfall in operational cost. • To provide for the additional operational support to underwrite the consequences of significantly impaired operating conditions and magnified transformation obligations.	Complied	98 544	86 852	The municipality appointed a service provider to start the closed circuit television (CCTV) infrastructure and they are currently on site. The municipality is in the process of appointing a contractor for roads rehabilitation on the upgrade and Park Road, Caledon and Mission Street. The remote bus depot expenditure will be incurred once the scope and requirements have been clarified.

Name of recipient	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity/ difficulties experienced
	• To enhance infrastructure for public transport services provided by the George Municipality.				
Stellenbosch	• To provide NMT infrastructure in both the Municipality of Stellenbosch and the Municipality of Overstrand as part of the PSTP (formerly Provincial Public Transport Institutional Framework).	Complied	820	0	Transfer payment was effected in March 2018.
Overstrand		Complied	4 000	0	The transfer payment was effected in March 2018.
Total			**113 364**	**95 223**	

The table below shows transfers to private enterprises.

Table 36: Programme 4: Transfer payments to private enterprises

Type of transferee	Name of recipient	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity / difficulties experienced
Private enterprises	GABS	PTOG Subsidy to the bus operator.	Complied	922 921	922 921	-
Total transfer to private enterprises:				**922 921**	**922 921**	

The transfers are monitored through the In-Year Expenditure Monitoring and Reporting and Grant Framework reporting processes.

5.3 Transfer payments budgeted for, but not made

The table below reflects the transfer payments which were budgeted for in the period 1 April 2017 to 31 March 2018, but where no payments were made.

Programme 3: Transport Infrastructure

Table 37: Programme 3: Transfer payments budgeted

Name of recipient	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Cederberg	To financially assist/ subsidise municipalities with the maintenance/ construction of proclaimed municipal main roads, where the municipality is the road authority (Section 50 of Ordinance 19 of 1976).	61	0	Subsidies are paid if proof of actual expenditure on subsidised road maintenance work can be provided to the DTPW.
Kannaland		50	0	
Langeberg		153	0	
Prince Albert		50	0	
Total		**314**	**0**	

6 Conditional grants

6.1 Conditional grants and earmarked funds paid

There are no Conditional Grants and earmarked funds paid by the DTPW.

6.2 Conditional grants and earmarked funds received

The tables below describe each of the Conditional Grants received by the DTPW.

Conditional grant: EPWP Integrated Grant for Provinces

Department which transferred the grant	Public Works
Purpose of the grant	To incentivise provincial departments to expand work creation efforts through the use of labour-intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: • Road maintenance and the maintenance of buildings • Low traffic volume roads and rural roads • Other economic and social infrastructure • Tourism and cultural industries • Sustainable land based livelihoods • Waste management
Expected outputs of the grant	• Number of people employed and receiving income through the EPWP. • Increased average duration of the work opportunities created.
Actual outputs achieved	• 1 314 work opportunities created. • 584 FTEs.
Amount per amended DORA (R'000)	16 452
Amount received (R'000)	16 452
Reasons if amount as per DORA was not received	n/a
Amount spent by the Department (R'000)	16 452
Reasons for the funds unspent by the entity	n/a
Monitoring mechanism by the receiving Department	EPWP reporting through EPWP online reporting system. Monthly report through the In-Year Monitoring Reporting, Quarterly Reporting, Evaluation Reporting and Monthly DORA(annual) Compliance Reporting.

Conditional grant: Provincial Roads Maintenance Grant

Department which transferred the grant	Transport
Purpose of the grant	• To supplement provincial investments for routine, periodic and special maintenance. • To ensure all roads are classified as per RISFSA and the technical recommendation for highways 26, and road classification and access management (RCAM) guidelines. • To implement and maintain road asset management system (RAMS) as per TMH22. • To supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters. • To improve the state of the road network serving electricity generation infrastructure. • To improve road safety with a special focus on pedestrian safety in rural areas.
Expected outputs of the grant	• Road classification processes are 100 per cent complete and continuously maintained, including all newly proclaimed constructed and upgraded roads. • Fully functional RAMS in line with minimum TMH22 requirements for a provincial road authority. • Network conditions assessment and determination of project priority list from the RAMS. • The following actual delivery related measures against 2017/18 targets defined in the final RAMP for each province: o Number of square metres of surfaced roads rehabilitated. o Number of square metres of surfaced roads resurfaced (overlay or reseal). o Number of square metres of blacktop patching (including pothole repairs). o Number of kilometres of gravel roads re-gravelled. o Number of kilometres of gravel roads bladed. • The following performance based on national job creation indicators: o Number of jobs created. o Number of Full Time Equivalents (FTEs)created. o Number of youths employed (18-35). o Number of women employed. o Number of people living with disabilities. • Submission of updated road condition data (paved and unpaved), traffic data and bridge condition report by 31 August 2017. • Reporting on the provinces CDP: o Number of SMMEs.

Actual outputs achieved

All roads are classified as per RISFSA and RCAM guidelines. Roads are being reclassified as they are constructed or upgraded.

The RAMS is fully functional and complies with minimum requirements, although somewhat behind on the visual assessment of structures.

Traffic counts are continuously updated for the entire road network over a four-year cycle. Between counts, the historical growth rates are applied to bring all traffic counts to current annual average daily traffic estimates whenever traffic counts are used for analysis.

Visual condition assessments were completed for the managed road network. The whole network mechanical surveillance, which includes measuring the riding quality, rutting, transverse profile and macro texture is conducted every 2 years and was last completed in 2016. The next round of surveys is due to start in September 2018.

Indicator	Target value	Achieved value
Kilometre of gravel roads upgraded	39	22
Square metre of surfaced roads upgraded	41 540	63 080
Number of bridges constructed/ upgraded	7	6
Number of culverts constructed/ upgraded	72	76
Square metre of surfaced roads rehabilitated	908 042	915 772
Square metre of surfaced roads resealed	2 461 192	2 430 380
Kilometre of gravel roads re-gravelled	316	180
Square metre of blacktop patching	60 000	92 582
Kilometre bladed	45 000	45 997
Number of bridges repaired/ rehabilitated	11	22
Number of culverts repaired/ rehabilitated	31	36
Number of jobs created	10 000	4 257
Number of Full Time Equivalents (FTEs) created	5 000	2 133
Number of youths employed (18-35)	6 500	2 526
Number of women employed	2 800	1 206
Number of people living with disabilities	15	23

Amount per amended DORA (R'000)	940 089
Amount received (R'000)	940 089
Reasons if amount as per DORA was not received	n/a
Amount spent by the Department (R'000)	940 089

Reasons for the funds unspent by the entity	n/a
Monitoring mechanism by the receiving Department	Road Network Information System, Basic Accounting System (BAS), In Year Monitoring Reporting, Rational Portfolio System, Quarterly Financial and Performance Reporting, Evaluation Reporting and Monthly DORA Compliance Reporting.

Conditional grant: Public Transport Operations Grant

Department which transferred the grant	Transport
Purpose of the grant	To provide supplementary funding towards public transport services provided by provincial departments of transport.
Expected outputs of the grant	• Number of vehicles subsidised. • Number of cumulative annual vehicles subsidised. • Number of scheduled trips. • Number of trips operated. • Number of passengers. • Number of km. • Number of employees.
Actual outputs achieved	Subsidy per trip operated. R682.93 Subsidy per km operated. R24.70 Subsidy per passenger. R17.05 Subsidy per vehicle. R73 604 Number of vehicles subsidised. 1 045 Number of cumulative annual vehicles subsidised. 12 539 Number of scheduled trips. 1 369 553 Number of trips operated. 1 351 421 Passengers per km operated. 1.39 Passengers per trip operated. 39.11 Employees per vehicle. 1.4
Amount per amended DORA (R'000)	922 921
Amount received (R'000)	922 921
Reasons if amount as per DORA was not received	n/a
Amount spent by the Department (R'000)	922 921
Reasons for the funds unspent by the entity	n/a
Monitoring mechanism by the receiving Department	The DTPW used an electronic monitoring solution which yielded between 90 – 94 per cent of verified claims. In-Year Monitoring Reporting, Quarterly Reporting, Evaluation Reporting and Compliance Reporting.

7 Donor funds

The DTPW did not receive donor assistance.

8 Capital investment

The capital investment, maintenance and asset management against final allocations for the Vote is tabled below.

Infrastructure projects	2017/2018			2016/2017		
	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)	Final appropriation (R'000)	Actual expenditure (R'000)	(Over)/ under expenditure (R'000)
New and replacement assets	144 845	144 845	-	90 430	88 132	2 298
Existing infrastructure assets	**3 577 792**	**3 572 109**	**5 683**	**3 545 336**	**3 540 151**	**5 185**
Upgrades and additions	543 300	543 300	-	654 893	654 893	-
Rehabilitation, renovations and refurbishments	2 072 022	2 066 339	5 683	2 089 059	2 089 059	-
Maintenance and repairs	962 470	962 470	-	801 384	796 199	5 185
Infrastructure transfer	**70 035**	**62 931**	**7 104**	**64 576**	**59 699**	**4 877**
Current	3 500	3 071	429	3 500	2 748	752
Capital	66 535	59 860	6 675	61 076	56 951	4 125
Total	**3 792 672**	**3 779 885**	**12 787**	**3 700 342**	**3 687 982**	**12 360**

DTPW spent 99, 85 per cent of its annual allocation for infrastructure. The ratio of capital to current expenditure remained constant over the two financial years at 70 per cent and 30 per cent of total expenditure, respectively.

8.1 Provincial Public Works: capital investment, maintenance and asset management

The capital investment, maintenance and asset management for Programme 2: Provincial Public Works against final allocations is tabled below.

Infrastructure projects	2017/2018			2016/2017		
	Final appropria-tion (R'000)	Actual expendi-ture (R'000)	(Over)/ under expendi-ture (R'000)	Final appropria-tion (R'000)	Actual expendi-ture (R'000)	(Over)/ under expendi-ture (R'000)
New and replacement assets	-	-	-	47 608	45 310	2 298
Existing infrastructure assets	**598 433**	**592 750**	**5 683**	**578 588**	**578 489**	**99**
Upgrades and additions	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	285 127	279 444	5 683	385 806	385 806	-
Maintenance and repairs	313 306	313 306	-	192 782	192 683	99
Infrastructure transfer	**-**	**-**	**-**	**-**	**-**	**-**
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	**598 433**	**592 750**	**5 683**	**626 196**	**623 799**	**2 397**

The underspending on this programme for the 2017/18 financial year is mainly due to the rescheduling of construction projects such as the dormitory construction at the Clanwilliam Child Youth Care Centre (CYCC). The DSD allocated R10m to the infrastructure project in the 2017/18 financial year. When the planning phase was finalised, the costing of the project was closer to R19m. The DTPW did not have the additional R9m funding that was required at the time and the sourcing of the additional required funding delayed the project.

The programme spent 5 per cent less on infrastructure compared to the 2016/17 financial year. This is a result of moving R45.219m during the Adjustment Estimates from Buildings and other fixed structures to Goods and Services. This is mainly due to the reclassification of infrastructure project phases to align with the modified cash standard (technical adjustments) and the reprioritisation due to the change in Provincial Strategy of the Inner City Regeneration Programme to affordable Inner City housing during the 2017/18 financial year.

Table 38: Programme 2: Capital Projects currently under construction

Capital projects in progress				
Region/ District	**Municipality**	**Project name**	**Project description**	**Expected completion date**
CoCT	CoCT	Education- Block A - B, Alexandra Office Precinct- Reno For Metro Central District Office - Exam Centre Acomm (543778-2013)	Block A & B, Alexandra Office Precinct: Renovation For Metro Central District Office & Exam Centre accommodation & Refurbishment	2018-07-06
CoCT	CoCT	T - PW- 9 Dorp Street- Enablement Work, GF, 4th and 8th floor (646912-2017)	Enablement Work to accommodate decanting of staff, optimal usage of space or improvements	2018-04-09
CoCT	CoCT	Cape Town- Western Cape Forum for Intellectual Disabilities - Sivuyile Infrastructure upgrade FY1718	Facilities for children with severe and profound intellectual disabilities	2019-08-29
CoCT	CoCT	Cape Town- Union House - Modernisation of the 5th floor FY1718	5th Floor modernisation (Including preparation of decanting space on the 3rd Floor of 7 & 15 Wale street for Department of Treasury)	2018-10-15
CoCT	CoCT	Cape Town- 9 Dorp Street - Modernisation of 6th Floor and creating space for Plans Registry FY1718	Design and Construction of office space for works General Infrastructure at 6th floor, 9 Dorp Street and creating space for Plans Registry	2018-06-06
CoCT	CoCT	Cape Town- 1 and 3 Dorp St and 4 Leeuwen St - Lifts Replacement FY1718	Replacement of Lifts at 1 and 3 Dorp Streets and at 4 Leeuwen Street, as well as new fireproof landing doors to 1 Dorp Street lifts	2018-09-27
CoCT	CoCT	DEADP- 3 Dorp Street Modernisation (617218-2015)	Modernisation of entire building	2018-12-04
CoCT	CoCT	Cape Town- Chrysalis Academy Tokai Bush Camp (648494-2017)	Design and construction of a multi-functional hall and chalets including	2018-11-16
CoCT	CoCT	Cape Town- 4 Dorp Street - Modernization of the 11th Floor for CEI FY1718	Modernization and Refurbishment of the 11th Floor at No. 4 Dorp Street Building	2018-06-13
CoCT	CoCT	Cape Town- 4 Dorp and Wale Streets Concourse - Minor Works FY1718	Minor Works to upgrade existing balustrades, add additional stair, attach visible stair nosings and close off the gaps on the side of internal stair at Gateway	2018-06-30

Capital projects in progress				
Region/ District	**Municipality**	**Project name**	**Project description**	**Expected completion date**
CoCT	CoCT	Cape Town Metro- Water Savings - Phase 3 FY1718	Retrofitting existing Modernised bathrooms to new norms in WCG office accommodation	2018-05-09
Eden	George	T - PW- George- Modernization - York Park Ground - 1st Floors (584669 -2014)	Refurbishment of Existing Ground and First Floor offices for use as Shared Office Building (DSD, Department of Cultural Affairs and Sport and Department of Education)	2018-11-22
Eden	George	George- Bus Depot - Extension of Bus Parking FY1718	The extension of the bus parking at the Bus Depot in George	2018-07-12
Cape Winelands	Stellenbosch	Stellenbosch- Elsenburg - Water and Sewer Completion contract FY1718	Completion of Water and Sewer Project after termination of original Contract S215/15	2018-04-18

The budget allowed for maintenance over the 2018 MTEF period is reflected in the table below.

	2018/19 (R'000)	2019/20 (R'000)	2020/21 (R'000)
Education	469 631	424 336	352 455
Health	225 771	151 026	122 750
Environmental Affairs and Development Planning	33 672	35 558	37 514
General Buildings	275 236	297 071	313 299

8.2 Transport Infrastructure: capital investment, maintenance and asset management

The capital investment, maintenance and asset management for Programme 3: Transport Infrastructure against final allocations is tabledtabled below:

Infrastructure projects	2017/2018			2016/2017		
	Final appropria-tion (R'000)	Actual expendi-ture (R'000)	(Over)/ under expendi-ture (R'000)	Final appropria-tion (R'000)	Actual expendi-ture (R'000)	(Over)/ under expendi-ture (R'000)
New and replacement assets	144 845	144 845	-	42 822	42 822	-
Existing infrastructure assets	**2 979 359**	**2 979 359**	**-**	**2 966 748**	**2 961 662**	**5 086**
Upgrades and additions	543 300	543 300	-	654 893	654 893	-
Rehabilitation, renovations and refurbishments	1 786 895	1 786 895	-	1 703 253	1 703 253	-
Maintenance and repairs	649 164	649 164	-	608 602	603 516	5 086
Infrastructure transfer	**70 035**	**62 931**	**7 104**	**64 576**	**59 699**	**4 877**
Current	3 500	3 071	429	3 500	2 748	752
Capital	66 535	59 860	6 675	61 076	56 951	4 125
Total	**3 194 239**	**3 187 135**	**7 104**	**3 074 146**	**3 064 183**	**9 963**

The only underspending on the programme related to transfer payments as a result of some municipalities not claiming their allocated subsidies on proclaimed municipal roads. Spending patterns between the two financial years remained similar with slightly higher spending on maintenance.

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

The infrastructure maintenance backlog reduction plan is based on an intervention budget scenario, which indicates that an additional R2,86 bn per annum (2018 rand

value) is needed to ensure that the road network asset value is largely sustained over the next ten years. This budget deficit figure is calculated from the total number of km of road that needs to be rehabilitated, resealed, re-gravelled or upgraded to surfaced standard.

As a direct result of the continuous rise in construction costs, the unfunded backlog has grown to over R23 bn (2017/18 calculations). This is based on the new TMH22 definition for rehabilitation levels of service, which is the 90 percentile roughness value as compared to the previous definition, which used the average roughness value, thus account for the rapid rise in backlog as compared to the R11 bn in 2014 when the previous definition was used.

The DTPW's RNIS is kept up to date.

Refer to Table 21 (Condition of surfaced roads) and Table 22 (Condition of gravelled roads) for details of the current state of road conditions.

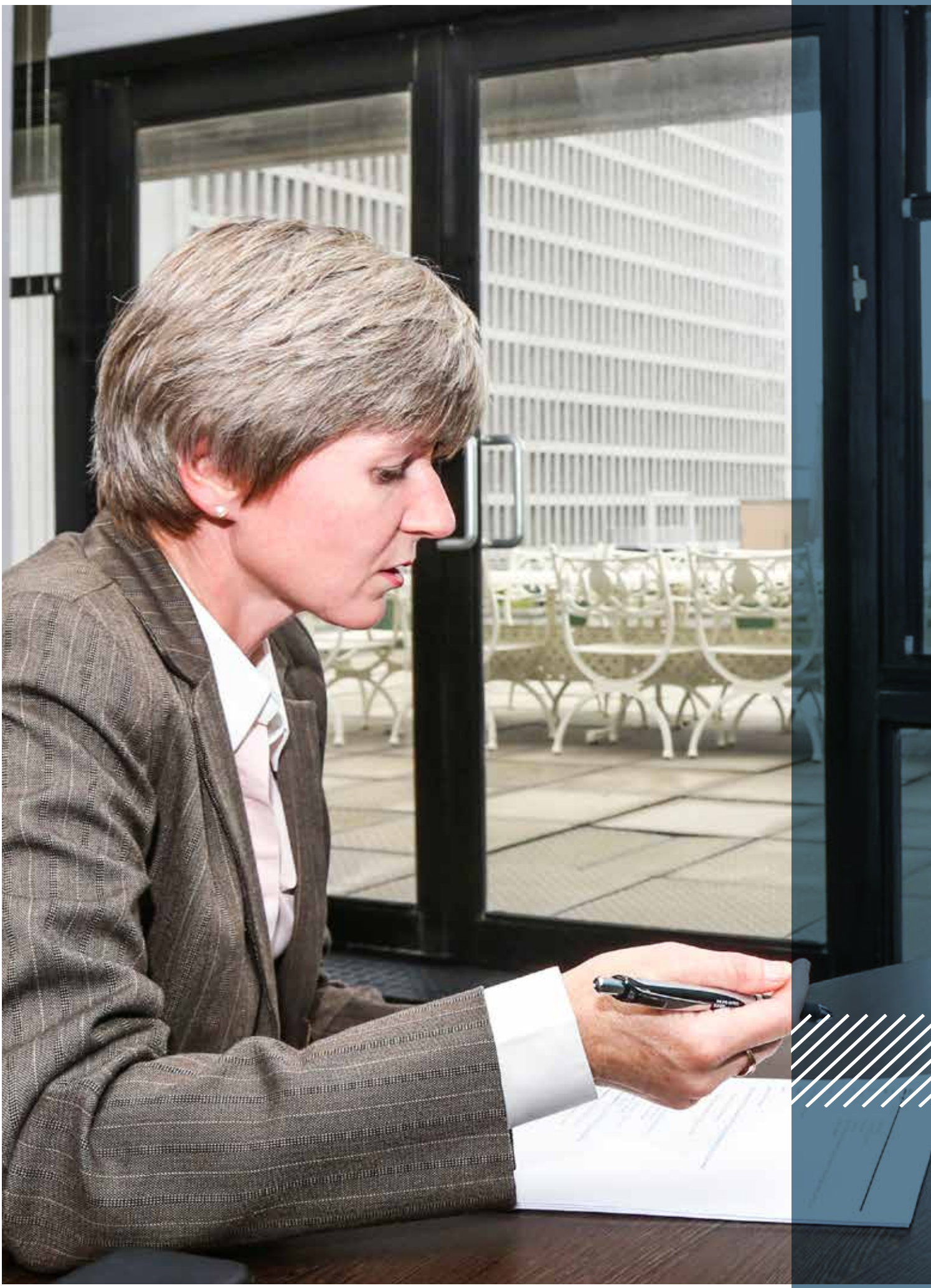
Capital projects that are currently in progress and their expected completion dates are shown in the table below.

Table 39: Programme 3: Capital projects currently under construction

District	Local	Project name	Detailed description	Commencement date	Estimated Completion date	Project cost (R'000)
Unicity	Cape Town Administration	C1081: Periodic Maintenance on TR27/1 - Rooi Els to Gordon's Bay	The resealing of TR27/1 from km 38.52 to km 56.85 - Rooi Els to Gordon's Bay.	26/09/2017	18/05/2018	47 724
Cape Winelands	Stellenbosch Local Municipality	C1087: Periodic Maintenance on MR27 - Stellenbosch to Klapmuts	The resealing of MR27 from km 36.20 to km 50.60 and km 36.20 to km 37.50 (LHS & RHS) - Stellenbosch to Klapmuts.	29/09/2017	30/11/2018	82 939
Overberg	Theewaterskloof Local Municipality	C0984.S1: Ashphalt patching repair and overlay of portions of MR278 near Grabouw	The work includes asphalt repairs and overlay of a portion of MR278 near Grabouw. The works shall also include the installation of stormwater and subsurface to protect the pavement structure as well as the placement of new road markings and signage.	28/03/2018	28/05/2018	10 624
Eden	George Local Municipality	C0823.01: Rehab MR352 & MR355 & Reseal MR355 - Wilderness to Hoogekraal	The rehabilitation of MR352 and MR355 near George. Reseal & drainage improvements of MR355 km 2.0 - km 10.50. Roundabout on MR352.	28/11/2017	19/03/2019	124 854
Cape Winelands	Witzenberg Local Municipality	C0751.02: Rehab TR23/3 Gouda - Kleinbergrivier Bridge km 0.12 - km 12.5	The rehabilitation of 13km of TR23/3 between Gouda and Saron.	28/07/2017	28/05/2019	195 292
Cape Winelands	Stellenbosch Local Municipality	C0921: Rehab DR1050 - Annandale Road	Rehabilitation of DR1050, from Annandale Road (km0.00) at MR168 in Lynedoch to Groene Rivier (km7.34) in the Stellenbosch area. The R44 (MR27) to Stellenbosch/Somerset West is crossed at km 5.47.	11/11/2016	29/04/2019	149 715
Cape Winelands	Stellenbosch Local Municipality	C0914.02: Rehabilitation of MR168 between N2 and Vlaeberg Road	Rehabilitation and improvements to MR168 between MR159 and MR177 in the Stellenbosch Area.	01/03/2018	11/04/2020	306 879
Cape Winelands	Langeberg Local Municipality	C0818: Rehab TR31/2 - Ashton/Montagu	The rehabilitation of TR31/2 between Ashton and Montagu.	06/08/2015	30/08/2019	721 795

District	Local	Project name	Detailed description	Commencement date	Estimated Completion date	Project cost (R'000)
West Coast	Saldanha Bay Local Municipality	C0415.02: Extension of MR559 from Port Service Corridor to MR238 near Saldanha	Upgrade of MR559 between MR238 and Port Service Corridor (km0.0-4.2).	23/01/2017	15/11/2018	167 992
West Coast	Saldanha Bay Local Municipality	C0975.01: Extension of TR85/1 from TR77/1 to TR21/2 (Greenfields link)	Extend TR08501 from TR77/1 to TR21/1 Greenfields Link (between TR77/1 and Langebaan Airforce Base).	01/12/2017	02/03/2020	290 686
Cape Winelands	Langeberg Local Municipality	C0820: Rehabilitation of MR287 from km 14.0 to km 32 - Robertson/Bonnievale	The Rehabilitation of MR287 between km 14 and km 32, including the reconstruction of a large culvert at km 31 and widenening of bridge at km 14.5. Geotechnical slope stabilisation at km 19 and at km 26. Interface road and parking through town of Bonnievale with drainage and services. Parking interface Bonnievale at km 29 to 31. Geotechnical rehabilitation at km 26.	09/11/2016	12/12/2018	258 160
Eden	Mossel Bay Local Municipality	C0822: Rehab MR344 & DR1578 - Glentana	The rehabilitation of MR344 from Hartenbos (km 1.71) to Groot Brak (km14.84) and a portion of DR1578.	15/01/2018	13/04/2020	208 479
Overberg	Theewaterskloof Local Municipality	C0984: Reseal MR191 & MR279 near Theewaterskloof dam & MR279 between Villiersdorp & Grabouw	Resealing of MR191 & MR279 near Theewaterskloof Dam and MR279 between Villiersdorp and Grabouw. Widening of bridges on MR279.	28/04/2017	05/07/2018	117 719
Eden	Oudtshoorn Local Municipality	C0998: Reseal TR07502 between Oudtshoorn & Cango Caves	Resealing of TR75/2 between Oudtshoorn and Cango Caves.	28/08/2017	31/05/2018	38 581
Unicity	Cape Town Administration	C1046: Extend the 3rd Lane on TR09/1 west of Durban Road I/C to the NR0101	Extend the 3rd lane from West of the Durbanville I/C to the NR0101 and reseal/overlay existing.	19/02/2016	02/04/2019	587 078

District	Local	Project name	Detailed description	Commencement date	Estimated Completion date	Project cost (R'000)
Central Karoo	Prince Albert Local Municipality	C1037: Reseal of TR34/01 & TR34/02 between Prince Albert Road and Prince Albert	Resealing of TR34/1 from km 0.00 to km 43.34 between Prince Albert Road and Prince Albert. Reseal of TR34/2 km 43.34 to km 43.9 and TR34/2 from km 0.00 to km 3.16. Erosion protection measures along the Swart River.	13/11/2017	15/07/2018	78 909
West Coast	Swartland Local Municipality	C1009.01: Rehab DR01111 from km 23.5 to km 38,951 between Kalbaskraal & Malmesbury	Rehabilitation of DR1111 between Abbotsdale and Malmesbury including the remediation of all damaged structures.	14/09/2015	21/05/2018	144 480
West Coast	Bergrivier Local Municipality	C0821: Rehab TR23/3 - Porterville/Piketberg	Rehabilitation and reconstruction of sections TR23/3 from Porterville to Piketberg km (36,54 to 60,87).	07/11/2016	01/07/2018	183 333
Unicity	Helderberg Administration	C0733.06: New Arrestor Bed on TR2/2 near intersection of N2 and Sir Lowry's Pass Road	Implementation of an Arrestor Bed along TR2/2 at the foot of Sir Lowry's Pass.	15/01/2018	20/07/2018	12 646



PART C

Governance

Part C: Governance

1 Introduction

The DTPW is committed to maintaining the highest standards of governance as this is fundamental to the management of public finances and resources. Readers of the Annual Report require assurance that the DTPW has sound governance structures in place to effectively, efficiently and economically utilise the state resources at its disposal which are funded by the taxpayer. One of the core values of the DTPW is "accountability" and this is promoted through a strengthened governance environment.

2 Risk management

The AO for the Department of Transport and Public Works takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D: ERM) in the Department of the Premier (DotP) provides a centralised strategic support service to the Department.

In compliance with the National Treasury Public Sector Risk Management Framework (PSRMF) and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM Policy Statement which sets out the WCG's overall intention with regard to ERM. The Department adopted an ERM Policy for the period 2016/17 – 2017/18, approved by the Accounting Officer on 18 April 2016, and an ERM Strategy and Implementation Plan for 2017/18, approved by the Accounting Officer on 11 May 2017. The ERM Implementation Plan gave effect to the departmental ERM Policy and Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the department.

The Department assessed significant risks that could have an impact on the achievement of its objectives, both strategically and on a programme level, on a quarterly basis. Risks were prioritised based on its likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing her responsibilities relating to risk management. The Committee operated under a Terms of Reference approved by the Accounting Officer on 17 May 2017. ERMCO in the main evaluated the effectiveness of the mitigating strategies implemented to address the risks of the department and recommended further action where relevant.

The Department of Transport and Public Works Audit Committee furthermore monitors the risk management process independently as part of its quarterly review of the Department.

Impact on institutional performance

Sound risk management practises in the DTPW contributed to the achievement of a clean audit for the sixth consecutive year.

2.1 Enterprise Risk Management Committee (ERMCO) Report

The DTPW is proud to present its Annual ERMCO Report for the financial year ended 31 March 2018.

Enterprise Risk Management Committee responsibility

The ERMCO reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the PFMA and Treasury Regulation 3.2.1. The ERMCO also reports that it has adopted the appropriate formal Terms of Reference (approved by the ERMCO chairperson on 17 May 2017) as its ERM Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

Enterprise Risk Management Committee Members

The ERMCO comprises of selected members of the DTPW's senior management team. As per its Terms of Reference, the ERMCO met at least four times (quarterly) during the year under review.

The table below discloses relevant information on ERMCO members:

Member	Position	Scheduled meetings	Attended	Date appointed
Ms J Gooch	AO (Risk Champion and ERMCO Chairperson)	4	4	n/a
Mr C Ismay	Deputy Director-General (DDG): Finance – CFO - Retired on 31/05/2017	4	1	23/03/2017
Adv C Smith	Chief Director (CD): SCM	4	1	23/03/2017
	Appointed as DDG: Finance – CFO from 01/06/2017		3	
Mr F Hanekom	DDG: Strategy, Planning and Coordination	4	2	23/03/2017
Mr G van Schalkwyk	CD: Policy and Strategy Integration	4	3	23/03/2017
Mr R Maharaj	CD: Strategic Management and Operational Support	4	3	23/03/2017
Mr G Kode	DDG: Provincial Public Works	4	2	23/03/2017
Mr L Fourie	CD: RNM	4	4	23/03/2017
Adv K Reinecke	DDG: Transport Management	4	4	23/03/2017
Ms H Robson	DDG: Corporate Assurance (DotP)	4	3	23/03/2017
Mr R Jansen van Rensburg	CD: PFSs (DotP)	4	4	23/03/2017
Ms E de Bruyn	Director: CE-I (DotP)	4	4	23/03/2017

Member	Position	Scheduled meetings	Attended	Date appointed
Ms A Haq	Director: ERM (DotP)	4	2	23/03/2017
Ms P van der Merwe	Director: Governance and Demand – SCM (Ethics Officer)	4	2	02/08/2017
Mr Y Ahmed	CD: Transport Regulations	4	4	28/03/2017

Other participants	Position	Scheduled meetings	Attended
Mr B Rahim	Director: Financial Governance (Fraud Champion)	4	4
Ms G Solomons	Chief Risk Advisor: ERM	4	4
Ms W Hansby	Director: PFS (DotP)	4	3

Enterprise Risk Management Committee Key Activities

The AO is the risk champion and chairperson of the ERMCO.

In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the Management Performance Assessment Tool (MPAT) in relation to risk management issues;
- Considered any Corporate Governance Review and Outlook questionnaires in relation to risk management matters;
- Reviewed the DTPW's Risk Management Policy, Strategy and Implementation Plan; for recommendation by the Audit Committee and approval by the AO;
- Set, reviewed and applied appropriate risk appetite and tolerances, and recommend same for approval by the AO;
- Reviewed the DTPW's risk identification and assessment methodology;
- Reported to AO any material changes to risk profile of the DTPW;
- Reviewed the Fraud Prevention Plan (Strategy, Policy and Implementation Plan) and recommended it for approval by the AO;
- Evaluated the effectiveness of the implementation of the Fraud Prevention Plan;
- Reviewed any material findings and recommendations by assurance providers on the system of risk management and monitored that appropriate actions be instituted to address weaknesses;
- Developed goals and key performance indicators for the ERMCO for approval by the AO;
- Developed goals, objectives and key performance indicators to measure the effectiveness of the departmental strategic risk management activity;
- Evaluated the extent and effectiveness of integration of risk management within the DTPW;
- Assessed the implementation of the departmental Risk Management Policy, Strategy and Implementation Plan;
- Assessed the implementation of the departmental Ethics Management Implementation Plan;

- Evaluated the effectiveness of mitigating strategies to address the material ethics and corruption risks of the DTPW; and
- Provided oversight on ethics management of the DTPW.

Key Strategic Risks Considered and Addressed During The Year

The following are the keys strategic risks for the DTPW that were considered and addressed during the year:

- The ability to attract, recruit and retain suitable specialised skills is compromised.
- Gaps in the policies, processes and procedures.
- Competitive tendering process at CIBD Grade 9 being jeopardised, because the number of Grade 9 constructions implicated totally depletes the pool of potential contractors.
- Inability to access IT systems and related information in the event of a significant disruption or disaster.
- Inadequate information security measures resulting in a limited ability to protect IT systems and departmental information.
- Business Continuity for the DTPW – particularly concerning the lack of water and the risk of insufficient energy and its impact on the DTPW.
- Insufficient electricity supply.
- Further public transport violence and criminal acts.

Each programme's risks are deliberated/debated at the quarterly ERMCO meetings. Programme managers are required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. ERMCO also refers risks back that should be analysed more extensively and recommends additional mitigations or actions to manage risks.

Key Emerging Risks For The Following Financial Year

No key emerging risks were identified for the forthcoming financial year.

Conclusion

During the period under review the ERMCO focussed on a number of critical risks that either influence or could potentially influence the operations of the DTPW. While significant challenges remain in the public transport space especially in relation to the challenges experienced by the thousands of commuters who are reliant on public transport on a daily basis, in addressing the maintenance backlog of provincial building and roads assets as well as in some of the operational mechanisms through which the DTPW delivers its services, the deliberations at ERMCO, the mitigation measures put in place and the tracking of implementation of these measures allowed the DTPW to minimise risk and leverage its contribution to the overall objectives of the NDP, the PSGs and its own goals and objectives.

_____

JT Gooch
Accounting Officer
Department of Transport and Public Works

Date: 31 August 2018

3 Fraud and corruption

Fraud and corruption represent significant potential risks to the DTPW's assets and can negatively impact on service delivery efficiency and the DTPW's reputation.

The WCG adopted an Anti-Fraud and Corruption Strategy which confirms the Province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy the DTPW is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available, any parties who engage in such practices or attempt to do so.

The DTPW has an approved Fraud and Corruption Prevention Plan and a Fraud Prevention Implementation Plan which gives effect to the Prevention Plan.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy and the Departmental Fraud and Corruption Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the DTPW and to generate statistics for the Province and Department.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). In this regard the transversal Whistle-blowing Policy provides guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

Once fraud, theft or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where *prima facie* evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the DTPW noting the following:

Cases	Number of cases
Open cases as at 1 April 2017	5
New cases (2017/18)	6
Closed cases (2017/18)	(1)
Referred cases (2017/18)	(1)
Open cases as at 31 March 2018	9

The following table further analyses the closed cases indicated above:

Outcome of cases closed	Closed Cases	Referred Cases
Department to attend to recommendations	1	-
Department to implement controls	-	1

4 Minimising conflicts of interest

The DTPW managed the following processes to minimise conflict of interest in the Supply Chain domain:

- The annual disclosure of Financial Interest of all employees in the DTPW's Supply Chain accompanied by an annual application for Remuneration for Work outside the Public Service, taking into account the new Public Service Regulations (PSR) effective from 1 August 2016;
- Communicated the content of the new PSR 2016, issued by the Minister for Public Service and Administration, with effect from 1 August 2016 to officials where possible non-compliance was identified;
- Institutionalised the transitional arrangements as prescribed in Annexure 1(2) of the PSR;
- The e-disclosure as prescribed by Department of Public Service Administration (DPSA) platform was implemented in the supply chain of the DTPW;
- Declaration of Interest by everyone involved in the consideration, recommendation and/or adjudication of bids;
- The declaration of the bid form, Western Cape Bid Document (WCBD) 4 (disclosure of interest/suppliers performance/declaration of employees and independent bid determination) by all prospective bidders;
- Compliance with ethical standards by all departmental staff;
- Provisions on confidentiality;
- The Code of Conduct for SCM practitioners;
- NT's Code of Conduct for Bid Adjudication Committees;
- The process for acceptance of gratification, hospitality and gifts in the context of conflict of interest; and
- In addition, it provides for bidder/employee profile verification processes, that entails a monthly comparison of employee information on the Personnel and Salary Administration System (PERSAL) to WCSD as well as the NT's CSD for information of suppliers. This serves as both a preventative and detective control to identify officials doing business with government.

Provincial Treasury Instructions which require the compulsory registration on WCSD by all suppliers intending to do business with the WCG have been implemented. Registration entails a number of pre-requisites such as:

- Verification with Companies and Intellectual Property Commission for company registration and ownership information.
- A sworn declaration in the form of the WCBD 4, by all prospective bidders.
- Submission of BBBEE – profile.

The implementation of the NT Instruction 4A of 2016, which requires the registration on the CSD by all suppliers intending to do business with Government. (Permission was granted by the NT to the Provincial Treasury to run the WCSD concurrently with the CSD. The following key information of prospective suppliers is verified on the CSD:

- Business registration, including details of directorship and membership;
- Bank account holder information;
- In the service of the state status;
- Tax compliance status;
- Identity number;
- BBBEE status level;
- Tender defaulting and restriction status; and
- Identification and verification of potential conflict of interest of employees through the Provincial Treasury's Compliance Report.

Annual training and formal workshops on Ethics are provided via SCM.

5 Code of Conduct

The DTPW adheres to the Public Service Code of Conduct. The highest standards of ethical business are required of public servants employed by the DTPW in fulfilling their responsibilities. All employees are personally responsible for ensuring that their conduct is ethical and are required to bring any possible contraventions of the Code to the attention of their supervisor. The Code of Conduct is electronically distributed to all employees every second month. All new employees are informed in their letters of appointment that the Code of Conduct is available on the WCG website.

6 Health, safety and environmental issues

The OHS Act, 1993 (Act 85 of 1993) imposes a responsibility on the DTPW to ensure the physical safeguarding of its infrastructure sites, as well as ensuring the physical health and safety of the contractor and his/her employees. To this end, the minimum requirements relating to how this risk should be managed on infrastructure sites has been standardised and built into the Construction Tender Document suites prescribed by the CIDB. In so far as it pertains to transport infrastructure, environmental impact assessments must be conducted.

The DTPW has an operational Safety and Security Committee which includes representatives from the Department of Community Safety.

In support of effective emergency evacuation, 13 evacuation plans were approved. Twenty-two evacuation plans were reviewed in the 2017/18 financial year. Five evacuation exercises were conducted. The DTPW embarked on reviewing the Business Continuity Plan (BCP) and developed a Water BCP.

7 Standing Committee on Transport and Public Works

7.1 Standing Committee on Transport and Public Works

7.1.1 The Standing Committee's letters (referenced 11/4/1/1/2/7) dated 13 February 2017, 11 April 2017, 9 May 2017 and 11 July 2017, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its letter dated 13 February 2017 the committee requested that the DTPW brief it on its Easter Season Traffic Safety Plan.	The DTPW's response in this regard was provided to the Committee in letters (referenced 11/1/2/2/Standing Committee on Transport and Public Works), dated 10 March 2017 and 28 July 2017, as well as a presentation titled: Easter Operational Plan (15 Mach-30 June).
In its letters dated 11 April 2017 and 9 May 2017 the committee requested that the DTPW brief it on the implementation and impact of its Easter Season Traffic Plan 2017.	
In its letter dated 11 July 2017 the committee requested the following information: • A status report on the 43 arrests that were made over the Easter and the progress made on prosecutions; • The statistics of the Traffic Services Directorate's staff compliment for the period 2014-2017, as well as an explanation on the impact of these statistics on safety and visibility; and • A report on the Easter Media Campaign video.	
The Committee further resolved that the CoCT, in collaboration with the DTPW, brief it on their plan to deal with the challenges of regulating the informal taxi industry ("Amaphela").	
The Committee also requested an update on the funding of vacant posts within the Directorate Traffic Services, as it may be one of the contributing factors to a successful Traffic Safety Plan.	

7.1.2 The Standing Committee's letters referenced 11/4/1/1/2/7 dated 24 April 2017 and 3 August 2017, as well as e-mail correspondences dated 11 September 2017 and 17 October 2017, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its letter of 24 April 2017 the Committee requested that the DTPW provide it with a presentation covering concerning matters regarding the progress of the project at Wesfleur Primary School.	The DTPW's response to the Committee was contained in letters (referenced 11/4/1/1/2/7/Standing Committee on Transport and Public Works and 11/1/2/2/Standing Committee on Transport and Public Works dated 30 May 2017,14 August 2017, 25 September 2017 and 25 October 2017.

Papers, reports and information requested by the Committee	DTPW's response
In its letter dated 3 August 2017, the Committee requested that the DTPW provide updates pertaining feedback of Wesfleur and Parkview Primary Schools on the following: • Repair of the main and secondary fresh water supply lines; • Repair of leaking roofs (Wesfleur Primary School); and • Repair of the air-conditioner.	The Committee was provided with a progress status on the following: • Repair of the main secondary fresh water supply Wesfleur and Park View Primary Schools; • Repair of leaking roofs at Wesfleur Primary School; and • Repairs of air-conditioners at Wesfleur and Parkview Primary Schools. In addition, the DTPW supplied the Committee with a progress status on an intended inspection w.r.t repairing the leaking roof of Wesfleur Primary School. Further confirmation was reported that all latent defects at Wesfleur Primary School have been attended to, and specifically the: • Roof leaks; • Window glazing beads; • Hall floor; and • Toilet cisterns.
In an e-mail correspondence dated 11 September 2017, the Committee requested that the DTPW provide it with feedback regarding the roof investigation at the Wesfleur Primary School.	
In an e-mail correspondence dated 17 October 2017, the Committee requested that the DTPW provide them with an update whether a follow up inspection transpired and information thereof.	

7.1.3 The Standing Committee's letters referenced 11/4/1/1/2/7 of 2 June 2017, 3 August 2017 and 5 February 2018, following an oversight visit to Masakhane and Hawston Primary Schools, as well as a report dated 5 April 2017 regarding the progress of projects, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its letter of 2 June 2017 the Committee requested the following: • Clarity regarding the planned completion date at Hawston Primary School, whether it was met and possible reasons that resulted in any possible delays if the completion date was not met. • Masakhane Primary School.	The DTPW's response in this regard was provided to the Committee in letters (referenced 11/4/1/1/2/7/Standing Committee on Transport and Public Works) dated 19 April 2017, 6 July 2017 and 14 August 2017, as well as an email correspondence dated 27 February 2018.
In its letter dated 3 August 2017 the Committee requested a report outlining any delays (if any), the reasons for the delays as well as the remedial measures instituted.	
In its letter of 5 February 2018, the Committee requested that the DTPW consult with the WCED to facilitate a visit to the Hawston Primary School.	

7.1.4 The Standing Committee's resolution in its letters referenced 11/4/1/1/2/7 dated 3 April 2017, 12 June 2017 (following an oversight visit to Kwa-Faku Primary School on 25 April 2017 and the Committee's meeting of 6 June 2017) and 11 July 2017, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its letter of 3 April 2017, the Committee requested that the DTPW, in consultation with the WCED, facilitate a visit to the Kwa-Faku Primary School. The Committee further requested that the DTPW provide it with a briefing on the state of the infrastructure of the school.	The DTPW's responses were contained in an email correspondence dated 7 April 2017, a presentation titled: Education Infrastructure (Briefing: Infrastructure defects at Kwa-Faku Primary School, 20 June 2017) and a letter referenced 11/1/2/2/Standing Committee on Transport and Public Works dated 14 August 2017.
In its letter of 12 June 2017, the Committee requested the following information: • DTPW, in consultation with the WCED, brief the Committee on the infrastructure defects at the Kwa-Faku Primary School: • Background and overview of the experimental project; • A summary of the problems experienced in terms of the building infrastructure; • The impact of these problems on the learners and educators; • Remedies; and • The financial implication.	
In its letter of 11 July 2017, the Committee requested the following information: • DTPW's Alternative Building Technology policy. • A comprehensive report from the WCED on the Kwa-Faku Primary School outlining the complaints that were lodged by the school and the reasons for the slow progress to date. • The recourse avenues made available by the WCED to learners and teachers in light of the health problems experienced as a result of the problem with dust at the school. A commitment from the WCED that it would meet the School Governing Body during the week of 26 June 2017 to communicate the process going forward.	

7.1.5 The matters raised in the Standing Committee's e-mail correspondence dated 3 April 2017, as well as the letters referenced 11/4/1/1/2/7 and dated 11 July 2017, 31 August 2017 (following an oversight visit to the George Municipality and George Link on 25 July 2017) and 5 February 2018, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its e-mail correspondence, the Committee requested a written update on the progress of the legal advice enquiry regarding the Annual Financial Statements.	The DTPW's responses to the Committee were contained in letters referenced 11/1/2/2/Standing Committee on Transport and Public Works of 20 April 2017 and 29 September 2017, as well as email correspondences dated 21 July 2017 (inclusive of a presentation titled: GIPTN-Standing).
In its letter dated 11 July 2017, the Committee requested that the DTPW facilitate a visit to the George Municipality.	
The Committee requested that the DTPW facilitate and participate in its suggested engagement with the Directors of the George Link to discuss, among other things, the following: • Corporate Social Responsibility and the Corporate Social Investment Plan; • The SCM Policy; • EE Plan with reference to the representivity of Black, Coloured and Indian women on management and board level; and • The Audited Financial Statements.	

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested that the DTPW facilitate and participate in its suggested engagement with the Directors of the George Link to discuss, among other things, the following: • Corporate Social Responsibility and the Corporate Social Investment Plan; • The SCM Policy; • EE Plan with reference to the representivity of Black, Coloured and Indian women on management and board level; and • The Audited Financial Statements.	Committee on Transport and Public Works [SCOTPW], 25 July 2017) and 26 February 2018.

7.1.6 The Standing Committee's letters (referenced 11/4/1/1/2/7) dated 3 November 2017, 01 February 2018 and its email correspondence dated 6 February 2018, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its letter of 3 November 2017, the Committee requested that the DTPW be present at an engagement on 14 November 2017 w.r.t a briefing on the Administration Adjudication of Road Traffic Offences Amendment Bill (B 38B-2017).	The DTPW's responses were provided to the Committee in email correspondences dated 07 November 2017, 15 February 2018 and a letter (referenced TPW1/3/1/1/1-AARTO Amendments Bill comments) dated 27 March 2018.
In its letter dated 01 February 2018, the Committee invited the DTPW to attend and participate in the public hearings and submit written input on the Amendment Bill.	
The Committee in its email correspondence dated 06 February 2018 invited the DTPW and its associates to attend and participate in the public hearings on the Administration Adjudication of Road Traffic Offences Amendment Bill.	

7.1.7 The Standing Committee's resolution in its letter referenced 11/4/1/1/2/7 and dated 14 December 2017, following meetings of 17 and 24 November 2017 regarding the EBAT Station and the RBT Mobile Units, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested that the DTPW provide it with information pertaining to the EBAT Station, particularly the RBT Mobile Units launched in the Overberg District of the following: • The cost implications; • The personnel capacity; • Operating hours; and • The partnership with the relevant municipality.	The DTPW's response was provided in a letter (referenced 11/1/2/2/ Standing Committee on Transport and Public Works) dated 22 January 2018.
The Committee also requested that the DTPW provide it with a detailed breakdown regarding the adjusted estimates of the following: • The R4,5m that was rolled over from the 2016/2017 financial year for the drafting of impoundments regulations and also submit a report whether the drafting of these regulations were outsourced. • The R18,3m that was spent thus far in terms of new and replacement assets with specific reference to the BLMEP Conradie Game-Changer.	
The Committee recommended that detailed explanations that clearly outline the reasons for deviation should be captured in the Adjusted Estimates of Provincial expenditure, where adjustments to the Estimates of Provincial Expenditure is referred to.	

Papers, reports and information requested by the Committee	DTPW's response
The Committee further requested that the DTPW brief it on Programme 4: Transport Operations, with specific reference to the planning, development, oversight and implementation of various projects at priority municipalities in terms of the PSTP.	

7.1.8 The Standing Committee's resolutions in its letters referenced 11/4/1/1/2/7 and dated 29 March 2017, 9 November 2017 (following a meeting held on 20 October 2017) and request dated 26 March2018 (following its meetings held on 14 March 2018), and the DTPW's response are outlined below.

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested that the DTPW provide it with the following information: • A list of the properties and the value attached to each property that constitutes the R200bn worth of government owned immoveable infrastructure assets; • A breakdown of the properties that are leased by national, provincial and private entities and the tariffs charged; • A breakdown per district level of the 88 953 work opportunities that were created in terms of the EPWP; • A breakdown per district level of the 539 unemployed young people who were offered training opportunities in construction; • The cost of the construction of the Kwa Faku Primary School that involved the use of alternative building technology techniques, the cost of erecting the mobile units at the school, the anticipated cost of a replacement school and the cost of any maintenance to the original structure that may have been undertaken; • A list of workshops that were offered, specifying the areas in which they were offered, for the training of communities on the tendering procedure; • A date as to when the hospital that is to replace the previous GF Jooste will be completed; • The names of the contractors who were awarded tenders during the various phases of the construction of the new GMT premises in Maitland, the contract values attached to each tender as well as the plans for the current sites in Paarden Island and Roeland Street, as well as assurance that public funds were not lost in the process; • A clear plan, budget and timeframe for the implementation of the second and third phase of Rusper Street, Maitland as well as the project completion date; and • The duration of the contract valued at R30m that was awarded to Third Quarter Consulting CC.	The DTPW's response was outlined in letters referenced 11/1/2/2/Standing Committee on Transport and Public Works dated 28 April 2017, 22 January 2018 and 6 April 2018.
The committee recommended that amendments to the Disposal Policy on infrastructure include an active public participation strategy as well as ongoing engagement with affected stakeholders.	
The committee also recommended that communication with rail commuters should be improved, not only in respect of current faults and train delays, but also on the future plans of Metrorail.	

Papers, reports and information requested by the Committee	DTPW's response
The committee further requested that the DTPW brief it on the following: • The DTPW's disposal policy relating to the Helen Bowden Site outlining the current situation as well as current state affairs at the site; and • The DTPW's Strategic Talent Plan and EE Plan with specific reference to measures undertaken to address the disparity in employment equity targets, specifically in terms of race, gender and persons with disabilities, in order to ensure representivity within the department and GMT.	

7.1.9 The Standing Committee's session of 22 October 2017 where a verbal presentation was made by Nyanga Tourism platform and the DTPW's responses are tabled below:

Papers, reports and information requested by the Committee	DTPW's response
Nyanga Tourism raised queries regarding youth skills development programmes, CDP learner and disabled transport services.	The DTPW's response was outlined in a letter (referenced TPW 8/6/R) dated 02 March 2018.

7.1.10 The Standing Committee's e-mail correspondence dated 4 September 2017, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested the presence of both the DTPW and CoCT in a meeting with various taxi associations.	The DTPW's response was provided in a letter (referenced 11/1/2/2/ Standing Committee on Transport and Public Works) dated 8 September 2017.
The Committee further requested that the DTPW provide it with the contact details of all the relevant associations.	

7.1.11 The Standing Committee's letter 11/4/1/1/2/7 dated 3 November 2017 and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested that the DTPW brief it on the Traffic Safety Plan for the 2017 festive season.	The DTPW's response was contained in a presentation titled: Integrated Festive Season Traffic Law Enforcement / Road Safety Operational Plan, which was provided through an email on 15 November 2017.

7.1.12 The Standing Committee's letter (referenced 11/4/1/1/2/7) dated 20 July 2017 and 31 August 2017 and 12 February 2018, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
The Committee requested the DTPW's presence in a meeting scheduled with Metrorail regarding the challenges it's experiencing in its letter dated 20 July 2017.	DTPW responses were provided in emails dated 4 September 2017 and 20 February 2018.
The Committee requested the DTPW's presence in a meeting scheduled with Metrorail regarding the challenges it's experiencing in its letter dated 12 February 2018.	

7.1.13 The Standing Committee's letters (referenced 11/4/1/1/2/7) dated 11 August 2017, 24 August 2017 (following a meeting of 22 August 2017), 29 September 2017, 10 November 2017 (following a public hearing on 31 October 2017), as well as email

correspondences of 20 July 2017 and 12 December 2017, and the DTPW's responses are tabled below.

Papers, reports and information requested by the Committee	DTPW's response
In its email correspondence dated 20 July 2017, the Committee requested that the DTPW brief it on the content of the Western Cape Provincial Road Traffic Administration Amendment Bill (B 3-2017).	The DTPW's detailed responses on the listed issues were provided to the Committee in letters (referenced 11/1/2/2/Standing Committee on Transport and Public Works) dated 22 November 2017, 15 January 2018 and 13 March 2018, an email correspondence dated 28 August 2017, as well as a presentation (titled: Western Cape Provincial Road Traffic Administration Amendment Bill, 2017) which was dated 22 August 2017.
In its letter of 11 August 2017, the Committee requested that the DTPW brief it on the Western Cape Provincial Road Traffic Administration Amendment Bill (B 3-2017) in a meeting which was scheduled for 22 August 2017.	
In its letter of 24 August 2017, the Committee raised the following concerns: • Clause 4 of the Amendment Bill assigns functions to the Provincial Minister and Head of the Department, but does not address the procedure for the implementation of these functions; • The Amendment Bill does not address the process to be followed for the training of officials within the department and municipalities as well as the lack of capacity within these institutions to give effect to the implementation strategy; • Clause 5 of the Amendment Bill provides the Provincial Minister to prescribe applicable fees which must be administered for the impoundment of vehicles but does not address the fee amount or category of fees applicable to offenders; and • Application of recourse measures such as an appeal body is absent and it is not clear which authority will consider such applications. The Committee also resolved to invite the DTPW to brief it on the aforementioned concerns, as well as the following: • The cost and the associated time-frames for the implementation of the content of the amendment Bill; • The status of the business case that will inform the regulations; and • An indication of when the draft Regulation will be available.	
In its letter dated 29 September 2017, the Committee requested the DTPW's presence at all the public hearings and also brief the members of the public on the content of the Administration Amendment Bill.	
In its letter dated 10 November 2017, the Committee resolved to explore the possibility of making reference to the National Land Transport Act (Act 5 of 2009) within this Amendment Bill or to insert certain definitions so that the meaning of the words "impoundment" and "vehicles" is clarified. The Committee further recommended that the DTPW engage with municipalities and taxi associations on national and provincial legislation that impacts directly on this Amendment Bill outlining the impact that this will have on the specific associations.	
In its email correspondence of 12 December 2017, the Committee requested that the DTPW populate its inputs in a document titled: Matrix of comments/Concerns/Suggestions from Members of the Public Hearings on the Western Cape Provincial Road Traffic Administration Amendment Bill (B 3-2017).	

Papers, reports and information requested by the Committee	DTPW's response
In its letter of 29 January 2018, the Committee requested the DTPW's presence at a Standing Committee meeting which was scheduled for 6 February 2018.	
In its letter of 2 February 2018, the Committee requested the DTPW's presence at two Standing Committee meetings which was scheduled for 9 and 15 February 2018.	
In its letter dated 5 March 2018, resolved that it would: • Request the DTPW to expedite the process of compiling the business case relative to the Western Cape Provincial Road Traffic Administration Amendment Bill (B 3-2017) so that once it is finalised, the DTPW could introduce more produce detailed provisions relating to the impoundment of vehicles; and • Suspend its consideration of the Amendment Bill until the DTPW introduce the more detailed provisions relating to impoundment.	

8 Public Accounts Committee (PAC) resolutions

8.1 Response to the report of the PAC on the 2016/17 Annual Report dated 14 December 2017

"The Committee noted the audit opinion of the AGSA regarding financial statements of the DTPW for the 2016/17 financial year, having obtained a clean audit report with no findings. The audit opinion remains unchanged from the 2015/16 financial year.

Audit Opinion

The AGSA raised no findings with the DTPW on compliance with laws and regulations, nor predetermined objectives.

Financial management

The DTPW spent R7,029bn of a budget of R7,093bn, resulting in an overall under-expenditure of R64,0m (0,9%). In addition, the total departmental revenue budget of R1,381bn was over-collected by R203,8m, which resulted in a departmental receipt of R1,584bn.

The revenue over-collection was due to the following factors:

- Motor vehicle licenses;
- Sale of goods and services;
- Transfer funds that were received;
- Interest, dividends and rent on land;
- Fines, penalties and forfeits;
- Sale of the Departmental capital assets; and
- Financial transactions in assets and liabilities.

The Committee noted that the overall under-spending within the DTPW occurred under the following economic indicators:

- Current payments;
- Transfers and subsidies;
- Payments for capital assets; and
- Payments for financial assets.

The DTPW spent R2,910bn of a capital budget of R2,921bn (99.6%), which resulted in an under-expenditure of R11m (0,4%) for the financial year under review.

The Committee wishes to bring to the attention of the DTPW the new pronouncements, which are considered as emerging risks that require continuous monitoring as follows:

- Inventory;
- Capitalisation of roads;
- Deproclaimed road; and
- IAR.

NT instruction notes:

- Accounting manual on transfer payments; and
- Performance information EPWP."

The views and resolutions of the Committee are detailed in the table below:

Resolution No.	Subject	Details	Department's response	Resolved?
	Page: 455 of the Annual Report **Paragraph 6 –** Transversal departmental resolution **Description:** The Committee has been advised by AGSA that the National Treasury is currently drafting an Accounting Manual to distinguish between "Goods and services" and "Transfer payments". This distinction can potentially have a negative future audit opinion outcome for departments and entities, if not adhered to.	The PAC however, encourages the departments and entities of the WCG to consult with the DEDAT, which has successfully implemented a mechanism to address this potential audit outcome risk.	Noted. Furthermore, NT has issued a draft Circular for comments on 28 February 2018, to address the classification of Transfer and Subsidies vs Goods and services or Capital Assets.	Yes
	Page: 457 of the Annual Report **Paragraph 9** – General Findings	The Committee wishes to advise departments and entities to be cognisant of the transversal risks that were identified by the Audit Committee during the 2016/17 financial year. These include the following: • New regulations that may be introduced by National- or Provincial Treasury; • Disclosure risks due to the continuous use of the Modified Cash Standard of accounting (componentisation of assets and developing an effective inventory management system); • The audit opinion changes of the AGSA that may negatively affect the audit outcomes of the departments and entities, especially relating to findings on pre-determined objectives; • The water crisis that is currently being experienced in the Western Cape, and how this could affect the economic development and service delivery outcomes of the departments and entities of the WCG;	Noted.	Yes

Resolution No.	Subject	Details	Department's response	Resolved?
		• SCM and the continuous associated changes that are being implemented by NT regarding the CSD and National contracts; and • Any changes that is necessary to compliment the new PSR- which is effective 1 August 2016. Similarly, the Committee wishes to alert the departments and entities of the WCG of the following risks that will require continuous monitoring during the 2017/18 financial year: • B-BBEE certificates; • CSD; • eTenders Portal; and • PSR.		
18.1.1	**Page**: 162 of the Annual Report **Heading**: "Enterprise Risk Management Standing Committee Resolutions" **Description:** The Committee notes that the Department considered and addressed the following risks during the 2016/17 financial year, which includes: • Competitive tendering process at CIDB Grade 9 that were jeopardised; and • Limited capability of students from disadvantaged communities to be admitted and pass mathematics and related subjects at higher education institutions. The Committee queried the value for money that was derived from the aforementioned identified risks, with specific reference to inputs and outcomes. In addition, the Committee enquired how the CIDB Grade 9 service providers could experience a risk of	1. That the DTPW briefs the Committee on the risks that were raised regarding the competitive tendering process at the CIDB Grade 9, that were jeopardised, including the supporting mechanism to CIDB Grades 1 and 2 service providers. 2. That the DTPW briefs the Committee on the value that were derived from the risk which highlights the limited capability of students from disadvantaged communities to be admitted and pass mathematics and related subjects at higher education institutions.	Noted. Briefing scheduled by the PAC for 9 May 2018. The DDG: Finance as well as the CD: EPWP were informed of the anticipated briefing session under reference 4/6/4/1 dated 26 February 2018 and 22 March 2018 respectively.	Yes

Resolution No.	Subject	Details	Department's response	Resolved?
	being jeopardised. In concurrence with this, the Committee expressed a desire to understand how the DTPW supported CIDB Grades 1 and 2 service providers in completing contracts successfully, which would ensure that the DTPW meets its annual targets.			
18.1.2	**Pages:** 195 and 310 of the Annual Report **Heading:** "Internal Audit and Audit Committees" and "Payments for financial assets" **Description:** The Committee takes cognisance that the DTPW briefed the Audit Committee in respect of its current and older departmental debts during the 2016/17 financial year. This is in light of the material losses and debts that were written off during the financial year under review. In addition, the Committee notes Government Gazette No 2241, which is the Treasury Regulation for departments (read in conjunction with the PFMA), in terms of managing debt. The AO of an Institution must take effective and appropriate steps to collect all money due to the Institution including, as necessary – (a) Maintenance of proper accounts and records for all debtors, including amounts received in part payment; and (b) Referral of a matter to the State Attorney, where economical, to consider a legal demand and possible legal proceedings in a court of law. In addition, debts owing to the state may, at the discretion of the AO of the Institution, be recovered in instalments.	That the DTPW briefs the Committee on the current and older departmental debts during the 2016/17 financial year, including the mechanism that is in place in the DTPW to minimise, if unable to mitigate, such an occurrence.	Noted. Briefing scheduled by the PAC for 9 May 2018. The DDG: Finance was informed of the anticipated briefing session under reference 4/6/4/1 dated 26 February 2018.	Yes

8.2 List of information required

That the DTPW provides the Committee with the following:

8.2.1 A detailed report which relates to the considered risk of DTPW, where it was unable to maintain the provincial road network, as reflected on page 163 of the Annual Report.

(The information was provided to the Committee Coordinator)

8.2.2 A copy of the Provincial Forensic Services' Case Movement Certificate which relates to the cases that were referred to the SAPS for the 2016/17 financial year, including the case numbers, as reflected on page 166 of the Annual Report.

(The information was provided to the Committee Coordinator).

8.2.3 A report which highlights the bursaries that were awarded to the employees of the DTPW, including the job levels or salary bands, as reflected on page 251 of the Annual Report.

(The information was provided to the Committee Coordinator).

8.2.4 A report which highlights all claims above R1m that were made against the state as per Annexure 2B for the 2016/17 financial year, as reflected on page 347 of the Annual Report.

(The information was provided to the Committee Coordinator).

9 Prior modifications to Audit Reports

There were no modifications to the Audit Reports.

10 Financial Governance Directorate

The Financial Governance Directorate's purpose is to ensure sound financial governance practices. During the course of the financial year under review, the focus was on verifying compliance to approved delegations, compliance testing of expenditure vouchers, detecting and preventing irregular, fruitless and wasteful expenditure, conducting predetermined financial inspections as indicated on its operational plan, *ad hoc* investigations, and providing effective and efficient fraud and loss control management services.

Issues	Work performed
Financial delegations	PFMA AOs Delegations – Delegation Framework 2014 Finance Instruction 6 of 2006: • (Amendment 1 of 2017) issued on 3 July 2017 • (Amendment 2 of 2017) issued on 17 August 2017 • (Amendment 3 of 2017) issued on 8 September 2017 PFMA AOs Delegations – full set currently under review
The development, review, and amendment of SOPs and policies to enhance financial governance	• Regularity Audit process - Finance Instruction 2 of 2007: (Supplementary 1 of 2017) issued on 11 December 2017 • Regularity Audit: Audit Engagement letters and AGSA Directive - Finance Instruction 2 of 2007: (Supplementary 1 of 2018) issued on 10 January 2018 • ERMCO Terms of Reference 2017-18 - Finance Instruction 5 of 2012: (Supplementary 1 of 2017) issued on 25 May 2017 • Catering Expenditure: Finance Instruction 4 of 2014 (Amendment 1 of 2017) issued on 15 September 2017 • Annual revision of subsistence and camping allowances: Finance Instruction 1 of 2017 issued on 18 April 2017 • Management and treatment of Irregular, Fruitless and Wasteful and Unauthorised expenditure: Finance Instruction 2 of 2010 (Supplementary 1 of 2017) issued on 17 August 2017 • Acquisition of Enterprise Resource Planning systems: Finance Instruction 2 of 2017 issued on 25 May 2017 • Entertainment expenditure: Finance Instruction 3 of 2014 o (Amendment 1 of 2017) issued on 15 September 2017

Issues	Work performed
	o (Amendment 2 of 2017) issued on 22 November 2017 • Attendance of external conferences, events or study tours: Finance Instruction 3 of 2017 issued on 1 August 2017 • Appointment of AGSA key audit team members: Finance Instruction 8 of 2017 issued on 16 October 2017 • Fraud Awareness Training 2017-18: Finance Instruction 15 of 2013: o (Supplementary 1 of 2017) issued on 1 August 2017 o (Supplementary 2 of 2017) issued on 13 September 2017 • Bank tender services – Acceptance of gifts, donations and sponsorships: Finance Instruction 23 of 2016 (Supplementary 1 of 2017) issued on 31 March 2017 • Cost Containment measures: Finance Instruction 31 of 2016 (Supplementary 1 of 2017) issued on 30 November 2017 • Fraud and Corruption Implementation Plan 201718 to 201819: Finance Instruction 32 of 2016 (Supplementary 1 of 2017) issued on 20 June 2017
PFS reports	Attended to the recommendations of the 1 report received
External audit process	To ensure continuity with the prior year audit outcome, essential preparation work was performed prior to the commencement of the new audit cycle in December 2017
Internal audit process	As at 31 March 2018, 6 reports were received and the implementations of the recommendations are managed through the DCGIP
Retention of financial information	During 2017-2018 financial year 37 109 BAS expenditure vouchers, were verified against the monthly document control reports to ensure completeness and safeguarding of financial information
Reporting	
• PAC(Resolutions)	Annually
• Public Service Commission (Financial Misconduct)	Quarterly
• DPSA (Corruption and Fraud)	Quarterly
• Top Management (DCGIP)	Monthly
• Audit Committee (DCGIP)	Quarterly
• Top Management (Irregular, Fruitless and Wasteful Expenditure)	Monthly

Issues	Work performed
• ERMCO (Fraud Prevention Strategy Implementation Plan & Fraud Risk Registers)	Quarterly
• IYM (Irregular, Fruitless and Wasteful Expenditure)	Monthly
DCGIP	The DCGIP is updated with findings from the AGSA Management report, Internal Audit reports, Provincial Treasury GAP analysis, PFS reports and PAC resolutions At year end 15 projects in this regard were monitored
Financial Manual on the Electronic Content Management system	Maintenance of the system and loading of governance documents on an ongoing basis
Financial Inspections	Number of compliance inspections and ad-hoc inspections conducted: 32 4 895 BAS and Logistical Information System (LOGIS) payment vouchers were post audited. As part of the Inspectorates Operational Plan, the accruals for the financial year are verified for correctness prior to submission into the AFS. All LOGIS and BAS Payments are verified
Loss Control case files: Cases relate to claims against the state, damages to Government Motor Vehicles and loss off moveable assets	Opening balance 1 April 2017 (488) New cases registered (235) Cases closed 31 March 2018 (377) Balance as at 31 March 2018 (346)
Irregular, fruitless and wasteful case files	Opening balance 1 April 2017 (0) New cases registered (3) Total cases investigated (3) Cases closed (3) Balance as at 31 March 2018 (0)

11 Chief Directorate Supply Chain Management: Directorate Governance and Demand Management

The Directorate: Governance and Demand Management Directorate's mandate is to render a service with regards to planning, compliance, performance management, capacity building and demand management. During the financial year under review, the directorate was involved in the implementation and application of the AO's SCM System, as well as enhancing its processes through the

development, reviewing and amendment of procedures to address internal control deficiencies. The directorate was also responsible for the management of training programmes.

Issues	Work performed
SCM	• SCM Business Mapping Session with the Office of the Chief Procurement Officer • Revised Bidder's Declaration of Interest Bid document • Comments on the Strategic Procurement Framework, Strategic Sourcing Process, Good Practice Guides • The Preferential Procurement Regulations, 2017
Standing Committee:	• The SCM Unit managed and performed preparation work, assistance and presentations for the Standing Committee, as well as accompanied them on several site visits during the year
The issuance, development, review, and amendment of SOPs and policies to enhance SCM:	• SCM Instruction 1 of 2018: GMT: Subsidised motor transport: New subsided motor transport handbook • SCM Instruction 2 of 2018: Misuse of Government vehicles: procedures to ensure consistency with their application of discipline (misuse of GG vehicles) • SCM Instruction 4 of 2017/18: Implementation of the amended requirements for disclosure of financial interest by employees employed in the SCM and finance units • SCM Instruction 5 of 2017/18: Financial year 2017/2018 asset count and verification program/schedule • SCM Instruction 7 of 2017/18: 2017 Year end advertising dates • SCM Instruction 8 of 2017/18: Renewal of software licenses • SCM Instruction 7 of 2017/18: Application of (VAT) • SCM Instruction 10 of 2017/18: Issuance of the revised transaction checklists for purchases between R2001 and R500 000 • SCM Instruction 15 of 2017/18: Revised tariffs in respect of the non-refundable payments of bid documents

<table>
<tr><th>Issues</th><th>Work performed</th></tr>
<tr><td>Collaboration initiatives with Line Function</td><td>Weekly engagements with the line-function on the implementation of the AO's SCM System
Weekly engagements with the line-function regarding SCM Programme Delivery
Bi-weekly engagements with the CE-I on the visualisation of the SCM System</td></tr>
<tr><td>Reporting
• Procurement Statistics</td><td></td></tr>
<tr><td>- HOD</td><td>Monthly</td></tr>
<tr><td>- CFO</td><td>Monthly</td></tr>
<tr><td>- Provincial Treasury</td><td>Monthly</td></tr>
<tr><td>- NT (through the CRA system)</td><td>Monthly</td></tr>
<tr><td>- Auditor-General</td><td>Monthly</td></tr>
<tr><td>• Monitoring of the Procurement Plan</td><td>Monthly</td></tr>
<tr><td>• Awarded contracts</td><td></td></tr>
<tr><td>o CIDB register of contracts (I-Tender)</td><td>Monthly</td></tr>
<tr><td>• DCGIP</td><td>Monthly</td></tr>
<tr><td>• Top Management</td><td>Monthly</td></tr>
<tr><td>• Infrastructure Delivery Management Committee</td><td>Monthly</td></tr>
<tr><td>• PAC</td><td>As required</td></tr>
<tr><td>• Audit committee</td><td>As required</td></tr>
<tr><td>• Standing Committee on Transport and Public Works</td><td>As required</td></tr>
<tr><td>Procurement through bidding processes</td><td>Formal bids:<table><tr><td colspan="2">2017-18 financial year</td></tr><tr><td>Number of contracts awarded</td><td>2 0</td></tr><tr><td>Value of contracts awarded</td><td>3 972 16</td></tr></table>*In the main focussed on construction procurement.
Informal bids:<table><tr><td>2017-18 financial year</td></tr></table></td></tr>
</table>

Issues	Work performed
	Number of contracts awarded: 810 Value of contracts awarded: 2 095 386 353.67
SCM Compliance Assessments	Compliance inspections with the aim of improving compliance and assisting with the implementation of the SCM AO's System and its accompanying delegations: (3 Compliance Assessments were performed for the year under review). It comprised of the following: • Formal assessment with defined methodology • Plan • Engage • Prepare • Assess • Report • Monitoring and evaluation • Identify weakness • Mutual agreement to address weaknesses • Continuous one-on–one guidance • Asset Verification
SCM Complaints Mechanism	Investigate complaints and report all instances where the possibility of fraud, corruption, bid-rigging is evident (26 incidents investigated)
Bidder and Staff Verification	• Monthly Compliance Report obtained from Provincial Treasury to identify and verify the potential conflict of interest of employees • SCM Instruction 5 of 2013/14 - Bidder and staff verification SOP which facilitates the profiling of potential and current service providers as well as SCM practitioners in relation to private interest and the potential of conflict of interest between private interest and their obligation by public office • WCBD4 - combined SBD 4, 8 and 9 - Declaration of interest, bidders past SCM practices and independent bid determination is applied • Declaration of Interest by SCM practitioners is adhered to and the SCM Code of Conduct is applied • Declaration of interest of bid committee members

Issues	Work performed
Compulsory registration on the WCSD – central depository of all governance documents for the WCG as well as registration on the NT CSD	• Continuous facilitation of registering suppliers on the WCSD by participating in CDP with EPWP at CIS, as well as Supplier Development sessions (in collaboration with the DEDAT as well as various municipalities); mini workshops with suppliers, scrutinising registration documents for completeness and following-up on the status of submitted registration documents • CSD Roadshow in collaboration with the Provincial Treasury as well as to register suppliers on the CSD • Monitoring the WCSD and CSD to ensure that suppliers are still active • Checklists that informs and enforces compliance to compulsory registration
DCGIP	Redress any findings emanating from the AGSA Management report, Internal Audit reports, Provincial Treasury GAP analysis and SCOPA resolutions in respect of SCM to close control gaps, review inefficiencies in the process, do skills transfers where necessary or any other relevant consequence management

Capacity and skills programme implemented

The following training interventions were attended during the year:

Date	Description	Type of Training	No. of Attendees
24 April	UNISA First Pre-Exam	Workshop	9
25 April	UNISA First Pre-Exam	Workshop	25
25-26 April	Standard for Infrastructure Procurement and Delivery Management	Seminar	3
19 May	Infrastructure Progression Model	Internal Workshop	5
08 June	Small Business Expo-Chamber of Commerce/DEDAT	Expo/Training	3
14 June	Supply Chain Open Day- Villiersdorp	Training	2
01-02 August	IT security awareness training	Internal Workshop	10
10 August	Training Forum	Meeting	12
23-24 August	Cape Construction Conference and Trade Expo	Conference	2
11-15 September	Intermediate Project Management- George	Short Course	24

Date	Description	Type of Training	No. of Attendees
15 September	Forensics Seminar	Seminar	3
17-18 September	ACFE Annual Conference 2017	Conference	6
02-06 October	Infrastructure procurement and Delivery Management Course	Short Course	20
02-06 October	Junior Management Programme	Short Course	1
09-10 October	UNISA 2nd Pre-Exam Workshop-CPT	Workshop	15
11-12 October	Finance Indaba	Conference	6
12-13 October	UNISA 2nd Pre-Exam Workshop-George	Workshop	5
18-19 October	IT security awareness training	Internal Workshop	8
06-10 November	Intermediate Project Management- CPT	Short Course	22
5-9 February	Supervisory Practices for Junior Managers	Short Course	2
16 February	Strategic Procurement Awareness	Internal Workshop	2
16 February	NEC 4 Workshop	External Workshop	16
19-20 February	Revenue Management Training	Workshop	2
22 March	National Department of Tourism: Awareness Campaign	Campaign	1
5-7 March	Certified Fraud Examiners Course	Short Course	3

12 Internal Audit and Audit Committees

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the DTPW. It assists the DTPW to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes.

The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the DTPW's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process; and
- Assist the AO in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

The following assurance engagements were approved and completed in the 2017/18 Internal Audit Plan:

- DPSA Delegation;
- GMT – Fleet Services; and
- Transfer Payments – Dial a Ride.

The following consulting engagements were approved and completed in the 2017/18 Internal Audit Plan:

- Finance Payments – SOPs;
- Traffic Law Enforcement; and
- EPWP.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the DTPW, which include oversight and responsibilities relating to:

- Internal Audit function;
- External Audit function AGSA;
- Departmental Accounting and reporting;
- Departmental Accounting policies;
- Review of AGSA management and audit report;
- Review of Departmental In-year Monitoring;
- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives;
- Ethics; and
- Forensic Investigations.

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

Name	Qualifications	Internal or external	If internal, position in the depart-ment	Date appointed	Date resigned	No. of meetings attended
Mr Francois Barnard	BProc; BCompt(Honours); MComm; CTA; Postgrad Diploma in Auditing; CA(SA)	External	N/A	01 January 2016 (2nd term)	N/A	8
Mr Johannes Kleyn	Finance and Business Systems, Risk Management and Compliance	External	N/A	01 January 2018 (2nd term)	N/A	8
Ms Judy Gunther	CIA; AGA; Masters in Cost Accounting; BCompt; CRMA	External	N/A	01 January 2016 (1st term)	N/A	8
Mr Mervyn Burton	B Compt; B Compt (Hons); CA(SA)	External	N/A	01 January 2018 (1st term)	N/A	2

13 Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2018.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the PFMA and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged its responsibilities as contained therein.

The effectiveness of Internal Control

In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the Audit Committee and completed by Internal Audit during the year under review:

- DPSA Delegation (Assurance Engagement);
- GMT - Fleet Services (Assurance Engagement);
- Transfer Payments – Dial A Ride (Assurance Engagement);
- Finance Payments - SOP (Consulting Engagement);
- Traffic Law Enforcement (Consulting Engagement); and
- EPWP (Consulting Engagement).

The areas for improvement, as noted by Internal Audit during the performance of their work, were agreed to by management. The Audit Committee monitors the implementation of the agreed actions on a quarterly basis.

In-Year Management and Monthly/Quarterly Reports

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report with the Auditor – General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and management's response thereto;

- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements; and
- reviewed material adjustments resulting from the audit of the Department.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Report of the Auditor-General South Africa

The Audit Committee has:

on a quarterly basis, reviewed the Department's implementation plan for audit issues raised in the prior year;

reviewed the AGSA's Management Report and Management's responses thereto; and

met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit.

Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Annual Financial Statements be accepted and read together with their report.

The Audit Committee commends the Department for maintaining an unqualified audit opinion with no material findings.

_____

Mr Francois Barnard
Chairperson of the Audit Committee
Department of Transport and Public Works
Date: 07 August 2018

PART D

Human Resource Management

Part D: Human Resource Management

1 Introduction

Our unique contribution to the work of the WCG is as a result of the persistent, and often selfless, efforts of the people within the DTPW.

To consistently deliver improved services to the citizens of the Western Cape is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of "doing more with less".

Despite the changing patterns and increased demands impacting on the modern workplace, the consistent hard work of our people has resulted in remarkable achievements and service delivery improvement during the year under review.

2 Status of people management at the Department

2.1 Departmental workforce planning

The role of Workforce Planning is important to ensure that the DTPW has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the DTPW annually assesses its workforce profile against current and future organisational needs.

The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.

The Workforce Plan 2015-2020, is therefore aligned to the vision and mission of the DTPW's Strategic Plan, as well as the People Management Strategy.

The assumptions on which this Workforce Plan was developed are still valid and the Action Plan was reviewed to ensure that strategies (as per the listed priorities) would achieve its outcomes:

- An equitable workforce;
- Competent people in the right numbers at the right place at the right time with the right attitude;
- A performance conducive workplace;
- Leaders that model the behaviours associated with the organisation's values;
- Highly engaged people;
- Motivated employees who are in tune with the culture of the organisation;
- Improved ethical conduct and a reduction of acts of corruption; and
- Highly engaged people.

The Workforce Plan was reviewed to ensure that the Workforce Strategies and key activities remained valid and appropriate for the 2018/19 financial year. The current Workforce Plan expires on 31 March 2020.

2.2 Employee performance management

The purpose of performance management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the WCG has devised an electronic system, namely Performance Management Information System, that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the CSC (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

2.3 Employee wellness

The WCG's transversal Employee Health and Wellness Programme (EHWP) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW Programme is monitored in the DTPW through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the DPSA is a requirement and such reporting focuses on four areas namely, Human Immunodeficiency Virus (HIV)/ Acquired Immune Deficiency Syndrome (AIDS), Health and Productivity, Wellness Management and SHEQ (Safety Health Environment and Quality).

2.4 People management monitoring

The DTPW, in collaboration with the CSC monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, that is developed by the Chief-Directorate: People Management Practices within the CSC, provides the DTPW with regular updates on the workforce profile and other relevant people management data to enable decision-making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement and employment equity etcetera.

During the year under review, the DTPW furthermore participated in the implementation of the annual MPAT 1.7 coordinated by the Department of Planning Monitoring and Evaluation. In this regard, an average score of 3.6 out of 4 was achieved for the people management key performance area (KPA3). This is amongst the highest scores achieved for this performance area nationally.

3 People management oversight statistics

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the BAS and the figures in Table 3.1.2 are drawn from the PERSAL system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

The key in the table below is a description of the Programmes within the DTPW. Programmes will be referred to by their number from this point forward.

Programme	Programme Designation
1	Administration
2	Public Works Infrastructure

Programme	Programme Designation
3	Transport Infrastructure
4	Transport Operations
5	Transport Regulation
6	Community-Based Programmes

Table 3.1.1: Personnel expenditure by Programme, 2017/18

Programme	Total expen-diture (R'000)	Personnel expen-diture (R'000)	Training expen-diture (R'000)	Goods and services (R'000)	Personnel expen-diture as a % of total expen-diture	Average personnel expen-diture per employee (R'000)	Number of employees
1	170 467	115 201	15 530	37 722	67.6	389	296
2	1 842 558	158 352	0	854 482	8.6	395	401
3	3 429 381	181 848	455	614 124	5.3	238	763
4	1 211 596	17 334	0	157 753	1.4	433	40
5	794 428	269 196	113	466 246	33.9	328	821
6	52 904	32 321	7 362	19 858	61.09	344	94
Total	**7 501 334**	**774 252**	**23 460**	**2 150 185**	**10.3**	**321**	**2 415**

***Note**: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.*

Table 3.1.2: Personnel expenditure by salary band, 2017/18

Salary bands	Personnel expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of employees
Lower skilled (Levels 1-2)	48 774	6.3	120	405
Skilled (Levels 3-5)	114 140	14.6	202	564
Highly skilled production (Levels 6-8)	319 646	41.0	325	985
Highly skilled supervision (Levels 9-12)	237 275	30.4	584	406
Senior management (Levels 13-16)	59 645	7.7	1 085	55
Total	**779 480**	**100.0**	**323**	**2 415**

***Note**: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.*

Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2017/18

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
1	81 301	10.4	630	0.1	2 848	0.4	4 412	0.6
2	111 222	14.3	4	0.001	3 237	0.4	6 168	0.8
3	123 271	15.8	706	0.1	8 306	1.1	12 976	1.7
4	12 354	1.6	37	0.005	229	0.03	484	0.1
5	184 347	23.6	4 762	0.6	8 954	1.1	17 093	2.2
6	20 753	2.7	-	-	890	0.1	1 408	0.2
Total	**533 247**	**68.4**	**6 138**	**0.8**	**24 465**	**3.1**	**42 540**	**5.5**

***Note**: The table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure.*

Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary band, 2017/18

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (Levels 1-2)	32 444	4.2	150	0.0	3 928	0.5	5 664	0.7
Skilled (Levels 3-5)	76 638	9.8	705	0.1	6 597	0.8	10 010	1.3
Highly skilled production (Levels 6-8)	221 373	28.4	4 912	0.6	11 199	1.4	20 763	2.7
Highly skilled supervision (Levels 9-12)	164 901	21.2	371	0.05	2 365	0.3	5 638	0.7
Senior management (Levels 13-16)	37 890	4.9	0	0.0	376	0.05	465	0.1
Total	**533 247**	**68.4**	**6 138**	**0.8**	**24 465**	**3.1**	**42 540**	**5.5**

3.2 Employment and vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Minister), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and

Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2018

Programme	Number of funded posts	Number of posts filled	Vacancy rate %
1	262	256	2.3
2	364	350	3.8
3	708	698	1.4
4	37	35	5.4
5	769	762	0.9
6	61	61	0.0
Total	**2 201**	**2 162**	**1.8**

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2018

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	430	423	1.6
Skilled (Levels 3-5)	392	390	0.5
Highly skilled production (Levels 6-8)	977	968	0.9
Highly skilled supervision (Levels 9-12)	348	331	4.9
Senior management (Levels 13-16)	54	50	7.4
Total	**2 201**	**2 162**	**1.8**

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2018

Critical occupations	Number of funded posts	Number of posts filled	Vacancy rate %
Architect	30	27	10.0
Architectural Technician	10	10	0.0
Engineer	66	60	9.1
Engineering Technician	46	46	0.0
GIS Technician	2	2	0.0
Quantity Surveyor	22	22	0.0
Quantity Surveying Technician	5	5	0.0
Total	**181**	**172**	**5.0**

***Note**: The DTPW has a new Workforce Plan (1 April 2015 – 31 March 2020) which has resulted in revised critical occupations.*

Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the DTPW, the function/services will collapse.

3.3 Job evaluation

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.3.1: Job evaluation, 1 April 2017 to 31 March 2018

Salary Band	Total number of funded posts as at 31 March 2018	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts down-graded as a % of total posts
Lower skilled (Levels 1-2)	430	8	0.4	0	0.0	0	0.0
Skilled (Levels 3-5)	392	25	1.1	3	0.1	0	0.0
Highly skilled production (Levels 6-8)	977	18	0.8	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	348	7	0.3	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	36	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	13	0	0.0	0	0.0	0	0.0
Senior Management Service Band C (Level 15)	4	0	0.0	0	0.0	0	0.0
Senior Management Service Band D (Level 16)	1	0	0.0	0	0.0	0	0.0
Total	**2 201**	**58**	**2.6**	**3**	**0.1**	**0**	**0.0**

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2017 to 31 March 2018

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	0	**0**
Male	0	0	0	0	**0**
Total	**0**	**0**	**0**	**0**	**0**
Employees with a disability					**0**

***Note**: Table 3.3.2 is a breakdown of posts upgraded in table 3.3.1.*

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular grade. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2017 to 31 March 2018

Major occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Director	1	13	0	5 notch increment	Retention
Total				**1**	
Percentage of total employment				**0.01**	

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2017 to 31 March 2018

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	0	**0**
Male	0	0	1	0	**1**
Total	**0**	**0**	**1**	**0**	**1**
Employees with a disability					**0**

***Note**: Table 3.3.4 is a breakdown of table 3.3.3 by race and gender.*

3.4 Employment changes

Turnover rates provide an indication of trends in the employment profile of the DTPW during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include intern information.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2017 to 31 March 2018

Salary Band	Number of employees as at 31 March 2017	Turn-over rate 2016/17 %	Appoint-ments into the Depart-ment	Transfers into the Depart-ment	Terminations out of the Depart-ment	Transfers out of the Department	Turnover rate 2017/18 %
Lower skilled) (Levels 1-2)	438	2.2	22	1	13	0	**3.0**
Skilled (Levels 3-5)	393	11.6	42	2	44	1	**11.5**
Highly skilled production (Levels 6-8)	972	7.8	45	5	55	7	**6.4**
Highly skilled supervision (Levels 9-12)	310	15.0	41	5	39	5	**14.2**
SMS Band A (Level 13)	33	6.3	4	0	2	1	**9.1**
SMS Band B (Level 14)	13	0.0	0	0	0	0	**0.0**
SMS Band C (Level 15)	4	0.0	0	0	2	0	**50.0**
SMS Band D (Level 16)	1	0.0	0	0	0	0	**0.0**
Total	**2 164**	**8.3**	**154**	**13**	**155**	**14**	**7.8**
			167		**169**		

***Note**: Transfers refer to the lateral movement of employees from one Public Service department to another. The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2017).*

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2017 to 31 March 2018

Critical Occupation	Number of employees as at 31 March 2017	Turnover rate 2016/17 %	Appoint-ments into the Depart-ment	Transfers into the Department	Termina-tions out of the Depart-ment	Transfers out of the Department	Turnover rate 2017/18 %
Architect	28	4.5	8	0	4	0	**14.3**
Architectural Technician	8	0.0	3	1	0	0	**0.0**
Engineer	57	30.0	16	0	9	1	**17.5**
Engineering Technician	42	6.7	11	0	3	0	**7.1**
GIS Technician	4	0.0	0	0	2	0	**50.0**
Quantity Surveyor	21	6.7	1	1	1	0	**4.8**

Critical Occupation	Number of employees as at 31 March 2017	Turnover rate 2016/17 %	Appoint-ments into the Depart-ment	Transfers into the Department	Termina-tions out of the Depart-ment	Transfers out of the Department	Turnover rate 2017/18 %
Quantity Surveying Technician	4	0.0	1	0	0	0	**0.0**
Total	164	13.8	40	2	19	1	**12.2**
			42		**20**		

***Note**: The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2017).*

Table 3.4.3: Staff leaving the employ of the DTPW, 1 April 2017 to 31 March 2018

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2017
Death	5	3.0	0.2
Resignation *	62	36.7	2.9
Expiry of contract	24	14.2	1.1
Dismissal – operational changes	0	0.0	0.0
Dismissal – misconduct	10	5.9	0.5
Dismissal – inefficiency	0	0.0	0.0
Discharged due to ill-health	9	5.3	0.4
Retirement	45	26.6	2.1
Employee initiated severance package	0	0.0	0.0
Transfers to Statutory	0	0.0	0.0
Transfers to other Public Service Departments	14	8.3	0.6
Total	**169**	**100.0**	**7.8**

***Note**: Table 3.4.3 identifies the different exit categories for those staff members who have left the employ of the DTPW.*

** Resignations are further discussed in tables 3.4.4 and 3.4.5.*

Table 3.4.4: Reasons why staff resigned, 1 April 2017 to 31 March 2018

Resignation Reasons	Number	% of total resignations
Family/Personal Circumstances	1	1.6
Further Studies	3	4.8
Health Problems	3	4.8
Household Related	1	1.6
Insufficient Progression Possibilities	2	3.2
No Reason Provided	19	30.6
Other Occupation	23	37.1
Personal Grievances	3	4.8
Transfer (Spouse)	4	6.5

Resignation Reasons	Number	% of total resignations
Contract to Permanent *	3	4.8
Total	**62**	**100.0**

***Note**: * "Contract to permanent" refers to contract employees who have resigned from their contracts to take up a permanent post in the DTPW.*

Table 3.4.5: Different age groups of staff who resigned, 1 April 2017 to 31 March 2018

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	1	1.6
Ages 25 to 29	13	21.0
Ages 30 to 34	12	19.4
Ages 35 to 39	9	14.5
Ages 40 to 44	8	12.9
Ages 45 to 49	7	11.3
Ages 50 to 54	4	6.5
Ages 55 to 59	3	4.8
Ages 60 to 64	2	3.2
Ages 65 >	3	4.8
Total	**62**	**100.0**

Table 3.4.6: Employee initiated severance packages

Total number of employee initiated severance packages offered in 2017/ 2018	None

Table 3.4.7: Promotions by salary band, 1 April 2017 to 31 March 2018

Salary Band	Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	438	0	0.0	108	24.7
Skilled (Levels 3-5)	393	9	2.3	321	81.7
Highly skilled production (Levels 6-8)	972	17	1.7	575	59.2
Highly skilled supervision (Levels 9-12)	310	22	7.1	162	52.3
Senior management (Levels 13-16)	51	2	3.9	32	62.7
Total	**2 164**	**50**	**2.3**	**1198**	**55.4**

***Note**: Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees.*

Table 3.4.8: Promotions by critical occupation, 1 April 2017 to 31 March 2018

Critical occupation	Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Architect	28	2	7.1	6	21.4
Architectural Technician	8	0	0.0	3	37.5
Engineer	57	1	1.8	6	10.5
Engineering Technician	42	2	4.8	6	14.3
GIS Technician	4	0	0.0	0	0.0
Quantity Surveyor	21	0	0.0	4	19.0
Quantity Surveying Technician	4	0	0.0	2	50.0
Total	**164**	**5**	**3.0**	**27**	**16.5**

***Note**: Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees.*

3.5 Employment equity

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	2	0	1	0	1	0	1	0	0	**5**
Senior management (Levels 13-14)	3	12	3	10	3	7	0	7	0	0	**45**
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	25	129	8	91	29	53	4	30	0	0	**369**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	117	283	1	72	111	262	1	78	0	0	**925**
Semi-skilled and discretionary decision making (Levels 3-5)	139	197	1	17	49	110	1	11	0	0	**525**
Unskilled and defined decision making (Levels 1-2)	72	119	0	3	44	54	0	1	0	0	**293**
Total	**356**	**742**	**13**	**194**	**236**	**487**	**6**	**128**	**0**	**0**	**2 162**
Temporary employees	0	0	0	0	0	0	0	0	0	0	**0**
Grand total	**356**	**742**	**13**	**194**	**236**	**487**	**6**	**128**	**0**	**0**	**2 162**

A = African; C = Coloured; I = Indian; W = White.

***Note**: The figures reflected per occupational levels include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level. For the number of employees with disabilities, refer to Table 3.5.2.*

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	**0**
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	**0**
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	2	0	1	0	1	0	0	0	0	**4**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	4	0	2	0	1	0	1	0	0	**9**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Semi-skilled and discretionary decision making (Levels 3-5)	3	1	0	2	0	0	0	0	0	0	**6**
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	1	0	1	0	0	**3**
Total	**4**	**8**	**0**	**5**	**0**	**3**	**0**	**2**	**0**	**0**	**22**
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	**4**	**8**	**0**	**5**	**0**	**3**	**0**	**2**	**0**	**0**	**22**

A = African; C = Coloured; I = Indian; W = White.

***Note**: The figures reflected per occupational level include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level.*

Table 3.5.3: Recruitment, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management *(Levels 15-16)*	0	0	0	0	0	0	0	0	0	0	**0**
Senior management *(Levels 13-14)*	0	1	0	0	1	1	0	1	0	0	**4**
Professionally qualified and experienced specialists and mid-management *(Levels 9-12)*	1	16	1	13	3	3	1	8	0	0	**46**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents *(Levels 6-8)*	9	14	1	3	5	14	1	3	0	0	**50**
Semi-skilled and discretionary decision making *(Levels 3-5)*	8	18	0	5	3	10	0	0	0	0	**44**
Unskilled and defined decision making *(Levels 1-2)*	3	18	0	1	0	1	0	0	0	0	**23**
Total	**21**	**67**	**2**	**22**	**12**	**29**	**2**	**12**	**0**	**0**	**167**
Temporary employees	0	0	0	0	0	0	0	0	0	0	**0**
Grand total	**21**	**67**	**2**	**22**	**12**	**29**	**2**	**12**	**0**	**0**	**167**

A = African; C = Coloured; I = Indian; W = White.

***Note**: Recruitment refers to the appointment of new employees to the staff establishment of the Department. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.*

Table 3.5.4: Promotions, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	1	0	0	0	0	**1**
Senior management (Levels 13-14)	0	0	0	0	0	0	0	1	0	0	**1**
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	6	0	6	2	5	1	1	0	0	**22**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	5	0	1	2	6	0	1	0	0	**17**
Semi-skilled and discretionary decision making (Levels 3-5)	3	4	0	0	1	1	0	0	0	0	**9**
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	**0**
Total	**6**	**15**	**0**	**7**	**5**	**13**	**1**	**3**	**0**	**0**	**50**
Temporary employees	0	0	0	0	0	0	0	0	0	0	**0**
Grand total	**6**	**15**	**0**	**7**	**5**	**13**	**1**	**3**	**0**	**0**	**50**

A = African; C = Coloured; I = Indian; W = White.

***Note**: Promotions refer to the total number of employees who have advanced to a higher post level within the DTPW, as per Table 3.4.7.*

Table 3.5.5: Terminations, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	2	0	0	0	0	0	0	**2**
Senior management (Levels 13-14)	0	0	0	3	0	0	0	0	0	0	**3**
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	11	1	23	0	2	1	3	0	0	**44**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	6	11	0	9	6	19	1	10	0	0	**62**
Semi-skilled and discretionary decision making (Levels 3-5)	17	15	0	3	3	6	0	1	0	0	**45**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Unskilled and defined decision making (Levels 1-2)	3	7	0	0	0	2	0	1	0	0	**13**
Total	**29**	**44**	**1**	**40**	**9**	**29**	**2**	**15**	**0**	**0**	**169**
Temporary employees	0	0	0	0	0	0	0	0	0	0	**0**
Grand total	**29**	**44**	**1**	**40**	**9**	**29**	**2**	**15**	**0**	**0**	**169**

A = African; C = Coloured; I = Indian; W = White.

***Note**: Terminations refer to those employees who have left the employ of the DTPW, including transfers to other departments, as per Table 3.4.1.*

Table 3.5.6: Disciplinary actions, 1 April 2017 to 31 March 2018

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay coupled with a Final Written Warning	1	1	0	1	0	1	0	0	0	0	**4**
Dismissal	1	2	0	0	0	2	0	0	0	0	**5**
Not guilty	1	1	0	0	0	0	0	0	0	0	**2**
Abscondment	2	1	0	0	0	1	0	0	0	0	**4**
Total	**5**	**5**	**0**	**1**	**0**	**4**	**0**	**0**	**0**	**0**	**15**

A = African; C = Coloured; I = Indian; W = White.

***Note**: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.*

Table 3.5.7: Skills development, 1 April 2017 to 31 March 2018

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	2	0	2	0	0	0	1	**5**
Senior management (Levels 13-14)	2	6	2	6	2	6	0	5	**29**
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	17	78	4	53	18	36	2	21	**229**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	78	225	1	49	80	195	0	30	**658**
Semi-skilled and discretionary decision making (Levels 3-5)	57	88	1	8	27	68	0	5	**254**

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Unskilled and defined decision making (Levels 1-2)	24	74	0	0	18	28	0	0	**144**
Total	**178**	**473**	**8**	**118**	**145**	**333**	**2**	**62**	**1 319**
Temporary employees	0	0	0	0	0	0	0	0	**0**
Grand total	**178**	**473**	**8**	**118**	**145**	**333**	**2**	**62**	**1 319**

A = African; C = Coloured; I = Indian; W = White.

***Note**: The above table refers to the total number of employees including interns who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.*

3.6 Signing of performance agreements by SMS members

Table 3.6.1: Signing of performance agreements by SMS Members, as at 31 May 2017

SMS Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed performance agreements per level	Signed performance agreements as % of SMS members per level
HOD	1	1	1	100.0
Salary Level 15	4	4	4	100.0
Salary Level 14	13	13	13	100.0
Salary Level 13	35	32	32	100.0
Total	**53**	**50**	**50**	**100.0**

***Note**: This table refers to employees who are appointed as SMS members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.*

Table 3.6.2: Reasons for not having concluded performance agreements with all SMS members on 31 May 2017

Reasons for not concluding performance agreements with all SMS
None required

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2017

Disciplinary steps taken against SMS members for not having concluded performance agreements
None required

3.7 Filling of SMS posts

Table 3.7.1: SMS posts information, as at 30 September 2017

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts filled per level
HOD	1	1	100	0	0.0
Salary Level 15	4	4	100	0	0.0
Salary Level 14	12	12	100	0	0.0
Salary Level 13	34	33	97.1	1	2.9
Total	**51**	**50**	**98**	**1**	**2**

Table 3.7.2: SMS posts information, as at 31 March 2018

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts filled per level
HOD	1	1	100	0	0.0
Salary Level 15	4	3	75	1	25.0
Salary Level 14	13	13	100	0	0.0
Salary Level 13	36	33	91.7	3	8.3
Total	**54**	**50**	**92.6**	**4**	**7.4**

Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2018

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
HOD	0	0	0
Salary Level 15	1	1	0
Salary Level 14	0	1	0
Salary Level 13	11	2	1
Total	**12**	**4**	**1**

Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant

SMS Level	Reasons for non-compliance
HOD	None required
Salary Level 15	None required
Salary Level 14	None required
Salary Level 13	None required

Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None required

3.8 Employee performance

Table 3.8.1: Notch progressions by salary band, 1 April 2017 to 31 March 2018

Salary Band	Employees as at 31 March 2017	Progressions to another notch within a salary band	Notch progressions as a % of total employees within a salary band
Lower skilled (Levels 1-2)	438	108	24.7
Skilled (Levels 3-5)	393	321	81.7
Highly skilled production (Levels 6-8)	972	575	59.2
Highly skilled supervision (Levels 9-12)	310	162	52.3
Senior management (Levels 13-16)	51	32	62.7
Total	**2 164**	**1 198**	**55.4**

***Note**: Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees.*

Table 3.8.2: Notch progressions by critical occupation, 1 April 2017 to 31 March 2018

Critical occupations	Employees as at 31 March 2017	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees within a critical occupation
Architect	28	6	21.4
Architectural Technician	8	3	37.5
Engineer	57	6	10.5
Engineering Technician	42	6	14.3
GIS Technician	4	0	0.0
Quantity Surveyor	21	4	19.0
Quantity Surveying Technician	4	2	50.0
Total	**164**	**27**	**16.5**

***Note**: Employees who do not qualify for notch progressions include those who are on probation, as well as poor performing employees.*

To encourage good performance, the DTPW has granted the following performance rewards to employees for the performance period 2016/17, but paid in the financial year 2017/18. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2017 to 31 March 2018

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	**175**	**594**	**29.5**	**1 042**	**5 954**
Male	107	361	29.6	593	5 541
Female	68	233	29.2	449	6 605
Coloured	**464**	**1 198**	**38.7**	**4 251**	**9 161**
Male	261	713	36.6	2 361	9 046
Female	203	485	41.9	1 890	9 308
Indian	**10**	**17**	**58.8**	**188**	**18 791**
Male	6	11	54.5	139	23 243
Female	4	6	66.7	48	12 113
White	**133**	**335**	**39.7**	**2 263**	**17 017**
Male	77	206	37.4	1 476	19 171
Female	56	129	43.4	787	14 057
Employees with a disability	**7**	**20**	**35.0**	**97**	**13 820**
Total	**789**	**2 164**	**36.5**	**7 841**	**9 937**

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2017 to 31 March 2018

Salary Bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	108	438	24.7	347	3 217	0.04
Skilled (Levels 3-5)	230	393	58.5	1 151	5 005	0.2
Highly skilled production (Levels 6-8)	272	972	28.0	2 520	9 265	0.4
Highly skilled supervision (Levels 9-12)	151	310	48.7	2 825	18 710	0.4
Total	**761**	**2 113**	**36.0**	**6 843**	**8 993**	**1.0**

***Note**: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12, reflected in Table 3.1.2.*

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2017 to 31 March 2018

Salary Bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
SMS Band A (Level 13)	14	33	42.4	451	32 240	0.8
SMS Band B (Level 14)	12	13	92.3	427	35 565	0.7
SMS Band C (Level 15)	1	4	25.0	33	33 026	0.1
SMS Band D (Level 16)	1	1	100.0	86	85 755	0.1
Total	**28**	**51**	**54.9**	**997**	**35 604**	**1.7**

***Note**: The cost is calculated as a percentage of the total personnel expenditure for salary levels 13-16, reflected in Table 3.1.2.*

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2017 to 31 March 2018

Critical occupation	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
Architect	3	28	**10.7**	76	25 283	0.01
Architectural Technician	1	8	**12.5**	15	15 063	0.0
Engineer	13	57	**22.8**	361	27 763	0.1
Engineering Technician	6	42	**14.3**	71	11 881	0.002
GIS Technician	0	4	**0.0**	0	0	0.0
Quantity Surveyor	2	21	**9.5**	20	10 131	0.003
Quantity Surveying Technician	2	4	**50.0**	64	31 910	0.01
Total	**27**	**164**	**16.5**	**607**	**22 489**	**0.1**

***Note**: The cost is calculated as a percentage of the total personnel expenditure reflected in Table 3.1.2.*

3.9 Foreign workers

The tables below summarise the employment of foreign nationals in the DTPW 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 3.9.1: Foreign workers by salary band, 1 April 2017 to 31 March 2018

Salary Band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	0	0.0	0	0.0	0	0.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**

***Note**: The table above excludes non- citizens with permanent residence in the Republic of South Africa.*

Table 3.9.2: Foreign workers by major occupation, 1 April 2017 to 31 March 2018

Major occupation	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% change
None	0	0.0	0	0.0	0	0.0
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**

***Note**: The table above excludes non- citizens with permanent residence in the Republic of South Africa.*

3.10 Leave utilisation for the period 1 January 2017 to 31 December 2017

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided. The total number of employees refer to all employees remunerated during the period under review.

Table 3.10.1: Sick leave, 1 January 2017 to 31 December 2017

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	3070	76.8	333	374	89.0	9	1 130
Skilled (Levels 3-5)	4 399	80.7	491	564	87.1	9	2 485
Highly skilled production (Levels 6-8)	7 894	74.2	853	985	86.6	9	7 225

Salary Band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Highly skilled supervision (Levels 9-12)	2 268	75.7	294	406	72.4	8	4 047
Senior management (Levels 13-16)	330	80.6	38	55	69.1	9	1 009
Total	**17 961**	**76.5**	**2 009**	**2 384**	**84.3**	**9**	**15 896**

***Note**: The three-year sick leave cycle started in January 2016 and ends in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.*

Table 3.10.2: Incapacity leave, 1 January 2017 to 31 December 2017

Salary Band	Total days	% days with medical certifica-tion	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost (R'000)
Lower skilled (Levels 1-2)	1 166	100.0	26	374	7.0	45	458
Skilled (Levels 3-5)	1 629	100.0	28	564	5.0	58	876
Highly skilled production (Levels 6-8)	2 331	100.0	56	985	5.7	42	2298
Highly skilled supervision (Levels 9-12)	539	100.0	14	406	3.4	39	886
Senior management (Levels 13-16)	103	100.0	2	55	3.6	52	390
Total	**5 768**	**100.0**	**126**	**2 384**	**5.3**	**46**	**4 908**

***Note**: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the LRA. Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).*

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual Leave, 1 January 2017 to 31 December 2017

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	7 488	389	19
Skilled (Levels 3-5)	13 266	555	24
Highly skilled production (Levels 6-8)	23 479	957	25
Highly skilled supervision (Levels 9-12)	8 552	374	23
Senior management (Levels 13-16)	1 155	53	22
Total	**53 940**	**2 328**	**23**

Table 3.10.4: Capped leave, 1 January 2017 to 31 December 2017

Salary Band	Total capped leave available as at 31 Dec 2016	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employ-ee	Number of employees with capped leave as at 31 Dec 2017	Total capped leave available as at 31 Dec 2017
Lower skilled (Levels 1-2)	137	0	0	0	21	117
Skilled (Levels 3-5)	7 345	47	9	5	174	5 100
Highly skilled production (Levels 6-8)	9 080	343	21	16	184	6 161
Highly skilled supervision (Levels 9-12)	7 840	54	4	14	97	5 405
Senior management (Levels 13-16)	1 706	0	0	0	15	1 286
Total	**26 109**	**444**	**34**	**13**	**491**	**18069**

***Note**: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the DTPW, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total.*

Table 3.10.5 summarises capped- and annual leave payments made to employees as a result of non-utilisation.

Table 3.10.5: Leave pay-outs, 1 April 2017 to 31 March 2018

Reason	Total Amount (R'000)	Number of incidents	Average payment per employee
Leave pay-outs during 2017/18 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service	3 654	29	126 009
Current leave pay-outs on termination of service	2 403	102	23 556
Total	**6 057**	**131**	**46 236**

3.11 Health promotion programmes, including HIV and AIDS

Table 3.11.1: Health promotion programmes, including HIV and AIDS

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the DTPW's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the DTPW.	HIV & AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. The outsourced Employee Health and Wellness (EHW) contract for the EHWP provides employees and their immediate family members (it means the spouse or partner of an employee or children living with an employee) with a range of services. These services include the following: • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online E-Care services; and • Training, coaching and targeted Interventions where these were required.

Table 3.11.2: Details of health promotion including HIV and AIDS Programmes, 1 April 2017 to 31 March 2018

Question	Yes	No	Details, if yes
1. Has the DTPW designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the PSR, 2016? If so, provide her/his name and position.	√		Ms Reygana Shade, Director: Organisational Behaviour, (DotP).
2. Does the DTPW 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.	√		The CSC within the DotP provides a transversal service to eleven (11) departments, including the DTPW. A designated EHW unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments. The unit consists of a Deputy Director (vacant from February 2018), three (3) Assistant Directors, and three (3) EHW Practitioners. Budget: R2.65 m

Question	Yes	No	Details, if yes
3. Has the DTPW introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	√		The DotP has entered into a service level agreement with ICAS (external service provider) to render an EHW service to the eleven departments of the CSC. The following interventions were conducted: Disability and Mental Health, Diversity Management, Substance Abuse, Effective Communication, Stress and Work-Life Balance, Financial Management, Team Cohesion, GRIT (Guts, Resilience, Influence and Tenacity), Employee Information session and Information desks, HCT and Wellness Screening and Coaching for managers. These interventions were planned based on the trends reported quarterly through the EHWP reports provided by the service provider, *ICAS*, for the period 2017/18**.** The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends. The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for employees and managers. Information sessions were also provided to inform employees of the EHW service and how to access the EHWP. Promotional material such as pamphlets, posters and brochures were distributed.
4. Has the DTPW established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the PSR, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department. The DTPW is represented by C. Marx.

Question	Yes	No	Details, if yes
5. Has the DTPW 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.	√		The Transversal Management Framework for EHWP in the WCG is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape on 10 August 2005. In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Whilst the four (4) provincial EHW policies were ratified and approved during the previous financial year, the workplace practices are constantly monitored to ensure policy compliance and fairness. One of the policies, HIV & AIDS and Tuberculosis (TB) Management, responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB (tuberculosis) in the workplace. Further to this, the DoH, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the WCG. The document is in line with the four pillars of the EHW Strategic Framework 2008.
6. Has the DTPW 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.	√		The PSP on HIV & AIDS, Sexual Transmitted Infections (STIs) and TB 2017-2022 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma. The overarching aim of the said PSP is to protect HIV-positive employees by advocating to reduce the number of new HIV infections and the number of TB cases. Through expanded treatment and care services, the province aims to meet the 90-90-90 targets for both HIV and TB, as well as to achieve a 75% treatment success rate for drug-resistant TB. HIV 90-90-90 target, as recommended by UNAIDS, provides that by 2020: 90% of all people living with HIV will know their HIV status; 90% of all people with an HIV diagnosis receive sustained antiretroviral therapy; and 90% of all people receiving antiretroviral therapy achieve viral suppression. TB 90-90-90 target provides for: 90% of vulnerable groups should have been screened for TB; 90% of people with TB should be diagnosed and started on treatment, and 90% of those treated for TB should be cured. The DTPW participated in HCT and Wellness screenings to ensure that every employee is tested for HIV and screened for TB, at least annually. The aim was to:

Question	Yes	No	Details, if yes
			Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. Other key elements that addressed anti HIV & AIDS discrimination issues were: Conducting Wellness and TB Screenings with specific requests from departments; Distributing posters and pamphlets; Providing HCT and TB Screenings, condom distribution and spot talks; and Commemoration of World AIDS Day and Wellness events.
7. Does the DTPW encourage its employees to undergo HCT? If so, list the results that you have you achieved.	√		HCT SESSIONS: The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks. The DTPW participated in 7 HCT and Wellness screening sessions. 652 Employees were tested and counselled for HIV, TB and Sexually Transmitted Infections (STIs). There were 5 clinical referrals for TB, 2 for STIs, 0 HIV or any other similar condition.
8. Has the DTPW developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		The impact of health promotion programmes is indicated through information provided through the EHW contract (external service provider). The EHWP is monitored through Quarterly and Annual reporting. This reporting is provided by (ICAS). The most recent annual health review period was 1 April 2017 – 31 March 2018. The quarterly and annual review provides a breakdown of the EHWP Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases, etc. The review further provides, amongst others, details pertaining to service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the workplace.

3.12 Labour relations

The following provincial collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2017 to 31 March 2018

Total collective agreements	None

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the DTPW for the period.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2017 to 31 March 2018

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Dismissal	5	33.3
Desertion	4	26.7
Not guilty	2	13.3
Suspension without pay coupled with a Final Written Warning	4	26.7
Total	**15**	**100.0**
Percentage of total employment		**0.6**

***Note**: Outcomes of disciplinary hearings refer to formal cases only.*

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2017 to 31 March 2018

Type of misconduct	Number	% of total
Prejudices administration of organisation or department	2	13.3
Absent from work without reason or permission	5	33.3
Assault/attempts or threaten to assault a person	2	13.3
Damages and / or causes loss of state property	2	13.3
Fails to comply with or contravenes an act	1	6.7
Possesses or wrongfully uses property of state	1	6.7
Steals, bribes or commits fraud	2	13.3
Total	**15**	**100**

Table 3.12.4: Grievances lodged, 1 April 2017 to 31 March 2018

Grievances lodged	Number	% of total
Number of grievances resolved	83	79.0
Number of grievances not resolved	22	21.0
Total number of grievances lodged	**105**	**100.0**
Percentage of total number of employees		**4.9**

***Note**: Grievances lodged refer to cases that were finalised within the reporting period. Grievances not resolved refer to cases finalised, but where the outcome was not in favour of the aggrieved and found to be unsubstantiated.*

Table 3.12.5: Disputes lodged with councils, 1 April 2017 to 31 March 2018

Disputes lodged with councils	Number	% of total
Number of disputes upheld	3	25.0
Number of disputes dismissed	9	75.0
Total number of disputes lodged	**12**	**100.0**

***Note**: Councils refer to the PSCBC and General Public Service Sector Bargaining Council. When a dispute is "upheld", it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is "dismissed", it means that the Council is not ruling in favour of the aggrieved.*

Table 3.12.6: Strike actions, 1 April 2017 to 31 March 2018

Strike actions	Number
Total number of person working days lost	1
Total cost of working days lost	R1 044.26
Amount recovered as a result of no work no pay	0

Table 3.12.7: Precautionary suspensions, 1 April 2017 to 31 March 2018

Precautionary suspensions	Number
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	54 days
Cost of suspensions	R 40 108.86

***Note**: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.*

3.13 Skills development

Table 3.13.1: Training needs identified, 1 April 2017 to 31 March 2018

Occupational categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	16	0	17	0	**17**
	Male	35	0	22	0	**22**
Professionals	Female	95	0	94	0	**94**
	Male	207	0	192	0	**192**
Technicians and associate professionals	Female	451	0	748	0	**748**
	Male	519	0	697	0	**697**
Clerks	Female	174	0	190	0	**190**
	Male	217	0	263	0	**263**

Occupational categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Elementary occupations	Female	119	0	77	0	**77**
	Male	320	0	145	0	**145**
Sub Total	Female	**855**	**0**	**1 126**	**0**	**1 126**
	Male	**1 298**	**0**	**1 319**	**0**	**1 319**
Total		**2 153**	**0**	**2445**	**0**	**2 445**
Employees with disabilities	Female	3	0	0	0	**0**
	Male	17	0	0	0	**0**

***Note**: The above table identifies the training needs at the start of the reporting period as per the DTPW's Workplace Skills Plan.*

Table 3.13.2: Training provided, 1 April 2017 to 31 March 2018

Occupational categories	Gender	Number of employees as at 31 March 2018	Training needs identified at start of reporting period			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	19	0	33	0	**33**
	Male	31	0	35	0	**35**
Professionals	Female	116	0	171	0	**171**
	Male	253	0	327	0	**327**
Technicians and associate professionals	Female	452	0	639	0	**639**
	Male	473	0	737	0	**737**
Clerks	Female	171	0	167	0	**167**
	Male	354	0	271	0	**271**
Elementary occupations	Female	99	0	78	0	**78**
	Male	194	0	163	0	**163**
Sub Total	**Female**	857	0	1 088	0	1 088
	Male	1 305	0	1 533	0	1 533
Total		**2 162**	**0**	**2 621**	**0**	2 621
Employees with disabilities	Female	5	0	0	0	**0**
	Male	17	0	0	0	**0**

3.14 Injury on duty

Table 3.14.1 provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2017 to 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	12	15.6
Temporary disablement	64	83.1

Nature of injury on duty	Number	% of total
Permanent disablement	0	0.0
Fatal	1	1.3
Total	**77**	**100.0**
Percentage of total employment		**3.2**

3.15 Utilisation of consultants

Table 3.15.1: Utilisation of consultants

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
Programme 1- Administration	Procurement of a service provider	To render a service for the implementation of the SCM AOS Visualisation on the Web platform	1	2 years	R2 000 000	6	1	0
Programme 2- Public Works Infrastructure	Immovable Assets Management	Review of the Immovable Asset Management Framework and Development of and Immovable Policy and SOPs	1	6 months	R1 700 000	1	1	2
	Financial technical advisory services	Provision of financial technical advisory services to provide input into the response to objections to the Somerset rezoning process	1	3 months	R 453 220	1	1	2
	Resource Champion	Appointing a suitably qualified resource to undertake the responsibilities of the Resource Champion	1	3 years	R2 100 000	1	1	0

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Project Manager	Supervise and coordinate the planning and implementation of WCG Water BCP Projects	4	24 months	R1 570 284	1	1	4
	Professional Services	Appointment of a Mediator: Integrated Intervention for IAM Team in the Public Works branch	1	12 months	R400 000	1	1	0
	Professional Services	Provision of professional services to administer the rezoning process and a potential appeal process with regard to the Somerset precinct	4	1 year	R547 765	1	4	2
	Professional Service	Provision of Heritage specialist services to revise and complete the phase 1 HIA	1	7 months	R202 000	1	1	4

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Appointment of a Provincial Strategic Hydrogeological Advisor to the Head of Western Cape Water Business Continuity Planning	1	3 years	R6 976 622	1	2	4
Programme 3- Transport Infrastructure	Professional Service	Capacity services to support the Directorate Roads Planning and Regional management	1	12 months	R1 407 362	1	1	0
Programme 6 – Community-Based Programmes	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Hermanus	1	20 months	R203 604	1	1	1
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Strand	1	20 months	R249 523	1	1	1

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Blackheath	1	20 months	R178 496	1	1	1
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Stellenbosch	1	20 months	R175 131	1	1	1
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Hout Bay	1	20 months	R175 786	1	1	2

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: George	1	18 months	R317 693	1	1	2
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Philippi	1	18 months	R171 218	1	1	1
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Eden: George)	1	16 months	R488 775	1	1	2
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (West Coast: Klawer and Vredendal	1	16 months	R488 775	1	1	4

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Cape Metropole: Blackheath and Parow	1	16 months	R307 800	1	1	1
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Wynberg	1	16 months	R225 772	1	1	1
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Cape Metropole: Grassy Park	1	16 months	R147 100	1	1	4
	Professional Service	Mentoring and Professional Development Services for fifteen (15) persons registered with SACPCMP	1	12 months	R332 834	1	1	1

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Cape Metropole: Mitchells Plain and Philippi	1	16 months	R342 200	1	1	2
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Winelands: Somerset West and Stellenbosch)	1	16 months	R322 227	1	1	2
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Metropole: Mitchells Plain	1	1 month	R45 000	1	1	2
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Winelands Region: Paarl	1	1 month	R45 000	1	1	4

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Winelands Region: Paarl – Group 3)	1	1 month	R33 000	1	1	1
	Professional Service	Appointment of a consultant to conduct EMPIA and Empowerment Targets (TIR): Knysna Forensic Pathology Lab	1	20 months	R397 860	1	1	2
	Professional Service	Enterprise Mentoring Services to five Construction Contractors: (Eden Region: Mossel BAY Group 4	1	1 month	R75 240	1	1	2
	Professional Service	Enterprise Mentoring Services to five Construction Contractors: (Overberg Group 2: Hermanus	1	1 month	R51 000	1	1	1

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Overberg Group 1: Hermanus	1	1 month	R51 000	1	1	4
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Eden Region: Mossel BAY Group 3)	1	1 month	R59 850	1	1	4
	Professional Service	Enterprise Mentoring Services to five Construction Contractors: (Cape Metro: Mitchells Plain Group 2	1	1 month	R45 000	1	1	1
	Professional Service	Enterprise Mentoring Services to five Construction Contractors: (Cape Winelands: Paarl Group 2	1	1 month	R58 550	1	1	2

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Eden Region: Mossel BAY Group 3)	1	1 month	R37 500	1	1	4
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Delf	1	18 months	R149 590	1	1	2
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Mitchells Plain	1	20 months	R288 708	1	1	2
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Eden Region: Mossel BAY Group 1)	1	1 month	R29 625	1	1	1

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Metro: Kraaifontein Group 3)	1	1 month	R46 875	1	1	1
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Overberg: Hermanus	1	1 month	R35 700	1	1	1
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Metro: Kraaifontein Group 1)	1	1 month	R32 500	1	1	1
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Winelands: Paarl Group 1)	1	1 month	R33 000	1	1	1

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Metro: Mitchells Plain Group 3)	1	1 month	R41 250	1	1	1
	Professional Service	Enterprise Mentoring Services to four Construction Contractors: (Cape Metro: Kraaifontein Group 2)	1	1 month	R36 050	1	1	1
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (West Coast: Malmesbury and Vredenburg)	1	16 months	R332 840	1	1	4
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Cape Metropole: Hout Bay and Lansdowne)	1	16 months	R342 000	1	1	2

Programme	Project title	Nature of the project	Total number of consultants that worked on the project	(Duration) working days	Contract value in rands	Total number of projects	Total individual consultants	BBBEE level
	Professional Service	Mentoring Services in line with the CIDB Contractor Management Guidelines (Cape Metropole: Parow and Goodwood	1	16 months	R307 800	1	1	1
	Professional Service	Appointment of a consultant to conduct Empowerment Targets Implementation (ETIR) for a building project: Riversdale: Eden	1	20 months	R449 388	1	1	1
Grand Total					R24 508 513			

***Note**: 0 - refers to a non-compliance contributor in terms of BBBEE.*

PART E

Financial Information

Part E: Financial Information

1 Report of the Auditor-General

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape DTPW set out on pages 239 to 335 which comprise the appropriation statement, the statement of financial position as at 31 March 2018, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the WC DTPW as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the NT and the requirements of the PFMA of South Africa, 1999 (Act No. 1 of 1999) and the DORA of South Africa, 2016 (Act No. 3 of 2017).

Basis for opinion

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

Emphasis of matter

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

Uncertainty relating to future outcome of litigation

7. The DTPW is a defendant in road accidents and damages claims by private individuals as disclosed in note 17.1 to the financial statements. The outcome of these

49 open cases against the department cannot be presently determined and no provision for any liability that may result has been made in the financial statements.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

9. The supplementary information set out on pages 336 to 348 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. The AO is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the NT and the requirements of the PFMA and DoRA and for such internal control as the AO determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

11. In preparing the financial statements, the AO is responsible for assessing the DTPW's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this report.

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I

performed procedures to identify findings but not to gather evidence to express assurance.

15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the DTPW for the year ended 31 March 2018:

Programmes	**Pages in the annual performance report**
Programme 2 – public works infrastructure	86 to 96
Programme 3 – transport infrastructure	102 to 106
Programme 6 – community-based programmes	129

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 – public works infrastructure
- Programme 3 – transport infrastructure
- Programme 6 – community-based programmes

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 86 to 96, 102 to 106, and 129 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

22. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

23. The DTPW's AO is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programme priorities presented in the annual performance report that have been specifically reported on in the auditor's report.

24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

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

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

27. I have nothing to report in this regard.

Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.

I did not identify any significant deficiencies in internal control.

Auditor-General

Cape Town

31 July 2018

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

2 Annexure – auditor-general's responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
    a. Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    b. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control.
    c. evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the AO.
    d. conclude on the appropriateness of the AO's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the DTPW's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a DTPW to cease operating as a going concern.
    e. evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the AO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also confirm to the AO that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

3 Annual Financial Statements for the year ended 31 March 2018

Table of contents

Appropriation Statement	239
Notes to the Appropriation Statement	285
Statement of Financial Performance	287
Statement of Financial Position	288
Statement of Changes in Net Assets	289
Cash Flow Statement	290
Notes to the Annual Financial Statements (including Accounting policies)	291
Annexures	336

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per programme									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	179 981	-	(5 000)	174 981	172 753	2 228	98.7%	165 468	162 645
2. Public Works Infrastructure	1 925 494	-	(58 658)	1 866 836	1 842 558	24 278	98.7%	1 731 166	1 696 286
3. Transport Infrastructure	3 404 815	-	34 132	3 438 947	3 429 381	9 566	99.7%	3 256 339	3 243 655
4. Transport Operations	1 218 962	-	(6 891)	1 212 071	1 211 596	475	100.0%	1 189 556	1 188 287
5. Transport Regulation	764 495	-	37 417	801 912	794 428	7 484	99.1%	690 725	681 973
6. Community Based Programmes	54 841	-	(1 000)	53 841	52 904	937	98.3%	59 410	55 862
TOTAL	7 548 588	-	-	7 548 588	7 503 620	44 968	99.4%	7 092 664	7 028 708
Reconciliation with statement of financial performance									
Add:									
Departmental receipts				229 015				203 780	
Actual amounts per statement of financial performance (total revenue)				7 777 603				7 296 444	
Actual amounts per statement of financial performance (total expenditure)					7 503 620				7 028 708

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Appropriation per economic classification									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 009 284	(63 659)	(590)	2 945 035	2 926 742	18 293	99.4%	2 551 154	2 504 897
Compensation of employees	793 220	-	-	793 220	776 230	16 990	97.9%	760 837	737 031
Salaries and wages	683 835	(5 789)	-	678 046	667 990	10 056	98.5%	658 469	635 234
Social contributions	109 385	5 789	-	115 174	108 240	6 934	94.0%	102 368	101 797
Goods and services	2 216 064	(63 678)	(590)	2 151 796	2 150 493	1 303	99.9%	1 790 283	1 767 832
Administrative fees	286 530	9 671	39 326	335 527	335 420	107	100.0%	296 846	296 789
Advertising	25 126	(3 742)	-	21 384	21 384	-	100.0%	20 492	20 303
Minor assets	2 808	1 255	(262)	3 801	3 795	6	99.8%	7 765	7 602
Audit costs: External	10 048	2 978	-	13 026	13 026	-	100.0%	11 415	10 754
Bursaries: Employees	1 288	237	-	1 525	1 525	-	100.0%	1 117	1 104
Catering: Departmental activities	2 261	(619)	(107)	1 535	1 409	126	91.8%	1 611	1 295
Communication (G&S)	7 283	(1 554)	-	5 729	5 702	27	99.5%	6 864	6 737
Computer services	37 394	12 500	(7 000)	42 894	42 892	2	100.0%	63 953	63 649
Consultants: Business and advisory services	362 407	17 839	(17 316)	362 930	362 721	209	99.9%	186 311	174 358
Infrastructure and planning services	83 929	(41 127)	-	42 802	42 802	-	100.0%	29 808	27 085
Laboratory services	62	(55)	-	7	7	-	100.0%	46	46
Legal services	16 714	(1 168)	-	15 546	15 478	68	99.6%	11 850	11 607
Contractors	533 591	(78 072)	(14 510)	441 009	441 009	-	100.0%	411 516	411 512
Agency and support / outsourced services	29 061	(1 794)	-	27 267	27 267	-	100.0%	30 018	29 078
Entertainment	96	(53)	-	43	28	15	65.1%	90	21
Fleet services (including government motor transport)	57 205	(4 642)	(221)	52 342	52 336	6	100.0%	48 488	48 434

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Inventory: Other supplies	10 400	(2 869)	-	7 531	7 516	15	99.8%	10 536	10 536
Consumable supplies	31 249	9 677	-	40 926	40 908	18	100.0%	25 374	25 163
Consumable: Stationery, printing and office supplies	12 640	1 774	-	14 414	14 203	211	98.5%	15 337	15 224
Operating leases	179 109	(11 120)	-	167 989	167 878	111	99.9%	170 249	169 973
Property payments	479 017	32 093	-	511 110	511 083	27	100.0%	394 987	393 534
Transport provided: Departmental activity	5	(5)	-	-	-	-	-	-	-
Travel and subsistence	27 944	(2 422)	(500)	25 022	24 875	147	99.4%	27 599	26 448
Training and development	13 547	(749)	-	12 798	12 778	20	99.8%	13 591	12 710
Operating payments	5 300	(1 533)	-	3 767	3 638	129	96.6%	4 102	3 560
Venues and facilities	1 029	(180)	-	849	790	59	93.1%	300	292
Rental and hiring	21	2	-	23	23	-	100.0%	18	18
Interest and rent on land	-	19	-	19	19	-	100.0%	34	34
Interest	-	19	-	19	19	-	100.0%	34	34
Transfers and subsidies	1 656 823	2 155	590	1 659 568	1 640 477	19 091	98.8%	1 618 876	1 612 291
Provinces and municipalities	718 905	1	590	719 496	700 599	18 897	97.4%	730 967	724 556
Provinces	3 406	1	590	3 997	3 980	17	99.6%	3 774	3 774
Provincial agencies and funds	3 406	1	590	3 997	3 980	17	99.6%	3 774	3 774
Municipalities	715 499	-	-	715 499	696 619	18 880	97.4%	727 193	720 782
Municipal bank accounts	715 499	-	-	715 499	696 619	18 880	97.4%	727 193	720 782
Departmental agencies and accounts	123	1	-	124	15	109	12.1%	82	58
Departmental agencies (non-business entities)	123	1	-	124	15	109	12.1%	82	58
Public corporations and private enterprises	922 921	-	-	922 921	922 921	-	100.0%	873 448	873 298
Private enterprises	922 921	-	-	922 921	922 921	-	100.0%	873 448	873 298
Other transfers to private enterprises	922 921	-	-	922 921	922 921	-	100.0%	873 448	873 298

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Households	14 874	2 153	-	17 027	16 942	85	99.5%	14 379	14 379
Social benefits	5 400	1 044	-	6 444	6 444	-	100.0%	4 011	4 011
Other transfers to households	9 474	1 109	-	10 583	10 498	85	99.2%	10 368	10 368
Payments for capital assets	2 881 212	60 490	-	2 941 702	2 934 326	7 376	99.7%	2 920 599	2 909 562
Buildings and other fixed structures	2 682 526	74 741	2 900	2 760 167	2 754 484	5 683	99.8%	2 792 152	2 789 854
Buildings	342 670	(21 778)	(46 640)	274 252	268 569	5 683	97.9%	391 184	388 886
Other fixed structures	2 339 856	96 519	49 540	2 485 915	2 485 915	-	100.0%	2 400 968	2 400 968
Machinery and equipment	143 743	(17 486)	(2 400)	123 857	122 700	1 157	99.1%	89 267	86 402
Transport equipment	58 082	25 192	-	83 274	82 595	679	99.2%	47 783	47 216
Other machinery and equipment	85 661	(42 678)	(2 400)	40 583	40 105	478	98.8%	41 484	39 186
Land and sub-soil assets	32 072	(5 962)	-	26 110	26 110	-	100.0%	16 695	11 990
Software and other intangible assets	22 871	9 197	(500)	31 568	31 032	536	98.3%	22 485	21 316
Payments for financial assets	1 269	1 014	-	2 283	2 075	208	90.9%	2 035	1 958
Total	7 548 588	-	-	7 548 588	7 503 620	44 968	99.4%	7 092 664	7 028 708

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 1: Administration									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC	7 519	(582)	-	6 937	6 584	353	94.9%	6 533	6 345
1.2 Management of the Department	5 095	5	-	5 100	4 599	501	90.2%	4 581	4 481
1.3 Corporate Support	125 726	1 439	(4 500)	122 665	122 346	319	99.7%	122 290	120 273
1.4 Departmental Strategy	41 641	(862)	(500)	40 279	39 224	1 055	97.4%	32 064	31 546
Total for sub programmes	179 981	-	(5 000)	174 981	172 753	2 228	98.7%	165 468	162 645

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 1: Administration									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	160 876	181	(3 900)	157 157	155 209	1 948	98.8%	152 888	150 674
Compensation of employees	119 127	-	-	119 127	117 179	1 948	98.4%	112 473	112 098
Salaries and wages	104 061	9	-	104 070	102 210	1 860	98.2%	98 140	97 765
Social contributions	15 066	(9)	-	15 057	14 969	88	99.4%	14 333	14 333
Goods and services	41 749	181	(3 900)	38 030	38 030	-	100.0%	40 415	38 576
Administrative fees	264	(145)	-	119	119	-	100.0%	299	275
Advertising	593	(425)	-	168	168	-	100.0%	215	215
Minor assets	124	201	-	325	325	-	100.0%	426	426
Audit costs: External	10 048	2 978	-	13 026	13 026	-	100.0%	11 415	10 754
Bursaries: Employees	1 288	237	-	1 525	1 525	-	100.0%	1 117	1 104
Catering: Departmental activities	448	(187)	-	261	261	-	100.0%	465	313
Communication (G&S)	1 062	(203)	-	859	859	-	100.0%	1 398	1 314
Computer services	2 831	710	-	3 541	3 541	-	100.0%	8 051	8 051
Consultants: Business and advisory services	12 571	(1 819)	(3 900)	6 852	6 852	-	100.0%	7 533	7 387
Legal services	-	2	-	2	2	-	100.0%	42	12
Contractors	344	(38)	-	306	306	-	100.0%	154	151
Agency and support / outsourced services	45	(45)	-	-	-	-	-	48	48
Entertainment	38	(20)	-	18	18	-	100.0%	41	18
Fleet services (including government motor transport)	884	(232)	-	652	652	-	100.0%	866	831
Consumable supplies	832	(198)	-	634	634	-	100.0%	320	180

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Consumable: Stationery, printing and office supplies	838	95	-	933	933	-	100.0%	711	696
Operating leases	777	69	-	846	846	-	100.0%	1 010	836
Property payments	-	204	-	204	204	-	100.0%	29	29
Transport provided: Departmental activity	5	(5)	-	-	-	-	-	-	-
Travel and subsistence	2 970	(858)	-	2 112	2 112	-	100.0%	2 019	2 019
Training and development	4 724	124	-	4 848	4 848	-	100.0%	3 506	3 496
Operating payments	725	(137)	-	588	588	-	100.0%	747	419
Venues and facilities	338	(127)	-	211	211	-	100.0%	3	2
Transfers and subsidies	13 304	44	-	13 348	13 348	-	100.0%	9 300	9 298
Provinces and municipalities	3 000	-	-	3 000	3 000	-	100.0%	-	-
Municipalities	3 000	-	-	3 000	3 000	-	100.0%	-	-
Municipal bank accounts	3 000	-	-	3 000	3 000	-	100.0%	-	-
Departmental agencies and accounts	3	(2)	-	1	1	-	100.0%	3	1
Departmental agencies (non-business entities)	3	(2)	-	1	1	-	100.0%	3	1
Households	10 301	46	-	10 347	10 347	-	100.0%	9 297	9 297
Social benefits	1 150	40	-	1 190	1 190	-	100.0%	153	153
Other transfers to households	9 151	6	-	9 157	9 157	-	100.0%	9 144	9 144
Payments for capital assets	4 896	-	(1 100)	3 796	3 723	73	98.1%	2 443	1 865
Machinery and equipment	4 326	-	(600)	3 726	3 723	3	99.9%	2 443	1 865
Transport equipment	1 121	63	-	1 184	1 184	-	100.0%	1 357	1 305
Other machinery and equipment	3 205	(63)	(600)	2 542	2 539	3	99.9%	1 086	560
Software and other intangible assets	570	-	(500)	70	-	70	-	-	-
Payments for financial assets	905	(225)	-	680	473	207	69.6%	837	808
Total	179 981	-	(5 000)	174 981	172 753	2 228	98.7%	165 468	162 645

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.1 Office of the MEC									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	7 059	(491)	-	6 568	6 215	353	94.6%	6 167	5 979
Compensation of employees	6 299	(483)	-	5 816	5 463	353	93.9%	5 412	5 285
Goods and services	760	(8)	-	752	752	-	100.0%	755	694
Transfers and subsidies	1	-	-	1	1	-	100.0%	1	1
Departmental agencies and accounts	1	-	-	1	1	-	100.0%	1	1
Payments for capital assets	459	(91)	-	368	368	-	100.0%	365	365
Machinery and equipment	459	(91)	-	368	368	-	100.0%	365	365
Total	7 519	(582)	-	6 937	6 584	353	94.9%	6 533	6 345

APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.2 Management of the Department									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 069	-	-	5 069	4 568	501	90.1%	4 512	4 481
Compensation of employees	4 697	-	-	4 697	4 196	501	89.3%	4 202	4 171
Goods and services	372	-	-	372	372	-	100.0%	310	310
Transfers and subsidies	1	(1)	-	-	-	-	-	1	-
Departmental agencies and accounts	1	(1)	-	-	-	-	-	1	-
Payments for capital assets	25	6	-	31	31	-	100.0%	68	-
Machinery and equipment	25	6	-	31	31	-	100.0%	68	-
Total	5 095	5	-	5 100	4 599	501	90.2%	4 581	4 481

APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.3 Corporate Support									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	110 557	1 871	(3 400)	109 028	108 989	39	100.0%	110 507	108 834
Compensation of employees	79 592	520	-	80 112	80 073	39	100.0%	75 947	75 730
Goods and services	30 965	1 351	(3 400)	28 916	28 916	-	100.0%	34 560	33 104
Transfers and subsidies	10 051	9	-	10 060	10 060	-	100.0%	9 226	9 226
Households	10 051	9	-	10 060	10 060	-	100.0%	9 226	9 226
Payments for capital assets	4 213	(214)	(1 100)	2 899	2 826	73	97.5%	1 720	1 405
Machinery and equipment	3 643	(214)	(600)	2 829	2 826	3	99.9%	1 720	1 405
Software and other intangible assets	570	-	(500)	70	-	70	-	-	-
Payments for financial assets	905	(227)	-	678	471	207	69.5%	837	808
Total	125 726	1 439	(4 500)	122 665	122 346	319	99.7%	122 290	120 273

APPROPRIATION STATEMENT
for the year ended 31 March 2018

1.4 Departmental Strategy									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	38 191	(1 199)	(500)	36 492	35 437	1 055	97.1%	31 702	31 380
Compensation of employees	28 539	(37)	-	28 502	27 447	1 055	96.3%	26 912	26 912
Goods and services	9 652	(1 162)	(500)	7 990	7 990	-	100.0%	4 790	4 468
Transfers and subsidies	3 251	36	-	3 287	3 287	-	100.0%	72	71
Provinces and municipalities	3 000	-	-	3 000	3 000	-	100.0%	-	-
Departmental agencies and accounts	1	(1)	-	-	-	-	-	1	-
Households	250	37	-	287	287	-	100.0%	71	71
Payments for capital assets	199	299	-	498	498	-	100.0%	290	95
Machinery and equipment	199	299	-	498	498	-	100.0%	290	95
Payments for financial assets	-	2	-	2	2	-	100.0%	-	-
Total	41 641	(862)	(500)	40 279	39 224	1 055	97.4%	32 064	31 546

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 2: Public Works Infrastructure									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Programme Support	342 695	(30 217)	(2 193)	310 285	303 466	6 819	97.8%	271 759	245 666
2.2 Planning	45 219	3 097	-	48 316	48 316	-	100.0%	47 608	45 310
2.3 Construction	352 670	(710)	(56 465)	295 495	289 812	5 683	98.1%	385 806	385 806
2.4 Maintenance	179 000	7 886	-	186 886	186 886	-	100.0%	116 625	116 625
2.5 Immovable Asset Management	892 192	7 202	-	899 394	887 618	11 776	98.7%	833 211	826 821
2.6 Facility Operations	113 718	12 742	-	126 460	126 460	-	100.0%	76 157	76 058
Total for sub programmes	1 925 494	-	(58 658)	1 866 836	1 842 558	24 278	98.7%	1 731 166	1 696 286

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 2: Public Works Infrastructure									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	1 022 948	(1 464)	(2 193)	1 019 291	1 012 834	6 457	99.4%	816 627	792 028
Compensation of employees	164 533	-	-	164 533	158 352	6 181	96.2%	166 279	155 813
Salaries and wages	145 079	(5 847)	-	139 232	138 570	662	99.5%	147 757	137 291
Social contributions	19 454	5 847	-	25 301	19 782	5 519	78.2%	18 522	18 522
Goods and services	858 415	(1 464)	(2 193)	854 758	854 482	276	100.0%	650 348	636 215
Administrative fees	90	(21)	-	69	33	36	47.8%	48	47
Advertising	655	169	-	824	824	-	100.0%	711	711
Minor assets	814	1 960	(262)	2 512	2 512	-	100.0%	6 708	6 679
Catering: Departmental activities	258	(64)	(107)	87	58	29	66.7%	151	41
Communication (G&S)	1 457	(417)	-	1 040	1 040	-	100.0%	1 099	1 099
Computer services	1 361	734	-	2 095	2 095	-	100.0%	850	564
Consultants: Business and advisory services	195 357	(26 588)	(966)	167 803	167 803	-	100.0%	82 035	70 904
Infrastructure and planning services	1 273	(1 085)	-	188	188	-	100.0%	932	932
Legal services	2 732	(505)	-	2 227	2 227	-	100.0%	1 842	1 842
Contractors	2 107	246	-	2 353	2 353	-	100.0%	352	352
Entertainment	38	(27)	-	11	-	11	-	40	-
Fleet services (including government motor transport)	2 676	-	(358)	2 318	2 318	-	100.0%	2 032	2 032
Inventory: Other supplies	10 000	(2 714)	-	7 286	7 286	-	100.0%	10 536	10 536
Consumable supplies	780	7 211	-	7 991	7 991	-	100.0%	2 153	2 098
Consumable: Stationery, printing and office supplies	629	155	-	784	700	84	89.3%	889	889

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Operating leases	175 321	(11 274)	-	164 047	163 936	111	99.9%	166 315	166 315
Property payments	456 491	31 562	-	488 053	488 048	5	100.0%	367 153	365 708
Travel and subsistence	4 739	(435)	(500)	3 804	3 804	-	100.0%	5 302	4 266
Operating payments	1 474	(448)	-	1 026	1 026	-	100.0%	1 198	1 198
Venues and facilities	163	77	-	240	240	-	100.0%	2	2
Transfers and subsidies	530 404	1 441	-	531 845	520 069	11 776	97.8%	501 946	500 260
Provinces and municipalities	529 100	-	-	529 100	517 324	11 776	97.8%	498 073	496 539
Municipalities	529 100	-	-	529 100	517 324	11 776	97.8%	498 073	496 539
Municipal bank accounts	529 100	-	-	529 100	517 324	11 776	97.8%	498 073	496 539
Departmental agencies and accounts	-	3	-	3	3	-	100.0%	2	-
Departmental agencies (non-business entities)	-	3	-	3	3	-	100.0%	2	-
Public corporations and private enterprises	-	-	-	-	-	-	-	2 548	2 398
Private enterprises	-	-	-	-	-	-	-	2 548	2 398
Other transfers to private enterprises	-	-	-	-	-	-	-	2 548	2 398
Households	1 304	1 438	-	2 742	2 742	-	100.0%	1 323	1 323
Social benefits	1 242	662	-	1 904	1 904	-	100.0%	1 323	1 323
Other transfers to households	62	776	-	838	838	-	100.0%	-	-
Payments for capital assets	372 141	-	(56 465)	315 676	309 632	6 044	98.1%	412 493	403 946
Buildings and other fixed structures	342 670	(1 078)	(56 465)	285 127	279 444	5 683	98.0%	391 184	388 886
Buildings	342 670	(21 778)	(46 640)	274 252	268 569	5 683	97.9%	391 184	388 886
Other fixed structures	-	20 700	(9 825)	10 875	10 875	-	100.0%	-	-
Machinery and equipment	4 439	-	-	4 439	4 078	361	91.9%	4 614	3 070
Transport equipment	2 429	-	-	2 429	2 117	312	87.2%	2 051	1 976
Other machinery and equipment	2 010	-	-	2 010	1 961	49	97.6%	2 563	1 094
Land and sub-soil assets	25 032	1 078	-	26 110	26 110	-	100.0%	16 695	11 990
Payments for financial assets	1	23	-	24	23	1	95.8%	100	52
Total	1 925 494	-	(58 658)	1 866 836	1 842 558	24 278	98.7%	1 731 166	1 696 286

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.1 Programme Support

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual expenditure R'000
Current payments	336 951	(30 700)	(2 193)	304 058	297 601	6 457	97.9%	266 083	241 514
Compensation of employees	164 533	-	-	164 533	158 352	6 181	96.2%	166 279	155 813
Goods and services	172 418	(30 700)	(2 193)	139 525	139 249	276	99.8%	99 804	85 701
Transfers and subsidies	1 304	665	-	1 969	1 969	-	100.0%	1 325	1 323
Departmental agencies and accounts	-	3	-	3	3	-	100.0%	2	-
Households	1 304	662	-	1 966	1 966	-	100.0%	1 323	1 323
Payments for capital assets	4 439	(205)	-	4 234	3 873	361	91.5%	4 251	2 777
Machinery and equipment	4 439	(205)	-	4 234	3 873	361	91.5%	4 251	2 777
Payments for financial assets	1	23	-	24	23	1	95.8%	100	52
Total	342 695	(30 217)	(2 193)	310 285	303 466	6 819	97.8%	271 759	245 666

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.2 Planning

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	45 219	3 097	-	48 316	48 316	-	100.0%	24 020	24 020
Goods and services	45 219	3 097	-	48 316	48 316	-	100.0%	24 020	24 020
Payments for capital assets	-	-	-	-	-	-	-	23 588	21 290
Buildings and other fixed structures	-	-	-	-	-	-	-	23 588	21 290
Total	45 219	3 097	-	48 316	48 316	-	100.0%	47 608	45 310

2.3 Construction

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	10 000	203	-	10 203	10 203	-	100.0%	18 045	18 045
Goods and services	10 000	203	-	10 203	10 203	-	100.0%	18 045	18 045
Payments for capital assets	342 670	(913)	(56 465)	285 292	279 609	5 683	98.0%	367 761	367 761
Buildings and other fixed structures	342 670	(1 078)	(56 465)	285 127	279 444	5 683	98.0%	367 596	367 596
Machinery and equipment	-	165	-	165	165	-	100.0%	165	165
Total	352 670	(710)	(56 465)	295 495	289 812	5 683	98.1%	385 806	385 806

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.4 Maintenance									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	179 000	7 886	-	186 886	186 886	-	100.0%	116 625	116 625
Goods and services	179 000	7 886	-	186 886	186 886	-	100.0%	116 625	116 625
Total	179 000	7 886	-	186 886	186 886	-	100.0%	116 625	116 625

2.5 Immovable Asset Management									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	338 060	5 348	-	343 408	343 408	-	100.0%	315 895	315 894
Goods and services	338 060	5 348	-	343 408	343 408	-	100.0%	315 895	315 894
Transfers and subsidies	529 100	776	-	529 876	518 100	11 776	97.8%	500 621	498 937
Provinces and municipalities	529 100	-	-	529 100	517 324	11 776	97.8%	498 073	496 539
Public corporations and private enterprises	-	-	-	-	-	-	-	2 548	2 398
Households	-	776	-	776	776	-	100.0%	-	-
Payments for capital assets	25 032	1 078	-	26 110	26 110	-	100.0%	16 695	11 990
Land and subsoil assets	25 032	1 078	-	26 110	26 110	-	100.0%	16 695	11 990
Total	892 192	7 202	-	899 394	887 618	11 776	98.7%	833 211	826 821

APPROPRIATION STATEMENT
for the year ended 31 March 2018

2.6 Facility Operations									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	113 718	12 702	-	126 420	126 420	-	100.0%	75 959	75 930
Goods and services	113 718	12 702	-	126 420	126 420	-	100.0%	75 959	75 930
Payments for capital assets	-	40	-	40	40	-	100.0%	198	128
Machinery and equipment	-	40	-	40	40	-	100.0%	198	128
Total	113 718	12 742	-	126 460	126 460	-	100.0%	76 157	76 058

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 3: Transport Infrastructure									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Programme Support Infrastructure	38 084	24	137	38 245	37 791	454	98.8%	38 922	38 636
3.2 Infrastructure Planning	76 660	(20 468)	(3 851)	52 341	52 341	-	100.0%	84 807	82 773
3.3 Infrastructure Design	176 561	36 101	3 559	216 221	214 213	2 008	99.1%	148 561	148 160
3.4 Construction	1 646 867	15 856	48 207	1 710 930	1 704 416	6 514	99.6%	1 474 016	1 469 891
3.5 Maintenance	1 466 643	(31 513)	(13 920)	1 421 210	1 420 620	590	100.0%	1 510 033	1 504 195
Total for sub programmes	3 404 815	-	34 132	3 438 947	3 429 381	9 566	99.7%	3 256 339	3 243 655

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 3: Transport Infrastructure									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	886 072	(61 905)	(25 823)	798 344	795 990	2 354	99.7%	706 155	698 460
Compensation of employees	184 202	-	-	184 202	181 848	2 354	98.7%	171 834	169 069
Salaries and wages	157 472	(192)	-	157 280	154 926	2 354	98.5%	146 993	144 228
Social contributions	26 730	192	-	26 922	26 922	-	100.0%	24 841	24 841
Goods and services	701 870	(61 923)	(25 823)	614 124	614 124	-	100.0%	534 287	529 357
Administrative fees	73	(44)	-	29	29	-	100.0%	55	45
Advertising	174	(90)	-	84	84	-	100.0%	148	42
Minor assets	580	(129)	-	451	451	-	100.0%	335	216
Catering: Departmental activities	199	(49)	-	150	150	-	100.0%	72	44
Communication (G&S)	1 624	(172)	-	1 452	1 452	-	100.0%	1 427	1 404
Computer services	17 070	10 328	-	27 398	27 398	-	100.0%	20 175	20 157
Consultants: Business and advisory services	2 030	52 483	(11 450)	43 063	43 063	-	100.0%	1 992	1 316
Infrastructure and planning services	82 656	(40 042)	-	42 614	42 614	-	100.0%	28 876	26 153
Laboratory services	16	(9)	-	7	7	-	100.0%	46	46
Legal services	486	931	-	1 417	1 417	-	100.0%	411	198
Contractors	521 998	(79 840)	(14 510)	427 648	427 648	-	100.0%	408 713	408 713
Agency and support / outsourced services	-	-	-	-	-	-	-	1	1
Entertainment	10	(4)	-	6	6	-	100.0%	7	3
Fleet services (including government motor transport)	17 651	(1 070)	137	16 718	16 718	-	100.0%	15 482	15 482
Consumable supplies	26 416	(2 955)	-	23 461	23 461	-	100.0%	20 390	20 374

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Consumable: Stationery, printing and office supplies	1 204	(43)	-	1 161	1 161	-	100.0%	1 253	1 178
Operating leases	739	83	-	822	822	-	100.0%	856	754
Property payments	19 652	794	-	20 446	20 446	-	100.0%	25 998	25 990
Travel and subsistence	7 206	(1 216)	-	5 990	5 990	-	100.0%	6 288	6 288
Training and development	909	(454)	-	455	455	-	100.0%	813	224
Operating payments	1 125	(374)	-	751	751	-	100.0%	942	729
Venues and facilities	52	(51)	-	1	1	-	100.0%	7	-
Interest and rent on land	-	18	-	18	18	-	100.0%	34	34
Interest	-	18	-	18	18	-	100.0%	34	34
Transfers and subsidies	76 127	374	590	77 091	69 879	7 212	90.6%	70 608	65 711
Provinces and municipalities	73 420	1	590	74 011	66 907	7 104	90.4%	68 324	63 447
Provinces	3 385	1	590	3 976	3 976	-	100.0%	3 748	3 748
Provincial agencies and funds	3 385	1	590	3 976	3 976	-	100.0%	3 748	3 748
Municipalities	70 035	-	-	70 035	62 931	7 104	89.9%	64 576	59 699
Municipal bank accounts	70 035	-	-	70 035	62 931	7 104	89.9%	64 576	59 699
Departmental agencies and accounts	115	-	-	115	7	108	6.1%	76	56
Departmental agencies (non-business entities)	115	-	-	115	7	108	6.1%	76	56
Households	2 592	373	-	2 965	2 965	-	100.0%	2 208	2 208
Social benefits	2 491	46	-	2 537	2 537	-	100.0%	1 046	1 046
Other transfers to households	101	327	-	428	428	-	100.0%	1 162	1 162
Payments for capital assets	2 442 427	60 490	59 365	2 562 282	2 562 282	-	100.0%	2 478 913	2 478 821
Buildings and other fixed structures	2 339 856	75 819	59 365	2 475 040	2 475 040	-	100.0%	2 400 968	2 400 968
Other fixed structures	2 339 856	75 819	59 365	2 475 040	2 475 040	-	100.0%	2 400 968	2 400 968
Machinery and equipment	82 768	(17 486)	-	65 282	65 282	-	100.0%	57 213	57 121
Transport equipment	25 166	14 484	-	39 650	39 650	-	100.0%	21 664	21 609
Other machinery and equipment	57 602	(31 970)	-	25 632	25 632	-	100.0%	35 549	35 512

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Land and sub-soil assets	7 040	(7 040)	-	-	-	-	-	-	-
Software and other intangible assets	12 763	9 197	-	21 960	21 960	-	100.0%	20 732	20 732
Payments for financial assets	189	1 041	-	1 230	1 230	-	100.0%	663	663
Total	3 404 815	-	34 132	3 438 947	3 429 381	9 566	99.7%	3 256 339	3 243 655

3.1 Programme Support Infrastructure

	2017/18							2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	31 460	2 972	137	34 569	34 223	346	99.0%	33 464	33 198
Compensation of employees	27 509	1 643	-	29 152	28 806	346	98.8%	28 962	28 696
Goods and services	3 951	1 329	137	5 417	5 417	-	100.0%	4 502	4 502
Transfers and subsidies	119	(1)	-	118	10	108	8.5%	109	89
Departmental agencies and accounts	115	-	-	115	7	108	6.1%	74	54
Households	4	(1)	-	3	3	-	100.0%	35	35
Payments for capital assets	6 505	(2 947)	-	3 558	3 558	-	100.0%	5 349	5 349
Machinery and equipment	6 505	(2 947)	-	3 558	3 558	-	100.0%	5 349	5 349
Total	38 084	24	137	38 245	37 791	454	98.8%	38 922	38 636

APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.2 Infrastructure Planning

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	75 995	(20 163)	(11 450)	44 382	44 382	-	100.0%	12 464	10 522
Compensation of employees	8 040	1 301	-	9 341	9 341	-	100.0%	7 434	7 434
Goods and services	67 955	(21 464)	(11 450)	35 041	35 041	-	100.0%	5 030	3 088
Transfers and subsidies	500	(168)	-	332	332	-	100.0%	-	-
Households	500	(168)	-	332	332	-	100.0%	-	-
Payments for capital assets	165	(148)	7 599	7 616	7 616	-	100.0%	72 343	72 251
Buildings and other fixed structures	-	-	7 599	7 599	7 599	-	100.0%	72 214	72 214
Machinery and equipment	165	(148)	-	17	17	-	100.0%	129	37
Payments for financial assets	-	11	-	11	11	-	100.0%	-	-
Total	76 660	(20 468)	(3 851)	52 341	52 341	-	100.0%	84 807	82 773

APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.3 Infrastructure Design

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	50 070	20 159	-	70 229	68 221	2 008	97.1%	51 625	51 224
Compensation of employees	27 426	(392)	-	27 034	25 026	2 008	92.6%	23 183	22 782
Goods and services	22 644	20 551	-	43 195	43 195	-	100.0%	28 442	28 442
Transfers and subsidies	1 177	147	-	1 324	1 324	-	100.0%	1	1
Departmental agencies and accounts	-	-	-	-	-	-	-	1	1
Households	1 177	147	-	1 324	1 324	-	100.0%	-	-
Payments for capital assets	125 314	15 795	3 559	144 668	144 668	-	100.0%	96 935	96 935
Buildings and other fixed structures	107 095	15 329	3 559	125 983	125 983	-	100.0%	76 286	76 286
Machinery and equipment	1 179	(431)	-	748	748	-	100.0%	1 472	1 472
Land and subsoil assets	7 040	(7 040)	-	-	-	-	-	-	-
Software and other intangible assets	10 000	7 937	-	17 937	17 937	-	100.0%	19 177	19 177
Total	176 561	36 101	3 559	216 221	214 213	2 008	99.1%	148 561	148 160

APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.4 Construction

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Transfers and subsidies	64 090	-	-	64 090	57 576	6 514	89.8%	53 163	49 038
Provinces and municipalities	64 090	-	-	64 090	57 576	6 514	89.8%	53 163	49 038
Payments for capital assets	1 582 777	15 856	48 207	1 646 840	1 646 840	-	100.0%	1 420 853	1 420 853
Buildings and other fixed structures	1 582 777	15 856	48 207	1 646 840	1 646 840	-	100.0%	1 420 853	1 420 853
Total	1 646 867	15 856	48 207	1 710 930	1 704 416	6 514	99.6%	1 474 016	1 469 891

APPROPRIATION STATEMENT
for the year ended 31 March 2018

3.5 Maintenance

	2017/18							2016/17	
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	728 547	(64 873)	(14 510)	649 164	649 164	-	100.0%	608 602	603 516
Compensation of employees	121 227	(2 552)	-	118 675	118 675	-	100.0%	112 255	110 157
Goods and services	607 320	(62 339)	(14 510)	530 471	530 471	-	100.0%	496 313	493 325
Interest and rent on land	-	18	-	18	18	-	100.0%	34	34
Transfers and subsidies	10 241	396	590	11 227	10 637	590	94.7%	17 335	16 583
Provinces and municipalities	9 330	1	590	9 921	9 331	590	94.1%	15 161	14 409
Departmental agencies and accounts	-	-	-	-	-	-	-	1	1
Households	911	395	-	1 306	1 306	-	100.0%	2 173	2 173
Payments for capital assets	727 666	31 934	-	759 600	759 600	-	100.0%	883 433	883 433
Buildings and other fixed structures	649 984	44 634	-	694 618	694 618	-	100.0%	831 615	831 615
Machinery and equipment	74 919	(13 960)	-	60 959	60 959	-	100.0%	50 263	50 263
Software and other intangible assets	2 763	1 260		4 023	4 023	-	100.0%	1 555	1 555
Payments for financial assets	189	1 030	-	1 219	1 219	-	100.0%	663	663
Total	1 466 643	(31 513)	(13 920)	1 421 210	1 420 620	590	100.0%	1 510 033	1 504 195

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 4: Transport Operations									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Programme Support Operations	2 159	588	-	2 747	2 679	68	97.5%	2 329	2 251
4.2 Public Transport Services	1 115 219	(4 440)	109	1 110 888	1 110 885	3	100.0%	1 097 000	1 096 342
4.3 Transport Safety & Compliance	4 899	355	-	5 254	4 917	337	93.6%	11 142	10 912
4.4 Transport Systems	96 685	3 497	(7 000)	93 182	93 115	67	99.9%	79 085	78 782
Total for sub programmes	1 218 962	-	(6 891)	1 212 071	1 211 596	475	100.0%	1 189 556	1 188 287

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 4: Transport Operations									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	182 303	(2)	(6 891)	175 410	175 087	323	99.8%	153 805	152 608
Compensation of employees	17 225	-	109	17 334	17 334	-	100.0%	15 733	14 536
Salaries and wages	15 350	(8)	109	15 451	15 451	-	100.0%	14 005	12 950
Social contributions	1 875	8	-	1 883	1 883	-	100.0%	1 728	1 586
Goods and services	165 078	(2)	(7 000)	158 076	157 753	323	99.8%	138 072	138 072
Administrative fees	123	(14)	-	109	109	-	100.0%	89	89
Advertising	250	16	-	266	266	-	100.0%	5 355	5 355
Minor assets	25	8	-	33	30	3	90.9%	20	20
Catering: Departmental activities	35	(8)	-	27	17	10	63.0%	12	12
Communication (G&S)	162	(34)	-	128	110	18	85.9%	95	95
Computer services	7 008	2	(7 000)	10	10	-	100.0%	29 648	29 648
Consultants: Business and advisory services	136 839	(15)	-	136 824	136 615	209	99.8%	85 307	85 307
Legal services	12 175	(949)	-	11 226	11 176	50	99.6%	9 034	9 034
Contractors	12	(9)	-	3	3	-	100.0%	535	535
Agency and support / outsourced services	-	-	-	-	-	-	-	67	67
Entertainment	6	(2)	-	4	2	2	50.0%	-	-
Fleet services (including government motor transport)	6 765	650	-	7 415	7 411	4	99.9%	6 147	6 147
Consumable supplies	23	1	-	24	17	7	70.8%	38	38
Consumable: Stationery, printing and office supplies	81	(20)	-	61	43	18	70.5%	48	48
Operating leases	121	20	-	141	141	-	100.0%	126	126

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Travel and subsistence	1 351	360	-	1 711	1 711	-	100.0%	1 480	1 480
Operating payments	102	(8)	-	94	92	2	97.9%	71	71
Transfers and subsidies	1 036 295	-	-	1 036 295	1 036 294	1	100.0%	1 035 463	1 035 463
Provinces and municipalities	113 364	-	-	113 364	113 364	-	100.0%	164 544	164 544
Municipalities	113 364	-	-	113 364	113 364	-	100.0%	164 544	164 544
Municipal bank accounts	113 364	-	-	113 364	113 364	-	100.0%	164 544	164 544
Departmental agencies and accounts	1	-	-	1	-	1	-	-	-
Departmental agencies (non-business entities)	1	-	-	1	-	1	-	-	-
Public corporations and private enterprises	922 921	-	-	922 921	922 921	-	100.0%	870 900	870 900
Private enterprises	922 921	-	-	922 921	922 921	-	100.0%	870 900	870 900
Other transfers to private enterprises	922 921	-	-	922 921	922 921	-	100.0%	870 900	870 900
Households	9	-	-	9	9	-	100.0%	19	19
Social benefits	9	-	-	9	9	-	100.0%	19	19
Payments for capital assets	364	-	-	364	213	151	58.5%	279	207
Machinery and equipment	364	-	-	364	213	151	58.5%	279	207
Transport equipment	47	-	-	47	40	7	85.1%	42	22
Other machinery and equipment	317	-	-	317	173	144	54.6%	237	185
Payments for financial assets	-	2	-	2	2	-	100.0%	9	9
Total	1 218 962	-	(6 891)	1 212 071	1 211 596	475	100.0%	1 189 556	1 188 287

APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.1 Programme Support Operations									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	2 019	588	-	2 607	2 583	24	99.1%	2 263	2 204
Compensation of employees	1 685	594	-	2 279	2 279	-	100.0%	1 988	1 929
Goods and services	334	(6)	-	328	304	24	92.7%	275	275
Payments for capital assets	140	-	-	140	96	44	68.6%	66	47
Machinery and equipment	140	-	-	140	96	44	68.6%	66	47
Total	2 159	588	-	2 747	2 679	68	97.5%	2 329	2 251

APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Public Transport Services									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	78 866	380	109	79 355	79 355	-	100.0%	65 478	64 820
Compensation of employees	9 490	374	109	9 973	9 973	-	100.0%	9 376	8 718
Goods and services	69 376	6	-	69 382	69 382	-	100.0%	56 102	56 102
Transfers and subsidies	1 036 285	(4 820)	-	1 031 465	1 031 465	-	100.0%	1 031 457	1 031 457
Provinces and municipalities	113 364	(4 820)	-	108 544	108 544	-	100.0%	160 544	160 544
Public corporations and private enterprises	922 921	-	-	922 921	922 921	-	100.0%	870 900	870 900
Households	-	-	-	-	-	-	-	13	13
Payments for capital assets	68	-	-	68	65	3	95.6%	59	59
Machinery and equipment	68	-	-	68	65	3	95.6%	59	59
Payments for financial assets	-	-	-	-	-	-	-	6	6
Total	1 115 219	(4 440)	109	1 110 888	1 110 885	3	100.0%	1 097 000	1 096 342

APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.3 Transport Safety & Compliance									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	4 831	353	-	5 184	4 885	299	94.2%	11 080	10 868
Compensation of employees	2 587	783	-	3 370	3 370	-	100.0%	2 743	2 531
Goods and services	2 244	(430)	-	1 814	1 515	299	83.5%	8 337	8 337
Transfers and subsidies	-	-	-	-	-	-	-	6	6
Households	-	-	-	-	-	-	-	6	6
Payments for capital assets	68	-	-	68	30	38	44.1%	56	38
Machinery and equipment	68	-	-	68	30	38	44.1%	56	38
Payments for financial assets	-	2	-	2	2	-	100.0%	-	-
Total	4 899	355	-	5 254	4 917	337	93.6%	11 142	10 912

APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.4 Transport Systems

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	96 587	(1 323)	(7 000)	88 264	88 264	-	100.0%	74 984	74 716
Compensation of employees	3 463	(1 751)	-	1 712	1 712	-	100.0%	1 626	1 358
Goods and services	93 124	428	(7 000)	86 552	86 552	-	100.0%	73 358	73 358
Transfers and subsidies	10	4 820	-	4 830	4 829	1	100.0%	4 000	4 000
Provinces and municipalities	-	4 820	-	4 820	4 820	-	100.0%	4 000	4 000
Departmental agencies and accounts	1	-	-	1	-	1	-	-	-
Households	9	-	-	9	9	-	100.0%	-	-
Payments for capital assets	88	-	-	88	22	66	25.0%	98	63
Machinery and equipment	88	-	-	88	22	66	25.0%	98	63
Payment for financial assets	-	-	-	-	-	-	-	3	3
Total	96 685	3 497	(7 000)	93 182	93 115	67	99.9%	79 085	78 782

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 5: Transport Regulation									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Programme Support Regulation	7 526	(211)	-	7 315	6 765	550	92.5%	6 964	6 949
5.2 Transport Administration & Licensing	339 211	7 913	37 417	384 541	379 989	4 552	98.8%	337 557	335 150
5.3 Operator Licence & Permits	66 521	(3 121)	-	63 400	62 203	1 197	98.1%	56 806	56 806
5.4 Law Enforcement	351 237	(4 581)	-	346 656	345 471	1 185	99.7%	289 398	283 068
Total for sub programmes	764 495	-	37 417	801 912	794 428	7 484	99.1%	690 725	681 973

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 5: Transport Regulation									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	703 320	(458)	39 217	742 079	735 443	6 636	99.1%	663 771	656 178
Compensation of employees	275 364	-	(109)	275 255	269 196	6 059	97.8%	262 014	254 421
Salaries and wages	232 994	306	(109)	233 191	228 459	4 732	98.0%	222 918	215 643
Social contributions	42 370	(306)	-	42 064	40 737	1 327	96.8%	39 096	38 778
Goods and services	427 956	(459)	39 326	466 823	466 246	577	99.9%	401 757	401 757
Administrative fees	285 910	9 898	39 326	335 134	335 063	71	100.0%	296 264	296 264
Advertising	23 076	(3 303)	-	19 773	19 773	-	100.0%	13 688	13 688
Minor assets	849	(424)	-	425	425	-	100.0%	231	231
Catering: Departmental activities	721	(248)	-	473	390	83	82.5%	279	279
Communication (G&S)	2 745	(675)	-	2 070	2 063	7	99.7%	2 650	2 650
Computer services	9 124	726	-	9 850	9 848	2	100.0%	5 228	5 228
Consultants: Business and advisory services	11 482	(6 063)	-	5 419	5 419	-	100.0%	5 562	5 562
Legal services	1 278	(607)	-	671	653	18	97.3%	435	435
Contractors	9 124	1 511	-	10 635	10 635	-	100.0%	1 718	1 718
Agency and support / outsourced services	29 016	(1 807)	-	27 209	27 209	-	100.0%	28 876	28 876
Entertainment	2	-	-	2	2	-	100.0%	-	-
Fleet services (including government motor transport)	28 583	(3 982)	-	24 601	24 599	2	100.0%	23 026	23 026
Inventory: Other Supplies	400	(155)	-	245	230	15	93.9%	-	-
Consumable supplies	3 008	5 302	-	8 310	8 299	11	99.9%	2 372	2 372
Consumable: Stationery, printing and office supplies	9 691	1 587	-	11 278	11 256	22	99.8%	12 131	12 131

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Operating leases	1 999	(24)	-	1 975	1 975	-	100.0%	1 790	1 790
Property payments	2 874	(467)	-	2 407	2 385	22	99.1%	1 807	1 807
Travel and subsistence	5 867	(1 009)	-	4 858	4 733	125	97.4%	4 588	4 588
Training and development	270	(137)	-	133	113	20	85.0%	66	66
Operating payments	1 776	(587)	-	1 189	1 069	120	89.9%	1 018	1 018
Venues and facilities	140	3	-	143	84	59	58.7%	10	10
Rental and hiring	21	2	-	23	23	-	100.0%	18	18
Interest and rent on land	-	1	-	1	1	-	100.0%	-	-
Interest	-	1	-	1	1	-	100.0%	-	-
Transfers and subsidies	650	285	-	935	833	102	89.1%	1 519	1 519
Provinces and municipalities	21	-	-	21	4	17	19.0%	26	26
Provinces	21	-	-	21	4	17	19.0%	26	26
Provincial agencies and funds	21	-	-	21	4	17	19.0%	26	26
Departmental agencies and accounts	4	(1)	-	3	3	-	100.0%	1	1
Departmental agencies (non-business entities)	4	(1)	-	3	3	-	100.0%	1	1
Households	625	286	-	911	826	85	90.7%	1 492	1 492
Social benefits	507	286	-	793	793	-	100.0%	1 430	1 430
Other transfers to households	118	-	-	118	33	85	28.0%	62	62
Payments for capital assets	60 351	-	(1 800)	58 551	57 805	746	98.7%	25 029	23 870
Machinery and equipment	50 823	-	(1 800)	49 023	48 733	290	99.4%	23 286	23 286
Transport equipment	28 645	10 637	-	39 282	39 114	168	99.6%	21 794	21 794
Other machinery and equipment	22 178	(10 637)	(1 800)	9 741	9 619	122	98.7%	1 492	1 492
Software and other intangible assets	9 528	-	-	9 528	9 072	456	95.2%	1 743	584
Payments for financial assets	174	173	-	347	347	-	100.0%	406	406
Total	764 495	-	37 417	801 912	794 428	7 484	99.1%	690 725	681 973

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.1 Programme Support Regulation

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	7 230	-	-	7 230	6 680	550	92.4%	6 955	6 940
Compensation of employees	6 548	-	-	6 548	6 151	397	93.9%	6 513	6 498
Goods and services	682	-	-	682	529	153	77.6%	442	442
Transfers and subsidies	69	(2)	-	67	67	-	100.0%	8	8
Departmental agencies and accounts	1	(1)		-		-	-	-	-
Households	68	(1)	-	67	67	-	100.0%	8	8
Payments for capital assets	227	(209)	-	18	18	-	100.0%	1	1
Machinery and equipment	227	(209)	-	18	18	-	100.0%	1	1
Total	7 526	(211)	-	7 315	6 765	550	92.5%	6 964	6 949

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.2 Transport Administration & Licensing									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	326 954	7 906	39 217	374 077	370 161	3 916	99.0%	334 848	333 600
Compensation of employees	30 804	-	(109)	30 695	26 870	3 825	87.5%	26 899	25 651
Goods and services	296 150	7 906	39 326	343 382	343 291	91	100.0%	307 949	307 949
Transfers and subsidies	55	(2)	-	53	53	-	100.0%	536	536
Departmental agencies and accounts	2	(2)	-	-		-	-	-	-
Households	53	-	-	53	53	-	100.0%	536	536
Payments for capital assets	12 192	(2)	(1 800)	10 390	9 754	636	93.9%	2 158	999
Machinery and equipment	2 664	(2)	(1 800)	862	682	180	79.1%	415	415
Software and other intangible assets	9 528	-	-	9 528	9 072	456	95.2%	1 743	584
Payments for financial assets	10	11	-	21	21	-	100.0%	15	15
Total	339 211	7 913	37 417	384 541	379 989	4 552	98.8%	337 557	335 150

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.3 Operator Licence & Permits									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	65 590	(3 236)	-	62 354	61 267	1 087	98.3%	56 178	56 178
Compensation of employees	40 521	-	-	40 521	39 714	807	98.0%	37 472	37 472
Goods and services	25 069	(3 236)	-	21 833	21 553	280	98.7%	18 706	18 706
Transfers and subsidies	23	2	-	25	25	-	100.0%	1	1
Departmental agencies and accounts	1	-	-	1	1	-	100.0%	1	1
Households	22	2	-	24	24	-	100.0%	-	-
Payments for capital assets	908	105	-	1 013	903	110	89.1%	623	623
Machinery and equipment	908	105	-	1 013	903	110	89.1%	623	623
Payments for financial assets	-	8	-	8	8	-	100.0%	4	4
Total	66 521	(3 121)	-	63 400	62 203	1 197	98.1%	56 806	56 806

APPROPRIATION STATEMENT
for the year ended 31 March 2018

5.4 Law Enforcement									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	303 546	(5 128)	-	298 418	297 335	1 083	99.6%	265 790	259 460
Compensation of employees	197 491	-	-	197 491	196 461	1 030	99.5%	191 130	184 800
Goods and services	106 055	(5 129)	-	100 926	100 873	53	99.9%	74 660	74 660
Interest and rent on land	-	1	-	1	1	-	100.0%	-	-
Transfers and subsidies	503	287	-	790	688	102	87.1%	974	974
Provinces and municipalities	21	-	-	21	4	17	19.0%	26	26
Departmental agencies and accounts	-	2	-	2	2	-	100.0%	-	-
Households	482	285	-	767	682	85	88.9%	948	948
Payments for capital assets	47 024	106	-	47 130	47 130	-	100.0%	22 247	22 247
Machinery and equipment	47 024	106	-	47 130	47 130	-	100.0%	22 247	22 247
Payments for financial assets	164	154	-	318	318	-	100.0%	387	387
Total	351 237	(4 581)	-	346 656	345 471	1 185	99.7%	289 398	283 068

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 6: Community Based Programmes									
	2017/18							2016/17	
Sub programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Programme Support Community Based	1 818	54	-	1 872	1 829	43	97.7%	1 925	1 731
6.2 Innovation and Empowerment	37 850	(240)	(1 000)	36 610	35 945	665	98.2%	42 285	39 292
6.3 EPWP Co-ordination and Compliance Monitoring	15 173	186	-	15 359	15 130	229	98.5%	15 200	14 839
Total for sub programmes	54 841	-	(1 000)	53 841	52 904	937	98.3%	59 410	55 862

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Programme 6: Community Based Programmes									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	53 765	(11)	(1 000)	52 754	52 179	575	98.9%	57 908	54 949
Compensation of employees	32 769	-	-	32 769	32 321	448	98.6%	32 504	31 094
Salaries and wages	28 879	(57)	-	28 822	28 374	448	98.4%	28 656	27 357
Social contributions	3 890	57	-	3 947	3 947	-	100.0%	3 848	3 737
Goods and services	20 996	(11)	(1 000)	19 985	19 858	127	99.4%	25 404	23 855
Administrative fees	70	(3)	-	67	67	-	100.0%	91	69
Advertising	378	(109)	-	269	269	-	100.0%	375	292
Minor assets	416	(361)	-	55	52	3	94.5%	45	30
Catering: Departmental activities	600	(63)	-	537	533	4	99.3%	632	606
Communication (G&S)	233	(53)	-	180	178	2	98.9%	195	175
Computer services	-	-	-	-	-	-	-	1	1
Consultants: Business and advisory services	4 128	(159)	(1 000)	2 969	2 969	-	100.0%	3 882	3 882
Laboratory services	46	(46)	-	-	-	-	-	-	-
Legal services	43	(40)	-	3	3	-	100.0%	86	86
Contractors	6	58	-	64	64	-	100.0%	44	43
Agency and support / outsourced services	-	58	-	58	58	-	100.0%	1 026	86
Entertainment	2	-	-	2	-	2	-	2	-
Fleet services (including government motor transport)	646	(8)	-	638	638	-	100.0%	935	916
Consumable supplies	190	316	-	506	506	-	100.0%	101	101
Consumable: Stationery, printing and office supplies	197	-	-	197	110	87	55.8%	305	282

APPROPRIATION STATEMENT
for the year ended 31 March 2018

Operating leases	152	6	-	158	158	-	100.0%	152	152
Travel and subsistence	5 811	736	-	6 547	6 525	22	99.7%	7 922	7 807
Training and development	7 644	(282)	-	7 362	7 362	-	100.0%	9 206	8 924
Operating payments	98	21	-	119	112	7	94.1%	126	125
Venues and facilities	336	(82)	-	254	254	-	100.0%	278	278
Transfers and subsidies	43	11	-	54	54	-	100.0%	40	40
Departmental agencies and accounts	-	1	-	1	1	-	100.0%	-	-
Departmental agencies (non-business entities)	-	1	-	1	1	-	100.0%	-	-
Households	43	10	-	53	53	-	100.0%	40	40
Social benefits	1	10	-	11	11	-	100.0%	40	40
Other transfers to households	42	-	-	42	42	-	100.0%	-	-
Payments for capital assets	1 033	-	-	1 033	671	362	65.0%	1 442	853
Machinery and equipment	1 023	-	-	1 023	671	352	65.6%	1 432	853
Transport equipment	674	8	-	682	490	192	71.8%	875	510
Other machinery and equipment	349	(8)	-	341	181	160	53.1%	557	343
Software and other intangible assets	10	-	-	10	-	10	-	10	-
Payments for financial assets	-	-	-	-	-	-	-	20	20
Total	54 841	-	(1 000)	53 841	52 904	937	98.3%	59 410	55 862

APPROPRIATION STATEMENT
for the year ended 31 March 2018

6.1 Programme Support Community Based									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	1 754	54	-	1 808	1 803	5	99.7%	1 811	1 731
Compensation of employees	1 557	55	-	1 612	1 612	-	100.0%	1 530	1 450
Goods and services	197	(1)	-	196	191	5	97.4%	281	281
Payments for capital assets	64	-	-	64	26	38	40.6%	114	-
Machinery and equipment	64	-	-	64	26	38	40.6%	114	-
Total	1 818	54	-	1 872	1 829	43	97.7%	1 925	1 731

APPROPRIATION STATEMENT
for the year ended 31 March 2018

6.2 Innovation and Empowerment

	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	37 184	(240)	(1 000)	35 944	35 505	439	98.8%	41 350	38 783
Compensation of employees	17 796	(276)	-	17 520	17 082	438	97.5%	17 823	16 646
Goods and services	19 388	36	(1 000)	18 424	18 423	1	100.0%	23 527	22 137
Transfers and subsidies	43	-	-	43	43	-	100.0%	7	7
Households	43	-	-	43	43	-	100.0%	7	7
Payments for capital assets	623	-	-	623	397	226	63.7%	916	490
Machinery and equipment	613	-	-	613	397	216	64.8%	906	490
Software and other intangible assets	10	-	-	10	-	10	-	10	-
Payments for financial assets	-	-	-	-	-	-	-	12	12
Total	37 850	(240)	(1 000)	36 610	35 945	665	98.2%	42 285	39 292

APPROPRIATION STATEMENT
for the year ended 31 March 2018

6.3 EPWP Co-ordination and Compliance Monitoring									
	2017/18							2016/17	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	14 827	175	-	15 002	14 871	131	99.1%	14 747	14 435
Compensation of employees	13 416	221	-	13 637	13 627	10	99.9%	13 151	12 998
Goods and services	1 411	(46)	-	1 365	1 244	121	91.1%	1 596	1 437
Transfers and subsidies	-	11	-	11	11	-	100.0%	33	33
Departmental agencies and accounts	-	1	-	1	1	-	100.0%	-	-
Households	-	10	-	10	10	-	100.0%	33	33
Payments for capital assets	346	-	-	346	248	98	71.7%	412	363
Machinery and equipment	346	-	-	346	248	98	71.7%	412	363
Payments for financial assets	-	-	-	-	-	-	-	8	8
Total	15 173	186	-	15 359	15 130	229	98.5%	15 200	14 839

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

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

   Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-D) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets:

   Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	793 220	776 230	16 990	2.14%
Goods and services	2 151 796	2 150 493	1 303	0.06%
Interest and rent on land	19	19	-	0.00%
Transfers and subsidies				
Provinces and municipalities	719 496	700 599	18 897	2.63%
Departmental agencies and accounts	124	15	109	87.90%
Public corporations and private enterprises	922 921	922 921	-	0.00%
Households	17 027	16 942	85	0.50%
Payments for capital assets				
Buildings and other fixed structures	2 760 167	2 754 484	5 683	0.21%
Machinery and equipment	123 857	122 700	1 157	0.93%
Land and subsoil assets	26 110	26 110	-	0.00%
Software and other intangible assets	31 568	31 032	536	1.70%
Payments for financial assets	2 283	2 075	208	9.11%

Explanation of variance: The underspending on the item compensation of employees mainly related to planned vacancies not filled and natural attrition during the year. The underspending on the item provinces and municipalities is due to funding not claimed by municipalities for the construction and maintenance of transport infrastructure during the financial year and the variance for item payments for financial assets relates to losses.

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2018

4.2 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Public Works Infrastructure				
Expanded Public Works Programme Integrated Grant for Province	16 452	16 452	-	0.00%
Transport Infrastructure				
Provincial Roads Maintenance Grant	940 089	940 089	-	0.00%
Transport Operations				
Public Transport Operations Grant	922 921	922 921	-	0.00%

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
REVENUE			
Annual appropriation	1	7 548 588	7 092 664
Departmental revenue	2	229 015	203 780
TOTAL REVENUE		7 777 603	7 296 444
EXPENDITURE			
Current expenditure			
Compensation of employees	3	776 230	737 031
Goods and services	4	2 150 493	1 767 832
Interest and rent on land	5	19	34
Total current expenditure		2 926 742	2 504 897
Transfers and subsidies			
Transfers and subsidies	7	1 640 477	1 612 291
Total transfers and subsidies		1 640 477	1 612 291
Expenditure for capital assets			
Tangible assets	8	2 903 294	2 888 246
Intangible assets	8	31 032	21 316
Total expenditure for capital assets		2 934 326	2 909 562
Payments for financial assets	6	2 075	1 958
TOTAL EXPENDITURE		7 503 620	7 028 708
SURPLUS FOR THE YEAR		273 983	267 736
Reconciliation of Net Surplus for the year			
Voted funds		44 968	63 956
Annual appropriation		44 968	63 956
Departmental revenue	13	229 015	203 780
SURPLUS FOR THE YEAR		273 983	267 736

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
ASSETS			
Current assets		170 805	161 582
Cash and cash equivalents	9	126 203	132 259
Prepayments and advances	10	15 779	18 515
Receivables	11	28 823	10 808
Non-current assets		399	329
Receivables	11	399	329
TOTAL ASSETS		171 204	161 911
LIABILITIES			
Current liabilities		167 997	158 786
Voted funds to be surrendered to the Revenue Fund	12	44 968	63 956
Departmental revenue to be surrendered to the Revenue Fund	13	109 355	69 586
Payables	14	13 674	25 244
TOTAL LIABILITIES		167 997	158 786
NET ASSETS		3 207	3 125
Represented by:			
Recoverable revenue		3 207	3 125
TOTAL		3 207	3 125

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		3 125	3 778
Transfers:		82	(653)
Irrecoverable amounts written off	6.2	(313)	(40)
Debts revised		(293)	(2 707)
Debts recovered (included in departmental receipts)		(482)	(398)
Debts raised		1 170	2 492
Closing balance		3 207	3 125
TOTAL		3 207	3 125

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

CASH FLOW STATEMENT
for the year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		9 270 327	8 674 293
Annual appropriated funds received	1.1	7 548 588	7 092 664
Departmental revenue received	2	1 720 755	1 579 653
Interest received	2.3	984	1 976
Net (increase)/decrease in working capital		(26 919)	(5 667)
Surrendered to Revenue Fund		(1 746 401)	(1 651 782)
Current payments		(2 926 723)	(2 504 863)
Interest paid	5	(19)	(34)
Payments for financial assets		(2 075)	(1 958)
Transfers and subsidies paid		(1 640 477)	(1 612 291)
Net cash flow available from operating activities	15	2 927 713	2 897 698
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(2 934 326)	(2 909 562)
Proceeds from sale of capital assets	2.4	475	3 369
Net cash flows from investing activities		(2 933 851)	(2 906 193)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		82	(653)
Net cash flows from financing activities		82	(653)
Net increase/(decrease) in cash and cash equivalents		(6 056)	(9 148)
Cash and cash equivalents at beginning of period		132 259	141 407
Cash and cash equivalents at end of period	16	126 203	132 259

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

1 Basis of preparation

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

2 Going concern

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

3 Presentation currency

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

4 Rounding

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

5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.

6 Comparative information

6.1 Prior period comparative information

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

6.2 Current year comparison with budget

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

7 Revenue

7.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

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

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8 Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

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

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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

8.2 Other expenditure

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

8.3 Accruals and payables not recognised

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

8.4 Leases

8.4.1 Operating leases

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

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

8.4.2 Finance leases

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

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

9 Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10 Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12 Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's write-off policy.

13 Investments

Investments are recognised in the statement of financial position at cost.

14 Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15 Payables

Payables recognised in the statement of financial position are recognised at cost.

16 Capital Assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

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

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 Movable capital assets

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

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

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

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

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

16.3 Intangible assets

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

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

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

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

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

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

16.4 Projects Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17 Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

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

17.3 Contingent assets

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

17.4 Commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

18 Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

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

- transferred to receivables for recovery.

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

19 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

20 Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21 Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22 Events after the reporting date

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

23 Principal –Agent arrangements

The department is acting as a principal when it has the power to exercise beneficial control over an activity. The department has beneficial control when it has both the power to direct the activity, and the ability to benefit from that power. In the public sector, “benefits” can consist of economic benefits, service potential or both. Activities, in this context, would consist of events, tasks or processes that give rise to a flow of economic benefits or service potential between the department and other parties.

Where the department acts as a principal it discloses as part of the primary financial information, the following in the notes to the financial statements, the total payments made to its agents (where applicable) during the period; and an explanation about the nature, circumstances and terms relating to the arrangements.

Where a department is acting as an agent for another department or public sector entity it shall disclose as part of the primary financial information, the following in the notes to the financial

statements; a reconciliation between total agency funds received and disbursements made in executing the agency services; an explanation of differences between amounts spent on behalf of the other party, and any reimbursements received in the reporting period; any revenue earned from rendering the agency service, and the amount of revenue recognised based on cash receipts during the reporting period; a narrative description and explanation of assets belonging to other entities that are held in the custody of the department; and an explanation about the nature, circumstances and terms relating to the arrangements.

24 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

25 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

26 Related party transactions

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.
Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.

27 Inventories (Effective from date determined in a Treasury Instruction)

At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

28 Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

29 Employee benefits

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

PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1 Annual Appropriation

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

	2017/18			2016/17	
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation Received
	R'000	R'000	R'000	R'000	R'000
Administration	174 981	174 981	-	165 468	165 468
Public Works Infrastructure	1 866 836	1 866 836	-	1 731 166	1 731 166
Transport Infrastructure	3 438 947	3 438 947	-	3 256 339	3 256 339
Transport Operations	1 212 071	1 212 071	-	1 189 556	1 189 556
Transport Regulation	801 912	801 912	-	690 725	690 725
Community Based Programmes	53 841	53 841	-	59 410	59 410
Total	7 548 588	7 548 588	-	7 092 664	7 092 664

1.2 Conditional grants

	Note	2017/18	2016/17
		R'000	R'000
Total grants received	32	1 879 462	1 716 320

2. Departmental revenue

	Note	2017/18	2016/17
		R'000	R'000
Tax revenue		1 572 067	1 433 664
Sales of goods and services other than capital assets	2.1	127 679	113 723
Fines, penalties and forfeits	2.2	1 602	1 307
Interest, dividends and rent on land	2.3	984	1 976
Sales of capital assets	2.4	475	3 369
Transactions in financial assets and liabilities	2.5	16 407	24 194
Transfer received	2.6	3 000	6 765
Total revenue collected		1 722 214	1 584 998
Less: Own revenue included in appropriation	13	(1 493 199)	(1 381 218)
Departmental revenue collected		229 015	203 780

2.1 Sales of goods and services other than capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Sales of goods and services produced by the department		127 639	112 842
Sales by market establishment		88 127	68 206
Administrative fees		36 304	41 154
Other sales		3 208	3 482
Sales of scrap, waste and other used current goods		40	881
Total		127 679	113 723

2.2 Fines, penalties and forfeits

	Note	2017/18	2016/17
	2	R'000	R'000
Fines - Impound fees		1 602	1 307
Total		1 602	1 307

.

2.3 Interest, dividends and rent on land

	Note	2017/18	2016/17
	2	R'000	R'000
Interest		984	1 976
Total		984	1 976

2.4 Sale of capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Tangible assets		475	3 369
Buildings and other fixed structures	29.2	475	414
Machinery and equipment	27.2	-	2 955
Total		475	3 369

2.5 Transactions in financial assets and liabilities

	Note	2017/18	2016/17
	2	R'000	R'000
Receivables		928	531
Other Receipts including Recoverable Revenue		15 479	23 663
Total		16 407	24 194

2.6 Transfers received

	Note	2017/18	2016/17
	2	R'000	R'000
Other governmental units		3 000	697
Public corporations and private enterprises		-	6 068
Total		3 000	6 765

3. Compensation of employees

3.1 Salaries and Wages

	Note	2017/18	2016/17
		R'000	R'000
Basic salary		532 503	506 166
Performance award		7 901	6 512
Service Based		1 704	1 013
Compensative/circumstantial		22 015	18 293
Periodic payments		1 126	1 590
Other non-pensionable allowances		102 741	101 660
Total		667 990	635 234

3.2 Social contributions

	Note	2017/18	2016/17
		R'000	R'000
Employer contributions			
Pension		65 653	61 415
Medical		42 408	40 216
Bargaining council		179	166
Total		108 240	101 797
Total compensation of employees		776 230	737 031
Average number of employees		2 184	2 215

4. Goods and services

	Note	2017/18 R'000	2016/17 R'000
Administrative fees		335 420	296 789
Advertising		21 384	20 303
Minor Assets	4.1	3 795	7 602
Bursaries (employees)		1 525	1 104
Catering		1 409	1 295
Communication		5 702	6 737
Computer services	4.2	42 892	63 649
Consultants: Business and advisory services		362 721	174 358
Infrastructure and planning services		42 802	27 085
Laboratory services		7	46
Legal services		15 478	11 607
Contractors		441 009	411 512
Agency and support/outsourced services		27 267	29 078
Entertainment		28	21
Audit cost – external	4.3	13 026	10 754
Fleet services		52 336	48 434
Inventory	4.4	7 516	10 536
Consumables	4.5	55 111	40 387
Operating leases		167 878	169 973
Property payments	4.6	511 083	393 534
Rental and hiring		23	18
Travel and subsistence	4.7	24 875	26 448
Venues and facilities		790	292
Training and development		12 778	12 710
Other operating expenditure	4.8	3 638	3 560
Total		2 150 493	1 767 832

4.1 Minor Assets

	Note 4	2017/18 R'000	2016/17 R'000
Tangible assets			
Machinery and equipment		3 795	7 602
Total		3 795	7 602

4.2 Computer services

	Note 4	2017/18 R'000	2016/17 R'000
SITA computer services		1 799	1 603
External computer service providers		41 093	62 046
Total		42 892	63 649

4.3 Audit cost – External

	Note	2017/18	2016/17
	4	R'000	R'000
Regularity audits		12 660	10 547
Computer audits		366	207
Total		13 026	10 754

4.4 Inventory

	Note	2017/18	2016/17
	4	R'000	R'000
Other Supplies		7 516	10 536
Total	4.4.1	7 516	10 536

4.4.1 Other supplies

	Note	2017/18	2016/17
		R'000	R'000
Ammunition and security supplies		230	-
Assets for distribution			
Other assets for distribution		7 286	10 536
Total	4.4	7 516	10 536

4.5 Consumables

	Note	2017/18	2016/17
	4	R'000	R'000
Consumable supplies		40 908	25 163
Uniform and clothing		9 836	3 010
Household supplies		1 643	1 684
Building material and supplies		27 079	18 265
Communication accessories		176	-
IT consumables		146	108
Other consumables		2 028	2 096
Stationery, printing and office supplies		14 203	15 224
Total		55 111	40 387

4.6 Property payments

	Note	2017/18	2016/17
	4	R'000	R'000
Municipal services		112 539	135 005
Property management fees		6 106	5 672
Property maintenance and repairs		248 073	182 872
Other		144 365	69 985
Total		511 083	393 534

4.7 Travel and subsistence

	Note	2017/18	2016/17
	4	R'000	R'000
Local		24 662	25 813
Foreign		213	635
Total		24 875	26 448

4.8 Other operating expenditure

	Note	2017/18	2016/17
	4	R'000	R'000
Professional bodies, membership and subscription fees		171	105
Resettlement costs		224	159
Other		3 243	3 296
Total		3 638	3 560

5. Interest and rent on land

	Note	2017/18	2016/17
		R'000	R'000
Interest paid		19	34
Total		19	34

6. Payments for financial assets

	Note	2017/18	2016/17
		R'000	R'000
Other material losses written off	6.1	1 548	1 108
Debts written off	6.2	527	850
Total		2 075	1 958

6.1 Other material losses written off

	Note	2017/18	2016/17
	6	R'000	R'000
Nature of losses			
Damages and losses to Government Motor Transport vehicles (50 cases)		318	498
Damages and losses to Road Construction and Maintenance Plant Equipment (117 cases)		1 162	565
Other Losses- Keys /damage to private vehicles (4 cases)		66	15
Damages to hired vehicles (1 case)		2	30
Total		1 548	1 108

6.2 Debts written off

	Note	2017/18	2016/17
	6	R'000	R'000
Nature of debts written off			
Recoverable revenue written off			
Debts: Ex-employees (3 cases)		1	40
Other (2 cases)		186	-
Debts –Bursaries (1 case)		126	-
Total		313	40
Other debt written off			
*Other Debts (7 cases)		87	104
Debts –Bursaries (1 case)		104	328
Debts - Ex-employees (4 cases)		23	378
Total		214	810
Total debt written off		527	850

*Other debts written off - mainly relates to damage to guard rails and clearing of Road surface.

7. Transfers and subsidies

	Note	2017/18	2016/17
		R'000	R'000
Provinces and municipalities	Annex 1A	700 599	724 556
Departmental agencies and accounts	Annex 1B	15	58
Public corporations and private enterprises	Annex 1C	922 921	873 298
Households	Annex 1D	16 942	14 379
Total		1 640 477	1 612 291

8. Expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets		2 903 294	2 888 246
Buildings and other fixed structures	29.1	2 754 484	2 789 854
*Machinery and equipment	27.1	122 700	86 402
Land and subsoil assets	29.1	26 110	11 990
Intangible assets		31 032	21 316
Software	28.1	31 032	21 316
Total		2 934 326	2 909 562

*Included in Machinery and equipment is an advance expensed to the amount of R20 million, relating to motor vehicle equipment for Traffic Law Enforcement.

8.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	2 903 294	-	2 903 294
Buildings and other fixed structures	2 754 484	-	2 754 484
Machinery and equipment	122 700	-	122 700
Land and subsoil assets	26 110	-	26 110
Intangible assets	31 032	-	31 032
Software	31 032	-	31 032
Total	2 934 326	-	2 934 326

8.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	2 888 246	-	2 888 246
Buildings and other fixed structures	2 789 854	-	2 789 854
Machinery and equipment	86 402	-	86 402
Land and subsoil assets	11 990	-	11 990
Intangible assets	21 316	-	21 316
Software	21 316	-	21 316
Total	2 909 562	-	2 909 562

8.3 Finance lease expenditure included in expenditure for capital assets

	Note	2017/18 R'000	2016/17 R'000
Tangible assets			
Machinery and equipment		27 181	26 475
Total		27 181	26 475

9. Cash and cash equivalents

	Note	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account		152 526	169 742
Cash receipts		(23)	-
Disbursements		(26 305)	(37 488)
Cash on hand		5	5
Total		126 203	132 259

10. Prepayments and advances

	Note	2017/18 R'000	2016/17 R'000
Travel and subsistence		85	102
Advances paid (Not expensed)	10.1	15 694	18 413
Total		15 779	18 515

10.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year advances R'000	Balance as at 31 March 2018 R'000
District Municipalities	Annex 7	18 413	(5 794)	3 075	15 694
Total		18 413	(5 794)	3 075	15 694

10.2 Advances paid (Expensed)

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year advances R'000	Balance as at 31 March 2018 R'000
Government Motor Transport	8	-	-	20 000	20 000
Total		-	-	20 000	20 000

11. Receivables

		2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	Note						
Claims recoverable	11.1	21 953	-	21 953	4 508	-	4 508
Recoverable expenditure	11.2	2 267	-	2 267	2 090	-	2 090
Staff debt	11.3	4 603	399	5 002	4 210	329	4 539
Total		28 823	399	29 222	10 808	329	11 137

11.1 Claims recoverable

	Note	2017/18	2016/17
	11	R'000	R'000
National departments	Annex 3	34	-
Provincial departments	Annex 3	17 081	1 513
Public entities	Annex 3	2 971	2 696
Households and non-profit institutions		181	246
Local governments		1 686	53
Total		21 953	4 508

11.2 Recoverable expenditure (disallowance accounts)

	Note	2017/18	2016/17
	11	R'000	R'000
Disallowance: Miscellaneous		26	39
Disallowance: Damages and Losses		2 241	2 036
Disallowance: Dishonoured Cheques		-	15
Total		2 267	2 090

11.3 Staff debt

	Note	2017/18	2016/17
	11	R'000	R'000
Staff Debt/Ex-employees/Bursary Debt		4 985	4 536
Salary Tax Debt		1	1
Salary Med Aid Debt		5	-
Salary Pension Fund		11	-
Salary Deductions disallowance accounts		-	2
Total		5 002	4 539

11.4 Impairment of receivables

	Note	2017/18	2016/17
	11	R'000	R'000
*Estimate of impairment of receivables		3 401	2 678
Total		3 401	2 678

*The impairment is based on debtors that were handed over to the State Attorney and Legal Services for recovery.

12. Voted funds to be surrendered to the Revenue Fund

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		63 956	90 880
Transfer from statement of financial performance		44 968	63 956
Paid during the year		(63 956)	(90 880)
Closing balance		44 968	63 956

13. Departmental revenue to be surrendered to the Revenue Fund

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		69 586	45 490
Transfer from Statement of Financial Performance		229 015	203 780
Own revenue included in appropriation		1 493 199	1 381 218
Paid during the year		(1 682 445)	(1 560 902)
Closing balance		109 355	69 586

14. Payables – current

	Note	2017/18	2016/17
		R'000	R'000
Clearing Accounts	14.1	48	14
Other payables	14.2	13 626	25 230
Total		13 674	25 244

14.1 Clearing Accounts

	Note	2017/18	2016/17
	14	R'000	R'000
Salary Government Employees Housing Fund refunds		36	14
Salary: Income Tax		12	-
Total		48	14

14.2 Other payables

	Note	2017/18	2016/17
	14	R'000	R'000
Tender Deposit		-	13 500
National Skills Fund		3 056	3 428
Guarantees for rehabilitation		2 843	3 394
E-Natis (Administrative fees)		7 727	4 908
Total		13 626	25 230

15. Net cash flow available from operating activities

	Note	2017/18	2016/17
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		273 983	267 736
Add back non cash/cash movements not deemed operating activities		2 653 730	2 629 962
(Increase)/decrease in receivables – current		(18 085)	47
(Increase)/decrease in prepayments and advances		2 736	(5 877)
Increase/(decrease) in payables – current		(11 570)	163
Proceeds from sale of capital assets		(475)	(3 369)
Expenditure on capital assets		2 934 326	2 909 562
Surrenders to Revenue Fund		(1 746 401)	(1 651 782)
Own revenue included in appropriation		1 493 199	1 381 218
Net cash flow generated by operating activities		2 927 713	2 897 698

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

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General account		152 526	169 742
Cash receipts		(23)	-
Disbursements		(26 305)	(37 488)
Cash on hand		5	5
Total		126 203	132 259

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

		Note	2017/18 R'000	2016/17 R'000
Liable to	Nature			
Housing loan guarantees	Employees	Annex 2A	75	75
Other guarantees	Borrow pit guarantees	Annex 2A	14 749	14 749
Private individuals	Claims against the department	Annex 2B	71 651	54 421
Various Departments	Intergovernmental payables (unconfirmed balances)	Annex 4	2 999	5 412
Total			89 474	74 657

Other guarantees represent the guarantees provided by the department for the rehabilitation of the borrow pits only if the department defaults on the contract.
All cases which were submitted to Legal Services and State Attorney have been included as contingent liabilities as the outcome of all the open cases are uncertain.
All unconfirmed intergovernmental payable balances have been included in the account as the department is not in agreement with outstanding balances at year end.

Contingent assets
There are 10 PILIR cases under investigation and not as yet finalised by the Department of the Premier as at 31 March 2018.

At this stage the Department is not able to reliably measure the contingent asset in terms of the Government Employees Housing Scheme of the Individually Linked Saving Facility (ILSF), relating to resignations and termination of service.

18. Commitments

	Note	2017/18 R'000	2016/17 R'000
Current expenditure			
Approved and contracted		424 986	380 848
Approved but not yet contracted		-	34 304
		424 986	415 152
Capital expenditure			
Approved and contracted		2 413 170	2 873 398
Approved but not yet contracted		-	190 702
		2 413 170	3 064 100
Total Commitments		2 838 156	3 479 252

Capital expenditure: Included in commitments are 75 capital projects which will be completed after one year.
Current expenditure: Included in commitments are 21 cleaning projects which will be completed after one year.

19. Accruals and payables not recognised

19.1 Accruals

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	40 380	-	40 380	65 748
Interest and rent on land	23	-	23	-
Transfers and subsidies	1 008	-	1 008	3 175
Capital assets	63 864	-	63 864	180 962
Total	105 275	-	105 275	249 885

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Programme 1: Administration		2 024	6 664
Programme 2: Public Works Infrastructure		28 882	46 694
Programme 3: Transport Infrastructure		68 408	178 990
Programme 4: Transport Operations		191	654
Programme 5: Transport Regulation		5 511	16 828
Programme 6: Community Based Programmes		259	55
Total		105 275	249 885

The material accruals represent the continuation of capital projects during March 2018 which resulted in payments made after year end.

19.2 Payables not recognised

			2017/18 R'000	2016/17 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	11 914	13	11 927	6 672
Transfers and subsidies	14	-	14	-
Capital assets	275	-	275	44 695
Total	12 203	13	12 216	51 367

	Note	2017/18 R'000	2016/17 R'000
Listed by programme level			
Programme 1: Administration		343	98
Programme 2: Public Works Infrastructure		10 851	2 072
Programme 3: Transport Infrastructure		51	48 280
Programme 4: Transport Operations		19	2
Programme 5: Transport Regulation		451	651
Programme 6: Community Based Programmes		501	264
Total		12 216	51 367

	Note	2017/18 R'000	2016/17 R'000
Included in the above totals are the following:			
Confirmed balances with the departments	Annex 4	498	2 382
Confirmed balances with other government units	Annex 4	3 127	3 782
Total		3 625	6 164

20. Employee benefits

	Note	2017/18	2016/17
		R'000	R'000
*Leave entitlement		24 902	24 731
Service bonus (Thirteenth cheque)		19 314	18 162
Performance awards		9 058	7 300
Capped leave commitments		23 778	26 598
**Other		4 209	3 220
Total		81 261	80 011

*Negative leave amounts for 2017/18 of R1,929 million is not included in leave entitlement provision.

**At this stage the department is not able to reliably measure the long term portion of the long service awards. Included in other are accruals in respect of compensation of employees.

21. Lease commitments

21.1 Operating leases expenditure

2017/18	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	100 526	3 224	103 750
Later than 1 year and not later than 5 years	159 544	1 803	161 347
Later than five years	21 661	-	21 661
Total lease commitments	281 731	5 027	286 758

Property lease commitments are calculated based on a contractual obligation between the department and the lessors.
The leases have an escalation of between 0% and 10%. The Department currently leases 142 facilities.

2016/17	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	92 438	3 568	96 006
Later than 1 year and not later than 5 years	116 315	2 513	118 828
Later than five years	27 039	-	27 039
Total lease commitments	235 792	6 081	241 873

21.2 Finance leases commitment

2017/18	Machinery and equipment R'000	Total R'000
Not later than 1 year	27 548	27 548
Later than 1 year and not later than 5 years	39 742	39 742
Total lease commitments	67 290	67 290

2016/17	Machinery and equipment R'000	Total R'000
Not later than 1 year	26 122	26 122
Later than 1 year and not later than 5 years	56 617	56 617
Later than five years	25	25
Total lease commitments	82 764	82 764

The department leased 508 vehicles from Government Motor Transport (GMT) as at 31 March 2018 ((March 2017: 508 vehicles). Daily tariffs are payable on a monthly basis, covering the operational costs, capital costs of the replacement of vehicles and the implicit finance costs in this type of arrangement.
The implicit interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

21.3 Operating lease revenue

2017/18	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	47 791	47 791
Later than 1 year and not later than 5 years	162 742	162 742
Later than five years	222 172	222 172
Total operating lease revenue receivable	432 705	432 705

The lease commitments are calculated based on a contractual obligation between the department and the lessee and shows the amount of revenue that is expected to be received. This amounts to 45 leases. The leases have an annual escalation of between 0% and 10%.

2016/17	Buildings and other fixed structures R'000	Total R'000
Not later than 1 year	42 691	42 691
Later than 1 year and not later than 5 years	168 164	168 164
Later than five years	127 107	127 107
Total operating lease revenue receivable	337 962	337 962

22. Accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Tax revenue		20 013	32 726
Sales of goods and services other than capital assets		80 180	89 424
Sale of capital assets		843	-
Total		101 036	122 150

It should further be noted that the not signing of lease agreements of un-lawful occupants of government properties could result that the department is at risk of losing R0,804 million rental income per year. Credit balances to the value of R3,344 million were excluded when calculating the outstanding debt.

22.1 Analysis of accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Opening balance		122 150	119 906
Less: amounts received		(120 853)	(105 182)
Add: amounts recognised		100 964	107 426
Less: amounts written-off / reversed as irrecoverable		(1 225)	-
Closing balance		101 036	122 150

22.2 Accrued departmental revenue written-off

	Note	2017/18 R'000	2016/17 R'000
Rentals - irrecoverable		1 225	-
Total		1 225	-

22.3 Impairment of accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Estimate of impairment of accrued departmental revenue		41 507	40 958
Total		41 507	40 958

The impairment is based on debtors handed over to the state attorney and legal services for recovery.

23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

	Note	2017/18 R'000	2016/17 R'000
Opening balance		-	4 942
Prior period error		-	-
As restated		-	4 942
Add: Irregular expenditure – relating to prior year		-	-
Add: Irregular expenditure – relating to current year		3	46
Less: Prior year amounts condoned		-	(4 361)
Less: Current year amounts condoned		(3)	(30)
Less: Amounts recoverable (not condoned)		-	(597)
Less: Amounts not condoned and not recoverable		-	-
Irregular expenditure awaiting condonation		-	-

Analysis of awaiting condonation per age classification

Current year	-	-
Prior years	-	-
Total	-	-

23.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Exceeds limitations in terms of Departmental Catering Policy (2 cases)	Training provided/Cautionary letters issued	3
Non-compliance: SCM delegations (1 case)	Training provided	-
Total		3

.

23.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Exceeds limitations in terms of Departmental Catering Policy (2 cases)	Relevant authority	3
Non-compliance: SCM delegations (1 case)	Relevant authority	-
Total		3

24. Related party transactions

The Department provides buildings free of charge to the following departments as well as entities reporting to these departments:

- Department of the Premier
- Provincial Parliament
- Provincial Treasury
- Community Safety (including Police Ombudsman)
- Education
- Health (including Hospital Facility Boards of Provincial Hospital, National Health Laboratory Service ,Red Cross Children's Trust, Groote Schuur Hospital Facility Board, and Cape Medical Depot)
- Social Development
- Local Government and Housing
- Human Settlements (including Rental Housing Tribunal)
- Environmental Affairs and Development Planning
- Agriculture
- Economic Development and Tourism
- Culture Affairs and Sport
- Provincial Operating Licence Board (POLB) / Provincial Regulating Entity (PRE)
- Provincial Transport Registrar
- Government Motor Transport
- Western Cape Gambling and Racing Board
- Construction Industrial Development Board
- Western Cape Nature Conservation Board
- Higher Educations Institutions (including University of the Western Cape, University of Cape Town, University of Stellenbosch and TVET Colleges)

The Department provides parking spaces for government officials at approved fees that are not market related.

The Department receives corporate services from the Corporate Service Centre of the Department of the Premier in the Western Cape with effect from 1 November 2010 in respect of the following service areas:

- Information and Communication Technology
- Organisation Development
- Provincial Training (transversal)

- Human Resource Management
- Enterprise Risk Management
- Internal Audit
- Provincial Forensic Services
- Legal Services
- Corporate Communication

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Provincial Treasury.

The Department receives Security Advisory Services and Security Operations from Department of Community Safety in the Western Cape.

25. Key management personnel

	No. of Individuals	2017/18	2016/17
		R'000	R'000
Political office bearer	1	1 978	1 902
Officials:			
Level 15 to 16	8	10 385	8 782
Level 14	15	16 475	16 217
Total		28 838	26 901

26. Public Private Partnership

	Note	2017/18	2016/17
		R'000	R'000
Other		17 741	9 126
Other obligations		17 741	9 126
Total		17 741	9 126

A concession agreement was concluded 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 condition. The agreement, which provided for both renewal and termination options, was signed on 21 May 2003. The partnership between the department and Entilini Concessionary has been operational since 21 December 2003.

During the course of 2009/10 the Executive Authority for Transport and Public Works and Finance, Economic Development and Tourism was mandated by the Premier to, with assistance of a task team, re-negotiate the contract with the Concessionaire with a view to mitigate the risk to the Department. The re-negotiations were

concluded and some of the matters that were addressed were:

- Improve Provincial Contract Management and Internal Control systems.
- Re-negotiate certain conditions in the existing contract.
- Review an alternative toll plaza solution.
- Agree on pre-emptive closure regime.
- Review methodology of Province Future Support.
- Review of upgrades and maintenance reserve fund.

In the new re-negotiated contract, a provision was made for unseen maintenance; operating and managing expenses were reviewed and pegged at an acceptable level, to be increases with CPI. Revenue projections were also scrutinised.

Any shortfall between the actual revenue and expenses would be made good by the Province, which will be re-imbursed once the Concessionaire has paid up its long time debt (2023) and there is a surplus available after expenses have been paid out of revenue.

The Province will have the first right of call to this surplus for the revenue support provided during the concession period and thereafter, any available surplus will be distributed on a 50:50 basis.

27. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS	4 894	-	-	4 894
Heritage assets	4 894	-	-	4 894
MACHINERY AND EQUIPMENT	760 247	83 277	5 108	838 416
Transport assets	342 125	43 155	4 754	380 526
Computer equipment	37 795	11 013	171	48 637
Furniture and office equipment	6 746	438	165	7 019
Other machinery and equipment	373 581	28 671	18	402 234
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	765 141	83 277	5 108	843 310

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Machinery and Equipment	164	3 253

Financial Governance and Asset Management is currently investigating these items, which may have been lost or stolen.

27.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	122 700	7 758	(47 181)	-	83 277
Transport assets	82 595	7 741	(47 181)	-	43 155
Computer equipment	10 996	17	-	-	11 013
Furniture and office equipment	438	-	-	-	438
Other machinery and equipment	28 671	-	-	-	28 671
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	122 700	7 758	(47 181)	-	83 277

Finance lease payments represent all payments made to Government Motor Transport for the usage of their vehicles.

27.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposals	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	5 108	5 108	-
Transport assets	-	4 754	4 754	-
Computer equipment	-	171	171	-
Furniture and office equipment	-	165	165	-
Other machinery and equipment	-	18	18	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	5 108	5 108	-

27.3 Movement for 2016/17

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	4 894	-	-	-	4 894
Heritage assets	4 894	-	-	-	4 894
MACHINERY AND EQUIPMENT	713 366		62 143	(15 262)	760 247
Transport assets	328 909	-	21 525	(8 309)	342 125
Computer equipment	38 090	-	3 577	(3 872)	37 795
Furniture and office equipment	7 047	-	445	(746)	6 746
Other machinery and equipment	339 320	-	36 596	(2 335)	373 581
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	718 260	-	62 143	(15 262)	765 141

27.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	528	29 611	30 139
Additions	-	3 923	3 923
Disposals	-	(888)	(888)
TOTAL MINOR ASSETS	528	32 646	33 174

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	69	883	952
Number of minor assets at cost	309	20 195	20 504
TOTAL NUMBER OF MINOR ASSETS	378	21 078	21 456

Minor Capital Assets under investigation

	Number	Value R'000
Machinery and equipment	551	691

Financial Governance and Asset Management is currently investigating these items, which may have been lost or stolen.

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000
Opening balance	538	24 459	24 997
Additions	-	7 469	7 469
Disposals	(10)	(2 317)	(2 327)
TOTAL MINOR ASSETS	528	29 611	30 139

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	69	972	1 041
Number of minor assets at cost	310	19 292	19 602
TOTAL NUMBER OF MINOR ASSETS	379	20 264	20 643

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	163 582	31 032	-	194 614
TOTAL INTANGIBLE CAPITAL ASSETS	163 582	31 032	-	194 614

28.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	31 032	-	-	-	31 032
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	31 032	-	-	-	31 032

28.2 Movement for 2016/17

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	142 266	-	21 316	-	163 582
TOTAL INTANGIBLE CAPITAL ASSETS	142 266	-	21 316	-	163 582

29. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	67 202 162	870	3 548 293	(6 891)	70 744 434
Non-residential buildings	35 425 621	870	934 363	(5 965)	36 354 889
Other fixed structures	31 776 541	-	2 613 930	(926)	34 389 545
HERITAGE ASSETS	524 886	-	15 884	-	540 770
Heritage assets	524 886	-	15 884	-	540 770
LAND AND SUBSOIL ASSETS	944 504	(870)	53 392	-	997 026
Land	944 504	(870)	53 392	-	997 026
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	68 671 552	-	3 617 569	(6 891)	72 282 230

-

*Re-classification between items due to consolidation of 2 portions of properties, this amounts to R0, 870 million.

29.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	2 754 484	3 548 293	(2 754 484)	-	3 548 293
Non-residential buildings	268 569	934 363	(268 569)	-	934 363
Other fixed structures	2 485 915	2 613 930	(2 485 915)	-	2 613 930
Heritage Assets	-	15 884	-	-	15 884
Heritage Assets	-	15 884	-	-	15 884
LAND AND SUBSOIL ASSETS	26 110	27 282	-	-	53 392
Land	26 110	27 282	-	-	53 392
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	2 780 594	3 591 459	(2 754 484)	-	3 617 569

Non cash additions for non-residential buildings relates to section 42 transfers from Department of Health and properties that were vested during the financial year.

29.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	5 965	926	6 891	475
Non-residential buildings	5 965	-	5 965	475
Other fixed structures	-	926	926	-
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	5 965	926	6 891	475

.

29.3 Movement for 2016/17

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	63 591 445	-	3 610 737	(20)	67 202 162
Non-residential buildings	35 005 911	-	419 730	(20)	35 425 621
Other fixed structures	28 585 534	-	3 191 007	-	31 776 541
HERITAGE ASSETS	524 886	-	-	-	524 886
Heritage assets	524 886	-	-	-	524 886
LAND AND SUBSOIL ASSETS	884 089	-	60 415	-	944 504
Land	884 089	-	60 415	-	944 504
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	65 000 420	-	3 671 152	(20)	68 671 552

29.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

	Note	Opening Balance 1 April 2017	Current Year WIP	Ready for Use (Assets to the Asset register)/ Contracts terminated	Closing Balance 31 March 2018
	Annexure 6	R'000	R'000	R'000	R'000
Building and other fixed structures		3 462 998	2 754 484	(3 083 571)	3 133 911
TOTAL		3 462 998	2 754 484	(3 083 571)	3 133 911

Age analysis on on-going projects	Number of projects		2017/18
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	22	2	125 493
1 to 3 Years	15	33	682 123
3 to 5 Years	35	21	2 326 295
Total	72	56	3 133 911

Accruals and payables not recognised relating to Capital WIP	Note	2017/2018	2016/2017
	Annexure 6	R'000	R'000
Building and other fixed structures		55 364	
TOTAL		55 364	

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017

	Note	Opening Balance 1 April 2016	Prior Period error	Current Year WIP	Ready for Use (Assets to the Asset register)/ Contracts terminated	Closing Balance 31 March 2017
		R'000	R'000	R'000	R'000	R'000
Building and other fixed structures	Annexure 6	3 837 431	257 290	2 789 854	(3 421 577)	3 462 998
TOTAL		3 837 431	257 290	2 789 854	(3 421 577)	3 462 998

Prior period error relates to adjustment of closing balances. This difference occurred due to the changes in SCOA classifications, updated Legacy Systems and the lack of Integrated Financial Systems. The expenditure relates to design and planning fees of projects.

29.5 S42 Immovable assets

Assets received in terms of S42 of the PFMA – 2017/18

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Non-residential buildings	7	651 718
TOTAL	7	651 718

It should be noted that although the total value received from the Department of Health is R651,718 million, only R278,718 million was capitalised. The carrying amount in this Departments asset register is R373,000 million, for Khayelitsha Hospital.

Assets received in terms of S42 of the PFMA – 2016/17

	Number of assets	Value of assets R'000
BUILDINGS AND OTHER FIXED STRUCTURES		
Non-residential buildings	6	151 944
TOTAL	6	151 944

29.6 Immovable assets additional information

			Note	2017/18	2016/17
a)	Un-surveyed land	Estimated completion date	Annex 8	Area	Area
	Western Cape			-	-
b)	Properties deemed vested		Annex 8	Number	Number
	Land parcels			113	176
	Facilities				
	Schools			35	44
	Clinics			1	1
	Office buildings			-	1
	Dwellings/Residential			1	3
	Other			76	127

30. Principal-agent arrangements

30.1 Department acting as the principal

	2017/18	2016/17
	R'000	R'000
Berg River Municipality	2 696	2 597
Cederberg Municipality	2 214	1 989
Matzikama Municipality	3 620	3 151
Saldanha Bay Municipality	6 715	5 702
Swartland Municipality	6 862	6 255
Breede Valley Municipality	8 598	7 789
Drakenstein Municipality	14 729	13 933
Langeberg Municipality	4 466	4 080
Stellenbosch Municipality	7 738	7 330
Witzenberg Municipality	4 116	3 687
Cape Agulhas Municipality	2 141	2 012
Overstrand Municipality	5 300	4 891
Swellendam Municipality	2 081	1 919
Theewaterskloof Municipality	4 807	4 448
Bitou Municipality	1 920	1 656
George Municipality	12 176	10 857
Hessequa Municipality	3 149	2 812
Kannaland Municipality	960	958
Knysna Municipality	3 868	3 533
Mossel Bay Municipality	6 757	5 901
Oudtshoorn Municipality	3 586	3 630
Beaufort West Municipality	1 098	967
Laingsburg Municipality	177	157
Prince Albert Municipality	247	240
City of Cape Town	224 845	195 558
Total	334 866	296 052

- Municipalities within the province collect motor vehicle license renewal and renewal fees on behalf of the department as circular 12/94. The municipality charges the department agency fees for the collection of these fees. The amounts disclosed above are the fees paid for collection, which is disclosed as administration fees and is included in goods and services in the statement of financial performance.
- The department set the standards and norms which the municipalities use to test prospective drivers. The department monitors drivers testing performed by the municipalities and ensures they are kept at a high standard. The department does not receive any reimbursement nor does it pay any municipality to perform these tests. All revenue collected by the municipalities' remains revenue in their account.
- The department set the standards and norms which the municipalities use to test motor vehicles. The department monitors the testing stations and ensures they are kept at a high standard. The department does not receive any

reimbursement nor does it pay any municipality to perform these tests. All revenue collected by the municipalities' remains revenue in their account.

- The department set the standards and norms which the private companies use to test motor vehicles. The department monitors the testing stations and ensures they are kept at a high standard. The department does not receive any reimbursement nor does it pay any company to perform these tests. All revenue collected by the company's remains revenue in their account.
- The District Municipality perform work on the department's roads assets and invoices the department for work performed by them. This is regarded as normal course of business, they however use the department's assets to perform this work as per agreement and do not reimburses the department for the usage of the assets. The department remains the owner of the assets as no risk and rewards has passed to the district municipalities.

30.2 Department acting as the agent

Reconciliation of carrying amount of receivables and payables – 2017/18

Name of principal entity	Opening balance	Revenue Principle is entitled to	Settlements	Closing balance
	R'000	R'000	R'000	R'000
Road Traffic Management Corporation	4 908	94 770	(91 951)	7 727
Total	4 908	94 770	(91 951)	7 727

- The department is obligated (as per Practice Note 10 of 2007/08) to collect and pay over to the Road Traffic Management Corporation (RTMC) fees which is included in the motor vehicle license and renewal fees. The department does not receive any reimbursement for this service it performs. The above amounts constitute the revenue collected on behalf of RTMC, the department does not include this revenue in its revenue as it does not belong to the department at any point in time.
- The department is an implementing agent for the Department of Health. The department publishes and awards tenders and monitor the construction of infrastructure as required by the department in terms of the service level agreement. The department does not receive any reimbursement for this function. The department sign the contracts with the contractors for Department of Health projects. Invoices for completed capital works are issued in the name of the department. The budget for the projects and the payments of invoices are made by Department of Health, which disclosed R 130,070 million worth of commitments against these contracts.
- The department is an implementing agent for the Department of Education. The department publishes and awards tenders and monitor the construction of infrastructure as required by the department in terms of the service level agreement. The department does not receive any reimbursement for this function. The department sign the contracts with the contractors for Department of Education projects. Invoices for completed capital works are issued in the name of the department. The budget for the projects and the payments of invoices are made by Department of Education, which disclosed R559,602 million worth of commitments against these contracts.

31. Prior period errors

31.1 Correction of prior period errors

	Note	Amount before error correction 2016/2017 R'000	Prior period error 2016/2017 R'000	Restated amount 2016/2017 R'000
Buildings and other fixed structures	29	3 205 708	257 290	3 462 998
Net effect (Increase in WIP)				257 290

Prior period error relates to adjustment of closing balances. This difference occurred due to the changes in SCOA classifications, updated Legacy Systems and the lack of Integrated Financial Systems. The expenditure relates to design and planning fees of projects.

32. STATEMENT OF CONDITIONAL GRANTS RECEIVED

	GRANT ALLOCATION						SPENT			2016/17	
NAME OF DEPARTMENT	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by department	Amount spent by department	Under / (Overspend ing)	% of available funds spent by depart-ment	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provincial Roads Maintenance Grant	940 089	-	-	-	940 089	940 089	940 089	-	100%	830 729	830 729
Expanded Public Works Programme Integrated Grant for Province	16 452	-	-	-	16 452	16 452	16 452	-	100%	14 691	14 691
Public Transport Operations Grant	922 921	-	-	-	922 921	922 921	922 921	-	100%	870 900	870 900
Total	1 879 462	-	-	-	1 879 462	1 879 462	1 879 462	-		1 716 320	1 716 320

All transfers in terms of this Act were deposited into the primary bank account of the Province.

33. STATEMENT OF OTHER TRANSFERS TO MUNICIPALITIES

	GRANT ALLOCATION				TRANSFER		
NAME OF MUNICIPALITY	Other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by Treasury or Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Municipalities: Western Cape							
Equitable Share	176 039	4 508	5 852	186 399	179 295	-	-
Rates and Taxes	497 290	-	31 810	529 100	517 324	-	-
TOTAL	673 329	4 508	37 662	715 499	696 619	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 1A (Note 7)
STATEMENT OF TRANSFERS TO MUNICIPALITIES AND PROVINCIAL ADMINISTRATIONS

	TRANSFER ALLOCATION				TRANSFER			SPENT				2016/17
NAME	Appro-priation	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by Provincial Treasury or Provincial Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Final Appro-priation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000
Municipalities: Western Cape												
Equitable Share	176 039	4 508	5 852	186 399	179 295	-	-	179 295	158 154	21 141	88%	229 120
Rates and Taxes	497 290	-	31 810	529 100	517 324	-	-	517 324	517 324	-	100%	498 073
Western Cape Government												
PD: Vehicle Licences	3 411	-	586	3 997	3 980	-	-	3 980	3 980	-	100%	3 774
TOTAL	676 740	4 508	38 248	719 496	700 599	-	-	700 599	679 458	21 141		730 967

ANNEXURE 1B (Note 7)
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION				TRANSFER		2016/17
DEPARTMENT/ AGENCY/ ACCOUNT	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Com Licences (Radio & TV)	123	-	1	124	15	12%	82
Total	123	-	1	124	15		82

ANNEXURE 1C (Note 7)
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Private Enterprises									
Transfers									
Bus Operator Service	922 921	-	-	922 921	922 921	100%	-	922 921	870 900
Claims against the State	-	-	-	-	-	-	-	-	2 548
Total	922 921	-	-	922 921	922 921		-	922 921	873 448

ANNEXURE 1D (Note 7)
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2016/17
HOUSEHOLDS	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
*Social Benefits	5 400	-	1 044	6 444	6 444	100%	4 011
Bursaries (non-employees)	9 151	-	6	9 157	9 157	100%	9 144
Claims against the State	208	-	1 103	1 311	1 311	100%	1 170
Donations and gifts (cash)	115	-	-	115	30	26%	54
Total	14 874	-	2 153	17 027	16 942		14 379
*Injury on duty	132	-	(35)	97	97	100%	8
*Leave Gratuity	5 268	-	1 079	6 347	6 347	100%	4 003
*Social Benefits	5 400	-	1 044	6 444	6 444		4 011

ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
	R'000	R'000
Made in kind		
Transport Regulation - in aid of Motorcycle skills and safety awareness	-	35
Transport Regulation - materials for Participatory Educational Technique	-	19
Total	-	54

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2017	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
ABSA	Housing	75	75	-	-	-	75	-	-
Sub total		75	75	-	-	-	75	-	-
Transport and Public Works	Other Rehabilitation of Land	14 749	14 749	-	-	-	14 749	-	-
Sub total		14 749	14 749	-	-	-	14 749	-	-
						-			
Total		14 824	14 824	-	-	-	14 824	-	-

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening Balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/reduced during the year R'000	Liabilities recoverable (Provide details hereunder) R'000	Closing Balance 31 March 2018 R'000
Claims against the department					
Roads accident and damages claims (49 open cases)	54 421	41 945	(24 715)	-	71 651
Total	54 421	41 945	(24 715)	-	71 651

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Provincial Government Western Cape						
Premier	-	-	2 247	1 453	2 247	1 453
Environmental Affairs and Development Planning	-	19	-	-	-	19
Agriculture	1 738	-	-	-	1 738	-
Health	-	-	13 002	-	13 002	-
Education	-	-	83	-	83	-
Human Settlements	-	-	10	-	10	-
Provincial Government Gauteng						
E - Government	-	41	-	-	-	41
National Departments						
Public Works	-	-	34	-	34	-
Sub total	1 738	60	15 376	1 453	17 114	1 513
Other Government Entities						
Government Motor Transport	2 971	2 696	-	-	2 971	2 696
Sub total	2 971	2 696	-	-	2 971	2 696
Total	4 709	2 756	15 376	1 453	20 085	4 209

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Provincial Government Western Cape						
Premier	410	8	3	26	413	34
Health	107	2 339	1 832	2 798	1 939	5 137
National Departments						
Public Works Kwazulu-Natal	-	35		2	-	37
Justice & Constitutional Development	584	37	818	771	1 402	808
SA Police Services	-	-	-	173	-	173
Total Departments	1 101	2 419	2 653	3 770	3 754	6 189
Other Government Entity						
Government Motor Transport	5 304	4 474	346	1 642	5 650	6 116
Total Other Government Entities	5 304	4 474	346	1 642	5 650	6 116
Total Inter – Government payables	6 405	6 893	2 999	5 412	9 404	12 305

ANNEXURE 5
INVENTORY

Inventory	2017/18		2016/17	
	Quantity	R'000	Quantity	R'000
Other Supplies				
Ammunition				
Opening balance	49 689	278	83 387	606
Add: Additions/Purchases – Cash	50 000	230	-	-
Add: Additions Non – Cash	-	-	13 218	13
(Less): Issues	(30 148)	(209)	(52 664)	(383)
Add: Adjustments	240	1	5 748	42
Closing Balance - Ammunition	69 781	300	49 689	278
Assets for distribution				
Furniture and Office Equipment				
Opening balance	175	306	2 468	4 254
Add: Additions/Purchases – Cash	4 206	7 297	6 033	10 536
(Less): Issues	(4 381)	(7 603)	(8 326)	(14 484)
Closing balance - Assets for distribution	-	-	175	306
Closing balance - Inventory	69 781	300	49 864	584

ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	3 462 998	2 754 484	(3 083 571)	3 133 911
Non-residential buildings	457 867	268 569	(469 641)	256 795
Other fixed structures	3 005 131	2 485 915	(2 613 930)	2 877 116
TOTAL	3 462 998	2 754 484	(3 083 571)	3 133 911

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	3 837 431	257 290	2 789 854	(3 421 577)	3 462 998
Non-residential buildings	300 541	(990)	388 886	(230 570)	457 867
Other fixed structures	3 536 890	258 280	2 400 968	(3 191 007)	3 005 131
TOTAL	3 837 431	257 290	2 789 854	(3 421 577)	3 462 998

Prior period error relates to adjustment of closing balances. This difference occurred due to the changes in SCOA classifications, updated Legacy Systems and the lack of Integrated Financial Systems. The expenditure relates to design and planning fees of projects.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2018

ANNEXURE 7
INTER-ENTITY ADVANCE PAID (Note 10)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER ENTITIES						
Eden District Municipality	-	-	5 720	9 812	5 720	9 812
Cape Winelands District Municipality	-	-	2 108	1 542	2 108	1 542
West Coast District Municipality	-	-	4 999	6 699	4 999	6 699
Overberg District Municipality		-	2 650	143	2 650	143
Central Karoo District Municipality	-	-	217	217	217	217
TOTAL	-	-	15 694	18 413	15 694	18 413

ANNEXURE 8 (Note 29)
IMMOVABLE ASSETS ADDITIONAL DISCLOSURE 2017/18

		2017/18	2016/17
Un-surveyed land	Estimated completion date	Area	Area
Western Cape		-	-
Properties deemed vested		Number	Number
Land parcels		113	176
Facilities			
Schools		35	44
Clinics		1	1
Office buildings		-	1
Dwellings		1	3
Other		76	127

Western Cape Transport and Public Works
9 Dorp Street, Cape Town, 8000
Private Bag X9185, Cape Town, 8001
Tel: +27 86 212 414 **Fax:** +27 21 483 7216
www.westerncape.gov.za

The Department of Transport and Public Works delivers infrastructure and services to promote socio-economic outcomes and safe, empowered and connected communities

Afrikaans and IsiXhosa versions of this publication are available on request.
Email: Transport.Publicworks@westerncape.gov.za

Western Cape Government

Transport and Public Works

PR112/2018
ISBN: 978-0-621-46347-7