



**Western Cape
Government**

Transport and Public Works





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Government**

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DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

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PART A: GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS/ACRONYMS

AGM	Annual General Meeting
ASIDI	Accelerated Schools Infrastructure Delivery Initiative
BAS	Basic Accounting System
BBBEE	Broad-based Black Economic Empowerment
BER	Bureau for Economic Research
CBD	Central Business District
CETA	Construction Education and Training Authority
CIDB	Construction Industry Development Board
CSC	Corporate Service Centre
D: ERM	Directorate: Enterprise Risk Management
DLTC	Driving Licence Testing Centre
DORA	Division of Revenue Act
COTO	Committee of Transport Officials
DPSA	Department of Public Service and Administration
CPTR	Current Public Transport Records
DTPW	Department of Transport and Public Works
ECM	Enterprise Content Management
EEA	Employment Equity Act
eNATIS	National Transport Information System
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
FIU	Fraud Investigative Unit
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GIAMA	Government Immovable Asset Management Act
GMT	Government Motor Transport
Hazloc	Hazardous location
HDI	Historically Disadvantaged Individuals
HDM	Highway Design Manual
HOD	Head of Department
HR	Human Resources
IAR	Immovable Asset Register
ICT	Information Communication Technology

IDP	Integrated Development Plan
IGP	Infrastructure Grant to Provinces
IRPTN	Integrated Rapid Public Transport Network
IRT	Integrated Rapid Transport
ITP	Integrated Transport Plan
Km	Kilometre
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MEC	Member of the Executive Council
MR	Main Road
MRE	Municipal Regulatory Entity
MTEF	Medium Term Expenditure Framework
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NEC	New Engineering Contract
NGO	Non-Governmental Organisation
NLTA	National Land Transport Act
NMT	Non-motorised Transport
NO	National Outcome
NRTA	National Road Traffic Act
NYDA	National Youth Development Agency
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PDI	Previously Disadvantaged Individual
PERO	Provincial Economic Review and Outlook
PFMA	Public Finance Management Act
PLTF	Provincial Land Transport Framework
PLWD	People living with disabilities
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
PRASA	Passenger Rail Agency of South Africa
PRMG	Provincial Roads Maintenance Grant
PRE	Provincial Regulatory Entity
PSA	Public Service Act
PSO	Provincial Strategic Objective
PT	Provincial Treasury

PTOG	Public Transport Operations Grant
RA	Registering Authority
RBM&E	Results Based Monitoring & Evaluation
RCAM	Road Classification and Access Management Manual
RISFSA	Road Infrastructure Strategic Framework of South Africa
RTMC	Road Traffic Management Corporation
SLA	Service Level Agreement
SMART	Specific Measurable Achievable Relevant Time-bound
SMME	Small Micro Medium Enterprise
SNP	Special Needs Passenger
SO	Strategic Objective
SWOT	Strengths Weaknesses Opportunities Threats
TIA	Transport Impact Assessment
UAMP	User Asset Management Plan
VCI	Visual Condition Index
VOC	Vehicle Operating Companies
VTS	Vehicle Testing Station
WC	Western Cape
WCG	Western Cape Government
WCTIB	Western Cape Transport Infrastructure Bill
WOE	Women Owned Enterprise

3. STRATEGIC OVERVIEW

3.1. Vision

From a service delivery perspective, the Western Cape Government's vision, and therefore the vision applicable to the Department of Transport and Public Works is:

"To create an open opportunity society for all in the Western Cape so that people can live lives they value."

3.2. Mission

"To protect and promote rights and expand opportunities." (Western Cape Government)

"The Department of Transport and Public Works develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity." (Department)

3.3. Values

The core values applicable to the Western Cape Government are as follows:



Caring



Competence



Accountability



Integrity



Responsiveness

These values are all underpinned by the concept of team work and will apply to the Department as well as to all provincial employees. A detailed explanation of what each core value encapsulates is outlined in the table below.

Table 1: Provincial Values and behavioural statements

Value	Behavioural statement
Caring	We endeavour to understand persons' needs and will show interest. We will show respect for each other. We will treat staff as more than just a worker and value staff as people. We will empathise with our staff. We will emphasise positive aspects in the workplace. We will provide honest criticism when needed.
Competence	Our people are able to do the tasks they are appointed to do, live our values and always strive for excellence. We all deliver on our outcomes and targets with quality, on budget and in time. We focus on the best results to serve the people of the Western Cape.

Value	Behavioural statement
	We demonstrate an understanding of and work together to achieve our role in our Constitutional and electoral mandate.
Accountability	We have a clear understanding of our objectives, roles, delegations and responsibilities. We are committed to deliver agreed outputs on time. We hold each other accountable and know we can trust each other to do as we say we will. As individuals we take responsibility and ownership for our outcomes, and accept the consequence of failure to do so.
Integrity	We seek for truth and greater understanding of it in each situation and we do the right things. We are honest, show respect and live out our positive values. We are reliable and trustworthy, doing what we say we will. There are no grey areas, with integrity applying at all levels in all instances ensuring we are corruption free.
Responsiveness	We take the public seriously, listening and hearing their voice (listening a lot and talking less). We respond with action timeously, always asking is this the right response, where could we be potentially wrong and how we can do it better. We engage collaboratively with each other, our stakeholders and the media, providing full information. Our focus is the citizen, and responding as their government for the best results for the people we serve. They tell us how well we respond.

3.4. Strategic outcome orientated goals

The departmental strategic planning process re-affirmed the four strategic goals as contained in the Strategic Plan for the fiscal years 2010 - 2014. These are:

Strategic Outcome Orientated Goal 1	Promote good governance and an effective and efficient department.
	Description: To continually provide policy and strategic leadership, as well as support services to enable the Department to deliver on government priorities and objectives.
	Justification: An efficient and effective department to improve governance has been identified as a strategic thrust for the Department.
Strategic Outcome Orientated Goal 2	Lead the implementation and facilitation of the Expanded Public Works Programme (EPWP) in the Western Cape.
	Description: To lead and facilitate the internalisation of EPWP across all departments and stakeholders in the Western Cape and within this Department by creating 111,859 Full Time Equivalent (FTE) work opportunities (204,770 100-day work opportunities) within the Provincial sphere by 31 March 2014 thereby increasing employment and community empowerment.
	Justification: Strategic intervention identified by the national and provincial government to support the intention to halve unemployment and poverty in terms of the Millennium Development Goals (MDGs).
Strategic Outcome	Lead the development and implementation of Integrated Transport systems in the Western Cape.

Orientated Goal 3	Description: To lead and promote the development and implementation of an integrated transport system inter-governmentally and transversally within the Western Cape by 31 March 2014.
	Justification: Integrated transport is a strategic transversal intervention identified by the Western Cape Government as being critical to support the vision of an open opportunity society for all. It is a core mandate of the Department, resulting in the need to focus upon improvements in all modes of transport, as well as the infrastructure supporting it.
Strategic Outcome Orientated Goal 4	Lead the development and implementation of provincial infrastructure and property management in the Western Cape.
	Description: To lead the development and implementation of provincial infrastructure and the management of property, inter-governmentally and transversally within the Western Cape by meeting appropriate standards by 31 March 2014.
	Justification: Infrastructure delivery and property management is critical to sustain economic development and to support the achievement of the MDGs by 2014.

4. LEGISLATIVE MANDATES

In the main, the following national and provincial legislation guides the Department in the discharge of its responsibilities.

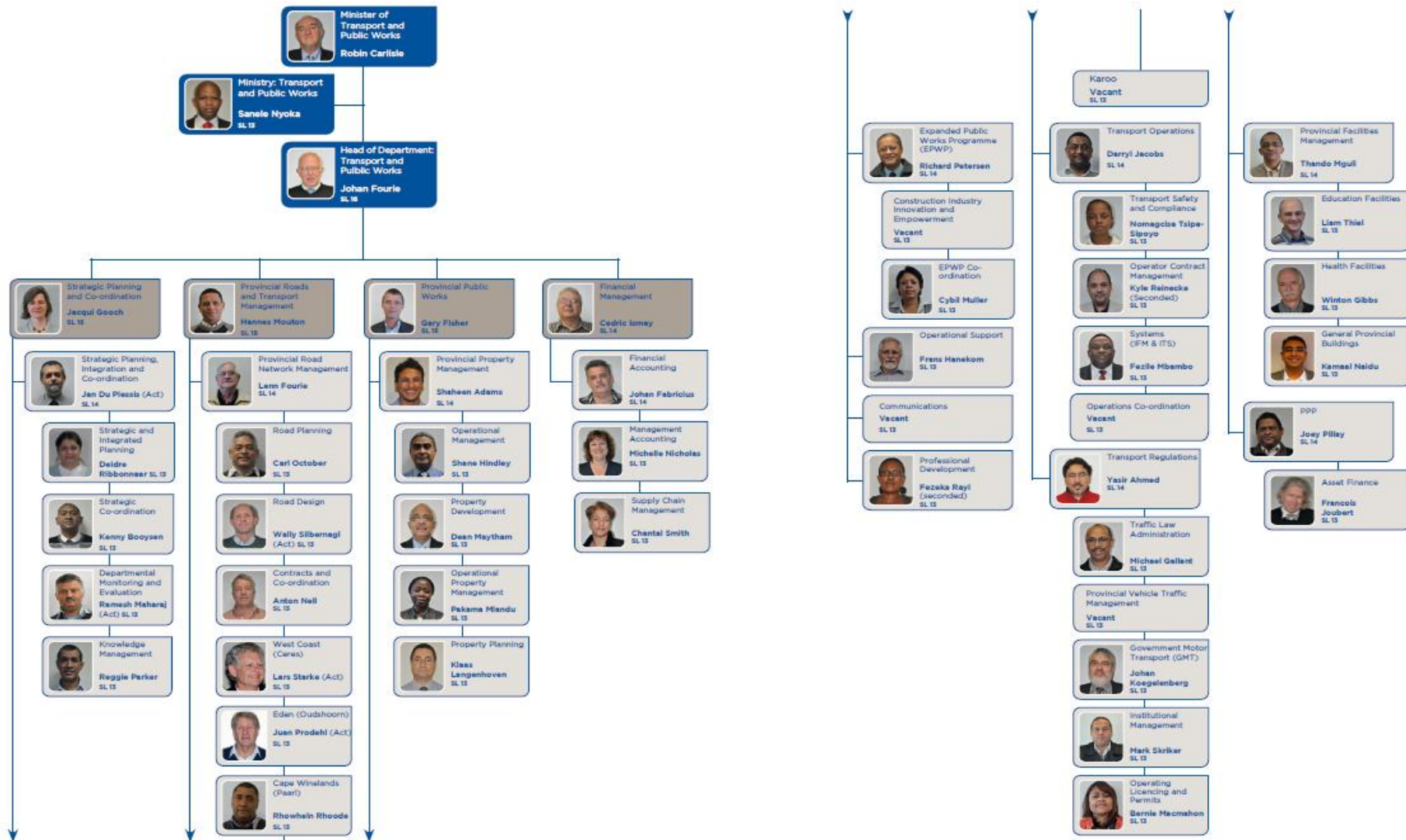
Function	Legislation
Transport	National Land Transport Act, 2009 (Act No. 5 of 2009) (NLTA)
	National Road Traffic Act, 1996 (Act No. 93 of 1996) (NRTA)
	Road Traffic Act, 1989 (Act No. 29 of 1989)
	Western Cape Road Traffic Act, 1998 (Act No. 12 of 1998)
	Road Safety Act, 1972 (Act No. 9 of 1972)
	Road Transportation Act, 1977 (Act No. 74 of 1977)
	Advertising Along Roads and Ribbon Development Act, 1940 (Act No. 21 of 1940)
	Cape Roads Ordinance, 1976 (Ord. No. 19 of 1976)
	Western Cape Toll Road Act, 1999 (Act No. 11 of 1999)
	Western Cape Infrastructure Act, 2013 (Act No 1 of 2013)
Public Works	Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) (GIAMA)
	National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)
	Western Cape Land Administration Act, 1998 (Act No. 6 of 1998)
Transversal	Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
	Constitution of the Western Cape, 1998 (Act No. 1 of 1998)
	Skills Development Act, 1998 (Act No. 97 of 1998)
	Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)
	Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)
	Public Service Act, 1994 (PSA)
	Employment Equity Act, 1998 (Act No. 55 of 1998) (EEA)
	Division of Revenue Act (DORA)
	Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA)
	Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPPFA)
	Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA)	

Function	Legislation
	Local Government Municipal Systems Act (Act No. 32 of 2000)
	Consumer Protection Act, 2008 (Act No. 68 of 2008)
	Provincial Archives and Records Service of the Western Cape Act, 2005 (Act No. 3 of 2005).
	Western Cape Procurement Act, 2010 (Business Interests of Employees) (Act No. 8 of 2010)
	Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004)
	Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)

In the main, the Department responds to the following policies:

Function	Policies
Transport	National White Paper on Transport, 1996
	Provincial White Paper on Transport, 1997
	National Public Transport Strategy, 2007
	National Rural Transport Strategy, 2007
	National Freight Logistics Strategy, 2005
	Road Infrastructure Strategic Framework for South Africa (RISFSA)
	Western Cape Policy Statement with respect to Transport for Special Needs Passengers (SNP), 2009
	Provincial Land Transport Framework, 2011
	Road access guidelines
Public Works and Property Management	Western Cape Provincial Government White Paper on the Management of Provincial Property, 2004
	Western Cape Parking Policy
	Disposal and acquisition policy
Expanded Public Works Programme	Guidelines on the implementation of the National Youth Service
	Guidelines on the implementation of the Expanded Public Works Programme (EPWP)
Transversal	Draft Provincial Strategic Plan, 2011
	Western Cape Government Strategic Objectives
	White Paper on Human Resource Management, 1997
	Western Cape Government Transversal Management System
	Western Cape E-Mobility Policy
	Departmental Records Management Policy

5. ORGANISATIONAL STRUCTURE



6. ENTITIES REPORTING TO THE MINISTER/MEC

Although the Department is not responsible for any public entities, it operates the Government Motor Transport Trading Entity within its administration. A separate Annual Report 2012/13 is published for this entity.

Table 2: Entities reporting to the Minister

<i>Name of Entity</i>	<i>Legislative Mandate</i>	<i>Nature of Operations</i>
Government Motor Transport	(See GMT Annual Report)	(See GMT Annual Report)

7. FOREWORD BY THE MEC



Robin Carlisle
Minister of Transport and Public Works

In 2012/13 we continued to keep the main objectives of service delivery and a truly open opportunity society for all at the fore of our efforts. For this third year of delivery in the five-year Strategic Plan period the Department received the top accolade of a clean audit. Through difficult periods my Management team and their officials kept the course. Instead of drastic and potentially disruptive changes, we chose the path of small incremental steps towards achieving a gradual but sustainable improvement. I want to express my appreciation to all the Department's officials for achieving the first ever clean audit for Transport and Public Works. Well done, you are well on the path to being the A-team! We must now sustain that performance.

By clustering services offered under one roof, and allowing for sharing of resources, greater financial and operational efficiency will be promoted, the result of which will invariably be a more efficient service delivery. It was with great pride that I officially opened the Department of Transport and Public Works' Walk-In Centre on 7 November 2012. The centre is another giant step in replacing red tape with red carpet, and providing the public with quality service. The Department's Customer Service Charter was unveiled at this event which served to further entrench our commitment to service excellence. In February 2013, I turned the first sod for a Provincial 5 Star Green building, The Khayelitsha Shared Services Office block. The construction on this Shared Services Centre in the heart of Khayelitsha shows our continuing faith in the development of the area, and our commitment to bringing services closer to where they are needed, and to becoming a green economy leader. With completion expected in mid-2014, the building will be centrally located and close to the main transport interchanges, and will house the administrative components of provincial departments to better serve the Khayelitsha region. I would like to thank and congratulate our Public Works team for a job well done. They continue to be innovative and committed to providing quality infrastructure and client-centric buildings.

The first Regeneration Programme income of some R2, 2 million, from the lease of the Sea Point School, marked an important milestone in the profitable management of our property assets. With this programme, we intend to build a strong, positive net cash inflow into the Asset Financing reserve by the sale or lease of provincial properties, and the accommodation of our staff in owned rather than leased out properties. In this

regard, we will shortly go out to tender on the construction of a building on the site owned by the Western Cape Government in Leeuwen Street which is a PPP project and will accommodate the Department of Education. Furthermore, it is a Ministerial policy to dispose of all properties not required by the administration or having been identified as having regeneration potential. Such disposals are aimed at mixed income housing proposals, and will include, (subject to WCED and School Governing Body approval) excess land at certain schools.

Whilst the Department continues to be challenged by the condition of unsurfaced roads, 93.5 percent of all kilometres travelled are on "fair" to "very good" roads, which is at the upper end of global standards. The M5 (TR2/1 Rehabilitation)/Koeberg Interchange Road was officially opened on 14 August 2012. The project was a culmination of a series of projects and is a prime example of how the Department, in partnership with the City of Cape Town, increased access to safe and efficient transport in the Western Cape. The Department also won the South African Institute of Civil Engineers' 2012 Technical Excellence Award for this project, as well as the Construction World's Best Projects of 2011 award.

It is important to understand also that mobility access challenges are not only solved by the construction of good roads, but also by the implementation of an effective public transport system. Nothing can bridge the spatial barriers of this city faster than an integrated transport network. The NLTA changed the transport landscape, in that it placed the responsibility for the provision of public transport service delivery squarely on the shoulders of the municipal authorities. However, the Province, or an adjacent municipality, may take joint responsibility with a municipality. The City of Cape Town will increasingly take over all aspects of public transport in the region and to this end we began preparing for the handover of both the contracting and regulatory functions to the City.

Historically, the taxi industry achieved great success through its own volition and, with no hand-outs or subsidies, built itself up to be a fine example of an open opportunity undertaking. We have improved regulation and largely eradicated both corruption and route invasions, although incidences of taxi violence are still occurring.

Vehicle Impoundment centres and average-speed-over-distance (ASOD) camera systems are some of the key initiatives to improve driver behaviour. Impounding vehicles has proven to be particularly effective in reducing route invasions and preventing taxi violence and a new impound facility was opened in Maitland to support those law enforcement initiatives. A new ASOD camera system was launched on the R61 between Beaufort West and Laingsburg in December 2012, meaning that a total of 103.3km of the Province's most dangerous roads are covered by camera enforcement which should have a profound effect on reducing road accidents.

The December 2012 to January 2013 festive season was one of commendable hard work by all road safety partners. The earlier days of December saw an alarmingly high number of lives being lost at a rate of five per day. Passengers overtook pedestrians as the leading class of fatalities in that period. Passengers, particularly in the rear seats,

were not buckling-up. In addition, on major roads, there was evidence of travelling 'Too fast - Too far - Too long', leading to the frequent unlawful overtaking across the barrier line by drivers who were often fatigued. As evidence became available, enforcement actions were intensified and as a result our efforts saw an 8 percent reduction in the past festive season fatalities compared to the December 2011 - January 2012 period.

Our approach remains aggressive and focused, using all available information and emergent trends to guide the decisions we take. Together, through our efforts and road users heeding our calls to be responsible on our roads, in February 2013 we have achieved a 30 percent reduction in road deaths since the beginning of 2009. However, the absence of Breathalysers and the removal of the "Name and Shame" campaign are resulting in an increase in the number of drunken drivers on the road, and the road deaths are rising with them.

Infrastructure and construction create the foundations of our growing economy and the basis for improving quality of life. It contributes significantly to the country's economy and provides much needed employment. The Department is proud to advance opportunities for youth in the construction industry and has taken the next step to utilise the Youth in Construction programme to develop the potential of learners. In January 2013 we implemented the roll-out of our Apprenticeship Pilot Project which aims to train 20 apprentices per year. The project is a full qualification project providing essential artisan skills and is a partnership between the Department, Industry, and CETA (Construction Education and Training Authority). Our apprenticeship scheme also goes beyond just the built environment and includes the training of diesel mechanics in our Bellville Mechanical Workshop.

The Greek philosopher, Plutarch, said that no man ever wetted clay and then left it, as if there would be bricks by chance and fortune. Every step we have taken towards achieving our goals has been a result of the tireless exertions of every dedicated individual in the Department. My Head of Department, Mr Johan Fourie, represents all that is best in Public Service and has played an outstanding role in creating and taking this Department to even greater heights. In the words of Henry Ford, Coming together is a beginning, keeping together is progress, and working together is success.



Robin Carlisle
Minister of Department of Transport and Public Works

8. ACCOUNTING OFFICER'S OVERVIEW



Johan Fourie
Head of Department: Transport and Public Works

The Department's adopted vision, mission and values have over the past year continued to form the basis for a common purpose, direction and urgency. The leadership recognises the King Report on Corporate Governance of South Africa to be a key instrument to guide the implementation of the governance requirements, principles and practices within the Department. See Section E: Governance of this Report for further elaboration on this aspect. The commitment to clean government by the current Executive Authority laid the base and remained the driver behind the clean audit achieved for the 2012/13 financial year and creates a good foundation for the new Executive Authority to take effect after next year's elections.

The Department has over the year under review made progress towards the achievement of the following strategic orientated goals as targeted for in the Annual Performance Plan for the 2012/13 financial year and subsequently outlined in the 2010-2014 Strategic Plan.

Strategic Goal 1	Promote good governance and an effective and efficient department
Goal Statement	To continually provide policy and strategic leadership as well as support services to enable the Department to deliver on government priorities and objectives
Key focus areas and deliverables	<ul style="list-style-type: none"> • Determination of new organisational structure • Reviewed the Provincial Land Transport Framework (PLTF) and implementation plan • Drafted the Provincial Infrastructure Framework • Developed the results based Monitoring and Evaluation Framework for Provincial Strategic Objective (PSO) 3 • Supply Chain re-engineering progressed to third phase • Review of the Supply Chain delegations • Review of the Accounting Officer's Supply Chain System • Introduction of the Automated consultants' procurement register for built sector professionals • Registration of all service providers on the Western Cape Supplier's database • Develop appropriate policies for the MasakhiSizwe Bursary Programme

Strategic Goal 2	Lead the implementation and facilitation of Expanded Public Works Programme (EPWP) in the Western Cape
Goal Statement	To lead and facilitate the internalisation of EPWP across all departments and stakeholders in the Western Cape and within this Department by creating 111,859 FTE work opportunities (204,770 100-day work opportunities) within the Provincial sphere by 31 March 2014 thereby increasing employment and community empowerment.
Key focus areas and deliverables	<ul style="list-style-type: none"> • EPWP work opportunities reported of 109 482 surpassed the provincial target of 72 142 for the year • Maintained institutional framework for EPWP coordination • Provincial sector working groups as well as the district municipal forums were operational • Provincial implementation plan for 2012/13 was a consolidation of endorsed EPWP departmental and municipal business plans • 23 Empowerment Impact Assessment concluded on departmental capital projects with a value of more than R5 million • 51 Contractor development interventions were implemented in the Western Cape • Studies on innovation construction methods were enhanced

Strategic Goal 3	Lead the development and implementation of Integrated Transport systems in the Western Cape.
Goal Statement	To lead and promote the development and implementation of an integrated transport system inter-governmentally and transversally within the Western Cape by 31 March 2014.
Key focus areas and deliverables	<ul style="list-style-type: none"> • Major construction projects completed include the rehabilitation and upgrading of M5 between Koeberg Interchange Road and upgrade of MR559 between Port Service corridor and MR233 • Planning commenced for Louis Fourie Road, Polkadraai Road, Annandale Road, Wingfield interchange and Gansbaai-Elim Road • Construction of the Toll Plaza in Chapman's peak commenced • Completed the conditions of approval for the installation of Optic Fibre Cabling in road reserves

Strategic Goal 4	Lead the development and implementation of Provincial Infrastructure and Property Management in the Western Cape.
Goal Statement	To lead the development and implementation of provincial infrastructure and the management of property, inter-governmentally and transversally within the Western Cape by meeting appropriate standards by 31 March 2014.
Key focus areas and deliverables	<ul style="list-style-type: none"> • Implementation of the Broad Based Black Economic Empowerment Act in all procurement and services of contractors and service providers. • Implementation of the Infrastructure Delivery Management System (IDMS) and the Construction Procurement System Standards, as well as associated governance procedures to promote good governance principles in construction planning, procurement, administration and management. • Ensured that all infrastructure needs of client departments for the next Medium Term Expenditure Framework (MTEF) period were

consolidated in infrastructure implementation plans.

- Implemented alternative contract documents, such as Framework Contracts and New Engineering Contract (NEC) types to manage the delivery of social infrastructure over the MTEF period.
- Projects completed – 9 new and replacement schools and 19 health facilities
- Completed maintenance projects – 180 school projects, 96 health facilities and 78 general buildings
- Construction commenced – 35 schools, 18 health facilities and Khayelitsha shared Office Block
- Three PPPs were registered with National Treasury.



CJ Fourie
Accounting Officer
Department of Transport and Public Works
Date: 29 August 2013

PART B: PERFORMANCE INFORMATION

1. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

Statement of Responsibility for Performance Information for the year ended 31 March 2013

The Accounting Officer is responsible for the preparation of the Department's performance information and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the performance information of the Department for the financial year ended 31 March 2013.



CJ FOURIE:
Accounting Officer
Date: 30 June 2013

2. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General has conducted some audit procedures on the performance information for usefulness and reliability, compliance with laws and regulations and internal control, but an opinion is not expressed on the performance information.

Refer to page 200 of this report for the Auditor-General's Report, included in Part E: Financial Information.

3. OVERVIEW OF DEPARTMENTAL PERFORMANCE

3.1. Service Delivery Environment

The main services of the Department are:

Main service	Relevant Information
Administrative services	<ul style="list-style-type: none"> • Provide strategic, operational support, financial administration and supply chain services for the Department • Assist municipalities to develop Integrated Transport Plans • Manage the Professional Development Programme aimed at developing scarce skills in the transport and engineering fields • Provide bursaries for individuals studying in the engineering and built environment fields
Public Works Infrastructure Services	<ul style="list-style-type: none"> • Acquire and dispose of immovable assets • Lease property • 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	<ul style="list-style-type: none"> • Construct, rehabilitate and maintain the provincial road network • Offer learnerships and graduate training • Offer diesel mechanic apprenticeships • Provide technical support services
Transport Operations Services	<ul style="list-style-type: none"> • Manage and monitor subsidised and specialised public transport services • Coordinate and facilitate transport safety and compliance programmes • Assess, assist and capacitate municipalities on land transport mobility. • Support the implementation of Non-Motorised Transport
Transport Regulatory Services	<ul style="list-style-type: none"> • Provide motor vehicle registration and licensing services • Provide motor vehicle roadworthy certification services • Provide licenses for competent drivers • 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 (Safely Home programme) • Provide dispute resolution services in the public transport domain
Community	<ul style="list-style-type: none"> • Coordinate the Expanded Public Works Programme

Based Programmes	<ul style="list-style-type: none"> • Facilitate programmes to develop emerging contractors • Offer construction-related skills development opportunities, including apprenticeships for artisanal skills
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The Department's overall performance and key outputs for 2012/13 in relation to its main services are outlined below:

Programme 1: Administration

Service: Assist municipalities to develop Integrated Transport Plans

The National Land Transport Act, 2009 (Act No. 5 of 2009) requires that Integrated Transport Plans (ITPs) be updated on a yearly basis and reviewed in their entirety every five years. In terms of Section 9(2)(c) of the NLTA, the Provincial Minister must provide assistance to planning authorities that lack the capacity and resources to carry out the integrated planning function. In line with this, the Department of Transport and Public Works continued to provide annual assistance to the municipalities in the Province to develop their ITPs.

Service: Manage the Professional Development Programme aimed at developing scarce skills in the transport and engineering fields

Mentors were contracted-in to support both new graduates in the Department, as well as existing staff who require guidance in order to obtain professional registration with the specific accreditation body, e.g. the Engineering Council of South Africa. Training manuals and development programmes were designed and opportunities identified for the placement of staff to obtain the required levels of exposure in their technical fields.

Service: Provide bursaries for deserving students through the Masakh' iSizwe Centre of Excellence

For the 2013 academic year, 82 new bursaries were awarded, resulting in a total of 237 bursaries, i.e. 155 bursaries continued from 2012 academic year. These are spread across the following disciplines:

Discipline	Number of bursars	Discipline	Number of bursars
Architecture	8	Quantity Surveying	29
Civil Engineering	153	Town and Regional Planning	7
Electrical Engineering	18	Property Studies	3
Mechanical Engineering	16	Transport Studies	1
Geomatics	2		

Service: Strategic, operational and financial administrative services delivered:

- The Department's Customer Service Charter was approved and officially unveiled and signed off by the Provincial Minister on 7 November 2012.



The approved Provincial Land Transport Framework (PLTF) and implementation plan, which provides a policy and high-level implementation plan to guide the development of transport up to 2015/16, was reviewed to ensure that there is continued validity with the Provincial vision as well as to ensure that the WCG complies with the statutory requirement to update the PLTF every two years.

- A Provincial Infrastructure Framework was drafted, aimed at defining long-term cross-sector infrastructure investment, along with a plan for the Saldanha Bay Functional Region as a test case.
- The results based Monitoring and Evaluation Framework for Provincial Strategic Objective (PSO) 3 was developed and submitted to the Integrated Transport Steering Group for approval.
- The service schedules linked to the Service Level Agreement (SLA) between the Department and the Corporate Service Centre were reviewed and updated to take account of learning since implementation, and to enhance effective service delivery.
- The Department continued to upload documentation, design and implement projects and make electronic content available in the Enterprise Content Management (ECM) repository.
- Updated delegations were issued in terms of the Public Service Act, 1994 and the Public Finance Management Act, 1999, with the exception of those relating to the supply chain which remains work-in-progress.
- Ongoing improvements were made to the quality of financial management in the Department as part of the Departmental Corporate Governance Improvement Plan that supports the Western Cape Government's Corporate Governance Review and Outlook process.
- Supply chain management re-engineering progressed to its third phase which is the design phase. In addition, the implementation of the new Provincial Treasury Instructions in accordance with a three year implementation plan was initiated, including the implementation of the Western Cape Infrastructure Delivery Management System and the Construction Procurement System Standards.

Programme 2: Public Works Infrastructure

Service: Acquire and dispose of immovable assets

The Immovable Asset Register (IAR) project was nearing completion. 89 Percent of all immovable provincial assets have now been vested in the name of the Western Cape

Government. Implementation of the Government Immovable Asset Management Act (GIAMA) was ongoing and is under continuous refinement.

Properties, including an office block in George, were acquired. Most acquisitions were in support of meeting the needs of social infrastructure development (e.g. construction of schools, hospitals and clinics) within the Province.

The Western Cape Government approved six projects in the Regeneration Programme, namely:

1. Founders Garden/Artscape Precinct
2. Prestwich Precinct
3. Government Precinct on the corner of Leeuwen and Loop Streets
4. Somerset Hospital Precinct
5. Government Garage Precinct
6. Two Rivers Urban Park Precinct

The Prestwich Precinct Project, Cape Town Head Office Accommodation Project, and a School PPP project were registered as Public Private Partnerships (PPPs).

Service: Leased property

The Department leases property in cases where there are no suitable Western Cape Government (WCG) properties available for utilisation. The leased portfolio consists of office accommodation, clinics, ambulance stations and public schools on private property.

During 2012/13, the Department leased 18 new office accommodation premises for the service delivery requirements of user departments. Furthermore, five leases were cancelled as user departments had either been relocated to suitable WCG properties or to Thusong Centres, reducing liability in terms of rental and taking services closer to the people in cases where user departments relocated to Thusong centres.

The Department leased 6 311m² (61 percent of the total office accommodation) in the York Park building, George for various WCG departments. In order to centralise services in the George region and reduce the financial and administrative strain of the lease contracts, the York Park Building was aquired.

During 2012/13, 13 new premises were leased for utilisation as clinics and schools while 3 leases were terminated.

Service: Provide accommodation services to Provincial Departments

Major capital projects currently in progress include: the construction of the Khayelitsha Shared Service Office Block; the planning and design of the Ottery Office Block and the Karl Bremer Hospital Office Block for the Departments of Education and Health respectively; completion of the upgrade of the Department of Education's Regional Office in Maitland;

the upgrade of the 4 Dorp Street, Cape Town building exterior and ground floor; the upgrade of lifts in the CBD, and the upgrade of the Gene Louw Traffic Centre for Community Safety.

Service: Construct and maintain Health, Education and General Building facilities

Education Facilities: 9 new and replacement schools and 73 Grade R classrooms at 38 primary schools were completed. 35 new and replacement schools, of which 14 are linked to the national Accelerated School Infrastructure Delivery Initiative (ASIDI), are currently under construction. Scheduled maintenance was performed at 180 schools.

Health Facilities: 19 facilities were completed, 18 are currently under construction and 38 are in planning phase. Major projects undertaken during the financial year include: the Du Noon Community Health Centre; Symphony Way Community Day Centre in Delft; District Six Community Health Centre in Woodstock; Nursing Accommodation in Worcester; and completion of the Mitchell's Plain Hospital and the Knysna Community Day Centre.

For the construction of Mitchell's Plain Hospital, the Empowerment Strategy used during the construction phase was based on providing local employment opportunities, training in the form of skills development and learnerships for the local community, and industry development. R25 146 943 was spent on local labour procurement and 5 622 employment opportunities were created, of which 3 639 were for unskilled labourers, 503 were women, and 3 169 were youth.



Mitchell's Plain Hospital opened November 2012.

General Provincial Buildings: 115 maintenance projects on general provincial buildings were completed and planning was undertaken for maintenance projects to be implemented in the next financial year.

The Department's Walk-in-Centre was officially opened on 7 November 2012. Citizens can access the following services via the Walk-in Centre:

- Motor vehicle registration and licensing related enquiries.
- Application for special licence numbers.
- Driving licence related enquiries.
- Contractors can access a dedicated area where they can view tenders available and access tender documentation required in the application process.
- Cashiers services.

Service: Create jobs and economic empowerment through infrastructure provision

17 466 Jobs and 1 402 Expanded Public Works Programme (EPWP) work opportunities were provided.

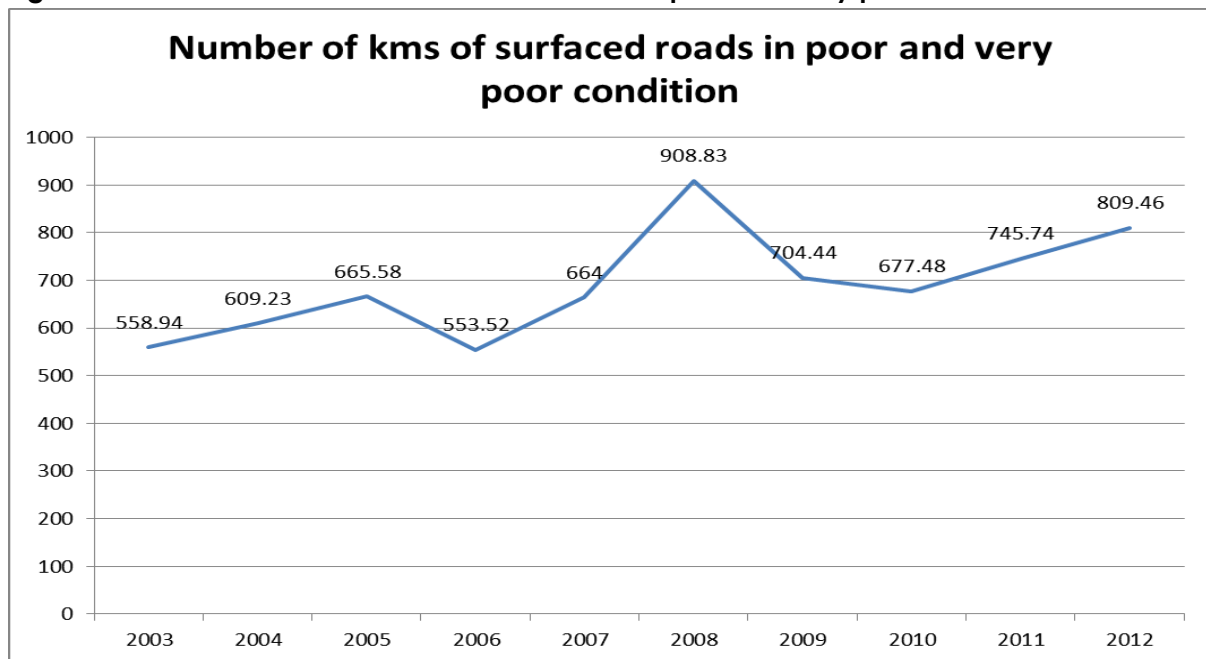
Programme 3: Transport Infrastructure

Service: Plan, construct, rehabilitate and maintain the provincial road network

A three percent reduction in the road maintenance backlog was achieved for surfaced roads from 2009 to 2012. Of the total surfaced road network of 6 429 km, 5 620 km is in fair to very good condition and 93 percent of all vehicle kilometres is travelled on fair to very good roads. Further improvements are expected with current projects underway. There has been an 18 percent increase in the road maintenance backlog for gravel roads since 2009, however only five percent of vehicle kilometres are travelled on the gravel road network.

The condition of provincial surfaced roads in poor and very poor condition over the period 2003 to 2012 is depicted in the graph below:

Figure 1: Number of kilometres of surfaced roads in poor and very poor condition



Road network planning projects commenced for Louis Fourie Road in Mossel Bay, Polkadraai Road and Annandale Road. Planning began for two of the three projects that were approved based on their contribution to economic growth and job creation, namely Wingfield Interchange and road network improvements in support of the Saldanha Industrial Development Zone. Construction commenced on the third project, the Gansbaai – Elim Road.

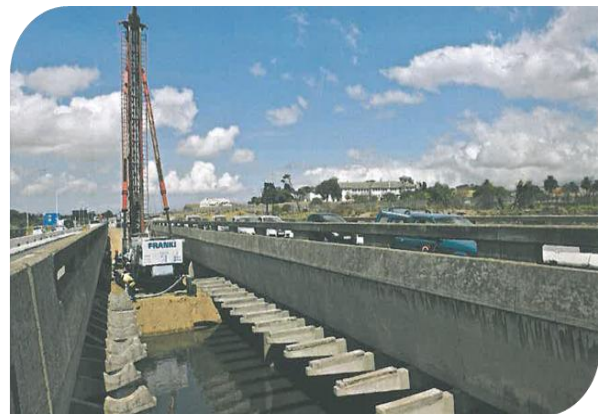
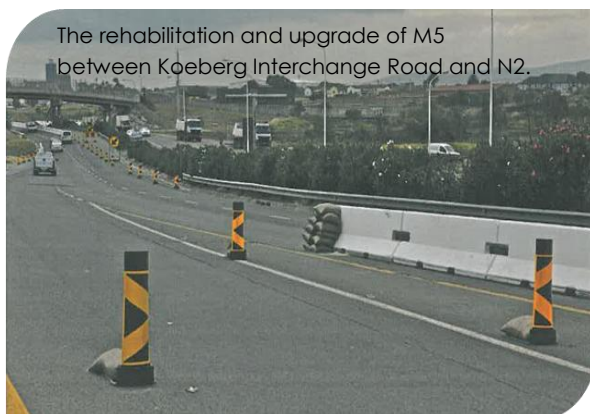


The table below lists the major capital projects completed during 2012/13.

Table 1: Programme 3: Major capital projects completed during 2012/13

No.	Municipality		Project Name	Detailed Description	Commence ment Date	Completion Date	Project total (R '000)
	District	Local					
1	City of Cape Town		C0708.09: Rehabilitation and Upgrade TR2/1 (M5)	The rehabilitation and upgrade of M5 between Koeberg Interchange Road and N2.	2010/10/21	2012/09/18	153 936
2	West Coast	Saldanha Bay	C0415.03: Upgrade MR559 Port Service Corridor - Langebaan	Upgrade of MR559 between Port Service Corridor and MR233 (km6.4 - km16.3)	2011/03/28	2012/05/22	90 594
3	Cape Winelands	Drakenstein	C0910: Reseal MR189 - Paarl/Klapmuts & MR201 - Paarl/Franschhoek	Reseal and strengthening of sections of MR189 (km16.63-33.11) and MR201 (km59.0-74.59) in the Paarl area. Upgrade of DR1090 intersection (auxillary lanes) and MR27 intersection (signalisation and auxillary lanes)	2010/10/11	2013/03/18	86 034
4	Eden	George	C0909: Reseal TR88/1, MR368 & MR404 - De Rust/N9	Light rehab/ reseal of TR88/1 (km22.40-60.22) from De Rust - N9; reseal of MR368 (km59.03-64.86) and MR404 (km0.00-1.00)	2011/10/13	2013/02/05	70 800
5	West Coast	Cederberg	C0833: Regravel MR538, DR2180 & DR2184 - Het Kruis/ Graafwater	Regravelling of MR00538 between Het Kruis and Graafwater.	2011/08/08	2013/02/22	60 771
6	City of Cape Town		C0908: Reseal MR188 - Durbanville/Klipheuwel	Reseal of MR188: Durbanville-Klipheuwel	2011/09/16	2012/12/13	55 192
7	West Coast	Saldanha Bay	C0802: Reseal TR21/2 - Hopefield/ Vredenburg	Reseal of TR21/2 between km 24,60 & km 36,65 near Vredenburg.	2011/10/24	2012/12/07	47 575
8	City of Cape Town		C0707.07: Safety Improvements to Wingfield, Monte Vista and Bosmansdam Interchanges	Rehabilitation of road and structural elements at Wingfield Interchange. Rehabilitation and widening of road at Bosmansdam Interchange. Widening of the road at Monte Vista Interchange. New gantry to be constructed between Wingfield and Bosmansdam Interchanges.	2011/09/02	2012/12/10	41 682
9	West Coast	Swartland	C0407.01: Rehab TR25/1 - Diep River/ Malmesbury	The upgrading of TR25 and MR25 (km 38.98 to km 43.00 between TR24 and Rainier Street,	2011/08/22	2012/12/07	41 049

No.	Municipality		Project Name	Detailed Description	Commence ment Date	Completion Date	Project total (R '000)
	District	Local					
				Malmesbury).			
10	Overberg	Swellendam	C0900: Reseal TR65/1 - N2/Barrydale	Reseal of TR65/1 from the N2 through Suurbrak and Tradows Pass to Barrydale.	2011/10/06	2013/02/27	37 698
11	Cape Winelands	Breede Valley	C0901: Reseal TR31/1 - Worcester/Robertson	Reseal of ±12km on TR31/1 between Worcester and Robertson & rehabilitation of ±1km of DR1400.	2010/09/01	2012/08/02	37 680
12	Central Karoo	Beaufort West	C0899: Reseal of roads - Central Karoo	Reseal of sections of TR58/1, MR587, DR2307, DR2310 and DR2400 in the Central Karoo.	2011/10/20	2012/09/07	35 038
13	West Coast	Bergrivier	C0805.01: Rehab MR535 - Laaiplek/Elandsbaai	Rehabilitation /strengthening of MR535 from km 12,0 to 24, Reseal of 3 bridge approaches (B5154, B5155 & B5156) on MR535. Regravel of km 0.0 - 0.2 on OP07826.	2011/07/25	2012/07/27	29 602
14	Cape Winelands	Drakenstein	C0829: Upgrade DR1119 - Bo-Dal Road	Upgrade of Bo-Dal Road, DR1119 (km0.00-4.70), near Dal Josafat to a surfaced standard.	2010/11/08	2012/11/30	28 516
15	Cape Winelands	Breede Valley	C0960: Flood Damage Repairs to Structures: Nuy/Robertson Area	Area "B" Flood damage repairs to Road Infrastructure on Various Main, Divisional and Minor Roads in Cape Winelands District.	2011/05/04	2013/03/19	23 170
16	West Coast	Matzikama	C0804.02: Reseal MR547 - Vredendal - Lutzville km32.5-44.05	Reseal of MR547 Vredendal - Lutzville km32.5-44.05.	2011/09/01	2012/07/26	20 416



As in previous years, the winter brought floods in the Eden and Cape Winelands Districts during July and August 2012, which closed *inter alia* Cogmanskloof Pass on the R62 and the R60 between Ashton and Swellendam for extended periods. Repair works required the reprioritisation of projects.

Construction of the Toll Plaza in Chapman's Peak commenced after an interdict was successfully resolved.

Conditions of Approval for the installation of Optic Fibre Cabling in road reserves were completed.

Service: Offer learnerships and graduate training

25 Graduates took part in the Graduate Professional Development Programme, supported by mentors that facilitate the proper training and retention of graduates in the public sector. The graduates were assessed in November 2012 for compliance toward the Engineering Council outcomes and Work Place Training requirements and 23 graduates fully complied with the requirements. The other two graduates have been placed on an extended developmental path in the regions.

Service: Offer diesel mechanic apprenticeships

Training of diesel mechanics began at the beginning of 2010. The first group of apprentices finish their training at the end of the 2013/14 financial year.

Service: Provide technical support services

To assist in optimising road network efficiencies, the review of the Road Access Guidelines and the classification of the road network within the Western Cape in line with the new COTO RCAM (National Road Classification and Access Management Manual) and Road Infrastructure Strategic Framework of SA continued, whilst the formulation of access management plans on MR 347 (from Herold's Bay to Blanco past George airport), MR 348 (Main Road from Hartenbosch to Glentana through the Island, Outeniqua Strand and Glentana), MR 27 (between Strand and Stellenbosch, i.e Broadway Boulevard south of Stellenbosch) and MR 174 (between Bird Street Stellenbosch and Klipheuwel Road and includes the section from Bottelary Road to Welgevonden Road) were completed.

Programme 4: Transport Operations

Service: Manage and monitor subsidised and specialised public transport services

Scheduled public transport services of approximately 41 million kilometres and 33 million kilometres were subsidised and monitored respectively. The system testing for the electronic monitoring process was completed. A dual electronic and manual system is now operational to ensure a smooth transition to a fully electronic monitoring system. All hardware relating to electronic monitoring was set up, and the required software was finalised. All subsidised bus routes were uploaded into the system and business processes were developed to upload schedules into the system on a daily basis. The system was used in a test environment to ensure its efficacy.

The partnership with the City of Cape Town, in support of the Dial-a-Ride service, that assists special needs passengers, continued.

Service: Coordinate and facilitate transport safety and compliance programmes

The Maitland impound facility was promulgated in June 2012. Planning for a further two impound facilities in the Cape Winelands and the West Coast is underway.

The Department in partnership with the Passenger Rail Agency of South Africa (PRASA) and Metrorail undertook to replace the rail reserve fences from Langa to Bonteheuwel, Netreg to Heideveld, Heideveld to Nyanga, Nyanga to Philippi, and Lavistown to Modderdam. However, challenges were encountered by PRASA and Metrorail and the fencing project is likely to be completed in June 2013.

The Department, City of Cape Town and PRASA commissioned a feasibility study to provide recommendations for remedial options for the Glencairn Railway Line. The results of the study are expected in the first quarter of 2013/2014.

Service: Assess, assist and capacitate municipalities on land transport mobility

Planning in conjunction with the George Municipality and negotiations with operators continued for the George Mobility Project, in order to facilitate the roll-out of public transport services that link communities to the CBD, airport, and Nelson Mandela Metropolitan University.

Service: Support the implementation of Non-Motorised Transport

In addition to the provision of training and the distribution of Shova Kalula bicycles, norms and standards were developed with the aim to guide the implementation of non-motorised transport within the Western Cape.

Programme 5: Transport Regulation

Service: Provide motor vehicle registration and licensing services

In order to further improve service delivery and management control at Registering Authorities (RAs), Driver's License Testing Centres (DLTCs) and Vehicle Testing Centres (VTSs), audits were conducted and inspections carried out. Findings were closely monitored for remedial action to ensure that functions are rendered effectively, efficiently and optimally within the framework of adequate resources provided at the respective offices. The process of finalising Service Level Agreements with municipalities for the management of the above functions also gained momentum, after a financial model was developed for consultation.

A pilot project was implemented to test recommendations flowing from the Debt Management investigation, completed during the 2011/12 financial year.

The revenue forecasting model project was reviewed to allow for exploration with the Eastern Cape on the possibility of using a similar model that was developed there.

The initial investigations into an Ideal Number Plate system were completed and culminated in a report containing recommendations on the scope of implementation for the Department's consideration.

Service: Provide motor vehicle roadworthy certification services

Progress was made in refining a proposed best practise model for vehicle testing and the management and operation of vehicle testing stations. The investigation will be finalised in the 2013/14 financial year in order for the recommendations to be considered for implementation.

Service: Provide licenses for competent drivers

The Department continued to work closely with its municipal agents to improve the standards of services provided to the public. This has, over a number of years, finally resulted in an average waiting period of two months for obtaining a learner's license, and three months for obtaining driving licences.

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

The Department signed off on a Service Delivery Improvement Plan to further enhance the quality of services provided to the public. The Department issued 5 957 abnormal load permits during 2012/13.

Service: Provide overload control services on national and provincial roads

Efforts over the last number of years to improve overload control operations at weighbridges resulted in estimated annual targets being exceeded every year. During 2012/13, there were further improvements in the number of vehicles weighed which exceeded the estimated target substantially, despite the weighbridges being operated for fewer hours. Weighing hours were reduced as a result of safety concerns during night-time weighing; however, this was mitigated by increasing the effectiveness of the operations with improved management. Furthermore, the percentage of prosecutions declined, clearly showing a downward trend in overloaded vehicles.

The Overload Control system of the Western Cape Government is considered the best in the Country, even though there are fewer heavy vehicles on Western Cape roads. This effort also played a major role in preserving the Province's road network which results in a large net saving in maintenance costs.

Service: Provide licensing services to public transport operators

A project was embarked on where workshops and roadshows were held to empower staff and operators, training and educating them on transport legislation. In order to ensure consistency and compliance in decision-making as well as issuing of decision letters and operating licenses, a standard operating procedure was developed and implemented. The Business Process Management System was further enhanced to track the status of applications and improve communication with clients in order to ensure that tasks forming part of the statutory application and adjudication processes were discharged timeously by staff members.

The Department began engagements with the City of Cape Town regarding the shifting of the operating license function and the creation of a Municipal Regulatory Entity (MRE). Challenges identified relate to labour relations issues, system risks and municipal capacity. It is intended that there will be continuous capacitation of the municipal officials prior to the assignment of the function to ensure a complete understanding of data storage systems, business processes and standard operating procedures.

Vehicle Operating Companies (VOC) of MyCiti IRT services were required by the City of Cape Town to lodge 196 applications for operating licenses to render services. Public hearings took place on 12 and 21 December 2012 and 4, 5, and 6 February 2013. A total of 170 applications were granted by the PRE and were issued on 1 March 2013. Resistance from the minibus taxi industry as well as the subsidised scheduled bus operator was experienced, throughout the process.

Service: Register minibus taxi operators and associations

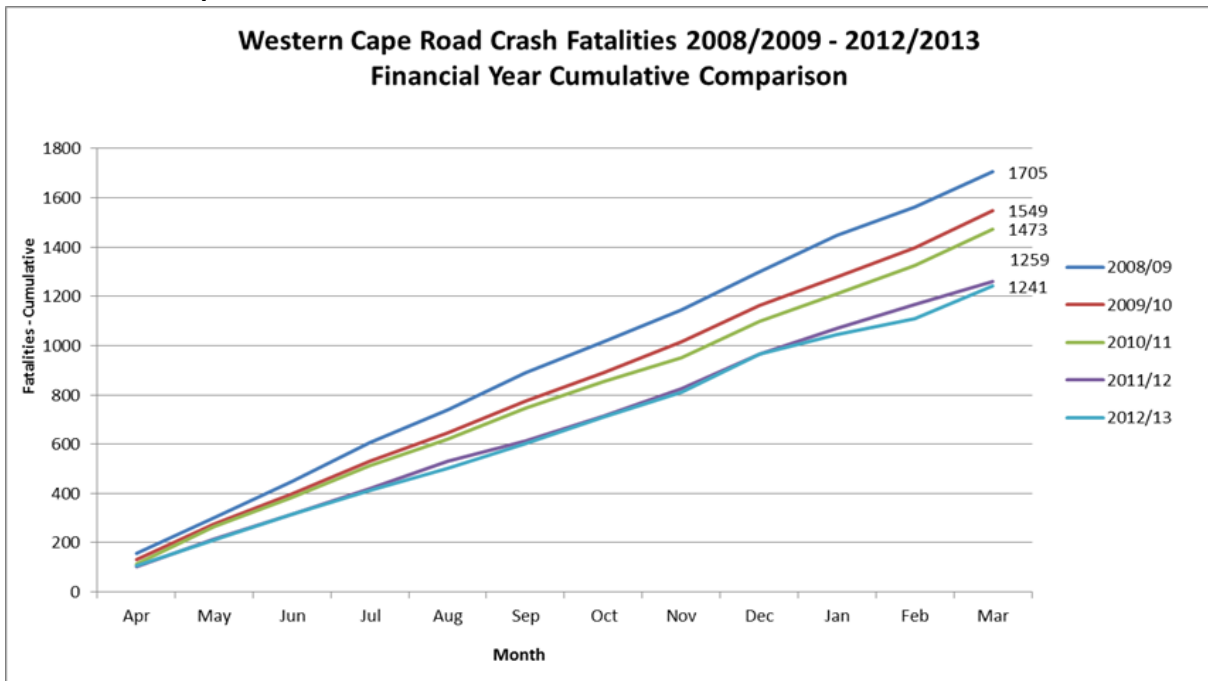
A well regulated environment is crucial for the successful integration of the informal metered taxi, minibus taxi, and SMME bus sectors into a multi-modal public transport service. To this end the PRE embarked on a capacity building programme to equip registered associations with the ability to comply fully with the conditions as outlined in the NLTA and its regulations, provincial laws and regulations, and general good governance. The workshops were very well attended and received by public transport operators.

Where primary taxi associations did not comply with the requirements of the Registrar, these taxi associations were suspended. This practice contributed towards stability and established a culture of compliance amongst minibus taxi operators. A guideline document was developed with all stakeholders that would dictate processes and procedures during violence and strikes by public transport operators.

Service: Implement and coordinate road safety programmes

A year-on-year decrease in road crash fatalities has occurred with 1 241 fatalities recorded for the 2012/13 financial year.

Figure 2: Western Cape Road Crash Fatalities 2008/9 – 2012/13: Financial Year Cumulative Comparison



The Safely Home Road Safety Rewards campaign rewarded drivers for good behaviour on provincial roads during the 2012/13 festive season. The initiative was part of a behavioural economics project aimed at establishing a culture of respecting road rules and promoting an identity of responsible road users.



All classes of fatalities have been reduced with the exception of motor cycles where it has increased by 25 percent. Pedestrians and drivers/passengers make up the largest group of fatalities. Evidence has shown that pedestrian deaths have come to account for half of the deaths on the Province's roads and are increasingly the focus of the Department's efforts in reducing road deaths. Twenty hazardous locations for pedestrians were identified across the Province in a Hazardous Locations (Hazloc) report and six locations were prioritised on provincial roads for implementation starting in the 2013/14 financial year. Municipalities were also requested to include the Hazloc locations in their Municipal Integrated Development Plans for implementation.

Service: Provide dispute resolution services in the public transport domain

A draft action plan for managing disputes and conflict in the minibus taxi industry was jointly developed by the Department and the City of Cape Town.

A code of conduct for metered taxi operators was drafted and is subject to consultation with the industry after the conclusion of elections for a new metered taxi council.

Programme 6: Community Based Programmes

Service: Coordinate the Expanded Public Works Programme

109 482 work opportunities were created against the provincial target of 72 142 work opportunities.

Service: Facilitate programmes to develop emerging contractors

51 Contractor development interventions were implemented in the Western Cape. As a result of these interventions 459 emerging contractors were capacitated through skills and business enhancement initiatives in order to compete more effectively in the industry. Construction Industry Development Board (CIDB) grade 1-2 contractors were engaged in the foundation phase training programme, while CIDB grade 3-5 contractors were engaged on the advanced training and mentoring programme.

23 Empowerment Impact Assessments were concluded on departmental capital projects with a value of more than R 5 million.

Studies were conducted in partnership to explore alternative labour intensive construction techniques for infrastructure projects.

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

A total of 304 unemployed young people were offered training in construction trades as part of the National Youth Service Programme.

A pilot program for a construction related apprenticeship program commenced. A total of 30 apprenticeships were offered and the candidates are currently in training.

An FET Construction Graduate Internship Programme was initiated. These students are currently placed with host employers and will remain on the program for twelve months.

3.2. Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan for two services as required. The tables below highlight the plan and the achievements to date.

Table 2: Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50 percent by 31 March 2014	Western Cape residents, road users and public transport operators in the Province	None	a) Road fatalities reduced to 1 100. b) 352 audits to be done.	a) Road fatalities 1 241 (The 1 100 target was based on the Road Traffic Management Corporation (RTMC) statistics of 2008, which were subsequently shown to have been under reporting road fatalities. The percentage decrease in fatalities in the Western Cape has reached 30 percent against the 2008 baseline drawn from Forensic Pathology Services data which was found to be more accurate.) b) 394 audits completed at Registering Authorities, Vehicle Testing Stations and Driving Licence Testing Centres.
To facilitate and develop Expanded Public Works Skills Development Programmes and implement construction industry development programmes	Western Cape residents	None	a) 1 437 beneficiaries targeted for industry skills interventions b) 4 EPWP compliance monitoring reports to be done	a) Skills development opportunities were provided for 304 unemployed youths through the National Youth Service Skills Development Programme. 459 Contractors were skilled in the Contractor Development Program. b) 4 EPWP compliance monitoring reports were undertaken in the Department of Transport and Public Works.

Table 3: Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50 percent by 31 March 2014</p> <p>a) Switchboard b) Helpdesk on 2nd floor, 9 Dorp Street</p> <p>c) Own email enquiry service d) Correspondence with supervisor/manager</p> <p>e) Driving License Testing Centres</p>			<p>a) Operational switchboard facilities at all municipal agents. b) Helpdesk relocated to Walk-In Centre, ground floor, 9 Dorp Street. c) Own email enquiry service through Cape Gateway. d) Correspondence with supervisor/manager and other key staff. e) Driving Licence Testing centres.</p> <p><u>Additional consultation arrangement:</u> f) Vehicle testing stations. g) Call Centre through Cape Gateway. h) Registering Authorities. i) Helpdesk on 1st floor, 9 Dorp Street.</p>
<p>To facilitate and develop Expanded Public Works Skills Development Programmes and implement construction industry development programmes</p> <p>a) Switchboard b) Helpdesk in Long Street</p> <p>c) Own email enquiry service d) Correspondence with supervisor/manager</p>			<p>a) Telephone enquiries through EPWP Skills Unit or WCG. b) Helpdesk in Long Street closed and services moved to 15 Dorp Street under Directorate EPWP Co-ordination. c) E-mail enquiry through Skills Development, Regional, and Administration Officers. d) Correspondence dealt with through DTPW Registry and forwarded to relevant regional managers.</p>

Table 4: Service delivery access strategy

Access Strategy	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50 percent by 31 March 2014</p> <ul style="list-style-type: none"> a) Helpdesk on 2nd floor, 9 Dorp Street b) Driving License Testing Centres c) Vehicle Testing Centres 	<ul style="list-style-type: none"> a) Helpdesk relocated to Walk-In Centre, ground floor, 9 Dorp Street b) Driving License Testing Centres c) Vehicle Testing Centres <p><u>Additional service delivery access strategy:</u></p> <ul style="list-style-type: none"> d) Registering authorities e) Helpdesk on 1st floor, 9 Dorp Street f) own email through Cape Gateway
<p>To facilitate and develop Expanded Public Works Skills Development Programmes and implement construction industry development programmes</p> <ul style="list-style-type: none"> d) Helpdesk in Long Street 	<ul style="list-style-type: none"> a) Helpdesk in Long Street closed and services relocated to 15 Dorp Street under Directorate EPWP Co-ordination.

Table 5: Service information tool

Types of information tool	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50 percent by 31 March 2014</p> <ul style="list-style-type: none"> a) Website b) Annual Performance Plan c) Annual Report d) Helpdesk at Driving License Testing Centres e) Helpdesk at Vehicle Testing Centres 	<ul style="list-style-type: none"> a) Website b) Annual Performance Plan c) Annual Report d) Service counters operational at Driving License Testing Centres e) Service counters operational at Vehicle Testing Centres <p><u>Additional information tool:</u></p> <ul style="list-style-type: none"> f) Registering authorities g) Helpdesk on 1st floor, 9 Dorp Street h) Helpdesk relocated to Walk-In Centre, ground floor, 9 Dorp Street
<p>To facilitate and develop Expanded Public Works Skills Development Programmes and implement construction industry development programmes</p> <ul style="list-style-type: none"> a) Website b) Annual Performance Plan c) Annual Report d) Helpdesk in Long Street 	<ul style="list-style-type: none"> a) Website review being undertaken through Departmental Communication unit b) Skills development input in published DTPW Annual Performance Plan 2012/13 c) Annual Report d) Helpdesk in Long Street closed and services relocated to 15 Dorp Street under Directorate EPWP Co-ordination.

Table 6: Complaints mechanism

Complaints Mechanism	Actual achievements
<p>To improve transport safety and promote the implementation of integrated transport and increasing access to safe and efficient transport in the Western Cape Province and to further support the reduction of the number of fatalities by 50 percent by 31 March 2014</p> <ul style="list-style-type: none"> a) Switchboard b) Helpdesk on 2nd floor, 9 Dorp Street c) Helpdesk at Driving License Testing Centres d) Helpdesk at Vehicle Testing Centres e) Own email enquiry service f) Correspondence with supervisor/manager 	<ul style="list-style-type: none"> a) Operational switchboard facilities at all municipal agents. b) Helpdesk relocated to Walk-In Centre, ground floor, 9 Dorp Street. c) Service counter at Driving License Testing Centres. d) Service counter at Vehicle Testing Centres. e) Own email enquiry service through Cape Gateway. f) Correspondence with Supervisor/Manager and other key staff. <p><u>Additional redress mechanism:</u></p> <ul style="list-style-type: none"> g) Call centre through Cape Gateway. h) Service Counters at Registering Authorities. i) Helpdesk on 1st floor, 9 Dorp Street.
<p>To facilitate and develop Expanded Public Works Skills Development Programmes and implement construction industry development programmes</p> <ul style="list-style-type: none"> a) Switchboard b) Helpdesk in Long Street c) Own email enquiry service d) Correspondence with supervisor/manager 	<ul style="list-style-type: none"> a) Telephone enquiries through EPWP Skills Unit or WCG switchboard. b) Helpdesk in Long Street closed and services moved to 15 Dorp Street under Directorate EPWP Co-ordination. c) Email enquiry through Skills Development, Regional, and Administrative officers. d) Correspondence dealt with through Department Registry and forwarded to relevant Regional managers.

3.3. Organisational environment

Restructuring

The Department's macro- and micro-organisational and subsequent Departmental management structure to deliver on its constitutional and legislative mandate was reviewed with the assistance of the Corporate Service Centre. A process of engagements with employee organisations (unions) was concluded with the in-principle acceptance of the structure and the personnel plan. The proposed structure has been referred to the Department of Public Service and Administration (DPSA) for consideration, prior to approval by the Executive Authority.

Due to the specialised and cyclical nature of work undertaken by the Department it continued to operate on a co-sourced resource model in which internal capacity was augmented with contracted-in expertise. However, the Department has strategies to control contract and consultant appointments as part of the implementation strategy for the new organisational structure.

The Department's new organisation structure is demand driven and therefore the Department prepared a funding strategy for the additional funding required to implement the new organisation structure. The Department also prepared an implementation strategy for the new organisational structure which includes measures to phase-in permanent posts and phase-out contract employment and consultant contracts, as well as mechanisms to control the personnel plan, new appointments, new contract appointments, and new consultant appointments.

Organisational challenges and successes

The vacancy rate on technical staff remained high, notwithstanding attempts by the Department to fill critical posts.

Resignations/appointments

There were no resignations on Senior Management level in the Department. The following Senior Management Members were deployed/appointed to the functional areas depicted below in order to ensure continuity of service delivery.

Table 7: Changes in management structure

Name	Functional area
Thiagaraj Pillay	Assistant Executive Manager: Public Private Partnerships
Shaheen Adams	Assistant Executive Manager: Property Asset Management
Bernie McMahon	Senior Manager: Operating Licensing and Permits
Winton Gibbs	Senior Manager: Health Facilities
Kamal Naidu	Senior Manager: General Buildings

Name	Functional area
Johan Fabricius	Senior Manager: Financial Accounting
Klaas Langenhoven	Senior Manager: Property Planning

Strikes

There were no strikes during 2012/13.

System failures

The Department remained dependent on national and provincial transversal systems which did not always perform optimally to meet governance demands, causing the Department to implement alternative mechanisms to reduce its exposure to risk.

The following system failures occurred during 2012/13:

- The Enterprise Content Management System was down for a total of 111 hours, of which 94 hours were network related. The total time lost amounted to 1.27 per cent. The system is in a consolidated environment and its architecture and network is managed and supported by the Centre for e-Innovation in the Corporate Service Centre.
- The Rational Portfolio Manager is the project and portfolio management system that the Department uses to manage all infrastructure and strategic projects with regards to contracts, resources, financial and performance management. 13 incidents were reported during the year, with a loss of productivity amounting to approximately 210 hours. The system is no longer supported by the service provider as new technology has superseded the RPM architecture and no further enhancements can be made. The system is therefore maintained by contracted-in resources.
- Interruptions on other business systems were minimal and were dealt with within the tolerance levels specified.
- In addition the, Basic Accounting System (BAS) which is a national transversal system, experienced significant downtime during the third and fourth quarter of 2012/13, resulting in delayed processing of payments.

Cases of fraud or corruption

In accordance with the Fraud Investigative Unit (FIU) Case Movement Certificate for the year under review there were:

Open cases as at 1 April 2012	18
New cases (2012/13)	36
Closed cases (2012/13)	(12)
Referred cases (2012/13)	(6)
Incorporated cases (2012/13)	(3)
Re-classified cases (2012/13)	(3)
Open cases as at 31 March 2013	30

3.4. Key policy developments and legislative changes

- The Western Cape Transport Infrastructure Bill (WCTIB) was introduced in the Western Cape Provincial Parliament (WCPP) and adopted by the Provincial Parliament as Act 1 of 2013. It is still to be assented to by the Premier.
- Updated delegations were issued in terms of the Public Service Act, 1994 and the Public Finance Management Act, 1999, with the exception of those relating to the supply chain which remains work-in-progress.
- Improving the quality of financial management was on-going with the aim to maintain unqualified audit reports, through the Departmental Corporate Governance Improvement Plan that supports the Western Cape Government's Corporate Governance Review and Outlook process.
- From a supply chain management perspective, the re-engineering is entering the third phase which involves design and development. At the same time the new Provincial Treasury Instructions were implemented in accordance with a three year implementation plan. Likewise, implementation of the Western Cape Infrastructure Delivery Management System and the Construction Procurement System Standards began.
- The Masakh' iSizwe Bursary Policy was reviewed.
- The Policy on Placement of Masakh' iSizwe Bursars qualifying for work integrated learning and vacation training was reviewed.
- The Policy for the appointment of Masakh' iSizwe graduates and professional development of employees of the Department of Transport and Public Works was reviewed.

4. STRATEGIC OUTCOME ORIENTATED GOALS

The Department's Strategic Outcome Orientated Goals, and progress made towards the achievement of the 5-year Strategic Plan targets, are outlined below:

Strategic Outcome Orientated Goal 1: Promote good governance and an effective and efficient department.
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The achievement of this goal contributes towards National Outcome 12 and Provincial Strategic Objective 12.

The Departmental Corporate Governance Improvement Plan was implemented as an element of creating an effective, efficient and compliant Department. Focus was placed on improving aspects identified through previous external and internal audit processes.

The Department's audit outcomes have improved from a qualified to unqualified opinion for the last three years. Furthermore, the number of matters emphasised reduced to zero for the last year, whilst the number of other matters increased sharply. Improvement interventions will therefore focus on maintaining those areas which have been improved, and addressing those that are a risk.

The development of an automated Supplier Invoice Tracking System within the Enterprise Content Management System commenced.

The review of the Supply Chain Management delegations is near completion.

The review of the Accounting Officer's Supply Chain System is near completion.

The automated consultants' procurement register for built sector professionals was introduced.

The registration of all service providers on the Western Cape Supplier's database was facilitated.

Strategic Outcome Orientated Goal 2: Lead the implementation and facilitation of EPWP in the Western Cape.

The achievement of this goal contributes towards National Outcome 2 and Provincial Strategic Objective 1.

The institutional framework for EPWP coordination in the Province was maintained. The Provincial Sector working groups were operational (social-, environmental-, infrastructure- and non-state sectors) as well as the district municipal forums (West Coast, Cape Winelands, Eden, Overberg and Central Karoo). The City of Cape Town reported at the Provincial Sector working groups. The institutional framework provides a planning, reporting and sharing platform for stakeholders across all spheres of government on programme implementation.

The Provincial Implementation Plan for 2012/13 is a consolidation of endorsed EPWP departmental and municipal business plans.

The provincial target of 72,142 work opportunities for 2012/13 was surpassed. The overall performance is discussed under section "Key Performance measures and their targets and actual results" below.

Strategic Outcome Orientated Goal 3: Lead the development and implementation of Integrated Transport systems in the Western Cape.

The achievement of this goal contributes towards National Outcome 6 and Provincial Strategic Objective 3.

The Department leads and promotes the development and implementation of an integrated transport system inter-governmentally and transversally within the Province through its role as custodian of *Provincial Strategic Objective 3: Increasing access to safe and efficient transport*. The outcomes of the PSO are as follows:

- 13 percent modal shift from private to public transport inbound to the CBD by 2014.
- 10 percent shift in contestable freight haulage from road to rail by 2014.
- 50 percent reduction in the number of road crash fatalities in the Western Cape by 2014.
- 16 percent reduction in road maintenance backlogs by 2014.

In relation to the 13 per cent modal shift from private to public transport inbound to the CBD by 2014, the following progress was made:

- Good relations with the minibus taxi Industry (MBT) have assisted in creating stability in the industry.
- An increase in the number of operational train sets improved rail transport.
- MyCiTi buses transported 271 869 people in December 2012.
- Increased passenger trips per day were recorded between 2006 and 2012 for both the rail and bus networks.

In relation to the 10 per cent shift in contestable freight haulage from road to rail by 2014, the total freight tonnage carried for both road and rail increased by approximately 5.5 per cent between 2009 and 2010. However, while figures currently available do not indicate whether this increase reflects a shift between modes, rail continues to carry 11 per cent of total freight tonnes hauled.

Mode	Total Tonnage (Mt)	
	2009	2010
Road	1 370	1 446
Rail	173	182
TOTAL	1 543	1 628

The outcome is difficult to achieve, due to a limited ability to influence parties involved in rail freight to create efficiencies. Incentives would be required to shift freight to rail, through costing mechanisms, as well as through the implementation of intermodal facilities.

In relation to the 50 per cent reduction in the number of road crash fatalities in the Western Cape by 2014, the following was noted:

- A year-on-year decrease in road crash fatalities has occurred.
- For January 2013, the lowest number of fatalities was recorded since January 2008.
- Based upon the current trend, a 38 per cent reduction is projected to be achieved by the end of 2014.

In relation to the 16 per cent reduction in road maintenance backlogs by 2014, the following was noted:

- 93 per cent of all vehicle kilometres is travelled on fair to very good roads.
- The road maintenance backlog is defined as roads that are considered to be in a poor and very poor condition (based upon the Visual Condition Index).
- The backlog for gravel roads has increased by 18 per cent since 2009 (55 per cent poor, and very poor shifted to 65 per cent).
- Only five per cent of all vehicle kilometres are travelled on the gravel road network.
- The backlog for surfaced roads, on which 95 per cent of all vehicle kilometres are travelled, has been reduced by three per cent from 2009 to 2012.

Strategic Outcome Orientated Goal 4: Lead the development and implementation of provincial infrastructure and property management in the Western Cape.

The achievement of this goal contributes towards National Outcome 1, 2, 4, 12 and Provincial Strategic Objective 1, 2, 4, 5, 6, 10, and 12.

The Department implemented a variety of good governance prescripts in infrastructure procurement and contracting. These include:

- Registration of all service providers and contractors on the Western Cape Suppliers' Database.
- Implementation of the Broad Based Black Economic Empowerment Act in all procurement and services of contractors and service providers.
- Implementation of the Infrastructure Delivery Management System (IDMS) and the Construction Procurement System Standards, as well as associated governance procedures to promote good governance principles in construction planning, procurement, administration and management.
- Ensured that all infrastructure needs of client departments for the next MTEF period were consolidated in infrastructure implementation plans.
- Implemented alternative contract documents, such as Framework Contracts and NEC contract types, to manage the delivery of social infrastructure in the MTEF period.
- Three PPPs were registered with National Treasury.

5. PERFORMANCE INFORMATION BY PROGRAMME

5.1 Programme 1: Administration

Purpose

The purpose of Administration is to provide for the overall management support to the Department.¹

Sub-programmes

- 1.1 Office of the MEC
- 1.2 Management of the Department
- 1.3 Corporate Support
- 1.4 Departmental Strategy

Strategic objectives

- 1.1. Improved quality of financial management.
- 1.2. Facilitated effective utilisation of systems, processes and knowledge within the Department.
- 1.3. Coherent transversal integrated strategic planning, co-ordination and monitoring and evaluation facilitated and managed across the Department.

¹ Note: the Corporate Service Centre, vested in the Department of the Premier, provides the following support services to the Department: Human Resource Management, Enterprise Risk Management, Internal Audit, Legal Services, Forensic Investigative Services, and Information and Communication Technology Services.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 8: Programme 1: Administration: Strategic Objectives

Administration						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 1.3: Corporate Support						
1.1.	Improved quality of financial management.					
1.1.1	Unqualified regularity Auditor General report	1	1	1	0%	-
1.1.2	Financial management capability assessment rating	-	3	-	-	The Provincial Treasury no longer conducts the assessment as it was replaced by the Corporate Governance Review and Outlook process.
1.2	Facilitated effective utilisation of systems, processes and knowledge within the Department.					
1.2.1	Number of ECM processes implemented	1	2	2	0%	-
Sub-programme 1.4: Departmental Strategy						
1.3	Coherent transversal integrated strategic planning, co-ordination and monitoring and evaluation facilitated and managed across the Department.					
1.3.1	Phases implemented of the M&E system	3rd	4th	4th	0%	-
1.3.2	Number of coherent and integrated strategic / transversal planning processes facilitated / managed	23	31	24	(23%) [-7]	The underperforming municipalities (Stellenbosch, George and Cape Winelands) comprise of two Type 1 planning authorities where comprehensive ITPs are required. The additional requirements for the preparation of Comprehensive ITPs, capacity constraints faced by most local municipalities, the imminent implementation of the George Integrated Public Transport Network and the deviation from the minimum

						requirements by Cape Winelands District Municipality have contributed to the delay in finalising the ITP update timeously.
1.3.3	Phases of an effective co-ordination system implemented	2nd	3rd	3rd	0%	-

Table 9: Programme 1: Administration: Performance indicators

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
Sub-programme 1.3: Corporate Support						
1.1.1.1	Number of communications of audit findings	107	102	99	3% [+3]	Positive performance. Fewer findings.
1.1.2.1	Number of financial standard operating procedures compiled	n/a	18	18	0%	
1.1.2.2	Number of financial management improvement plan projects completed	n/a	28	18	(36%) [-10]	Unrealistic projects dates, 10 projects are work-in-progress with completion ranging from 10 to 93 per cent. New more realistic dates have been set.
1.2.1.1	Number of ECM workflows developed	n/a	2	2	0%	
Sub-programme 1.4: Departmental Strategy						
1.3.1.1	Number of RBM&E plans developed	2	1	1	0%	
1.3.2.1	Number of integrated plans assessed	23	31	24	(23%) [-7]	In most cases municipalities lack capacity to fulfil their legislative mandate in terms of preparing integrated transport plans. The Department assists these municipalities not only financially but also with human capacity by appointing service providers and providing project management assistance to ensure timeous completion of the project. The under performance in terms of the update of the Integrated Transport Plans is due to the three municipalities for which funds have been transferred and not where the Department is in direct control of the process – these municipalities are Stellenbosch Municipality, George Municipality and Cape Winelands District Municipality. These municipalities manage their own processes with regards to the update of their

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
						respective Integrated Transport Plans (ITPs). Implementation of the George Integrated Public Transport Network is imminent and an update of the ITP was therefore directly influenced. The Stellenbosch Municipality has had severe capacity challenges within the reporting year and due to the delay with the 11/12 ITP update the 12/13 update process was influenced. With the development of the Cape Wierland's ITP it was decided to deviate from the minimum requirements and to do a freight strategy for the District Municipality as part of the ITP update, , which caused a delay in finalising the ITP update.
1.3.2.2	Number of Infrastructure Frameworks/Plans developed	n/a	6	5	(17%) [-1]	The structure of the Western Cape Infrastructure Framework was changed to improve on the quality of the document which resulted in the clustering of the sectors into 5 interrelated Cluster reports.
1.3.3.1	Number of plans and programmes managed and co-ordinated	3	4	4	0%	

Strategy to overcome areas of under performance

The effect of insufficient capacity at the local sphere of government to perform their transport planning function has resulted in the underperformance for the financial year under review. To circumvent future delays, the Department will request a detailed description of the planning and supply chain processes to be followed by the respective municipalities. More comprehensive monthly reporting (a reporting template has been developed and agreed to) will be requested, together with more frequent progress meetings. The ITP processes and challenges have also been elevated to the respective PSO 3 Work Groups to ensure that municipalities understand the importance of the ITP process.

Furthermore, the Department has incrementally taken an approach to grow the knowledge base and exposure to transport planning and related fields for those tasked with the integrated transport planning process at the local sphere of government and will focus on capacity building seminars as part of the 2013/14 financial year ITP process.

More realistic targets dates have been set for the financial management improvement plan projects, taking capacity into account.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 10: Programme 1: Administration: Sub-programme expenditure

Sub-Programme		2012/2013			2011/2012		
		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
1.1.	Office of the MEC	5 147	5 072	75	5 099	5 097	2
1.2.	Management of the Department	3 727	3 602	125	3 866	3 140	726
1.3.	Corporate Support	91 405	90 921	484	103 771	100 015	3 756
1.4.	Departmental Strategy	25 904	25 382	522	26 936	25 590	1 346
Total		126 183	124 977	1 206	139 672	133 842	5 830

5.2 Programme 2: Public Works Infrastructure

Purpose

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

Sub-programmes

- 2.1. Programme support
- 2.2. Planning
- 2.3. Design
- 2.4. Construction
- 2.5. Maintenance
- 2.6. Immovable Asset Management
- 2.7. Facility Operations

Strategic Objectives

- 2.1. GIAMA implemented and complied with.
- 2.2. Facilitated and delivered sustainable Provincial infrastructure and accommodation.
- 2.3. Developed plans and secured funds for infrastructure delivery in the Western Cape Province.
- 2.4. Promoted socio-economic development through the implementation of Provincial Infrastructure, Provincial Accommodation and Property Management programmes.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 11: Programme 2: Public Works Infrastructure: Strategic Objectives

No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 2.2: Planning						
2.1	GIAMA implemented and complied with.					
2.1.1	Number of GIAMA milestones achieved	2	2	2	0	-
Sub-programmes 2.3: Design, 2.4: Construction, 2.5: Maintenance						
2.2	Facilitated and delivered sustainable Provincial infrastructure and accommodation.					
2.2.1	Number of projects undertaken for client departments	1 038	120	508	323% [+388]	Demand for infrastructure by clients and the availability of funding during the main budget and the adjustment budget period which enabled the specific quantity of projects to be handled. Targets not adjusted when budget increased.
Sub-programme 2.6: Immovable Asset Management						
2.3	Developed plans and secured funds for Infrastructure delivery in the Western Cape Province.					
2.3.1	Number of plans for smart partnerships to access resources developed	3	2	3	50% [+1]	Increased level of co-operation from the City of Cape Town, in particular Cape Town Partnership.
Sub-programmes 2.4: Construction, 2.5: Maintenance						
2.4	Promoted Socio-economic development through the implementation of Provincial Infrastructure, Provincial Accommodation and Property Management programmes.					
2.4.1	Number of jobs created	17 035	19 000	17 466	(8%) [-1 534]	The underperformance in the job creation target can be attributed to predominantly health infrastructure projects that were delayed because they had the major labour absorptive capacity. This has included projects such as Valkenberg Hospital whose implementation has been delayed due to extensive planning and national consultation and approvals; Vredenberg Hospital which experienced slow progress of the contractor that deferred employment opportunities and

No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
						labour absorptive capacity.
2.4.2	Number of EPWP work opportunities created	0	3 000*	1 402	(53%) [-1 598]	The second contract award in terms of the Building Facilities Management Programme (BFMP), delayed by litigation against the Department by the second contractor on the South Tender which covered most facilities that would have created more work opportunities and thus only one contract progressed to implementation and yielded the results reported.

* Erratum issued for APP 2012/13 did not correct the strategic objective indicator target to 2 500 EPWP work opportunities, only the programme performance indicator target (2.4.1.4).

Table 12: Programme 2: Public Works Infrastructure: Performance indicators

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
Sub-programme 2.2: Planning						
2.1.1.1	*Number of requests received for new accommodation from user departments in UAMP	514	541	507	(6%) [-34]	The request for new accommodation was less than expected. The Department is dependent on the client departments to provide the request.
2.1.1.2	*Number of new accommodation funding approved by PT ¹	364	350	206	(41%) [-144]	Breakdown: Education 97, Health 34 and General Buildings (GB) 75. Health and Education is based on 2012/2013 IPIs under key performance indicators and GB is based on Adjusted Estimates of Provincial Expenditure 2012 pages 224-232. Due to budgetary constraints and client department's re-prioritisation requests.
Sub-programme 2.3: Design						
2.2.1.1	*Number of Infrastructure Project Management Plans received	3	3	3	0%	
	Education Facilities	**	1	1	0%	
	Health Facilities	**	1	1	0%	
	General Buildings	**	1	1	0%	
2.2.1.2	*Number of projects registered	958	346	336	(3%) [-10]	
	Education Facilities	**	240	144	(40%) [-96]	Performance is subject to the demand of the client.
	Health Facilities	**	65	103	58% [+38]	Increased demand by client departments.
	General Buildings	**	41	89	117% [+48]	Increased demand by client departments.
2.2.1.3	*Number of projects ready for tender ²	508	530	502	(5%) [-28]	Projects still actioned but packaged into bigger but fewer contracts.
	Education Facilities	**	150	196	31% [+46]	Due to increased client demands and additional funding made available.
	Health Facilities	**	220	121	(45%) [-99]	Projects still actioned but packaged into bigger but fewer contracts.

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
	General Buildings	**	160	185	16% [+25]	Due to increased client demands and additional funding made available.
Sub-programme 2.4: Construction						
2.2.1.4	*Number of projects completed within prescribed time	140	287	62	(78%) [-225]	With regard to all three sectors the underperformance can be attributed to: <ul style="list-style-type: none"> • late start caused by site delays, • delays in appointment of consultants and contractors, • client department's indecision and delayed approvals as well as • contractor's delays.
	Education Facilities	**	240	39	(84%) [-201]	Delays on site land availability.
	Health Facilities	**	25	7	(72%) [-18]	Client requests for additional work and general project delays.
	General Buildings	**	22	16	(27%) [-6]	Decrease in contracts awarded and difference in packaging.
2.2.1.5	*Number of projects completed within budget	133	287	55	(81%) [-232]	With regard to all three sectors the underperformance can be attributed to late start caused by site delays, delays in appointment of consultants, contractors and client department's indecision and delayed approvals as well as contractor's delays.
	Education Facilities	**	240	38	(84%) [-202]	
	Health Facilities	**	25	5	(80%) [-20]	
	General Buildings	**	22	12	(45%) [-10]	
2.4.1.1	*Number of contracts awarded to HDIs compliant service providers	424	346	451	30% [+105]	This over performance can be attributed to the number of increased maintenance projects, and quotations advertised that fall within the grading of most HDI contractors and including the capital projects to a lesser degree.
	Education Facilities	**	240	206	(14%) [-34]	The accumulation of multiple contracts into bigger contract packages reduced the original number of individual contracts awarded.
	Health Facilities	**	65	91	40% [+26]	This over performance can be attributed to the number of increased maintenance projects, and quotations advertised that fall within the grading of most HDI contractors and including the capital projects to a lesser degree.
	General Buildings	**	41	154	276% [+113]	

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
2.4.1.2	*Number of contracts awarded to WOE's	371	170	372	119% [+202]	This over performance can be attributed to the number of increased maintenance projects, and quotations advertised that fall within the grading of most women owned enterprises contractors and including the capital projects to a lesser degree.
	Education Facilities	**	120	157	31% [+37]	
	Health Facilities	**	30	78	160% [+48]	
	General Buildings	**	20	137	585% [+117]	
Sub-programme 2.5: Maintenance						
2.2.1.6	*Number of projects identified for planned maintenance	663	530	641	21% [+111]	This over performance in particular in Education and General Buildings can be attributed to the: 1. Number of increased maintenance projects, and quotations identified for actioning by client departments; 2. Additional funding made available for maintenance during the adjustment budget period; 3. Increased emergency work required to be attended to; 4. The implementing Department's willingness to handle and manage more work in the course of the year.
	Education Facilities	**	150	215	43% [+65]	See above explanation.
	Health Facilities	**	220	124	(44%) [-96]	Fewer projects, but bigger and more intense, and projects were expanded to accommodate more work on projects currently running as the budget permitted.
	General Buildings	**	160	302	89% [+142]	As explained in Education above.
2.2.1.7	*Number of planned maintenance projects approved	760	530	641	21% [+111]	See above explanation.
	Education Facilities	**	150	215	43% [+65]	See above explanation.
	Health Facilities	**	220	124	(44%) [-96]	See above explanation.

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
	General Buildings	**	160	302	89% [+142]	See above explanation.
2.2.1.8	*Number of planned maintenance projects completed	440	475	374	(21%) [-101]	In the main, delays due to client changes.
	Education Facilities	**	150	200	33% [+50]	Due to increased client demands and additional funding made available. Improved planning and accelerated projects and good performance of contractors awarded maintenance contracts which were mainly packaged to attract higher graded contractors who had the capacity to handle more in quantity of projects and more complexity which have yielded positive results.
	Health Facilities	**	170	96	(44%) [-74]	Delays in project implementation, number of projects in retention.
	General Buildings	**	155	78	(50%) [-77]	Due to changes in scope requirements by clients and expansions on projects on site which have resulted in deferment of completion dates.
2.2.1.9	*Number of projects awarded	571	330	536	62% [+206]	Due to increased client demands and additional funding made available. Improved planning and accelerated projects and good performance of contractors awarded maintenance contracts which were mainly packaged to attract higher graded contractors who had the capacity to handle more in quantity of projects and more complexity which have yielded positive results.
	Education Facilities	**	150	277	85% [+127]	Due to increased client demands and additional funding made available. Improved planning and accelerated projects.
	Health Facilities	**	120	111	(8%) [-9]	Variance can be attributed to the packaging of multiple projects in one contract.
	General Buildings	**	60	148	147% [+88]	Due to increased client demands and additional funding made available. Improved planning and accelerated projects.
2.2.1.10	*Number of projects under implementation	921	570	709	24% [+139]	Variance can be attributed to the packaging of multiple projects in one contract.
	Education Facilities	**	150	329	119% [+179]	Variance can be attributed to the packaging of multiple projects in one contract.
	Health Facilities	**	260	213	(18%) [-47]	Delays in approval processes pertaining to the project brief, scoping and funding.

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
	General Buildings	**	160	167	4% [+7]	Variance can be attributed to the packaging of multiple projects in one contract.
2.2.1.11	*Number of projects completed within prescribed time	388	480	321	(33%) [-159]	Due to changes in scope requirements by clients and expansions on projects on site which have resulted in deferment of completion dates.
	Education Facilities	**	150	200	33% [+50]	Due to increased client demands and additional funding made available. Improved planning and accelerated projects.
	Health Facilities	**	170	79	(54%) [-91]	Delays in project implementation, number of projects in retention.
	General Buildings	**	160	42	(74%) [-118]	Delays attributed to late start, project expansion that resulted in deferment of completion of projects.
2.2.1.12	*Number of projects completed within budget	437	480	346	(28%) [-134]	Due to changes in scope requirements by clients and expansions on projects on site which have resulted in deferment of completion dates and increase in project cost.
	Education Facilities	**	150	198	32% [+48]	Due to increased client demands and additional funding made available. Improve planning and accelerated projects.
	Health Facilities	**	170	92	(46%) [-78]	Delays in project implementation, number of projects in retention.
	General Buildings	**	160	56	(65%) [-104]	Can be attributed to late start and project expansion that resulted in increased budget and deferment of completion of projects.
2.4.1.3	Total number of jobs created	n/a	19 000	17 466	(8%) [-1 534]	The underperformance can be attributed to the slow start of major capital projects within the portfolio which would have had the major labour absorptive capacity.
	Education Facilities	**	6 000	8 595	43% [+2 595]	The over performance can be attributed to the increased number of projects in full construction and had the required labour absorptive capacity and contractors willingness to comply.
	Health Facilities	**	10 600	5 998	(43%) [-4 602]	Major construction projects contributing to job opportunities completed; new projects slow in start up.
	General Buildings	**	2 400	2 873	20% [+473]	The over performance can be attributed to the increased number of projects in full construction and had the required labour absorptive capacity and contractors willingness to comply.

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
2.4.1.4	Total number of EPWP work opportunities created	n/a	2 500	1 402	(44%) [-1 098]	The reason for the lower performance is due to late start as the project was only approved in August 2012, awards delayed by litigation against the Department by the second contractor on the South Tender which covered most facilities that would have created more work opportunities for the township poor and thus only one contract progressed to implementation and yielded the results reported.
	Education Facilities	**	700	120	(83%) [-580]	
	Health Facilities	**	800	120	(85%) [-680]	
	General Buildings	**	1 000	1 162	16% [+162]	
Sub-programme 2.6: Immovable Assets						
2.1.1.3	*Number of properties registered in asset register	5 750	5 759	5 243	(9%) [-516]	The final figure was derived through an extensive and intensive process of various completeness tests between the IAR and the databases of National Public Works, Deedsweb, Client Departments, Human Settlements and Rural Development and Land Reform. National Public Works also directed provinces to only reflect properties that were vested by means of Section 28(1) certificates. In the past all properties deemed to be provincial were also disclosed.
2.1.1.4	*Number of properties verified in the Asset register	3 716	5 759	5 243	(9%) [-516]	
2.1.1.5	*Number of properties leased-out ³	181	115	124	8% [+9]	Negotiations for the concluding of residential leases are underway. A total of 75 cases of defaulters are currently before the Western Cape Rental Housing Tribunal.
2.1.1.6	*Number of residential properties leased-out	86	73	36	(51%) [-37]	Negotiations for the concluding of residential leases are underway. There are 75 cases that are currently serving at the Western Cape Housing Tribunal. Estate managers were appointed for the management of the estates.
2.1.1.7	*Number of buildings in a very good state	343	510	533	5% [+23]	11 150 buildings were required to be condition assessed over the five year period, which equates to 2 230 per annum (or 20 per cent). The number of buildings assessed in the financial year was 3 153 which equates to an actual over-performance of 41 percent.
2.1.1.8	*Number of buildings in an average state	450	9 640	1 790	(81%) [-7 850]	
2.1.1.9	*Number of buildings in a poor state	186	1 000	830	(17%) [+170]	

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
2.1.1.10	*Number of leases concluded in respect of provincially owned properties ³	181	237	124	(48%) [-113]	Negotiations for the concluding of residential leases are underway. A total of 75 cases of defaulters are currently before the Western Cape Rental Housing Tribunal.
2.1.1.11	*Number of lease agreements in respect of office accommodation not renewed	2	3	5	67% [+2]	Notices were circulated to landlords regarding termination of leases with effective dates falling in 2013/2014
2.1.1.12	*Number of properties acquired	14	32	50	56% [+18]	The 50 acquisitions include 26 purchases, 4 donations, 20 PPHC. The over-performance can be attributed to the transfer of the 20 PPHCs from the municipalities to the WCG.
2.1.1.13	*Number of new commercial leases concluded	25	3	23	667% [+20]	Results of successful negotiations with tenants to conclude commercial lease agreements.
2.1.1.14	*Number of tenders awarded for billboard advertising on road reserves ⁴	-	-	0	0%	Although road reserves are provincially owned, the consent of the relevant municipalities is required to erect billboards on road reserves in the Province.
2.3.1.1	Number of PPPs registered with National Treasury	3	2	3	50% [+1]	Projects identified for registration with NT are potential revenue generating projects which are unencumbered and are seen to be "quick-wins". As and when projects become unencumbered, and the potential exists for development, the decision to register with NT is taken, and registration process is initiated. During 2012/13, 3 such projects were identified and registered.

Notes:

* Indicates National indicator

** Total was not disaggregated in 2011/12 for health, education and general buildings

1 Estimated target

2 Target includes maintenance projects.

3 Indicator relates to commercial properties.

4 Although road reserves are provincially owned, the consent of the relevant municipalities is required to erect billboards on road reserves in the Province.

Strategy to overcome areas of under performance

- Packaging of contracts that may be delivered over three years.
- Entering into term contracts for specialised services such as electrical, mechanical, lifts over three year period.
- Entering into framework contracts over a three year period for maintenance projects in certain selected geographical areas and for modernisation of provincial government buildings.
- Early appointment of the professional teams to ensure early start.
- Improved engagement with client departments.
- Negotiations for the concluding of residential leases are underway and there are also 75 cases serving at the Housing Tribunal.
- Estate Managers have been appointed to manage the Estates and to control the occupancy of unauthorised tenants.
- Effective communications with landlords regarding termination of leases.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 13: Programme 2: Public Works Infrastructure: Sub-programme expenditure

Sub-Programme		2012/2013			2011/2012		
		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	172 811	165 770	7 041	162 493	152 771	9 722
2.2.	Planning	35 200	29 127	6 073	17 835	16 558	1 277
2.3.	Design	0	0	0	0	0	0
2.4.	Construction	236 618	236 618	0	219 536	219 063	473
2.5.	Maintenance	31 664	30 617	1 047	33 833	33 029	804
2.6.	Immovable Asset Management	766 860	758 703	8 157	594 388	587 726	6 662
2.7.	Facility Operations	36 664	36 662	2	49 770	49 066	704
Total		1 279 817	1 257 497	22 320	1 077 855	1 058 213	19 642

5.3 Programme 3: Transport Infrastructure

Purpose

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

Sub-programmes

- 3.1. Programme Support infrastructure
- 3.2. Infrastructure Planning
- 3.3. Infrastructure Design
- 3.4. Construction
- 3.5. Maintenance

Strategic Objectives

- 3.1. An effective road-based transport infrastructure network for accessible, safe and affordable transport.
- 3.2. Economic growth and empowerment through road-based transport Infrastructure investment.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 14: Programme 3: Transport Infrastructure: Strategic Objectives

Transport Infrastructure						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 3.5: Maintenance						
3.1	An effective road-based transport infrastructure network for accessible, safe and affordable transport.					
3.1.1	Reduction in the number of kilometres of road network in a poor or very poor condition (expressed as a percentage of the total kilometres of the road network in such a condition – 6 660km).	3%	6% (355)	4.6% (294)	(1.4%) [-61]	The percentage reduction in the 745km of kilometres of surfaced road in a poor or very poor condition was 12.3 percent, but only 3.6 percent of the 5 655 km of gravel roads in such condition. Due to insufficient maintenance funds the Department was only able to reduce the percentage of gravel roads in poor and very poor condition by 3.6 per cent which brought the average achievement down to 4.6 percent.
Sub-programmes 3.4: Construction and 3.5: Maintenance						
3.2	Economic growth and empowerment through road-based transport infrastructure investment.					
3.2.1	Number of EPWP work opportunities created	5 570	5 900	4 800	(18.6%) [-1 100]	Due to delays in the commencement and progress of labour intensive flood damage repair projects as a result of outstanding environmental approvals and poor contractor performance respectively.
3.2.2	Value of tenders awarded to small contractors (CIDB level 1 to 5) (expressed as a percentage of the total value of the Provincial Road Maintenance Grant – R478.9m)	5.7%	8% (R 38m)	10.7% (R 51.4m)	2.7% [+13.4]	More routine road maintenance is done by means of small contracts instead of in-house maintenance teams
3.2.3	Value of PDI subcontractor	7.3%	6%	11.1%	5.1%	Due to increased minimum subcontractor targets being set in

expenditure (expressed as a percentage of total contract expenditure) on larger contracts (CIDB level 6 to 9 – R920m)		(R 55m)	(R 115.3m)	[+60.3]	contract documentation. Contract expenditure on larger contracts was also higher than planned (R 1038m instead of R 920m)
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Table 15: Programme 3: Transport Infrastructure: Performance indicators

Performance Indicator		Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
Sub-programme 3.2: Infrastructure Planning						
3.1.1.1	*Total km of surfaced road at year end	6 653	6 687	6 688	0%	
3.1.1.2	*Total km of gravel road at year end	25 559	25 528	25 481	0%	
3.1.1.3	* **Number of IRPTNs developed	n/a	n/a	n/a	n/a	
3.1.1.4	Number of Access Management Plans developed	3	3	1	(67%) [-2]	Only MR 174 AMP has been developed in 2012/13. The other 2 will be refined as and when road environment and land-use applications need to be ratified
3.1.1.5	Number of pilot projects assessed using HDM4	5	7	4	(43%) [-3]	All 7 projects in progress during 2012/13 but only 4 completed HDM4 analyses because of the planning level inputs needed with respect to project selection, benchmarking and drawing in data from multiple sources (takes up to 24 months)
Sub-programme 3.3: Infrastructure Design						
3.1.1.6	*Number of infrastructure designs completed	25	24	16	(33%) [-8]	Annual target will not be achieved because no flood damage/disaster funding was received therefore flood damage projects had to compete with other projects for funds, which caused a delay in advertising and some had to be carried over to future financial years.
Sub-programme 3.4: Construction						
3.1.1.7	*Number of km of new surfaced roads constructed	-	4	0	(100%) [-4]	Four kilometres of new surfaced road was planned on project C 415.3 Saldanha, but this particular deliverable was since reclassified from "new surfaced road construction" to "gravel road upgraded to surfaced road"
3.1.1.8	*Number of km of gravel roads upgraded to surfaced roads	12	8	33	313% [+25]	Regional in-house reg gravel teams were utilised to do gravel road upgrading instead of regravelling due to the unavailability of approved gravel borrow pits as well as the fact that more than 17km of gravel road upgrading took place on the Graafwater reg gravel project due to failures

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances	
					on some of the regrevelled sections (these road sections were surfaced rather than only regrevelled).	
3.1.1.9	*Number of km of surfaced roads rehabilitated	13	62	67	8% [+5]	Surface road rehabilitation was also performed on the Vredenburg reseal project and also on the Graafwater regrevel project
3.1.1.10	* ***Number of km of gravel roads constructed	-	0	0	0%	
3.1.1.11	Number of km of surface roads upgraded	10	22	36	64% [+14]	M5 project was completed in the 2012/13 financial year instead of the previous financial year as originally planned. Furthermore, more than 6km of reseal work on the Uniondale project was re-classified as surface road upgrading instead of surface road reseal.
3.1.1.12	Number of bridges constructed/replaced/upgraded	12	1	6	500% [+5]	Two contracts, the M5 and the Malmesbury surface road upgrades, were completed in 2012/13 instead of 2011/12 as originally planned.
3.2.1.1	Number of 18.2 Learnerships registered on contracts	12	5	4	(20%) [-1]	5 learnerships were registered, but 1 candidate could not complete the course due to illness.
Sub-programme 3.5: Maintenance						
3.1.1.13	*To maintain the condition of the total Provincial surfaced road network of 6 637km (rated according to the Visual Condition Index, VCI):					
	Percentage of surfaced network in very good condition	20%	28% (1 858)	20% (1 312)	(8%) [-546]	"Percentage of surface network in poor condition" and "percentage of surface network in very poor condition" indicates under-performance. The condition of the surfaced road network has stayed stable, with only a slight drop from good condition to fair condition. The condition of the network cannot improve due to insufficient budget allocations.
	Percentage of surfaced network in good condition	38%	42% (2 788)	36% (2 333)	(6%) [-455]	
	Percentage of surfaced network in fair condition	30%	21% (1 394)	31% (1 975)	10% [+581]	
	Percentage of surfaced network in poor condition	10%	8% (531)	10% (668)	2% [-137]	
	Percentage of surfaced network in very poor condition	2%	1% (66)	2% (141)	1% [-75]	
3.1.1.14	*To maintain the condition of the total Provincial gravel road network of 10 545km:					
	Percentage of gravel network in very good condition	1%	3% (316)	1% (51)	(2%) [-265]	"Percentage of gravel network in poor condition" and "percentage of gravel network in very poor condition" indicates under-performance. The condition of the gravel road network has deteriorated even more than that of the surfaced road network (the percentages of road network
	Percentage of gravel network in good condition	14%	15% (1 582)	7% (728)	(8%) [-854]	
	Percentage of gravel network in	32%	37%	28%	(11%)	

Performance Indicator		Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
	fair condition		(3 902)	(2 918)	[-984]	in very good and good condition have substantially decreased and the percentages of road network in very poor and poor condition have substantially increased), also due to insufficient existing budget allocations.
	Percentage of gravel network in poor condition	40%	39% (4 113)	50% (5 287)	11% [-1 174]	
	Percentage of gravel network in poor condition	13%	6% (633)	15% (1 556)	9% [-923]	
3.1.1.15	*Funds allocated to the Maintenance Sub-Programme (expressed as a percentage of the total allocated to Programme 3 Transport Infrastructure Budget - R1 917m)	56% (R 1 092 554)	49% (R940.2m)	51.90% (R994m)	0.9% (R 38m)	Higher percentage due to the fact that over 50 percent more surface road resealing (preventative maintenance) were done than originally planned.
3.1.1.16	*Number of km of surfaced roads resealed	N/A	278	458	65% [+180]	Reseal performed by the regional in-house reseal teams was inadvertently excluded from the 2012/13 APP and also due to the fact that two reseal projects, Worcester and Dwarskersbos, were completed in 2012/13 instead of 2011/12 as originally planned. Furthermore, more than 400 000m ² or 60km of in-house reseal was carried over from the 2011/12 financial year.
3.1.1.17	*Number of m ² of surfaced roads resealed	3 861 696	2 305 000	3 609 176	57% [+1 304 176]	
3.1.1.18	*Number of km of roads re-gravelled	422	376	268	(29%) [-108]	Regional in-house regravelling teams were utilized to do gravel road upgrading instead of regravelling due to the unavailability of approved gravel borrow pits.
3.1.1.19	*Number of km of roads bladed	40 213	43 000	46 099	7% [+3 099]	Improved production of regional in-housing blading teams.
3.1.1.20	*Number of m ² of blacktop patching	39 087	34 000	42 284	24% [+8 284]	This is a reactive measure and impossible to accurately planned for, but the long and very wet winter period caused more than expected road failures (potholes).
3.1.1.21	*Number of weighbridges maintained / calibrated	9	9	9	0%	
3.1.1.22	Number of bridge rehabilitated / repaired	27	10	35	250% [+25]	Variation in the scope of reseal contracts to also include the repair and rehabilitation of bridges on those road sections.

Notes:

- * Indicates National indicator
- ** IRPTNs are developed by municipalities, not by this Programme
- *** Not constructing new gravel roads

Strategy to overcome areas of under performance

- The maintenance backlog can only be addressed if more maintenance projects are executed. More projects require additional funding allocated towards Programme 3.
- The number of Access Management Plans developed is currently affected by sector-interdependancies such as the evolvement of land-use changes and road side accesses needs which can take years. Thus, this target will be redefined in subsequent years.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 16: Programme 3: Transport Infrastructure: Sub-programme expenditure

Sub-Programme		2012/2013			2011/2012		
		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	25 051	25 032	19	23 466	23 239	227
3.2.	Infrastructure Planning	76 344	76 342	2	64 725	64 716	9
3.3.	Infrastructure Design	130 410	130 145	265	138 275	138 019	256
3.4.	Construction	731 339	729 755	1 584	616 108	615 917	191
3.5.	Maintenance	1 034 519	1 033 284	1 235	1 096 916	1 092 555	4 361
Total		1 997 663	1 994 558	3 105	1 939 490	1 934 446	5 044

5.4. Programme 4: Transport Operations

Purpose

The purpose of Transport Operations is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation 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

- 4.1. Programme Support Operations
- 4.2. Public Transport Services
- 4.3. Transport Safety and Compliance
- 4.4. Transport Systems
- 4.5. Infrastructure Operations

Strategic Objectives

- 4.1. An improved land transport legislative environment.
- 4.2. Improved land transport safety and compliance.
- 4.3. Improved land transport subsidised services.
- 4.4. Assistance with the development of integrated rural land transport projects.
- 4.5. Facilitated and co-ordinated rural access through the implementation of mobility strategies.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 17: Programme 4: Transport Operations: Strategic Objectives

Transport Operations						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 4.2: Public Transport Services						
4.1	An improved land transport legislative environment.					
4.1.1	Improved land transport framework through the tabling of provincial laws and associated regulations	n/a	2	0	100% [-2]	Proposed amendments to the National Land Transport Act at national level resulted in the suspension of all work on the provincial law until the national process has been concluded.
Sub-programme 4.3: Transport safety and Compliance						
4.2	Improved land transport safety and compliance.					
4.2.1	*Phase of Safety Management System implemented	1	2	2	0%	
Sub-programme 4.2: Public Transport Services						
4.3	Improved land transport subsidised services.					
4.3.1	Number of kilometres operated in terms of the approved timetable (expressed as a percentage of the total number of kilometres scheduled 40 000 000km)	101% (40 561 697)	98% (39 200 000)	102% (41 031 508)	4% [1 831 508]	The operator has operated additional kilometres over and above the subsidised scheduled kilometres required in terms of the interim contract at no additional cost to the Province.
Sub-programme 4.4: Transport Systems						
4.4	Assistance with the development of integrated rural land transport projects.					
4.4.1	Number of integrated rural land transport business plans developed	n/a	1	0	100% [-1]	Engagement with the Cape Winelands District Municipality is underway but was delayed due to the exhaustive process of aligning the Mobility Concept developed by the Province, with

Transport Operations						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
						the IPTN Framework as developed by the District. The outcome of this alignment process is providing the basis for an IPTN, which the District is driving.
4.5	Facilitated and co-ordinated rural access through the implementation of mobility strategies.					
4.5.1	Implementation of rural mobility services	0	2	0	100% [-2]	Negotiations for the implementation of the George IPTN has been underway but was delayed due to the engagement at national level for funding. This process was successful with George Municipality securing financial support to support implementation.

Table 18: Programme 4: Transport Operations: Performance indicators

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances	
Sub-programme 4.2: Public Transport Services						
4.3.1.1	* **Number of km of public transport routes issued	5 546 961	0	0	0%	
4.3.1.2	*Number of km of public transport routes subsidised	40 561 697	40 000 000	40 030 414	0%	
4.3.1.3	*Number of subsidised kilometres monitored	31 210 434	36 000 000	33 474 902	(7%) [-2 525 098]	At the time the targets were set, the institution of electronic monitoring was underway and would have ensured at least 90 percent monitoring of services rendered. However, the full implementation of electronic monitoring was delayed, resulting in the Department instituting an interim manual monitoring

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
					mechanism which met all audit requirements. In this regard a target of 80 percent would have been satisfactory. The actual total of 83.6 percent monitoring achieved through the manual method surpassed this target.
4.3.1.4	* **Number of public transport operators registered	243	201	(17%) [-42]	Few new applications were received to register operators due to the fact that over 70 percent of routes in Western Cape are heavily overtraded.
4.3.1.5	*Number of public transport operators subsidised	2	1	(50%) [-1]	The George negotiation was delayed due inter alia to funding constraints.
4.3.1.6	* **Number of registered public transport vehicles	3 000	1 222	(59%) [-1 778]	As a result of overtraded routes, new applications for operating licences were no longer accepted, resulting in fewer registered public transport vehicles. As a demand driven target the department cannot accurately project targets as the number of registered public transport vehicles is dependent on municipal ITPs.
4.1.1.1	Number of regulations drafted for promulgation	2	0	(100%) [-2]	National proposed several amendments to the NLTA which had an adverse impact on the finalisation of the regulations
4.3.1.7	Total number of hours electronic monitoring system is operational (expressed as a percentage of the total number of hours in a year – 8 760 hours)	90% (7 884 hrs)	48% (4 205 hrs)	(42%) [-3 679 hrs]	The procurement process was only concluded in March 2012. There was a five month setup process and the system only became operational on 10 September 2012. After the set up phase, a 99.84 percent system uptime was achieved over the final quarter.
4.5.1.1	Number of services operated in terms of the George Mobility Strategy	2	0	(100%) [-2]	The George negotiation was delayed due inter alia to funding constraints.
Sub-programme 4.3: Transport Safety and Compliance					
4.2.1.1	*Number of Law Enforcement Officers trained on Legislative Framework	400	54	(87%) [-346]	The key legislative framework on which the training was to focus was the Provincial Transport Bill. The deviation was caused by the unexpected delays in finalisation of the Provincial Bill and regulation due to amendment process at national level (regarding NLTA, Amendment Bill, 8 March 2013). The 54 officers trained were due to specific requests by the law Enforcement entities requiring refresher courses on the NLTA and operating licences for their members.

Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
4.2.1.2	*Number of public transport impound facilities promulgated	2	1	(50%) [-1]	The delay in promulgation of the impound facility can be attributed to the identification of an alternative site for the construction of the planned impound facility, as the Drakenstein Municipality required the site originally identified for commercial purposes.
4.2.1.3	*Number of SHADOWS established	0	0	0%	
4.2.1.4	*Number of interventions in support of rail safety	3	0	(100%) [-3]	<ul style="list-style-type: none"> The rail fencing project will be completed by June 2013 and is 95 percent complete. Glencairn study will also be completed by June 2013. The planned rail safety promotion could not take place as it was linked to the completion of rail fencing project.
Sub-programme 4.4: Transport Systems					
4.4.1.1	Number of business plans in terms of other rural mobility services other than George	1	0	(100%) [-1]	Engagement with the Cape Winelands District Municipality is underway but delayed due to the need to align the budgetary requirements with the mobility framework. The process could not be concluded timeously due to the delay in the submission of the mobility framework and limited budgetary provision on the part of the Department.

Notes:

* Indicates National indicator

* *This programme performance indicator is measured in Sub Programme 5.3: Operator License and Permits in accordance with the Budget Programme Structure.

Strategy to overcome areas of under performance

- National Treasury have committed additional funding over the MTEF period to allow the services in terms of the George Mobility Strategy to become operational.
- Constant engagement with municipalities is underway where mobility concepts and ITPs have been completed and will feed into the development of business plans for rural mobility services other than George.
- Engagement with the Department of Transport has allowed the Province to remain abreast of developments regarding amendments to the NLTA as those impact on the drafting of Provincial legislation and regulations for promulgation.
- The shortfall in the number of law enforcement officers trained on the legislative framework was caused by the unexpected delays in the finalisation of the provincial bill and regulation due to the amendment process at national level (regarding NLTA, Amendment Bill, 8 March 2013). Notwithstanding these delays, the team is consistently engaging with all relevant stakeholders to keep them abreast of relevant changes.
- The construction plans for the public transport impoundment facility in Cape Winelands have been approved and construction will commence during 2013/2014.
- The Department began engagements with the municipalities through the N1, N2 and N7 workgroups of PSO3.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 19: Programme 4: Transport Operations: Sub-programme expenditure

Sub-Programme		2012/2013			2011/2012		
		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
4.1.	Programme Support Operations	4 256	4 234	22	4 742	4 717	25
4.2.	Public Transport Services	738 809	738 746	63	715 839	715 837	2
4.3.	Transport Safety and Compliance	32 863	32 469	394	38 456	35 536	2 920
4.4.	Transport Systems	25 873	25 158	715	9 603	7 173	2 430
Total		801 801	800 607	1 194	768 640	763 263	5 377

5.5. Programme 5: Transport Regulations

Purpose

The purpose of Transport Regulation is to regulate the transport environment through the registration and licensing of vehicles, associations, operators and drivers; and the operation of weighbridges, to ensure safety.

Sub-programmes

- 5.1. Programme Support Regulation
- 5.2. Transport Administration and Licensing
- 5.3. Operator License and Permits
- 5.4. Law Enforcement ²

Strategic Objectives

- 5.1. Effectively controlled environment for traffic law administration.
- 5.2. Minimised road damage through overload control.
- 5.3. Improved transport safety.

² Note: Sub-Programme 5.4 is not used by the Department.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 20: Programme 5: Transport Regulation: Strategic Objectives

Transport Regulation						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 5.2: Transport Administration and Licensing						
5.1	Effectively controlled environment for traffic law administration					
5.1.1	Number of audits conducted	288	352	394	12% [+42]	The time spent at a VTS per audit was reduced to allow for more repeat audits to be done.
Sub-programme 5.4: law Enforcement						
5.2	Minimised road damage through overload control					
5.2.1	Number of vehicles weighed	631 830	600 000	700 015	17% [+100 015]	Targets were overshoot dramatically as a result of concerted efforts to improve production. Even though fewer hours weighed because traffic officers did sometimes not do duty as a result of safety concerns in hours of darkness.
5.3	Improved transport safety					
5.3.1	Number of road fatalities	1 259	1 100	1 241	(12.8%) [+141]	Adverse Weather patterns and the Wild Cat Strikes in Freight and Farm Workers industry attributed to Road Use dynamics. Major Bus Crash in March 2013 contributed. The 1 100 target was based on the RTMC statistics of 2008, which were subsequently shown to have been under reporting road fatalities. The percentage decrease in fatalities in the Western Cape has reached 30 per cent against the 2008 baseline drawn from Forensic Pathology Services data, which has been found to be more accurate.

Table 21: Programme 5: Transport Regulation: Performance indicators

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
Sub-programme 5.2: Transport Administration and Licensing						
5.1.1.1	*Number of licence compliance inspections executed	10 900	13 900	13 450	(3%) [-450]	The number of inspections is linked to the audits at DLTCs. Fewer audits were conducted at the DLTCs due to more audits being conducted at VTSSs.
5.1.1.2	*Number of new vehicles registered	78 194	25 597	86 225	237% [+60 628]	The Department has no control over the outputs as it is dependent on market related factors.
5.1.1.3	*Number of vehicles registered	290 444	344 839	303 169	(12%) [-41 670]	
5.1.1.4	*Number of vehicles licensed	1 735 130	1 976 736	1 775 281	(10%) [-201 455]	
5.1.1.5	*Number of licences paid on time	1 757 572	1 919 377	1 775 281	(8%) [-144 096]	
5.1.1.6	*Percentage of registered vehicles licensed	98% (328 099)	96% (331 045)	97% (341 016)	1% [+9 971]	
5.1.1.7	*Percentage of licences paid on time ¹	100% (1 649 677)	96% (1 647 137)	97% (1 715 766)	1% [+68 629]	
5.1.1.8	*Administration costs as a percentage of total licence revenue ²	19% (R 178 982 666)	20% (R 186 389 000)	19% (R 193 743 000)	(1%) [+7 354 000]	
5.1.1.9	Number of audits at RAs	81	81	81	0%	
5.1.1.10	Number of audits at DLTCs	109	139	135	(3%) [-4]	Fewer audits were conducted at the DLTCs due to more audits being conducted at VTSSs.
5.1.1.11	Number of audits at VTSSs	98	132	178	35% [+46]	The time spent at a VTS per audit was reduced to allow for more audits to be done by doing repeat audits.
Sub-programme 5.3: Operating License and Permits						

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
5.1.1.12	*Number of abnormal load permits issued	5 837	5 739	5 957	4% [+218]	The Department has no control over the outputs as its dependant on market related factors.
5.1.1.13	*Number of permits converted to operating licenses ³	7	100	4	(96%) [-96]	Only 4 applications received
5.1.1.14	*Number of operating licenses issued excluding temp <21 days ⁴	9 360	7 000	9 631	38% [+2 631]	This is a demand driven indicator thus the significant variance, due to the successful role out of the following projects: Amaphela, Dormant, Scholar Transport, IRT and Long Distance. The swift conclusion of these projects resulted in the legalising of the long standing illegal operators.
5.1.1.15	*Number of registered public transport vehicles ⁵	3 660	3 000	1 222	(59%) [-1 778]	As a result of overtraded routes, new applications for operating licences were no longer accepted, resulting in fewer registered public transport vehicles. As a demand driven target the department cannot accurately project targets as the number of registered public transport vehicles is dependent on municipal ITPs.
5.1.1.16	*Number of public transport operators registered	231	243	201	(17%) [-42]	Few new applications were received to register operators due to the fact that over 70 percent of routes in Western Cape are heavily overtraded.
5.1.1.17	*Number of km of public transport routes issued ⁶	-	-	-	-	
5.1.1.18	Number of Taxi associations held AGM	147	130	120	(8%) [-10]	The reason for this deviation is due to the fact that January is still a peak season for taxi association/s, and thus makes it impossible to hold AGMs due to their business interests. Some Taxi Associations in March 2013 that were due to hold AGMs have also requested to postpone their AGMs due to Easter weekend and recommended to hold the AGMs after the Easter week end which will now fall into the new financial year.
Sub-programme 5.4: law Enforcement						
5.2.1.1	*Number of vehicles weighed	631 830	600 000	700 015	17% [+100 015]	Concerted efforts to improve production. Even though fewer hours weighed because traffic officers did sometimes not do duty as a result of safety concerns in hours of darkness.
5.2.1.2	*Number of vehicles	15 094	15 000	14 721	2%	Indicates positive performance.

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
	which are overloaded				[+279]	Even though more vehicles were weighed, there were fewer transgressions, which indicate the desired trend as a result of these efforts.
5.2.1.3	*Percentage of vehicles weighed overloaded	2%	2.5% (15 000)	2.1% (14 721)	(0.4%) [+279]	Indicates positive performance. The trend of vehicle transgressions is downwards, which shows more than anticipated success with overloading enforcement.
5.2.1.4	*Number of weighbridges operated as a % of total hours in a year - 8 760 hours	74%	76% (6 657)	74% (6 482)	(2%) [-175]	Traffic officers stopped duties for weigh operations during night-time shifts when conditions were regarded to be unsafe. Total is for all nine weighbridges in the year.
5.2.1.5	*Number of vehicles weighed per hour (throughput)	10	10	12	20% [+2]	See comments in 5.2.1.1 above. Productivity improvements as a result of more intense management attention resulted in more vehicles weighed in total and therefore per hour because number of hours weighed are actually less than targeted.
5.2.1.6	*Percentage of all freight traffic overloaded	3%	2.4% (14 500)	2% (14 721)	0.4% [+221]	Indicates positive performance. Weighbridge operations except at Beaufort West do not measure other vehicles like public transport vehicles separate from freight vehicles., therefore these figures are the same as in 5.2.1.3 above
5.2.1.7	*Number of hours weighbridges are operated	58 618	60 000	57 725	(4%) [-2 475]	Weighbridges operated fewer hours as targeted because traffic officers stopped weighing during hours of darkness as a result of safety concerns from traffic officers
5.3.1.1	*Number of fatalities ⁷	1 259	1 100	1 241	(13%) [-141]	Adverse Weather patterns and the Wild Cat Strikes in Freight and Farm Workers industry attributed to Road Use dynamics. Major Bus Crash in March 2013 contributed. As at 31 March 2013 for the financial year the total Fatalities were 1 241. The 1 100 target was based on the RTMC statistics of 2008, which were subsequently shown to have been under reporting road fatalities. The percentage decrease in fatalities in the Western Cape has reached 30 percent against the 2008 baseline drawn from Forensic Pathology Services data, which

No	Performance Indicator	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
						has been found to be more accurate.
5.2.1.8	Number of weighbridges constructed	0	0	0	0%	
5.3.1.2	Number of accident forms captured	14 557	18 000	14 008	(22%) [-3 992]	October to December internet connection problems, staff could not capture. January to March 2013 accident data office relocated.

Notes:

* Indicates National indicator

1 This percentage is based on eNATIS transactions.

2 Based upon estimated revenue.

3 Indicator changed to align with the NLTA.

4 Indicator includes both new applications and renewals.

5 Indicator target based on new and replacement registration transactions.

6 Targets cannot be indicated as the total number of kilometres linked to operating licenses issued cannot be predicted. Operating license applications especially from the minibus taxi industry are demand-driven.

7 Indicator originally derived from RTMC reports. Future reporting will be based on Western Cape Forensic Pathology Services.

Strategy to overcome areas of under performance

On-going road shows were held with all Minibus Taxi Associations in various districts to educate them on the constitution and legislation therefore we could excel in achieving the finalising of more AGMs.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 22: Programme 5: Transport Regulation: Sub-programme expenditure

Sub-Programme		2012/2013			2011/2012		
		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	6 241	6 239	2	5 126	3 391	1 735
5.2.	Transport Administration and Licensing	220 349	219 955	394	208 050	207 453	597
5.3.	Operator Licence and Permits	43 539	42 494	1 045	35 147	30 994	4 153
5.4.	Law Enforcement	20 476	19 414	1 062	20 553	19 756	797
	Total	290 605	288 102	2 503	268 876	261 594	7 282

5.6. Programme 6: Community Based Programmes

Purpose

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

Sub-programmes

- 6.1. Programme Support Community Based/EPWP
- 6.2. Community Development³
- 6.3. Innovation and Empowerment
- 6.4. Coordination and Compliance Monitoring

Strategic Objectives

- 6.1. Developed and empowered communities and the construction industry towards sustainable economic and employment growth.
- 6.2. EPWP Provincial Co-ordination and Monitoring.

³ Note: Sub-Programmes 5.4 and 6.2 are not used by the Department.

Key Performance measures and their targets and actual results

Strategic Objectives, performance indicators planned targets and actual achievements

Table 23: Programme 6: Community Based Programmes: Strategic Objectives

Community Based Programmes						
No	Strategic objectives / Indicators	Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target to Actual Achievement for 2012/2013	Comment on deviations
Sub-programme 6.3: Innovation and empowerment						
6.1	Developed and empowered communities and the construction industry towards sustainable economic and employment growth					
6.1.1	Number of training opportunities provided for the Empowerment of Community Beneficiaries within Construction Related Skills	182	270	304	13% [+34]	Due to new partnerships with the Construction SETA and the National Youth Development Agency the opportunity existed to include additional unemployed youth on the targeted skills development programmes.
6.1.2	Number of Empowerment Reports produced	35	20	23	15% [+3]	Additional empowerment reports were completed to accommodate the Accelerated Schools Infrastructure Development Initiative implemented by Works Education Facilities.
6.1.3	Number of Contractor Development Interventions	92	47	51	9% [+4]	Additional training interventions were implemented for walk-in contractors and to address the regional needs as identified by municipalities.
6.1.4	Number of Innovative Construction Industry Interventions identified and advocated	8	4	4	0%	-
Sub-programme 6.4: EPWP Provincial Coordination and Compliance Monitoring						
6.2	EPWP Provincial Co-ordination and Monitoring					
6.2.1	Number of Provincial Coordination Initiatives implemented	10	10	10	0%	-
6.2.2	Number of Provincial EPWP Compliance Initiatives implemented	10	10	10	0%	-

Table 24: Programme 6: Community Based Programmes: Performance indicators

Performance Indicator		Actual Achievement 2011/2012	Planned Target 2012/2013	Actual Achievement 2012/2013	Deviation from planned target for 2012/2013	Comment on variances
Sub-programme 6.3: Innovation and Empowerment						
6.1.1.1	Number of Skills Development Beneficiaries	182	270	304	13% [+34]	NYDA and CETA funding resulted in additional learners trained and capacitated
6.1.2.1	Number of Empowerment Reports produced	35	20	23	15% [+3]	Additional empowerment reports were completed to accommodate the Accelerated Schools Infrastructure Development Initiative implemented by Works Education Facilities
6.1.3.1	Number of participants trained in the Contractor Development Programme	1 147	445	459	3% [+14]	Municipal based training was introduced based on requests of municipalities.
6.1.4.1	Number of workshops held to advocate innovative interventions identified to role-players	n/a	12	13	8% [+1]	Demand for an additional workshop.
Sub-programme 6.4: EPWP Provincial Coordination and Compliance Monitoring						
6.2.2.1	*Number of people employed	92 335	72 142	109 482	52% [+37 340]	Targets have been set by National Department of Public Works as the minimum to be achieved in the Province. Performance includes work opportunities created across all spheres of government.
6.2.2.2	*Number of employment days created	5 230 660	7 214 200	6 294 870	(13%) [-919 330]	To create opportunities for all labour is rotated resulting in shorter employment days. Projects implemented are of a shorter duration hence the target not being achieved.
6.2.2.3	*Number of jobs created	92 335	72 142	109 482	52% [+37 340]	Targets have been set by National Department of Public Works as the minimum to be achieved in the Province. Performance includes work opportunities created across all spheres of government.
6.2.2.4	*Number of FTEs	22 742	31 366	27 369	(13%) [-3 997]	Full Time Equivalents (FTE) = 230 paid working days including paid training days. The duration of projects impacted on the achievement of FTEs as infrastructure related projects are of a shorter duration.
6.2.2.5	* **Number of youths (16-35) employed	54 478	28 857	68 973	139% [+40 116]	Targets have been set by National Department of Public Works as the minimum to be achieved in the Province. Performance includes work opportunities created across all spheres of government.
6.2.2.6	*Number of women employed	42 474	39 678	48 172	21% [+8 494]	Targets have been set by National Department of Public Works as the minimum to be achieved in the Province. Performance includes work opportunities

						created across all spheres of government.
6.2.2.7	*Number of PLWD	385	1 443	750	(48%) [-693]	PLWD apprehensive about working on temporary projects as they could potentially lose their grant funding.
6.2.2.8	* **Number of people trained	584.81	8 657	939.23	***	National Department of Public Works' annexure reflects person years of training and not number of people trained.
6.2.1.1	Number of supporting engagements held with implementing bodies	n/a	20	20	0%	

Notes:

* Indicates National indicator

** It is acknowledged that the National Indicator stipulates the age category for youth to be from 16 to 25, but the EPWP Programme defines and utilises the youth category as 16 to 35.

*** Number of people trained = number of person-years training.

Strategy to overcome areas of under performance

The duration of projects impacts on the achievement of Full Time Equivalent. Technical support to implementing bodies will be enhanced during 2013/14 to assist with increasing the labour intensity on projects. The expenditure and reporting on the EPWP Conditional Grants allocations (to increase job creations) to municipalities and departments will be monitored on a monthly basis with written reports to the respective management.

Changes to planned targets

There were no changes to planned targets.

Linking performance with budgets

Table 25: Programme 6: Community Based Programmes: Sub-programme expenditure

Sub-Programme Name R'000	2012/2013			2011/2012		
	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
Programme Support Community	4 982	4 577	405	5 554	5 526	28
Innovation and Empowerment	29 062	28 781	281	32 674	30 852	1 822
EPWP Co-ordination and Compliance Monitoring	13 000	11 744	1 256	11 265	10 839	426
Total	47 044	45 102	1 942	49 493	47 217	2 276

6. SUMMARY OF FINANCIAL INFORMATION

6.1. Departmental receipts

Tbale 26: Departmental Receipts

Departmental receipts	Estimate Amount R'000	2012/2013 Actual Amount Collected R'000	(Over)/Under Collection R'000	Estimate Amount R'000	2011/2012 Actual Amount Collected R'000	(Over)/Under Collection R'000
Tax Receipts						
- Motor vehicle licences	943 400	1 007 533	64 133	912 885	955 777	42 892
Sale of goods and services other than capital assets	68 021	81 901	13 880	38 702	85 186	46 484
Interest, dividends and rent on land	0	93	93	0	158	158
Sale of capital assets	0	6 978	6 978	0	1 484	1 484
Transactions in financial assets and liabilities	0	6 442	6 442	0	1 013	1 013
Total	1 011 421	1 102 947	91 526	951 587	1 043 618	92 031

The reasons for better than anticipated performance are as follows:

- Improved collection of motor vehicle license fees (current and arrear), voluntary payment of the prescribed fees by legitimate owners and an increase in the motor vehicle population.
- Improved collection of operating licences.
- An increased demand for personalised motor vehicle registration numbers, abnormal loads licences and operating licences.
- Redundant fleet of Road Construction and Maintenance Plant, and superfluous immovable assets sold.

Motor vehicle licence fees is the dominant contributor to provincial own receipts in the Western Cape, with personalised motor vehicle registration numbers abnormal loads licences and operating licences making up the difference.

Motor vehicle license fees were not increased during 2012/13. In accordance with the Western Cape Medium Term Budget Policy Statement 2012-2015, in the past there have been concerns within the Western Cape Government (WCG) with the application of the MVLF structure being higher than other provinces. This encouraged practices of licensing outside of the Western Cape which has resulted in the WCG losing MVLF revenue. Given this background, the WCG some years back undertook research on the socio- economic incidence of the Western Cape's motor vehicle licence structure, and the patterns and implications of cross-border licensing. An update of this research is currently underway in order to determine if the motor vehicle fee structure is

appropriate and whether there is scope to update or amend the current motor vehicle license structure in the Province.

During 2012/13 a proposal was made to increase motor vehicle licence fees by an average of 5.3 percent in 2013/14 to bring the fee in line with the national average. Implementation of the increased fees is dependent on the conclusion of a public participation process.

6.2. Programme expenditure

The Department spent 99.3 per cent of the budget, inclusive of virements effected to the amount of R43.9 million (1 per cent) and is satisfied that spending was in line with planning and therefore service delivery was performed as planned.

Table 27: Programme expenditure

Programme Name R'000	2012/2013			2011/2012		
	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
Administration	126 183	124 977	1 206	139 672	133 842	5 830
Public Works Infrastructure	1 279 817	1 257 497	22 320	1 077 855	1 058 213	19 642
Transport Infrastructure	1 997 663	1 994 558	3 105	1 939 490	1 934 446	5 044
Transport Operations	801 801	800 607	1 194	768 640	763 263	5 377
Transport Regulation	290 605	288 102	2 503	268 876	261 594	7 282
Community Based Programmes	47 044	45 102	1 942	49 493	47 217	2 276
Total	4 543 113	4 510 843	32 270	4 244 026	4 198 575	45 451

The main reasons for the under-spending per Programme are listed below:

Programme 1: Administration

Underspensing due to vacancies not filled as planned with related underspensing on machinery and equipment for new appointees.

Programme 2: Public Works Infrastructure

Late submission of invoices and a delay in the interface with BAS resulted in underspensing on the Devolution of Property Rates Fund Grant. A court case delayed a project funded through the Expanded Public Works Programme Integrated Grant, and spending on the CBD regeneration programme was slower than originally planned.

Programme 3: Transport Infrastructure

Transfer payments not effected because the municipalities were unable to execute the projects as planned. Underspending on a contract funded by the Provincial Roads Maintenance Grant due to a change to the scope of work; the extension of the completion date of the contract by three months due to the slow delivery of concrete, as well as additional low value work orders.

Programme 4: Transport Operations

Vacancies not filled as planned, with related under spending on machinery and equipment. Transfer for the operations for the SHADOW centre project not effected due to memorandum of understanding that must be revisited.

Programme 5: Transport Regulations

Vacancies not filled as planned, with related under spending on goods and services.

Programme 6: Community Based Programmes

Vacancies not filled as planned and outstanding claims in respect of the National Youth Service Programme.

6.3. Transfer payments

The tables below reflect the transfer payments made for the period 1 April 2012 to 31 March 2013, by Programme.

Programme 1: Administration

Table 28: Programme 1: Transfer payments

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	Reasons for the funds unspent by the entity
Stellenbosch Municipality	To review and update municipal integrated transport plans in terms of the National Land Transport Act, 2009 (Act No.5 of 2009).	Complied	396	0	The Stellenbosch Municipality had severe capacity challenges within the reporting year and due to the delay with the 11/12 ITP update, the 12/13 update process was influenced.
Cape Winelands District Municipality		Complied	715	288	Given the objective of promoting a shift in freight haulage from road to rail and the important freight linkage through the Cape Winelands District Municipality it was decided to deviate from the minimum requirements and to do a freight strategy as part of the ITP update. This deviation resulted in a delay in the process.
George Municipality		Complied	396	0	Given the imminent implementation of the George Integrated Public Transport Network and the reliance on detailed survey information for the negotiations process, the ITP update was postponed with a view to resolve

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	Reasons for the funds unspent by the entity
					the areas of contention through the negotiations process.
Total			1 507	288	

In terms of monitoring, the unit responsible for the transferring of funds for the update of the Integrated Transport Plans utilises a reporting template that is distributed monthly to the local municipalities. The reporting is also certified by the municipalities that work reported on was completed as per the project programme and that the amounts reported on were spent for the purpose of the project, as per grant framework. At the departmental level, transfers are monitored through the In Year Monitoring reporting process.

Programme 2: Public Works Infrastructure

The payments below relates to the payment of property rates to municipalities for provincial owned and deemed to be owned properties.

Table 29: Programme 2: Transfer payments

Name of transferee	Amount transferred (R'000)
Cape Town	311 994
Matzikama	999
Cederberg	965
Bergriver	485
Saldanha Bay	2 342
Swartland	1 621
Witzenberg	3 431
Drakenstein	9 237
Stellenbosch	5 940
Breede Valley	1 391
Langeberg	1 182
Theewaterskloof	2 058
Overstrand	1 157
Cape Agulhas	225
Swellendam	362
Kannaland	1 251
Hessequa	1 009
Mossel Bay	242
George	4 294
Oudtshoorn	4 188
Bitou	424
Knysna	1 971
Laingsburg	322
Prince Albert	75
Beaufort West	1 724
Unallocated	-
Total	358 889

The Grant was monitored on a monthly basis through the In-Year Monitoring and the Division of Revenue Act requirements related to reporting processes.

Programme 3: Transport Infrastructure

Table 30: Programme 3: Transfer payments

Name of municipality	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	Reasons for the funds unspent by the entity
Cape Town	To provide financial assistance to the City of Cape Town for infrastructure upgrades, rehabilitation and maintenance as contained in the memorandum of agreement.	Complied	10 000	10 000	-
Matzikama	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	68	68	-
Cederberg		Complied	89	89	-
Bergriver		Complied	78	78	-
Saldanha Bay		Complied	153	153	-
Swartland		Complied	172	172	-
Witzenberg		Complied	101	101	-
Drakenstein		Complied	231	231	-
Stellenbosch		To assist with the provision of public transport facilities in rural communities.	Complied	3 160	160
Breede Valley	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	1 115	114	Transfers were appropriated in the Adjustments Estimates.
	To assist with the provision of public transport facilities in rural communities.				
Langeberg	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	187	187	-
Theewaterskloof	To assist with the provision of public transport facilities in rural communities.	Complied	1608	108	Transfers were appropriated in the Adjustments Estimates.
	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.				
Overstrand	To assist with the provision of public transport facilities in	Complied	1 565	65	Transfers were appropriated in

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Name of municipality	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	Reasons for the funds unspent by the entity
	rural communities To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.				the Adjustments Estimates.
Cape Agulhas	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	4 575	4 575	-
Hessequa		Complied	407	407	-
Mossel Bay		Complied	47	47	-
George	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	13 415	5 815	R13,415m transferred as per agreement for the Pacaltsdorp interchange, for construction of a pedestrian bridge at the N2. Commencement date 26 April 2013.
	To assist with the provision of public transport facilities in rural communities		2 000		Transfers were appropriated in the Adjustments Estimates.
	To install CCTV cameras in support of the George Integrated Public Transport Network (GIPTN) and to enhance the electronic monitoring of operations		1 500	958	Remainder of funds will be spent before the conclusion of the municipal financial year end.
Oudtshoorn	To assist with the provision of public transport facilities in rural communities	Complied	2 000	0	Transfers were appropriated in the Adjustments Estimates.
Bitou	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	33	33	-
Laingsburg		Complied	33	33	-
Prince Albert	To assist with the provision of public transport facilities in rural communities	Complied	2 000	0	Transfers were appropriated in the Adjustments Estimates.
Beaufort West	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	Complied	59	59	-
Total			44 596	23 453	

The transfers are monitored through the In-Year Monitoring and grant framework reporting processes. In general, the Department transfers actual monies under each subsidy to B-grade municipalities only once they have stated proof of work done via claims of expenditure- i.e. there are no prepayments. This is done via a service-level agreement. The challenges however, usually revolve around the technical competencies and scarce skills at municipalities to do the work. Various attempts at industry level and via the support of District Municipality staff are being made to assist municipalities in this regard.

Regarding the transfer to the City of Cape Town, there are quarterly monitoring meetings held and annual financial statements issued. However, the reporting is often done subject to the audited statements and these are usually confined to the municipal financial year period. The City is currently restructuring its financial systems under the provisions of DORA, with 2012/13 having been a transition period, adding to the reporting challenges. These issues will be rectified in the next reporting period.

Programme 4: Transport Operations

The table below reflects the transfer payments made for the period 1 April 2012 to 31 March 2013 for Programme 4: Transport Operations.

Table 31: Programme 4: Transfer payments

Type of transferee	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	Reasons for the funds unspent by the entity / difficulties experienced
Transfers to local government	George Municipality	Bus Operations in George	As per transfer payment agreement	10 000	0	Delays in the negotiations while the municipality was securing additional funding for the project. This has since been done and negotiations are being concluded.
	City of Cape Town	Dial-a-Ride is a special project, to assist with the movement of people in the public transport system with a focus on persons with special needs	Complied	10 000	8 236	The remainder of the funds will be utilised prior to the end of the municipality's financial year which is end of June.
		Contribution towards the construction of the Administration Building of the Maitland Impound Facility		1 352	0	The City concluded phase one of the Maitland Pound. However, a financial report confirming expenditure was only submitted in the fourth quarter. As a result the transfer of this amount for the second phase was only effected thereafter. The project is currently in the tender adjudication phase.
	Cape Winelands District	To develop, implement and promulgate impoundment facilities in accordance with the NLTA (Act 5 of 2009)	Complied	1 000	0	The planning was concluded, however, due to a change in the project scope by the district, implementation was delayed. Approval has since been received from the Drakenstein Municipality for the amendment to the project scope. The project is in the planning phase.
Total Transfers to local government				22 352	8 236	
Public Corporations and Private Enterprises	Metrorail (PRASA)	For Rail Safety initiatives	Complied	4,000	0	The Business Plan for the new set of rail safety initiatives was only completed in November 2012. This delay by PRASA resulted in the transfer only being effected in March.
Non-Profit Institutions	George Mobility Trust	The continuation of the George Mobility Strategy Trust to facilitate the transition/migration	Complied	500	500	-

Type of transferee	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	Reasons for the funds unspent by the entity / difficulties experienced
		from the current unscheduled Public Transport environment of the GIPTN				
Public Corporations and Private Enterprises	Golden Arrow Bus Services (GABS)	Public Transport Operations Grant Subsidy to Golden Arrow Bus Services (Pty) (GABS)	Complied	696 237	696 237	-
Total Transfer Payments: Programme 4				723 089	704 973	

Additional clarification of the transfers relating to Transport Operations:

R 10 000 000 was transferred to the City of Cape Town (the City) for the Dial-A-Ride service, a transport service for Special Needs Passengers. The Department co-funds this service which is being managed by the City. Financial spending reports are submitted every month after reconciliation by City.

R10 000 000 was transferred to the George municipality as an operations grant for the operationalisation of George's Integrated Public Transport Network. The Department is assisting the George municipality with the rollout of its IPTN. In terms of the Memorandum of Agreement spending and performance will be monitored quarterly and bi-annually.

A Financial Agreement was entered into with the George Municipality to ensure that spending in respect of the project would go through a vigorous process of agreement between the Department and the Municipality. The Department is in the process of establishing a George Integrated Public Transport Network Unit (GIPTN) which will be based in the George Municipality and will manage the operations for which the funds are transferred.

Maitland and Cape Winelands Impound Facilities: The department regularly engaged with the municipalities to monitor progress on the projects. Spending will be monitored through formal bi-monthly Project Management Team meetings and Technical Committee Meeting minutes.

Spending and performance of the Metrorail transfer is monitored through a Project Management Team consisting of representatives from the Department of Transport and Public Works, Metrorail and the City of Cape Town, as well as through Technical Committee Meeting minutes and Rail Safety Committee Meetings.

George Trust: The Professional Trustee reports on a quarterly basis. Further monitoring takes place through monthly meetings between the Department and the Trust and at the end of the financial year an audited financial report is produced.

Monitoring of the Public Transport Operations Grant Subsidy transfer took place by means of a manual monitoring solution which focused on analysing waybills issued by the operator to their drivers. The Department also monitored using an electronic monitoring solution in a test phase environment.

Breede Valley Municipality: Progress on the construction of the SHADOW centre was monitored by means of regular project meetings with the municipality and physical site visits.

Transfer Payments: Budgeted for, but not made:

The table below reflects the transfer payments which were budgeted for in the period 1 April 2012 to 31 March 2013, but no transfer payments were made.

Programme 3: Transport Infrastructure

Table 32: Programme 3: Transfer payments budgeted

Name of municipality	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Oudtshoorn	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	104	0	These subsidies are paid if proof of actual expenditure on subsidisable road maintenance work can be provided to the Department. In these cases, no such claims were received.
Prince Albert		62	0	

Programme 4: Transport Operations

Table 33: Programme 4: Transfer payments budgeted

Name of transferee	Type of Transfer	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Breede Valley	Transfers to local government	To operationalize the Safely Home Anti-drunk Driving Operations Centre (SHADOW) in Worcester.	300	0	The Memorandum of Understanding with the Breede Valley Municipality for the operations of the Shadow Centre had to be revised due to the need to review responsibilities of the different entities.

6.4. Public Entities

Although the Department is not responsible for any public entities, it operates the Government Motor Transport Trading Entity within its administration. A separate Annual Report 2012/13 is published for this entity.

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Government Motor Transport	(See GMT Annual Report)	(See GMT Annual Report)	(See GMT Annual Report)	(See GMT Annual Report)

6.5. Conditional grants and earmarked funds paid

There are no conditional grants and earmarked funds paid by the Department.

6.6. Conditional grants and earmarked funds received

The tables below describe each of the Conditional Grants and earmarked funds received by the Department:

Conditional Grant: Devolution of Property Rate Funds Grant to Provinces

Department who transferred the grant	Public Works
Purpose of the grant	To facilitate the transfer of the property rates expenditure responsibility to provinces.
Expected outputs of the grant	Payment of property rates for provincially-owned and deemed to be owned properties as per the verified invoices submitted by municipalities.
Actual outputs achieved	Payment of property rates for provincially-owned and deemed to be owned properties as per the verified invoices submitted by municipalities.
Amount per amended DORA (R'000)	R364 030
Amount received (R'000)	R364 030
Reasons if amount as per DORA was not received	NA
Amount spent by the department (R'000)	R358 889
Reasons for the funds unspent by the entity	R5.141 m underspent due to the following: <ul style="list-style-type: none"> • The late submission of invoices by municipalities. • A number of payments were processed through i-Eworks timeously, but the interface with BAS was delayed resulting in expenditure not being effected before the end of the financial year.
Monitoring mechanism by the receiving department	Monthly report through the In Year Monitoring System and reporting as per grant framework.

Conditional Grant: Expanded Public Works Programme Incentive Grant

Department who 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: <ul style="list-style-type: none"> • 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.
Expected outputs of the grant	<ul style="list-style-type: none"> • Increased number of people employed and receiving income through the EPWP. • Increased average duration of the work opportunities created. • Increased income per EPWP beneficiary.
Actual outputs achieved	<ul style="list-style-type: none"> • Increased number of people employed and receiving income through the EPWP. • Increased average duration of the work opportunities created.

Amount per amended DORA (R'000)	<ul style="list-style-type: none"> Increased income per EPWP beneficiary.
Amount received (R'000)	R9 099
Reasons if amount as per DORA was not received	NA
Amount spent by the department (R'000)	R4 736
Reasons for the funds unspent by the entity	R4.363m underspent. Delayed due to litigation initiated by an unsuccessful bidder.
Monitoring mechanism by the receiving department	Monthly report through the In Year Monitoring System and reporting as per grant framework.

Conditional Grant: Provincial Roads Maintenance Grant

Department who transferred the grant	Transport
Purpose of the grant	To supplement provincial roads investments and support preventative, routine and emergency maintenance on provincial road networks. Ensure provinces implement and maintain road asset management systems. Promote the use of labour-intensive methods in road maintenance. Repair roads and bridges damaged by floods.
Expected outputs of the grant	<ul style="list-style-type: none"> Collected pavement and bridge condition data as well as traffic data. The extent of the road (length) and bridge (number) network. Current condition distribution of the road and bridge network, as well as traffic distribution. Maintenance needs of the road and bridge network. Length (km) of preventative, routine and emergency maintenance work per year. Change in network condition distribution over time due to prioritised maintenance actions. Number of EPWP work opportunities created. Number of S3 students provided with experiential internships. Number of emerging contractor opportunities created. Rehabilitation and repair of roads and bridges damaged by floods.
Actual outputs achieved	<ul style="list-style-type: none"> Collected pavement condition data as well as traffic data were all completed in June 2012 for surfaced and gravel roads in the prescribed formats. However, the Bridge Management data is more than 5yrs old and a concerted effort is being made to update the database. The main problem is that data is currently located on two separate systems creating duplication and a need for careful stock-taking. The envisaged completion date is June 2014. The extent of the road (length): 2,3 million m² of surfaced road resealed, 376 km of gravel road re-gravelled, 34 000 m² of blacktop patching done, 43 000 km of gravel road bladed and 10 bridges repaired/rehabilitated on the network. This has contributed significantly toward meeting the maintenance needs of the road and bridge network and toward preventative, routine and emergency maintenance work over the financial year. A positive change in network condition distribution over time is indicated due to prioritised maintenance actions. Current condition distribution of the road and bridge network, as well as traffic distribution: 88 per cent of the surfaced and 47 per cent of the

	<p>gravel road network is in a fair to very good condition, with a traffic distribution of nearly 18 Million vehicle-km.</p> <ul style="list-style-type: none"> • The number of EPWP work opportunities created is 4 900. • Number of S3 students provided with experiential internships is one in 2012/13 and there are 24 graduate engineering candidates who have benefited from the programme in 2012/13. • Number of emerging contractor opportunities created: Various SMME and CIDB rated contractors were employed. Of these, R56 million was spent on SMME contractors, and 3 Level 3, 1 Level 4, 1 Level 6 and 3 Level 7 Contractors, to the value of R 42 million. • Rehabilitation and repair of roads and bridges damaged by floods: None of the PRMG moneys were utilized as the roll-over flood damage allocations and equitable share were utilised for this.
Amount per amended DORA (R'000)	R478 895
Amount received (R'000)	R478 895
Reasons if amount as per DORA was not received	NA
Amount spent by the department (R'000)	R476 258
Reasons for the funds unspent by the entity	The primary cause for the roll-over (R2.637m) was a variation order and delays that impacted the completion date of the contract.
Monitoring mechanism by the receiving department	Road Network Information System, Basic Accounting Practice System, In Year Monitoring System and Rational Portfolio System.

Conditional Grant: Public Transport Operations Grant

Department who 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	<ul style="list-style-type: none"> • Subsidy per trip operated • Subsidy per km operated • Subsidy per passenger • Subsidy per vehicle • Number of vehicles subsidized. • Number of scheduled trips • Number of trips operated • Total number of penalties incurred. • Monetary value of penalties (including escalation) • Passengers per kilometre operated. • Passengers per trip operated
Actual outputs achieved	<ul style="list-style-type: none"> • Subsidy per trip operated – R450.58 • Subsidy per km operated – R17.39 • Subsidy per passenger – R12.387 • Subsidy per vehicle – R56 851.23 pm - R682 214.70 pa • Number of vehicles subsidized - 1023 • Number of scheduled trips - 129 737pm - 1 556 847 pa • Number of trips operated - 129 371 pm - 1 552 452 pa • Total number of penalties incurred - 366.25 pm – 4395 pa • Monetary value of penalties (including escalation) - R 178 247.66 pm - R 1 960 724.24 pa

Amount per amended DORA (R'000)	<ul style="list-style-type: none"> Passengers per kilometre operated. – 1.39 passengers pkm Passengers per trip operated – 36.43 Employees per vehicle. – 1.4
Amount received (R'000)	R696 237
Reasons if amount as per DORA was not received	NA
Amount spent by the department (R'000)	R696 237
Reasons for the funds unspent by the entity	NA
Monitoring mechanism by the receiving department	The Department used a manual monitoring solution which focused on analysing waybills issued by bus operator to their drivers. The Department also monitored using an electronic monitoring solution in a test phase environment.

Earmarked allocation: Programme 2

Department who transferred the grant	Provincial Treasury
Purpose of the grant	To plan and assess the feasibility of Regeneration properties for possible release to the market to generate an income stream for the Western Cape Government.
Expected outputs of the grant	<ul style="list-style-type: none"> To establish and capacitate a professional Regeneration Project Office. To undertake desktop analysis of strategic provincial properties. To engage with key stakeholders and obtain co-operation and buy-in.
Actual outputs achieved	<ul style="list-style-type: none"> A tender closed for the appointment of a panel of Legal and Financial Transaction Advisors for the Somerset, Prestwich and Government Garage precincts. Artscape founder's garden precinct – Cabinet approved the development plans for the site in March 2013 and application was made to de-register the site as a PPP. Somerset precinct - An urban designer was appointed to undertake planning work for the site. In principle agreement was reached with Health regarding the availability of the Somerset Hospital property and the relocation of the health facilities currently on the site to the West Coast. A report was drafted containing the financial model for the new Somerset Hospital for presentation to Provincial Treasury (PT). Government Head Office precinct – Has been registered as a PPP and an application was submitted for this project to be part of the World Design Capital 2014. Prestwich precinct – Consultants have been appointed to plan and implement the relocation of the existing soils lab from the Prestwich Precinct to an alternative location at the Bellville Roads Camp site. Government Garage precinct – The acquisition of Erf 99877 (Rusper Street) was approved for the relocation of GMT. Presented the phase 1 scoping report for the Top Yard site to the Provincial Steering Committee as part of the PPP protocol and the project obtained approval to move to phase 2. TRUP precinct – Cabinet approved the development proposal for the TRUP precinct inclusive of a mandate to engage with the CoCT. An application for this project to be part of the World design Capital 2014 was submitted. Engaged with a number of key stakeholders with a view of attracting them to relocate to this precinct, that is, the Square Kilometer Array (SKA), Cape

	Health Technical Park (CHTP) etc. Prepared draft Terms of Reference for the Department of Health in relation to the relocation of the Emergency Medical Services (EMS) to the Abattoir site as well as for the new National Health Laboratory Services (NHLS). This is to initiate the appointment of the consultants to plan and implement the construction of a new NHLS.
Amount per amended DORA	N/A
Amount received (R'000)	N/A
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R10 800
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> • Artscape founder's garden precinct – First registered as a PPP, delayed due to a restrictive covenant. • Somerset precinct – Master planning delayed. • Government Head Office precinct – Is gaining momentum and is registered as a PPP. • Prestwich precinct – Delayed as result of the completion of the archaeological survey. • TRUP precinct - Dispute over dual custodianship causing a bottleneck in executing the project.
Monitoring mechanism by the receiving department	Reported progress to the Premiers Dashboard, In Year Monitoring report, Treasury and Top Management.

Earmarked allocations: Programme 3: Transport Infrastructure

Department who transferred the grant	Provincial Treasury
Purpose of the grant	To promote the economic objectives in support of economic growth initiatives, roads infrastructure and CBD regeneration, as intended in Provincial Strategic Objective 1.
Expected outputs of the grant	<ul style="list-style-type: none"> • C1025: to replace the Wingfield Interchange and to minimise the impact on the Western Cape's economy during its implementation. • C975: undertake road network improvements of the R45 and the R27, (the regional freight links between Saldanha - Vredenburg, Cape Town and the N7), and of the local network system abutting these Freight Corridors in support of the Saldanha IDZ and Port Expansion. • C776.3 upgrading of the remaining section of DR1205 between Gansbaai and Bredasdorp from gravel to surfaced transforming a rural route to a scenic route, which passes through the Elim Valley, linking Gordon's Bay to Cape Agulhas via Hermanus and Bredasdorp.
Actual outputs achieved	<ul style="list-style-type: none"> • C1025: In Planning Phase. • C975: In Planning Phase. • C776.3: Design completed, currently under construction.
Amount per amended DORA	N/A
Amount received (R'000)	N/A
Reasons if amount as per DORA was not received	N/A
Amount spent by the department	R13 377

(R'000)	
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> C1025: Expected slow project planning uptake due to project complexity. C975: N/A. C776.3: N/A
Monitoring mechanism by the receiving department	In-Year Monitoring (IYM) process.

6.7. Donor Funds

The Department does not receive donor assistance.

6.8. Capital investment, maintenance and asset management plan

The capital investment, maintenance and asset management against final allocations is tabulated below:

Table 34: Capital investment, maintenance and asset management plan

Infrastructure projects	2012/2013			2011/2012		
	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	76 033	52 281	23 752	25 835	16 480	9 355
Existing infrastructure assets	2 106 496	2 121 606	(15 110)	2 047 403	1 995 537	51 866
- Upgrades and additions	243 027	252 626	(9 599)	368 510	504 059	(135 549)
- Rehabilitation, renovations and refurbishments	1 340 099	1 346 593	(6 494)	1 136 471	1 019 887	116 584
- Maintenance and repairs	523 370	522 387	983	542 422	471 591	70 831
Infrastructure transfer	45 042	44 596	446	50 605	47 039	3 566
- Current	2 500	2 166	334	2 500	1 768	732
- Capital	42 542	42 430	112	48 105	45 271	2 834
Total	2 227 571	2 218 483	9 088	2 123 843	2 059 056	64 787

Programme 2: Public Works Infrastructure

The table below reflects expenditure for Public Works infrastructure and maintenance.

Table 35: Programme 2: expenditure

2012/13			
Infrastructure projects	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	35 200	29 127	6 073
Existing infrastructure assets	304 887	303 897	990
- Upgrades and additions	0	-	0
- Rehabilitation, renovations and refurbishments	236 618	236 618	0
- Maintenance and repairs	68 269	67 279	990
Infrastructure transfer	0	0	0
- Current	0	0	0
- Capital	0	0	0
Total	340 087	333 024	7 063

Variations are project-specific and the reasons for these variations are explained in the Programme performance information above (Tables 11 to 12).

Capital investment

The following table reflects infrastructure projects which are in progress and have been completed in 2012/13:

Table 36: Programme 2: Capital projects

Project Status	Education	Health	General
In progress	37	16	15
Completed	40	23	83

Projects planned and variations between the projects planned and projects managed are explained in the Programme performance information above (Tables 11 to 12).

Maintenance

Projects that are maintenance related and become major projects are reclassified due to budget allocation and become capital projects which are reported above. However, the under-mentioned maintenance projects category were carried out in the year under review:

Table 37: Programme 2: Maintenance projects

Project Status	Education	Health	General
Started	113	44	61
Completed	195	113	183

Progress made in addressing the maintenance backlog during the period under review

Backlog is generally referred to as an accumulation over time of maintenance work deemed necessary to bring the condition of a maintainable asset up to a standard or acceptable level of risk that will enable the required service delivery function of the asset to continue. GIAMA sets out different targets for levels of service for various facilities depending on their function against which backlog maintenance can be measured across the three portfolios namely Education, Health and General Buildings.

The current estimated backlog amounts to R2,835 billion for all buildings to be upgraded to minimum Condition Grade level of C3. This amount includes professional fees and VAT. This is divided amongst the three directorates as follows:

Education	R2, 491 billion
Health	R255 million
General	R89, 25 million

These amounts are derived from the building audit as prescribed by GIAMA. The following must be noted when interpreting the above figures;

- The figures are estimated and have been extrapolated to include the entire portfolio since the audit has currently only completed approximately 75 percent of the area of the fixed assets within the three portfolios. However, this figure includes buildings where most of the assessed components are in condition grade C1; these buildings can possibly be ignored on the basis that they should be demolished rather than renovated/maintained. This will reduce the above reported backlog by a small percentage.
- The above estimated figures are based on the assumption that every building component (e.g. floor finish, wall finish, ceiling, door, roof covering, etc.) that has been assessed to be in a condition grade of less than C3 will be replaced. This will result in all components in a facility that has been upgraded being in condition grades C3, C4 or C5.
- There are many houses and small buildings within the General portfolio. These do not form part of the sample on which the above extrapolation has taken place.

The previously reported backlog figures were estimates calculated on information which is a number of years old.

The above figures, whilst estimated and extrapolated, are based on reliable information recently acquired; because of this the above figures cannot be directly compared to the previously reported backlog figures.

With regard to Education, the maintenance budget has increased. A new programme to replace old schools buildings with new through the ASIDI programme has commenced, and the construction of additional new schools to reduce pressure on existing schools has commenced, with the total Education budget amounting to approximately R3 billion over the next MTEF period.

Moreover the Health infrastructure budget has also increased and focuses on replacement of old, dilapidated buildings with new built facilities, with most provincial government health facilities receiving attention in terms of upgrades, replacement, rehabilitation and extensive scheduled maintenance, amounting to R3 billion over the next MTEF period.

With regard to General Buildings, all attempts are made to rehabilitate and replace critical components in buildings and modernise provincial government buildings. When all actioned, this will contribute significantly to reduce the maintenance backlog. The budget for provincial government buildings has increased to approximately R2 billion over the next MTEF cycle, to be spent on general buildings infrastructure for replacement, modernisation, upgrades and scheduled maintenance.

Asset Management

Programme 2 disposed of 4 properties during the 2012/2013 financial year.

The Department appointed a service provider to assist with the sanitising and updating of the immovable asset register. This was supplemented with a reconciliation exercise between the national Department of Public Works and this Department.

A facility may comprise one or several buildings, i.e. Groote Schuur Hospital is considered to be one facility but in fact has a number of buildings on the property.

According to the report of the buildings conditions audit team, the conditions of the provincial government facilities as at 31 March 2013 was as follows (excluding the Department of Human Settlements portfolio):

Table 38: Summary of the condition of Government Facilities buildings by department

Condition of State Owned Facilities Audited in terms of GIAMA (Number and Percentage)							
Department	Poor (C1-2)		Average (C3)		Very Good (C4-5)		Total
Health	46	21%	114	51%	62	28%	222
Education	539	25%	1 369	62%	283	13%	2 191
Other Infrastructure	245	33%	307	42%	188	25%	740
Total 2012/13	830	26%	1 790	57%	533	17%	3 153

The cost for attending to the maintenance backlog beyond the GIAMA recommended C3 condition amounts to the figures mentioned in the table below, as per specific category. However, the Department has opted to bring all C1 and C2 buildings to a minimum status of C3 and, where the budget permits, to a status of C4.

Table 39: Estimated cost to bring all C1 and C2 assessed properties in the portfolio to the following conditions:

	Fair C3 (‘000)	Good C4 (‘000)	Excellent C5 (‘000)
Health	255 000	1 350 000	4 020 000
Education	2 491 000	10 282 000	19 981 000
Other Infrastructure	89 250	414 750	661 500
Total	2 835 250	12 046 750	24 662 500

Programme 3: Transport Infrastructure

The following table reflects infrastructure project expenditure for 2012/13:

Table 40: Programme 3: Expenditure

Infrastructure projects	2012/2013		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	40 833	23 154	17 679
Existing infrastructure assets	1 801 609	1 817 709	(16 100)
- Upgrades and additions	243 027	252 626	(9 599)
- Rehabilitation, renovations and refurbishments	1 103 481	1 109 975	(6 494)
- Maintenance and repairs	455 101	455 108	(7)
Infrastructure transfer	45 042	44 596	446
- Current	2 500	2 166	334
- Capital	42 542	42 430	112
Total	1 887 484	1 885 459	2 025

Variations are project-specific and the reasons for these variations are explained in the Programme performance information above (Tables 14 to 15).

As can be seen in the above table, most of the under expenditure for 2012/13 can be attributed to the inability of municipalities to spend the capital infrastructure transfers for the resealing and rehabilitation of municipal main roads.

Furthermore, a five percent variance (under-expenditure on the construction and maintenance program) was incurred in 2012/13. This is mainly due to the actual cost increases incurred due to the construction price index and inflation.

Capital investment

The table below lists infrastructure projects that are currently in progress and their expected completion dates:

Table 41: Programme 3: Infrastructure projects

Municipality		Project Name	Detailed Description	Commencement Date	Completion Date	Project total (R '000)
District	Local					
Overberg	Overstrand Municipality	C0776.03: Upgrade DR1205 - Gansbaai/Elim Phase III	The upgrading of DR1205 (km7.8 - 35.93) between Gansbaai and Elim to a surfaced road	2013/01/22	2015/07/21	287 075
Cape Winelands	Breede Valley Municipality	C0747.02: Rehab MR302 and MR201 - Worcester/Bainskloof	The rehabilitation of MR201 at km25 - km 28.9 & MR302 from km1.5 - km23.34. The realignment of MR00201 from km0 - km0.279 & MR00302 from km23.34 - km25.0	2011/09/12	2014/06/12	257 440
Cape Winelands	Witzenberg Municipality	C0634: Rehab TR22/1 & Reconstruct MR305 – Nuwekloof / Wolseley	Reconstruction of TR22/1 (km 5.0 - km 20.6) and MR305 (km0.0 - km 2.4) between Gouda and Wolseley	2011/03/01	2013/05/14	243 624
Overberg	Overstrand Municipality	C0838.04: Upgrade MR269 - Hemel-en-Aarde	Upgrading and safety improvements to the MR269, Hemel-en-Aarde road.	2011/12/22	2014/09/05	159 530
Eden	Kannaland Municipality	C0906: Reseal TR31/5 - Ladismith/Calitzdorp	Reseal/Upgrade of TR31/5 from Ladismith to Calitzdorp. Flood damage repair at Vleiland Area.	2011/10/05	2013/04/30	118 537
West Coast	Swarfand Municipality	C0817.01: Reseal & Rehab MR224	Reseal and rehabilitation of MR224 between Malmesbury (km 2.35) and Darling (km 32.53)	2012/01/26	2014/01/22	98 806
Eden	Mossel Bay Municipality	C0825: Rehabilitation of DR1529 & DR1532 (N2) near Mosselbay - Vleesbaai	Rehabilitation by upgrading of roads DR1529 & DR1532 by widening 1.5m on either side and strengthening of the pavement by stabilising the existing base as a new subbase and adding a new coucher stone base layer.	2011/11/01	2013/05/05	90 128
Eden	Bitou Municipality	C0816: Rehab/Reseal DR1770, rehab DR1775, MR382 & MR390 - Plettenberg Bay	Rehabilitation & Reseal of DR1775, MR382 and MR390 near Plettenberg Bay.	2011/08/30	2013/05/17	77 791
Overberg	Overstrand Municipality	C0527.04: Upgrade TR28/1 - Mount Pleasant/Hermanus	The upgrade of TR28/1 between Mount Pleasant and Hermanus	2011/08/11	2013/07/17	71 944
Overberg	Overberg District Municipality	C0841.02: Regravel Roads in the Overberg Area - Phase 2	The regravelling of various roads in the Overberg Area	2013/01/15	2014/01/14	45 714
Cape Winelands	Stellenbosch Municipality	C0824: Rehab MR166 - Winery Road	The rehabilitation of MR166 between km 0.0 and km 3.468, resealing of the 0.83 km of MR165 resealing of 0.86 km of DR1039 and upgrading of 1.39 km of DR1043. The project also includes the provision of right turn lanes at MR27/MR166 and MR27/DR1043 Intersections.	2011/11/14	2013/11/14	44 470

Municipality		Project Name	Detailed Description	Commencement Date	Completion Date	Project total (R '000)
District	Local					
Cape Winelands	Breede Valley Municipality	C0961: Flood Damage Repairs to Structures in CW: Robertson/Bonnievale Area	Flood damage repairs to Road Infrastructure on Various Main, Divisional and Minor Roads in Cape Winelands District, as well as repair of hole created by the November 2012 floods on the R60.	2011/07/11	2013/04/30	35 465
City of Cape Town	City of Cape Town	C0656.09: Chapman's Peak Tollgates Construction	Construction of tollgates on Chapman's Peak Drive	2012/01/10	2013/07/24	29 559
Eden	Kannaland Municipality	C0960.01: Flood Damage Repairs - Van Wyksdorp Region	Repair of June 2011 flood damage to structures in the Van Wyksdorp Region	2013/03/04	2014/09/03	27 714
Cape Winelands	Breede Valley Municipality	C0959: Flood Damage Repairs to Structures in CW: Montagu/Koo Area	Flood damage repairs to Road Infrastructure on Various Main, Divisional and Minor Roads in Cape Winelands District.	2011/05/09	2013/05/14	24 625

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

Maintenance

The backlog reduction plan is based on a technical needs-intervention, which indicates that an additional R0,5 billion in monetary terms per annum is needed to ensure that the road network asset value is largely sustained within the next ten years. This budget deficit is derived from the total kilometers of road that needs to be re-gravelled, upgraded to surfaced standard, resealed or rehabilitated at average unit construction costs. The Department is currently benchmarking these unit costs to ensure tighter efficiencies and measures of project cost control in future years.

Notwithstanding the increased rise in the cost of construction materials (particularly the cost of bitumen), the unfunded backlog therefore stills remains at over R 7 billion (2012/13 figure). However, the road network is still kept at a stable condition because of the preservation strategy requiring focus on these four construction interventions (albeit costly).

Asset Management

The condition of the provincial road network, both surfaced and gravel, is provided in table 15 as it relates to programme performance indicators (3.1.1.13 and 3.1.1.14).

PART C: GOVERNANCE

1. INTRODUCTION

The Department is committed to maintaining the highest standards of governance as it recognises that it is fundamental to the management of public finances and resources. The Department consequently maintains good governance structures in its endeavour to effectively, efficiently and economically utilise State resources, which are funded by the tax payer.

2. RISK MANAGEMENT

The Accounting Officer (AO) is accountable for realising Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework. To this end the AO is supported by the Directorate Enterprise Risk Management (D: ERM) vested in the Department of the Premier. The said Directorate provides a centralised strategic support service to the Department and systematically drives a sustainable ERM journey.

In compliance with the National Treasury Public Sector Risk Management Framework and to further embed risk management in departmental activities, the Western Cape Government adopted an ERM Policy which sets out the Province's overall intention with regard to ERM.

An ERM Implementation Strategy was developed to give effect to the ERM policy in a structured, coherent and systematic manner. This will ultimately enable the Department to deliver on its departmental goals, objectives and indicators, enhance risk informed decision-making and optimise compliance with applicable legislation. It further outlines the roles and responsibilities of managers and staff in embedding risk management in the Department and defines the enabling legislation, standards, mechanisms, tools and resources to be used to realise the ERM plan.

The Department established an Enterprise Risk Management Committee (ERMCO), constituted by the Executive Management of the Department and chaired by the AO. ERMCO Members have been formally appointed as such. During the year under review the ERMCO met on a quarterly basis to, amongst other matters, monitor and review the strategic risks of the Department. Upon agreement, the strategic risk register is approved by the AO. Duties of the ERMCO are set out in its Terms of Reference.

Programme Risk assessments are conducted on a quarterly basis in order for the relevant Programme Managers to review and update existing risks and identify emerging risks. Significant risks relevant to objectives are assessed in terms of likelihood and impact. Risk treatment plans with target dates are developed and risk owners are allocated for the treatment of the risks. The Programme risk register is approved by Programme Managers.

The D: ERM further works closely with the appointed risk champion (the AO) to assist in driving the ERM process in the Department.

3. FRAUD AND CORRUPTION

The Western Cape Government adopted an Anti-Corruption Strategy which confirms the Province's zero tolerance stance towards fraud and corruption. The Department furthermore has an approved Fraud Prevention Plan (inclusive of policy, strategy and implementation plan) that was subjected to review by the Shared Fraud Investigative Unit, during the year under review.

Forensic investigations continued to be conducted by the Shared Forensic Investigative Unit. The latter is corporatised in the Corporate Service Centre in the Department of the Premier. Various channels for reporting allegations of fraud and corruption exist, and these are described in detail in the Anti-Corruption Strategy and the Departmental Fraud Prevention Plan. Each allegation received by the Shared Forensic Investigative 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 Department.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure, i.e. not malicious. 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 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.

4. MINIMISING CONFLICT OF INTEREST

The Department is committed to the implementation of the Western Cape Procurement (Business Interest of Employees) Act, 2010 (Act 8 of 2010). The Act restricts the business interests of employees of the Provincial Government and of provincial public entities as well as members of controlling bodies of such entities, in conducting business with the Provincial Government and provincial public entities. The Act further provides for the disclosure of such interests and for matters incidental thereto.

In an effort to root out fraud and corruption, to support the prevention of collusive practises and SCM abuse, detect possible conflict of interest in the SCM system as well as ensuring compliance to all relevant prescripts and policies, all SCM practitioners/officials involved in the SCM processes are required to disclose their financial interest, declare interest in relation to every SCM transaction and complete and obtain approval for their Remunerative Work Outside the Public Service annually.

Any official failing to adhere to this requirement by not declaring his/her interest is subjected to the relevant disciplinary code. Where an official declares interest, that official is required to recuse him/herself from the relevant transaction.

5. CODE OF CONDUCT

The Department is committed to adhering to the following codes of conduct within the realm of its business:

- Code of Conduct for the Public Service.
- Code of Conduct contained in the Accounting Officers Supply Chain Management System.
- Code of Conduct for Supply Chain Practitioners (National Treasury, Practice Note 4 of 2003).
- Code of Conduct for Bid Adjudication Committees (National Treasury 2006)
- Code of Conduct issued by the Construction Industry Development Board in terms of s5 (4) of the Construction Industry Development Board Act, 2000.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety Act imposes the responsibility on the Department 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. As it pertains to transport infrastructure particularly, environmental impact assessments are preconditions of executing projects on sites.

The Department has a functioning Safety and Security Committee which includes representatives from the Department of Community Safety, given their responsibility for providing provincial risk services.

In support of emergency evacuation procedures, plans were developed for various buildings occupied by the Department, evacuation chairs installed to support persons with physical impairments to be evacuated safely, and safety and fire marshals as well as first aiders were identified per floor.

7. INTERNAL CONTROL UNIT

The Internal Control Unit is vested in the Branch Financial Management of the Department. The work that the unit performed included but is not limited to the following:

- Development of a Supplier Invoice Tracking system to ensure that invoices are paid within 30 days.
- Review of the financial delegations that now encapsulates a process approach.
- Exercising of payroll control.
- Exercising of payment voucher control.

- Conducting of programmed physical site inspections with reporting in the areas of: gift registers; invoice registers; cashiers inspection; face value forms and other ad hoc investigations.
- Investigating the validity of alleged irregular, fruitless and wasteful expenditure and recommending remedial action.
- Giving effect to and monitoring the implementation of the Shared Forensic Investigative Unit recommendations.
- Development of various standing operating procedures to enhance governance.
- Implementation, maintenance and monitoring of the Departmental Corporate Governance Improvement Plan (DCGIP) which incorporates risk and project management principles. The latter, draws its information from internal and external audit outcomes, Provincial Treasury gap analysis, Corporate Governance Review and Outlook (CGRO) and other independent assessments.
- Reporting on the status of: Irregular, fruitless and wasteful expenditure; Departmental Corporate Governance Improvement Plan; 30 day payments, and implementation of forensic investigative case file recommendations.
- Monitor the implementation of Reports of the Standing Committee on Public Accounts.
- Retention of financial information.
- Compliance testing of payment vouchers on a sample basis.
- Facilitate the external audit process and internal audit process.
- Maintenance of the electronic Financial Manual that give users access to financial governance documents.

The above excludes the internal control work performed by the Monitoring and Compliance component of the Supply Chain Management Unit, as well as of the Monitoring and Evaluation Unit. A specific Internal Control Framework for SCM was developed.

	<u>Irregular Expenditure</u>	<u>Fruitless & Wasteful Expenditure</u>
Opening balance 1 April 2012	74	11
New cases 2012/13	15	8
Closed during 2012/13	(67)	(15)
Closing balance 31 March 2013	22	4
Referred to Labour Relations for advice	8	-
Referred to FIU for investigation	5	1
Validation investigations	9	3

8. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2013. The Department is commended for achieving a clean audit.

Audit Committee Members and Attendance

The Audit Committee consists of the members listed below and should meet at least 4 times per annum as per its approved terms of reference. During the financial year under review, 8 meetings were held.

Name of Member	Number of Meetings Attended
Mr A Amod (Chairperson)	8
Mr W Pieters	8
Mr Z Hoosain (Member until 30 November 2012)	7
Mr F Barnard (Appointed from 01 January 2013)	1
Mr T Snyman (Appointed from 01 January 2013)	1
Mr S Steenkamp (Appointed from 01 January 2013)	1

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from **Section 38 (1) (a) (ii) of the Public Finance Management Act (PFMA) and National Treasury Regulations 3.1**. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

From our review of the reports of the Internal Auditors, the audit report on the Annual Financial Statements and the management report of the Auditor-General South Africa (AGSA), the Committee notes the considerable improvement with the effectiveness of the system of internal control applied by the Department. Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department, revealed certain weaknesses, which were then raised with the Department, notably:

- Transport Infrastructure: Regional Offices
- Municipal Services Accounts
- Transport Operations: Skills transfer to Employees

Corrective actions have been agreed upon by Management and are being monitored by the Audit Committee.

The Provincial Forensic Investigative Unit (FIU) has been outsourced. The FIU presents statistical reports to the Audit Committee on a quarterly basis.

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

The Department continues to improve in respect of Enterprise Risk Management. The Committee monitors progress on a quarterly basis.

We have reviewed and concur with Management's acceptance of the AGSA's Management Report. We can confirm that there are no unresolved issues.

We have fulfilled our mandate with regards to the Annual Financial Statements as mentioned below.

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 AGSA and the Accounting Officer;
- reviewed the AGSA's Management Report and management's response thereto;
- reviewed accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the Annual Report;
- reviewed, and where appropriate, recommended changes to the interim financial statements as presented by the Department for the six months ending 30 September 2012.

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

Internal Audit

In line with the PFMA and the King III 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 a 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 work was completed during the year under review:

- Transport Infrastructure: Regional Offices
- Facilities Management: Education and Health
- Municipal Services Accounts
- Property Planning (CAMP)
- Transport Operations: Skills Transfer to Employees
- Infrastructure Delivery Management System (IDMS)

Eighty Six percent (86%) of the Internal Audit plan for the year under review was completed as at 31 March 2013. The Audit Committee remains concerned that further capacity is required to cover a significant percentage of High Risk Areas. The Audit Committee urges increased assurance of coverage of significant risks by the implementation of combined assurance principles.

Auditor-General South Africa's Report

We have reviewed the Department's implementation plan for audit issues raised in the prior year on a quarterly basis. The Audit Committee has 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 will be monitored by the Audit Committee on a quarterly basis.

Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Department, the AGSA and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.



Mr A Amod
Chairperson of the Transport and Public Works Audit Committee
7 August 2013

PART D: HUMAN RESOURCE MANAGEMENT

1. LEGISLATION THAT GOVERNS HR MANAGEMENT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

The following prescripts direct Human Resource Management within the Public Service:

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

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

Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA)

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

Occupational Health and Safety Act, 1993 (Act 85 of 1993)

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

Labour Relations Act, 1995 (Act 66 of 1995)

To regulate and guide the employer in recognising and fulfilling its role in effecting labour peace and the democratisation of the workplace.

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

To give effect to the right 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 Organisation; and to provide for matters connected therewith.

Skills Development Act, 1998 (Act 97 of 1998)

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

Employment Equity Act, 1998 (Act 55 of 1998)

To promote equality, eliminate unfair discrimination in employment and to ensure the implementation of employment equity measures to redress the effects of discrimination; to achieve a diverse and efficient workforce broadly representative of the demographics of the Province.

Skills Development Levy Act, 1999 (Act 9 of 1999)

To provide any public service employer in the national or provincial sphere of Government with exemption from paying a skills development levy; and for exemption from matters connected therewith.

Promotion of Access to Information Act, 2000 (Act 2 of 2000) (PAIA)

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

Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA)

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

2. OVERVIEW OF HUMAN RESOURCE MATTERS

People are a key element in achieving the strategic objectives of the Department. Therefore human resource planning aims to ensure that the Department has the right people, with the right skills, at the right place at the right time, all the time.

It is within this context that the Department's Strategic HR Plan was developed and implemented for the period 1 April 2010 to 31 March 2014. The HR Plan was reviewed to determine whether the human resource strategic objectives were still valid and whether it addressed the HR priorities in the Department. Bi-annual progress reports monitored the implementation of the key activities contained within the HR Plan and were submitted to DPSA as directed.

By means of workforce planning, the Department identified the current and future human resource needs and flagged the potential challenges that could impact on the achievement of the Department's strategic objectives.

2.1. Set Human Resource Priorities for the Year under Review and the Impact of these Priorities

After analysing the current workforce profile and the future demand, the following HR priorities were identified:

- A new functional Organisation Design / Structure that would result in the Department meeting its strategic objectives;
- The continuous development of employees, which would provide the Department with a pool of highly skilled employees;
- Attracting and retaining staff with scarce and critical skills which will enhance the requirements of the Built Environment.

2.2. Workforce Planning Framework and Key Strategies to Attract and Recruit a Skilled and Capable Workforce

The following key strategies have been implemented in order to address the priorities as identified:

- The Masakh'iSizwe Programme is a mentorship programme that was introduced to attract graduates in line with the Department's critical skills needs, in the engineering and related fields.
- Targeted recruitment to fill vacancies in critical posts, such as Transport Economists and Planners.
- The development of staff as a means to maintain and improve their skills and support staff retention.
- In instances where highly mobile staff members with critical and key skills are offered alternative employment opportunities, the Department provided counter-offers in line with the Public Service Regulations.

2.3. Employee Performance Management Framework

Employees who are nominated for performance bonuses are assessed by moderation panels, who then examine the evidence of superior performance. Under-performing staff members, on the other hand, are required to complete the actions stipulated in a Performance Improvement Plan. These are closely monitored to ensure absolute compliance with acceptable performance standards.

2.4. Employee Wellness

The WCGs transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee wellbeing and is largely preventative in nature, offering both primary and secondary services. The EHW Programme is monitored in the Department 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 Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHEQ (Safety Health Environment, Risk and Quality Management).

2.5. Policy development

The following Provincial policies were adopted during the year under review:

- **Special Leave Policy**, which sets transversal standards and conditions for leave categories that are not regulated in the national Determination on Leave of Absence (August 2012). These categories include study leave, substance abuse treatment, participation in sporting events etc.
- **Policy on Remunerative Work outside Public Service**, which manages and regulates the conditions under which the employer would provide authorisation for employees to conduct remunerated work outside the Public Service.
- **Policy on Secondment of Employees**, which provides directives and general measures and to prescribe uniform conditions for secondment.

3. HUMAN RESOURCE OVERSIGHT STATISTICS

The following sections provide statistical information relating to human resource management in the Department.

3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarise final audited expenditure by Programme [Table 3.1.1 - drawn from the Basic Accounting System (BAS)] and by salary bands [Table 3.1.2 - drawn from the PERSAL (Personnel Salary) 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, reflecting the differences in total expenditure below.

Table 3.1.1: Personnel expenditure by programme, 2012/13 - BAS

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Programme 1	123 044	57 016	14 033	52 390	46.3	215	266
Programme 2	1 257 497	125 118	132	419 455	9.9	277	452
Programme 3	1 994 558	137 794	3 330	387 291	6.9	164	841
Programme 4	800 607	17 762	97	58 371	2.2	270	66
Programme 5	288 102	44 831	0	241 697	15.6	223	201
Programme 6	45 102	19 964	12 261	24 324	44.3	211	95
Total	4 508 910	402 485	29 853	1 183 528	8.93	210	1 921

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

Table 3.1.2: Personnel expenditure by salary bands, 2012/13 - PERSAL

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)	34 301	8.4	73	467
Skilled (Levels 3-5)	83 219	20.4	134	620
Highly skilled production (Levels 6-8)	115 050	28.2	244	472
Highly skilled supervision (Levels 9-12)	141 142	34.6	438	322
Senior management (Levels 13-16)	33 773	8.3	844	40
Total	407 485	100.0	212	1 921

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

The following tables provide a summary per programme (Table 3.1.3) and salary band (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2012/13

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
Administration	39 236	9.6	845	0.2	1 002	0.3	2 081	0.5
Public Works Infrastructure	87 130	21.4	1 037	0.3	2 629	0.7	4 850	1.2
Transport Infrastructure	92 516	22.7	1 109	0.3	6 955	1.7	9 182	2.3
Transport Operations	12 115	3.0	29	0	211	0.1	467	0.1
Transport Regulation	31 264	7.7	329	0.1	1 209	0.3	2 547	0.6
Community Based Programmes	14 160	3.5	0	0	516	0.1	978	0.2
Total	276 421	67.8	3 350	0.8	12 522	3.1	20 106	4.9

Note: Salaries, overtime, housing allowance and medical assistance are calculated as a % of the total personnel expenditure which appears in Table 3.1.2 above.

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary bands, 2012/13

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)	22 661	5.6	236	0.1	2 834	0.7	3 216	0.8
Skilled (Levels 3-5)	55 468	13.6	723	0.2	5 071	1.2	7 242	1.8
Highly skilled production (Levels 6-8)	80 515	19.8	1 896	0.5	3 478	0.9	5 822	1.4
Highly skilled supervision (Levels 9-12)	96 324	23.6	495	0.1	1 139	0.3	3 393	0.8
Senior management (Levels 13-16)	21 453	5.3	0	0	0	0	433	0.1
Total	276 421	67.8	3 350	0.8	12 522	3.1	20 106	4.9

3.2 EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the percentage of vacant posts, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.2.1), salary band (Table 3.2.2) and critical occupations (Table 3.2.3). Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the department.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2013

Programme	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Administration	200	157	21.5	22	10.5
Public Works Infrastructure	398	351	11.8	60	0
Transport Infrastructure	912	722	20.8	51	15.2
Transport Operations	48	35	27.1	22	0
Transport Regulation	179	153	14.5	20	3.4
Community Based Programmes	84	70	16.7	1	15.5
Total	1 821	1 488	18.3	176	8.6

Employment and Vacancies

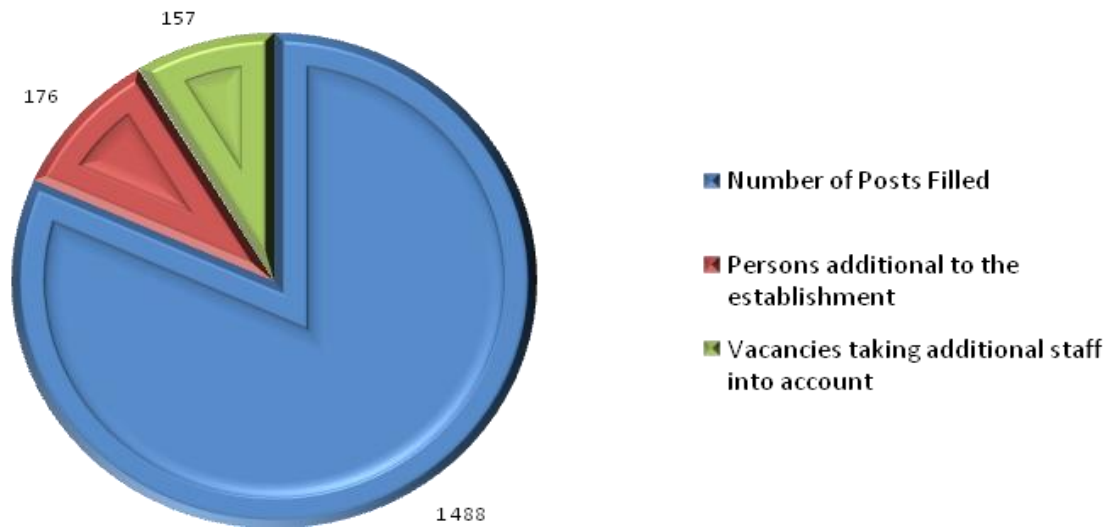


Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2013

Salary Band	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Lower skilled (Levels 1-2)	403	339	15.9	0	15.9
Skilled (Levels 3-5)	611	512	16.2	53	7.5
Highly skilled production (Levels 6-8)	494	404	18.6	48	8.9
Highly skilled supervision (Levels 9-12)	269	197	26.8	73	0
Senior Management (Levels 13-16)	44	36	18.2	2	13.6
Total	1 821	1 488	18.3	176	8.6

Note: The information in each case reflects the situation as at 31 March 2013. For an indication of changes in staffing patterns over the year under review, refer to section 3.5 of this report.

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2013

Critical Occupations	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy Rate taking additional staff into account
Quantity Surveyor Technician	6	6	0	0	0
Quantity Surveyor	18	15	16.7	0	16.7
Engineer	39	21	46.2	10	20.5
Architect	14	12	14.3	6	0
Senior Management	44	36	18.2	2	13.6
Total	121	90	25.6	18	10.7

3.3 JOB EVALUATION

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. There were five posts upgraded during the period under review which were evaluated during the previous financial year.

Table 3.3.1: Job evaluation, 1 April 2012 to 31 March 2013

Salary Band	Total number of posts	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	% of number of posts	Number	% of number of posts
Lower skilled (Levels 1-2)	403	0	0	0	0	0	0
Skilled (Levels 3-5)	611	0	0	2	0.1	0	0
Highly skilled production (Levels 6-8)	494	0	0	3	0.2	0	0
Highly skilled supervision (Levels 9-12)	269	0	0	0	0	0	0
Senior Management Service Band A (Level 13)	32	0	0	0	0	0	0
Senior Management Service Band B (Level 14)	8	0	0	0	0	0	0
Senior Management Service Band C (Level 15)	3	0	0	0	0	0	0
Senior Management Service Band D (Level 16)	1	0	0	0	0	0	0
Total	1 821	0	0	5	0.3	0	0

Note: Existing Public Service policy requires departments to subject specifically identified posts (excluding Educator and OSD [occupation-specific dispensation] posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly (i.e. affected posts). This job evaluation process determines the grading and salary level of a post.

Table 3.3.2 provides a summary of the number of employees by race, gender and disability whose salary positions were upgraded due to their posts being upgraded.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2012 to 31 March 2013

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	5	0	5
Male	0	0	0	0	0
Total	0	0	5	0	5
Employees with a disability					0

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation (including higher notches awarded). 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, 1 April 2012 to 31 March 2013

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
Executive Manager	1	14	0	5 notch increment	Retention (VC3)
Senior Manager	1	13	0	2 notch increment	Retention (VC3)
Total number of employees whose salaries exceed the level determined by job evaluation (including awarding of higher notches) in 2012/2013			2		
Percentage of total employment			0.1		

Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2012 to 31 March 2013

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	2	2
Total	0	0	0	2	2
Employees with a disability				0	

3.4. EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupations (Table 3.4.2).

Table 3.4.1: Annual turnover rates by salary band, 1 April 2012 to 31 March 2013

Salary Band	Number of employees per band as at 31 March 2012	Turnover rate 2011/12 by salary band	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2012/13 by salary band
Lower skilled (Levels 1-2)	325	3.5	37	2	11	4	4.6
Skilled (Levels 3-5)	557	9.9	66	9	41	5	8.3
Highly skilled production (Levels 6-8)	427	8.7	51	10	32	2	8.0
Highly skilled supervision (Levels 9-12)	231	12.3	40	4	17	3	8.7
Senior Management Service Band A (Level 13)	21	16.7	1	2	1	1	9.5
Senior Management Service Band B (Level 14)	7	0	1	0	0	0	0

Salary Band	Number of employees per band as at 31 March 2012	Turnover rate 2011/12 by salary band	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2012/13 by salary band
Senior Management Service Band C (Level 15)	4	0	0	0	0	0	0
Senior Management Service Band D (Level 16)	1	0	0	0	0	0	0
Total	1 573	9.0	196	27	102	15	7.4
			223		117		

Note: A transfer is when a Public Service official moves from one department to another, on the same salary level.

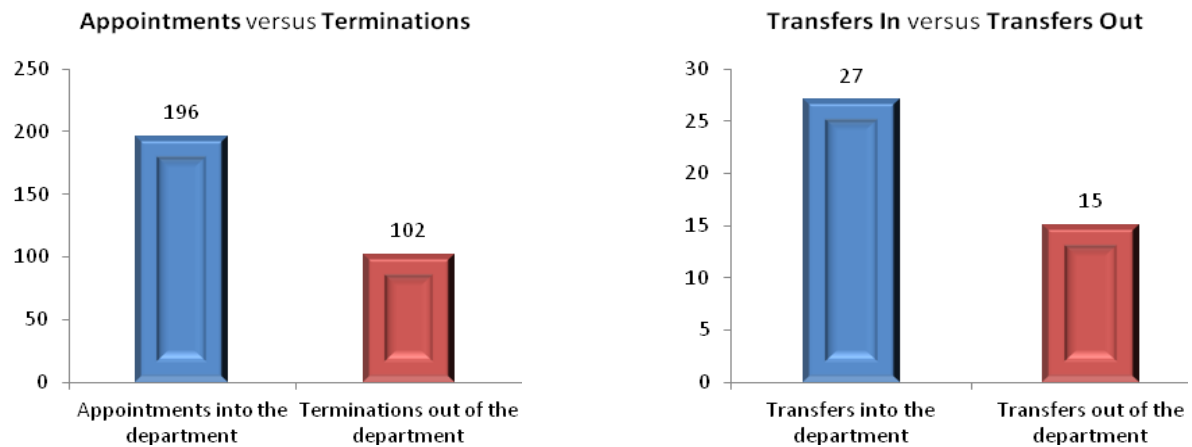


Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2012 to 31 March 2013

Critical Occupation	Number of employees by salary band as at 31 March 2012	Turnover rate by salary band 2011/12	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2012/13 by salary band
Quantity Surveyor Technician	6	0	0	0	0	0	0
Quantity Surveyor	14	6.7	1	0	0	0	0
Engineer	34	39.2	6	1	7	0	20.6
Architect	19	13.6	0	0	0	0	0
Senior Management	33	11.8	2	1	1	1	6.1
Total	106	22.0	9	2	8	1	8.5
			11		9		

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2012 to 31 March 2013

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2012
Death	9	7.7	0.6
Resignation	31	26.5	2.0
Expiry of contract	35	29.9	2.2
Dismissal – operational changes	0	0	0
Dismissal – misconduct	7	6	0.4
Dismissal – inefficiency	0	0	0
Discharged due to ill-health	3	2.6	0.2
Retirement	16	13.7	1.0
Employee initiated severance package	0	0	0
Transfer to Statutory Body	1	0.9	0.1
Transfers to other Public Service departments	15	12.8	1.0
Total	117	100	7.4

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department. Resignations are further discussed in tables 3.4.4 and 3.4.5.

Staff leaving the employ of the Department

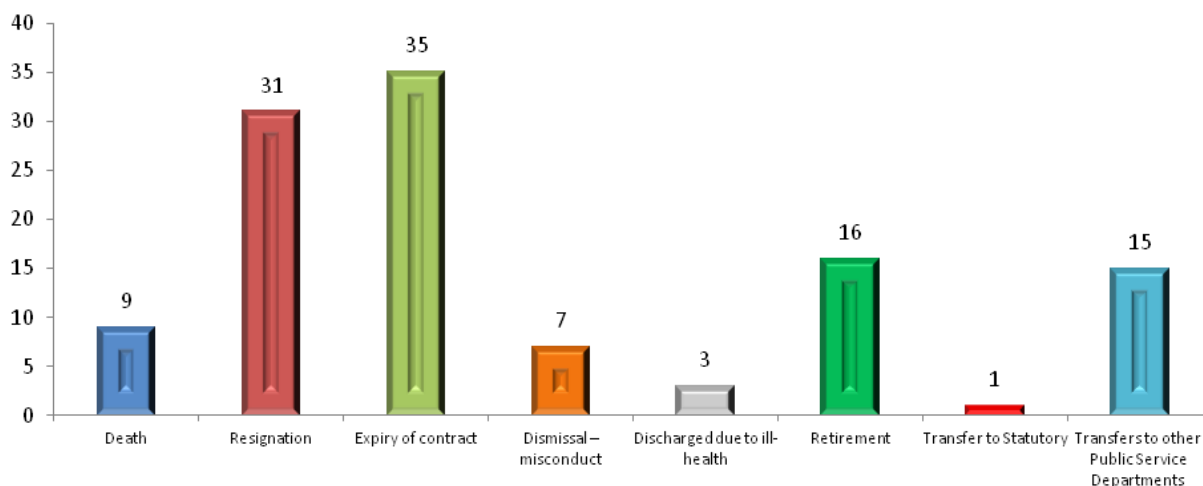


Table 3.4.4: Reasons why staff resigned, 1 April 2012 to 31 March 2013

Resignation Reasons	Number	% of total resignations
Better remuneration	11	35.5
Resigning of position	20	64.5
Total	31	100

Table 3.4.5: Different age groups of staff who resigned, 1 April 2012 to 31 March 2013

Age group	Number	% of total resignations
Ages <19	0	0
Ages 20 to 24	1	3.2
Ages 25 to 29	7	22.6
Ages 30 to 34	5	16.1
Ages 35 to 39	9	29.0
Ages 40 to 44	5	16.1
Ages 45 to 49	1	3.2
Ages 50 to 54	1	3.2
Ages 55 to 59	2	6.5
Ages 60 to 64	0	0
Ages 65 >	0	0
Total	31	100

Table 3.4.6: Granting of employee initiated severance packages, 1 April 2012 to 31 March 2013

Total number of employee initiated severance packages in 2012/ 2013	None
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Table 3.4.7: Promotions by salary band, 1 April 2012 to 31 March 2013

Salary Band	Employees as at 31 March 2012	Promotions to another salary level	Promotions as a % of employees by salary band	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	325	1	0.3	223	68.6
Skilled (Levels 3-5)	557	11	2.3	470	84.4
Highly skilled production (Levels 6-8)	427	18	5.2	309	72.4
Highly skilled supervision (Levels 9-12)	231	4	3.5	223	96.5
Senior Management (Levels 13-16)	33	3	9.1	27	81.8
Total	1 573	37	3.0	1 252	79.6

Table 3.4.8: Promotions by critical occupation, 1 April 2012 to 31 March 2013

Critical Occupation	Employees as at 31 March 2012	Promotions to another salary level	Promotions as a % of employees by salary band	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Quantity Surveyor Technician	6	0	0	3	50.0
Quantity Surveyor	14	0	0	14	100.0
Engineer	34	0	0	19	55.9
Architect	19	0	0	14	73.7
Senior Management	33	3	9.1	27	81.8
Total	106	3	2.8	77	72.6

3.5. EMPLOYMENT EQUITY

The information provided in this section depicts the department's demographic composition by race, gender and disability, as required by the Employment Equity Act and the Department of Public Service and Administration. Positions in the Department's post establishment require various academic qualifications such as a Senior Certificate, technical qualification or graduate and post-graduate degrees, as well as certain competency levels. The Employment Equity Act states that in determining whether designated groups are equitably represented within an occupational category and level in an employer's workforce, a number of factors must be taken into account including: the pool of suitably qualified people from designated groups from which the employer may reasonably be expected to promote or appoint employees. The figures presented in this section do not take these factors into account and do not reflect the fact that the population statistics provided by the 2011 Census reveal that a very small percentage of the Western Cape population have Matric and tertiary qualifications, which constitute the pool of "suitably qualified people" from which the Western Cape Government can employ staff (as specified by the Employment Equity Act and Public Service Regulations). The Department is continuing to invest in measures to broaden the pool of suitably qualified people who can compete for its employment opportunities to broaden its equitable representation in all occupational categories and levels in the workforce.

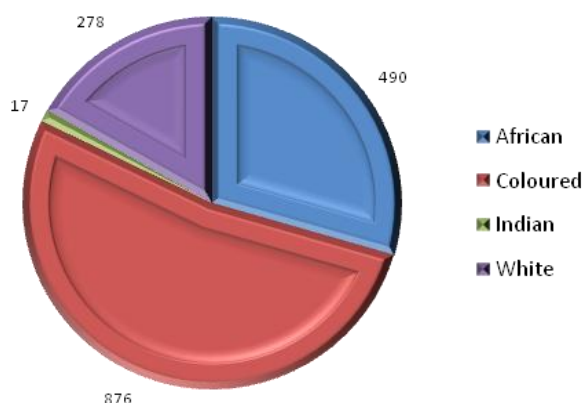
Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2013

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	2	0	0	0	1	0	0	5
Senior Management (Levels 13-14)	3	11	2	10	2	4	0	1	0	0	33
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	25	109	6	92	16	33	2	22	1	1	307
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	39	111	0	52	51	118	5	68	1	0	445
Semi-skilled and discretionary decision making (Levels 3-5)	171	199	0	14	65	121	2	12	0	0	584
Unskilled and defined decision making (Levels 1-2)	72	96	0	2	46	72	0	2	0	0	290
Total	310	528	8	172	180	348	9	106	2	1	1 664
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	310	528	8	172	180	348	9	106	2	1	1 664

(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.

Distribution by race



Distribution by gender

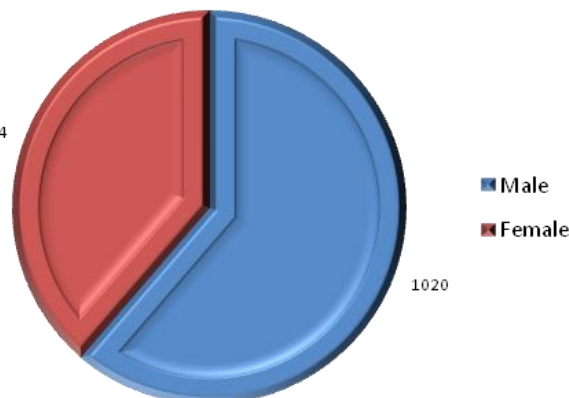


Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2013

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	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	2	0	2	0	0	0	0	0	0	4
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	0	1	0	1	0	0	0	0	7
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
Total	2	8	0	4	0	1	0	0	0	0	15
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	2	8	0	4	0	1	0	0	0	0	15

(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 2012 to 31 March 2013

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)	1	1	1	1	0	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	7	14	1	11	4	2	0	4	0	1	44
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	11	19	0	1	9	16	0	4	1	0	61
Semi-skilled and discretionary decision making (Levels 3-5)	8	28	0	1	14	23	0	1	0	0	75
Unskilled and defined decision making (Levels 1-2)	9	17	0	0	4	9	0	0	0	0	39
Total	36	79	2	14	31	50	0	9	1	1	223
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	36	79	2	14	31	50	0	9	1	1	223

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

Note: Recruitment refers to new employees, including transfers into the Department, as per Table 3.4.1.

Table 3.5.4: Promotions, 1 April 2012 to 31 March 2013

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	2	0	1	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	4	0	0	0	0	0	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	2	0	3	3	4	0	2	0	0	18
Semi-skilled and discretionary decision making (Levels 3-5)	0	6	0	1	2	2	0	0	0	0	11
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	1	0	0	0	0	0	1
Total	4	12	0	6	6	7	0	2	0	0	37
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	4	12	0	6	6	7	0	2	0	0	37

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

Note: Promotions refer to the total number of employees promoted within the Department, as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2012 to 31 March 2013

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)	1	0	0	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	6	6	0	5	2	0	0	1	0	0	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	5	11	0	2	7	6	0	3	0	0	34
Semi-skilled and discretionary decision making (Levels 3-5)	12	17	0	0	6	10	0	1	0	0	46
Unskilled and defined decision making (Levels 1-2)	1	5	0	1	4	4	0	0	0	0	15
Total	25	39	0	9	19	20	0	5	0	0	117
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	25	39	0	9	19	20	0	5	0	0	117

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

Note: Terminations refer to those employees who have left the employ of the Department, including transfers to other departments, as per Table 3.4.1.

Table 3.5.6: Disciplinary actions, 1 April 2012 to 31 March 2013

Disciplinary actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Correctional Counselling	0	0	0	0	0	0	0	0	0	0	0
Verbal warning	0	0	0	0	0	0	0	0	0	0	0
Written warning	0	0	0	0	1	0	0	0	0	0	1
Final written warning	2	2	0	0	0	0	0	0	0	0	4
Suspension without pay	1	0	0	0	0	0	0	0	0	0	1
Demotion	0	0	0	0	0	0	0	0	0	0	0
Dismissal/ desertion	3	3	0	0	0	1	0	0	0	0	7
Not guilty	0	1	0	0	0	0	0	0	0	0	1
Case withdrawn	0	0	0	0	0	0	0	0	0	0	0
Other (please specify)	0	0	0	0	0	0	0	0	0	0	0
Total	6	6	0	0	1	1	0	0	0	0	14

(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 types of misconduct addressed at disciplinary hearings, please refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2012 to 31 March 2013

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	4	0	2	0	0	0	0	6
Senior management (Levels 13-14)	0	4	2	4	0	2	0	2	14
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	8	12	3	21	8	8	0	7	67
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	11	34	1	23	11	25	0	8	113
Semi-skilled and discretionary decision making (Levels 3-5)	22	66	0	11	47	87	1	18	252
Unskilled and defined decision making (Levels 1-2)	10	25	0	0	7	8	0	0	50
Total	51	145	6	61	73	130	1	35	502
Temporary employees	0	0	0	0	0	0	0	0	0
Grand total	51	145	6	61	73	130	1	35	502

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

Note: The above table refers to the total number of personnel who received training, and not the number of training courses 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 2012

SMS Level	Number of funded 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
Director-General/ Head of Department	1	1	1	100.0
Salary level 16, but not HOD	0	0	0	0
Salary Level 15	3	3	3	100.0
Salary Level 14	8	7	7	100.0
Salary Level 13	35	22	22	100.0
Total	47	33	33	100.0

Note: The allocation of performance-related rewards (cash bonus) for Senior Management Service members is dealt with in Table 3.8.5.

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS on 31 May 2012

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 2012

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 2012

SMS Level	Number of funded 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 vacant per level
Head of Department	1	1	100	0	0
Salary Level 15	3	3	100	0	0
Salary Level 14	8	7	87.5	1	12.5
Salary Level 13	35	24	68.5	11	31.4
Total	47	35	74.5	12	25.5

Table 3.7.2: SMS posts information, as at 31 March 2013

SMS Level	Number of funded 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 vacant per level
Head of Department	1	1	100	0	0
Salary Level 15	3	3	100	0	0
Salary Level 14	8	7	87.5	1	12.5
Salary Level 13	32	25	78.1	7	21.8
Total	44	36	81.82	8	18.18

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2013

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
Head of Department	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	1	3	1
Total	1	3	1

Table 3.7.4: Reasons for not having complied with the filling of funded vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant

SMS Level	Reasons for non-compliance
Salary Level 14	Strategic Planning Integration & Co-Ordination Post was previously advertised but it was decided not to fill, pending the outcome of the restructuring as functional changes are expected.
Salary Level 13	EPWP & Construction Industry Innovation & Empowerment The post became vacant during the previous reporting period. The post was advertised on the 17 September 2012 but no suitable candidates were found. The post was re-advertised. Road Design, Regional Office Oudtshoorn (Eden), Regional Office Overberg Regional Office West Coast Pending the outcome of an organisational investigation the filling of the post will be revisited as possible functional changes expected

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 within 12 months
None

3.8. EMPLOYEE PERFORMANCE

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2011/12, but paid in the financial year 2012/13. 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 3.8.1: Notch progressions by salary band, 1 April 2012 to 31 March 2013

Salary Band	Employees as at 31 March 2012	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	286	223	78.0
Skilled (Levels 3-5)	562	470	83.6
Highly skilled production (Levels 6-8)	408	309	75.7
Highly skilled supervision (Levels 9-12)	284	223	78.5
Senior management (Levels 13-16)	33	27	81.8
Total	1 573	1 252	79.6

Table 3.8.2: Notch progressions by critical occupation, 1 April 2012 to 31 March 2013

Critical Occupations	Employees as at 31 March 2012	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Quantity Surveyor Technician	6	3	50.0
Quantity Surveyor	14	14	100.0
Engineer	34	19	55.9
Architect	19	14	73.7
Senior Management	33	27	81.8
Total	106	77	72.6

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2012 to 31 March 2013

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as 31 March 2012	% of total within group	Cost (R'000)	Average cost per beneficiary
African	174	466	37.3	751	4 319
Male	131	297	44.1	531	4 055
Female	43	169	25.4	220	5 125
Coloured	339	803	42.2	2 437	7 187
Male	204	483	42.2	1 449	7 101
Female	135	320	42.2	988	7 318
Indian	5	15	33.3	102	20 301
Male	4	6	66.7	95	23 710
Female	1	9	11.1	7	6 664
White	141	271	52.0	2 023	14 351
Male	83	169	49.1	1 436	17 307
Female	58	102	56.9	587	10 122
Employees with a disability	8	18	44.4	43	5 404
Total	667	1 573	42.4	5 356	8 030

Note: The table above relates to performance rewards for the performance year 2011/12 and payment effected in the 2012/13 reporting period.

Distribution of beneficiaries who received performance rewards

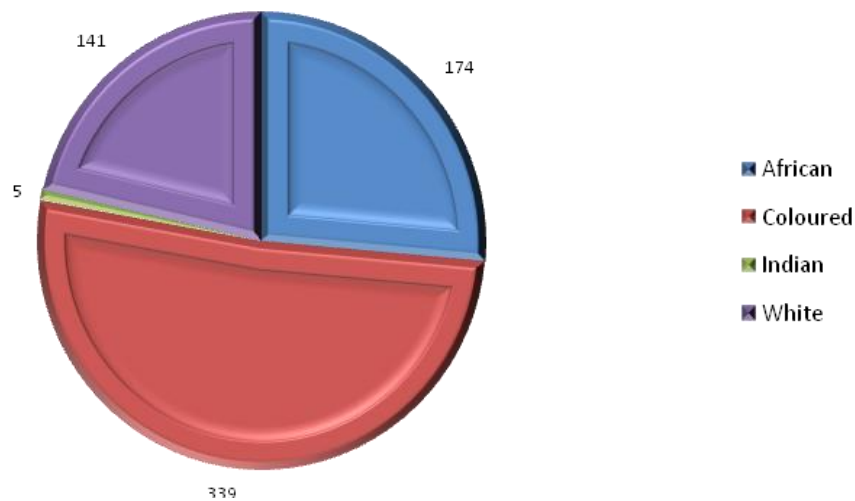


Table 3.8.4: Performance rewards by salary bands for personnel below Senior Management Service level, 1 April 2012 to 31 March 2013

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as 31 March 2012	% of total within salary bands	Cost (R'000)	Average cost per beneficiary	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	101	325	31.1	275	2 724	0.1
Skilled (Levels 3-5)	248	557	44.5	942	3 797	0.3
Highly skilled production (Levels 6-8)	169	427	39.6	1 381	8 174	0.4
Highly skilled supervision (Levels 9-12)	133	231	57.6	2 136	16 064	0.6
Total	651	1 540	42.3	4 734	7 273	1.3

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, 01 April 2012 to 31 March 2013

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as 31 March 2012	% of total within salary bands	Cost (R'000)	Average cost per beneficiary	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	8	21	38.1	258	32 205	0.8
Senior Management Service Band B (Level 14)	5	7	71.4	193	38 593	0.6
Senior Management Service Band C (Level 15)	2	4	50.0	87	43 493	0.3
Senior Management Service Band D (Level 16)	1	1	100.0	84	83 988	0.2
Total	16	33	48.5	622	38 849	1.8

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 by critical occupations, 1 April 2012 to 31 March 2013

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group	% of total within salary bands	Cost (R'000)	Average cost per beneficiary	Cost as a % of total personnel expenditure
Quantity Surveyor Technician	3	6	50.0	29	9 515	0
Quantity Surveyor	6	14	42.9	97	16 117	0
Engineer	12	34	35.3	377	31 394	0.1
Architect	6	19	31.6	121	20 242	0
Senior Management	16	33	48.5	622	38 849	0.2
Total	43	106	40.6	1 246	28 954	0.3

3.9 FOREIGN WORKERS

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

Table 3.9.1: Foreign Workers by salary band, 1 April 2012 to 31 March 2013

Salary Band	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	1	50.0	1	100
Highly skilled supervision (Levels 9-12)	0	0	1	50.0	1	100
Senior management (Levels 13-16)	0	0	0	0	0	0
Total	0	0	2	100	2	100

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 2012 to 31 March 2013

Major Occupation	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% change
Engineer	0	0	1	50.0	1	100
Trainee Works Inspector	0	0	1	50.0	1	100
Total	0	0	2	100	2	100

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 2012 TO 31 DECEMBER 2012

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2012 to 31 December 2012

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)	1 679	81.1	219	308	71.1	8	448
Skilled (Levels 3-5)	3 304	80.2	471	620	76.0	7	1 210
Highly skilled production (Levels 6-8)	2 644	74.3	366	472	77.5	7	1 848
Highly skilled supervision (Levels 9-12)	1 171	73.0	217	322	67.4	5	1 394
Senior Management (Levels 13-16)	138	81.9	21	40	52.5	7	306
Total	8 936	77.7	1 294	1 762	73.4	7	5 206

Note: The three-year sick leave cycle started in January 2010. 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. The total number of employees (1762) refers to all the employees that have worked at the Department during the period under review except interns.

Table 3.10.2: Incapacity leave, 1 January 2012 to 31 December 2012

Salary Band	Total days	% days with medical certification	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)	515	100	18	308	5.8	29	139
Skilled (Levels 3-5)	711	100	25	620	4	28	270
Highly skilled production (Levels 6-8)	780	100	29	472	6.1	27	556
Highly skilled supervision (Levels 9-12)	252	100	14	322	4.3	18	289
Senior Management (Levels 13-16)	0	0	0	40	0	0	0
Total	2 258	100	86	1 762	4.9	26	1 254

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 Labour Relations Act (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 Commission Bargaining Chamber (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 2012 to 31 December 2012

Salary Band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	6 505	303	21
Skilled (Levels 3-5)	13 604	599	23
Highly skilled production (Levels 6-8)	9 663	459	21
Highly skilled supervision (Levels 9-12)	6 293	307	20
Senior management (Levels 13-16)	708	36	20
Total	36 773	1 704	22

Table 3.10.4: Capped leave, 1 January 2012 to 31 December 2012

Salary Band	Total capped leave available as at 31 Dec 2011	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2012	Total capped leave days available as at 31 Dec 2012
Lower skilled (Levels 1-2)	373	2	2	1	40	364
Skilled (Levels 3-5)	8 909	102	25	4	258	8 302
Highly skilled production (Levels 6-8)	7 566	53	13	4	161	6 945
Highly skilled supervision (Levels 9-12)	8 422	31	9	3	115	8 185
Senior management (Levels 13-16)	1 583	0	0	0	19	1 881
Total	26 853	188	49	4	593	25 677

Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total.

Table 3.10.5 summarises payments made to employees as a result of leave that was not taken.

Table 3.10.5: Leave pay-outs, 1 April 2012 to 31 March 2013

Reason	Total Amount (R'000)	Number of incidents per employee	Average payment per employee
Leave pay-outs for 2012/13 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service for 2012/13	328	13	25 217
Current leave pay-outs on termination of service 2012/13	223	23	9 700
Total	551	36	15 303

3.11. HIV AND AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2012 to 31 March 2013

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 Department's work does not expose employees to increased risk of contracting HIV/AIDS. Despite the very low occupational risk, employees have been targeted at all levels within the Department.	<p>HIV/AIDS Counselling and Testing [HCT] and Wellness screenings were delivered in general. The outsourced Health and Wellness contract (Employee Health and Wellness Programme [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:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling • Face to face counselling (6 + 2 session model) • Trauma and critical incident counseling <p>Training, coaching and targeted interventions where these were required.</p>

Table 3.11.2: Details of Health Promotion and HIV and AIDS Programmes, 1 April 2012 to 31 March 2013

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Due to the corporatisation of the Employee Health and Wellness function, the Acting Director: Organisational Behaviour, Denver Heynes (Department of the Premier), fulfilled this role. Since 1 March 2013, the newly appointed Director: Organisational Behavior, Ms Reygana Shade, has been fulfilling this function.
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to eleven (11) participating departments, including the Department of the Transport and Public Works.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and wellbeing of employees in the eleven (11) departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, four (4) team members and one (1) intern who have since left.</p> <p>Budget: R2.5m</p>

Question	Yes	No	Details, if yes
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	√		<p>The Department of the Premier has entered into a service level agreement with a Service Provider to render an Employee Health and Wellness Service to the eleven departments serviced by the Corporate Services Centre [CSC].</p> <p>The Department of the Premier conducted interventions namely, Managerial Induction, Employee Induction, Stress Management, Abuse and Sexual Health Awareness, Work Life Balance, Employee Advocacy Awareness, Personal Finance, Managerial Referral, Substance Abuse, Financial Wellbeing, Managerial Referral and Coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme [EHWP] reports provided by the service provider, for the period 2012/13. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involved 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 the Department, including managers and supervisors.</p> <p>The Department of the Premier also provided information sessions to inform employees of the EHW service and how to access the Employee Health and Wellness Programme [EHWP]. Promotional material such as pamphlets, posters and brochures was distributed.</p>
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		<p>A new Health and Wellness Steering Committee was established with members nominated by each department. The Committee members for the Department of Transport and Public Works are:</p> <ul style="list-style-type: none"> • C Marx • K Love
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness [EHW] in the Public Service and that coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. During the period under review, the Department of the Premier developed a Transversal Employee Health and Wellness policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>

Question	Yes	No	Details, if yes
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		<p>The Department implemented existing legislative and policy frameworks as well as Monitoring and Evaluation guidelines, which have been developed by DPSA. The overarching aim of these frameworks is to protect HIV-positive employees by advocating the implementation of the Three Zeros in line with the Joint United Nations Programme on HIV & AIDS (UNAIDS). These are Educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> • Zero new HIV, STI and TB infections • Zero deaths associated with HIV and TB • Zero discrimination <p>The Department is conducting the HCT and Wellness screenings to ensure that every employee in the Western Cape Government is tested for HIV and screened for TB, at least annually.</p> <p>The aim was to:</p> <ul style="list-style-type: none"> • 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 Employee Relations Directorate addresses complaints or grievances and provides training to employees. • Other key elements that addressed anti HIV/AIDS discrimination issues were: Wellness Screenings and TB Testing Sessions with specific requests from departments, posters and pamphlets were distributed, HIV/AIDS counselling [HCT] and TB Testing, condom programme and spot talks, including HIV/AIDS speak out programme as well.
7. Does the department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that you have achieved.	√		<p>HCT SESSIONS</p> <p>The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <ul style="list-style-type: none"> ▪ The Department of Transport and Public Works participated in 18 HCT and Wellness screenings. ▪ 435 Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's). ▪ There were 17 clinical referrals for TB, HIV or any other STIs.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.			<p>The impact of health promotion programmes is indicated through information provided through the Employee Health and Wellness Contract (external EAP service provider). The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by the External Service Provider. The most recent annual health review period was 1 April 2012 – 31 March 2013.</p> <p>The quarterly and annual review provides a breakdown of the EHWP Human Capital Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, no. of cases.</p> <p>The review further provides service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the work place.</p>

3.12. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

Table 3.12.1: Collective Agreements

Total collective agreements	None
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Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2012 to 31 March 2013

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	1	7.1
Final written warning	4	28.6
Suspension without pay	1	7.1
Fine	0	0
Demotion	0	0
Dismissal/ desertion	7	50
Not guilty	1	7.1
Case withdrawn	0	0
Total	14	100
Percentage of total employment		0.7

Note: Outcomes of disciplinary hearings refer to formal cases only.

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2012 to 31 March 2013

Type of misconduct	Number	% of total
Unauthorised Absence	5	38.5
Theft	2	15.4
Misuse of GG Vehicle	1	7.7
Abscondment	3	23.1
Unbecoming Conduct	1	7.7
Late Coming	1	7.7
Total	13	100

Table 3.12.4: Grievances lodged, 1 April 2012 to 31 March 2013

Grievances lodged	Number	% of total
Number of grievances resolved	3	16.7
Number of grievances not resolved	15	83.3
Total number of grievances lodged	18	100

Note: *Grievances lodged* refers to cases that were finalised within the reporting period. *Grievances not resolved* refers 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 2012 to 31 March 2013

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	2	15.4
Number of disputes dismissed	11	84.6
Total number of disputes lodged	13	100

Note: *Councils* refer to the Public Service Coordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC).

Table 3.12.6: Strike actions, 1 April 2012 to 31 March 2013

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

Table 3.12.7: Precautionary suspensions, 1 April 2012 to 31 March 2013

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

Note: *Precautionary suspensions* refer to staff being suspended with pay whilst the case is being investigated.

3.13. SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflects the training needs as at the beginning of the period under review, and Table 3.13.2 reflects the actual training provided.

Table 3.13.1: Training needs identified, 1 April 2012 to 31 March 2013

Occupational Categories	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	7	0	10	0	10
	Male	26	0	32	0	32
Professionals	Female	39	0	20	0	20
	Male	88	0	14	0	14
Technicians and associate professionals	Female	155	0	60	0	60
	Male	156	0	52	0	52
Clerks	Female	245	0	71	0	71
	Male	115	0	63	0	63
Service and sales workers	Female	4	0	0	0	0
	Male	9	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	5	0	0	0	0
	Male	163	0	32	0	32
Plant and machine operators and assemblers	Female	2	0	0	0	0
	Male	34	0	7	0	7
Elementary occupations	Female	141	0	84	0	84
	Male	360	0	86	0	86
Sub Total	Female	599	0	245	0	245
	Male	967	0	286	0	286
Total		1 566	0	531	0	531
Employees with disabilities	Female	1	0	0	0	0
	Male	16	0	0	0	0

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Work Place Skills Plan.

Table 3.13.2: Training provided, 1 April 2012 to 31 March 2013

Occupational Categories	Gender	Number of employees as at 31 March 2013	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9	0	6	0	6
	Male	29	0	31	0	31
Professionals	Female	46	0	47	0	47
	Male	98	0	71	0	71
Technicians and associate professionals	Female	174	0	109	0	109
	Male	179	0	97	0	97
Clerks	Female	260	0	346	0	346
	Male	117	0	181	0	181
Service and sales workers	Female	4	0	0	0	0
	Male	9	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related	Female	4	0	2	0	2

Occupational Categories	Gender	Number of employees as at 31 March 2013	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
trades workers	Male	188	0	64	0	64
Plant and machine operators and assemblers	Female	2	0	0	0	0
	Male	31	0	3	0	3
Elementary occupations	Female	144	0	28	0	28
	Male	355	0	52	0	52
Sub Total	Female	644	0	538	0	538
	Male	1 020	0	499	0	499
Total		1 664	0	1 037	0	1 037
Employees with disabilities	Female	1	0	0	0	0
	Male	14	0	0	0	0

Note: The above table identifies the number of training courses attended by individuals during the period under review.

3.14. INJURY ON DUTY

Table 3.14.1 provides basic information on injury on duty.

Table 3.14.1: Injury on duty, 1 April 2012 to 31 March 2013

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary disablement	59	100
Permanent disablement	0	0
Fatal	0	0
Total	59	100
Percentage of total employment		3.1

3.15. UTILISATION OF CONSULTANTS

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND
ITP Update of the Transport Needs Assessment, The Transport Registers and the Implementation Budget and Programme Chapters (West Coast)	1	195	R 568 290.00	100%	100%	1	R 568 290.00
ITP Update of the Transport Needs Assessment, The Transport Registers and the Implementation Budget and Programme Chapters (Overberg)	3	173	R 828 352.00	52%	10%	2	R 828 352.00
Update of the Provincial Land and Transport Framework	1	195	R 948 782.00	52%	10%	0	R 948 782.00
Strategic Outlook: Macro-economic and sectoral research	1	260	R 68 400.00	0%	0%	0	R 68 400.00
ITP Update of the Transport Needs Assessment, The Transport Registers and the Implementation Budget and Programme Chapters (Central Karoo)	2	195	R 549 662.40	n/a (parastatal)	13%	1	R 549 662.40
Update of the Central Karoo Mobility Strategy	2	173	R 748 159.20	65%	65%	2	R 748 159.20
ITP Update of the Transport Needs Assessment, The Transport Registers and the Implementation Budget and Programme Chapters (Eden)	2	152	R 593 238.90	100%	100%	2	R 593 238.90
Mentoring Services	1	9	R 54 900.00	0%	0%	1	R 0.00
Conduct an investigation and identify sustainable income generating opportunities	2	38	R 63 000.00			2	
Conduct an investigation and identify sustainable income generating opportunities	2	20	R 60 495.00			2	
Admin Support	3	86.68	R 38 000.00			3	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 83 750.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 83 750.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 83 750.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 83 750.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 83 750.00			1	
Site Visits	1	33	R 90 700.00			1	
Site Visits	1	33	R 90 700.00			1	
Admin and Research Services	3	86.68	R 89 700.00			3	
Conduct Empowerment Impact Assessment	2	25	R 47 880.00			2	
Conduct Empowerment Impact Assessment	2	25	R 50 160.00			2	
Conduct Empowerment Impact Assessment	2	25	R 52 440.00	25%	100%	2	R 175 765.00
Conduct Empowerment Impact Assessment	2	25	R 54 720.00			2	
Conduct Empowerment Impact Assessment	2	25	R 50 160.00			2	

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND			
Conduct Empowerment Impact Assessment	2	25	R 61 560.00			2				
Service provider to simplify and revise an existing technical training manual of LIC methods	2	30	R 92 340.00			2				
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 65 000.00			2				
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 65 000.00			2				
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 91 000.00			2				
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 72 800.00			2				
Conduct Empowerment Impact Assessment	2	25	R 53 000.00			19%		25%	2	R 146 680.00
Conduct Empowerment Impact Assessment	2	25	R 49 000.00	2						
Conduct Empowerment Impact Assessment	2	25	R 51 000.00	2						
Conduct Empowerment Impact Assessment	2	25	R 64 000.00	2						
Conduct Empowerment Impact Assessment	2	25	R 74 000.00	2						
Conduct Empowerment Impact Assessment	2	25	R 62 000.00	2						
Conduct Empowerment Impact Assessment	2	25	R 64 000.00	2						
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 72 000.00	2						
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 69 000.00	2						
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 75 000.00	2						
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	23	R 72 000.00	2						
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	23	R 67 000.00	2						
Mentoring Services	1	10	R 68 748.00	0%	0%		1		R 88 261.34	
Compile LIC report	2	87	R 31 204.08	0%	12%		2		R 31 204.08	

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND
Conduct Empowerment Impact Assessment	2	25	R 54 000.00	0%	25%	2	R 450 000.00
Conduct Empowerment Impact Assessment	2	25	R 54 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 54 000.00			2	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 96 000.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 96 000.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 96 000.00			1	
Conduct Empowerment Impact Assessment	2	25	R 60 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 60 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 60 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 55 000.00			2	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 98 850.00	100%	0%	1	R 449 760.00
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 98 910.00			1	
Site Visits	1	33	R 98 000.00			1	
Site Visits	1	33	R 99 000.00			1	
Conduct Empowerment Impact Assessment	2	25	R 55 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	23	R 60 000.00			2	
Mentoring Services	1	10	R 34 500.00			0	
Standard operating procedures	1	1	R 13 200.00			1	
Facilitate a quarterly review session	2	3	R 17 100.00			0	
Monitoring and Evaluation	2	24	R 5 444.64			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 3 598.98			2	
Mentoring Services	1	10	R 51 300.00	0%	0%	0	R 51 300.00
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 71 210.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 71 210.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 71 210.00			1	
Conduct an investigation and identify sustainable income generating opportunities	1	38	R 71 210.00			1	
Presentation to CSI Stakeholders	3	1	R 36 002.36			3	
Submission on final CSI report	3	20	R 12 000.78			3	
Facilitation of CDP Planning Session	2	1	R 4 560.00			2	
CDP Strategic Planning Report	2	5	R 4 560.00			2	

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND
Conference Facility	1	1	R 4 560.00			1	
Facilitation	2	1	R 4 560.00			2	
Technical Support Project	2	10	R 4 900.00			2	
Mentoring Services	1	6	R 44 820.00			1	
Mentoring Services	1	3	R 24 225.00			1	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	24	R 48 997.20			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 64 786.20	0%	0%	2	R 113 783.40
Mentoring Services	1	9	R 63 840.00	100%	100%	1	R 63 840.00
Conduct Empowerment Impact Assessment	2	25	R 50 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 54 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 80 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 75 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	33	R 75 000.00			2	
Conduct Mid Term Review		33	R 59 000				
Service provider to conduct a focus group session	1	15	R 20 000			1	
Service provider to conduct a focus group session	1	15	R 27 000	100%	100%	1	R 218 200.00
Service provider to conduct a focus group session	1	15	R 27 000			1	
Site Visits	1	33	R 45 100			1	
Site Visits	1	33	R 40 100			1	
Service provider to conduct a focus group session	1	15	R 28 500.00			1	
Service provider to conduct a focus group session	1	15	R 36 434.40			1	R 101 733.60
Service provider to conduct a focus group session	1	15	R 36 799.20			1	
Contract Participation Goals Training Workshop	1	2	R 71 398.20			0	
Develop a questionnaire, conduct a survey and analyse findings on CDP Foundation and	4	38	R 59 900.00	100%	100%	4	R 59 900.00

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND
Advanced Phase Training Programmes							
Conduct Empowerment Impact Assessment	2	25	R 67 860.00			2	
Conduct Empowerment Impact Assessment	2	25	R 70 000.00			2	
Conduct Empowerment Impact Assessment	2	25	R 87 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	32	R 78 600.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	32	R 75 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	32	R 75 000.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	32	R 78 600.00			2	
Built Environment Consultant for empowerment targets implementation, monitoring and evaluating empowerment targets	2	31	R 85 000.00			2	
Mentoring Services	1	6	R 60 000.00			1	
Project Management Support	1	365	R 1 440 000.00	0%	0%	1	R 1 400 000.00
Project Management Support	1	365	R 690 000.00	0%	0%	1	R 690 000.00
Project Administrator	1	31	R 676 031.50	0%	0%	0	R 676 031.50
Project Administrator	1	31	R 472 770.98	0%	0%	0	R 472 770.98
Project Administrator	2	13	R 227 845.65	100%	100%	0	R 227 845.65
Western Cape Infrastructure Framework	1	365	R 3 362 469.00	50%	50%	6	R 1 308 134
Ideal Number Plate Management Framework for the Western Cape	10	11	R 1 500 000.00	51%	42%	6	R 765 000.00
Ideal model for the management and operation of vehicle testing stations in the Western Cape	6	29	R 2 500 000.00	27%	55%	4	R 675 000.00
Best practice model for the management of debt relating to outstanding motor vehicle licence fees	3	31	R 2 000 000.00	27%	55%	2	R 540 000.00
Finalisation of service level agreements with municipal agents	4	29	R 2 500 000.00	70%	70%	2	R 1 750 000.00
Rhenendal Bus crash investigation	1	365	R 80 000.00	0%	0%	0	R 80 000.00
GIPTN(George Project)George integrated public transport network	13	365	R 8 394 000.00	60%	50%	0	R 5 036 400.00
CT CBD Regeneration Programme: Technical Support	1	31	R 10 000 000.00	0%	0%	0	R 0.00

PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	WORKING DAYS	CONTRACT VALUE IN RAND	% OWNERSHIP BY BBBEE GROUPS	% MANAGEMENT BY BBBEE GROUPS	NUMBER OF CONSULTANTS FROM BBBEE GROUP THAT WORK ON THE PROJECT	BBBEE VALUE IN RAND
Advise on special advisor, review and assess infrastructure project processes delivery models and current operations	1	225	R 1 170 000.00	0%	0%	0	R 0.00
Strategic Technical Advisor: Regeneration and Special Projects	1	63	R 1 302 423.00	0%	0%	0	R 0.00
CT CBD Regeneration Programme	1	8	R 570 000.00	N/A	0%	0	R 0.00
Estate Manager - Oude Molen, Porter & De Novo	1	41	R 6 72 791.11	100%	100%	0	R 672 791.11
Estate Manager: Porter	1	41	478,800.00	0%	0%	0	R 0.00
CT CBD Regeneration Programme	1	16	R 395 580.00	100%	100%	1	R 0.00
CT CBD Regeneration Programme	1	4	R 474 419.00	0%	0%	1	R 0.00
Estate Manager: De Novo	1	41	R 672 791.11	0%	0%	0	R 0.00
CT CBD Regeneration Programme	1	16	R 203 946.00	100%	75%	0	R 203 946.00
CT CBD Regeneration Programme	1	16	R 126 540.00	0%	0%	1	R 0.00
CT CBD Regeneration Programme	1	4	R 444 600.00	0%	0%	0	R 0.00
TOTAL	219	6 518	R 49 374 404.78			194	

PART E: FINANCIAL INFORMATION

1. ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY

Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013

The Accounting Officer is responsible for the preparation of the department's annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements.

In my opinion, the financial statements fairly reflect the operations of the Department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the Department.

The Department's AFS for the year ended 31 March 2013 have been examined by the external auditors and their report is presented on page 200.

The AFS of the Department set out pages 207 to 281 have been approved.



CJ Fourie
ACCOUNTING OFFICER
Department of Transport and Public Works
Date 30 June 2013

2. REPORT OF THE ACCOUNTING OFFICER

1 INTRODUCTION

The purpose of this Report is to highlight and discuss specific financial matters for the period under review.

2 GENERAL REVIEW OF STATE OF FINANCIAL AFFAIRS

Policy decisions

The following important policy decisions were taken:

- The rollout of electronic monitoring systems in respect of subsidised scheduled public transport services.
- An average increase of 5.3 percent on motor vehicle license fees with effect from 1 June 2013 which is currently in the public participation process.

Strategic issues

The following are key strategic issues which faced the Department during the year under review:

- Implementation and assignment of functions to municipalities in terms of the National Land Transport Act, 2009 (Act 5 of 2009).
- Transfer of road traffic management related functions from the Department of Community Safety to the Department of Transport and Public Works.
- Legal challenges in relation to the use of breath-analysers for alcohol testing of motor vehicle drivers as part of the Safely Home Programme.
- Consolidating the CBD Regeneration Programme that aims to secure revenue streams for delivering infrastructure construction and maintenance, whilst substantially improving liveability in the city environment.
- Responding to the high unemployment rate through departmental procurement processes and the utilisation of the immovable asset portfolio.
- Obtaining Environmental Impact Assessment Records of Decision for infrastructure delivery.
- Negotiating a gross contracting regime for the GIPTN (George Integrated Public Transport Network) for the initial contracting period of 12 years.
- Changes in the Supply Chain Management governance framework, particularly in relation to the delivery and maintenance of infrastructure.
- Determination of new organisational structure.
- Shifting of the telephony function to the Department of the Premier.

- Delivering increased infrastructure demands on behalf of client departments with limited resources.

Significant Events

Table 1 below reflects on significant events during the course of the 2012/13 financial year.

Table 1: Events

NO	DATE	EVENT	REPORT
1	29 May 2012	Opening of the MR559 – Langebaan	The Minister of Transport and Public Works officially opened the R82 million road between Langebaan and Saldahna Bay. The MR 559 now features 5.8km of new surfaced road, 6.7km of rehabilitated surfaced road, 3.6km of resealed surfaced road and 1.1km of upgraded surfaced road. The Mayor of the Saldahna Bay Municipality cut the ribbon across the MR 559 at the Oliphantskop T-junction.
2	8 June 2012	Opening of Impoundment Facility – Onrus	The Department, together with the Overstrand Municipality, opened the vehicle impound facility in Onrus as part of the Department's ongoing programme to prevent the loss of lives on roads as a direct result of illegal operators, unlicensed drivers, unsafe vehicles and reckless motorists.
3	21 June 2012	Opening of Impoundment Facility – Maitland	The Executive Mayor of Cape Town, together with Minister of Transport and Public Works opened the Maitland Impoundment Facility. This will enable the City to double its capacity to impound vehicles through law enforcement, as previously impounding only took place at the Ndabeni Vehicle Impoundment Centre. The project is one of the many collaborative ventures between City of Cape Town and the Western Cape Government to promote road safety, particularly through the Safely Home Programme.
4	24 July 2012	1000 Lives Saved Campaign	The Department with its Safely Home campaign partners, celebrated "1 000 Lives Saved" when the departmental staff and

			<p>other employees of the Western Cape Government gathered outside the Department's Head Office in 9 Dorp Street, Cape Town to visualise the lives that were saved on the Provinces' roads. Statistics show a 29% reduction in roadside fatalities in the Western Cape since the beginning of 2009. Motorists in the Western Cape are beginning to cultivate a culture that respects the rules of the road and understand that roadside fatalities are avoidable through responsible road use.</p>
5	14 August 2012	Opening of M5 (TR2/1 Rehabilitation) Koeberg Interchange Road	<p>The Minister for Transport and Public Works, and the Mayoral Committee member for Transport, Roads and Major Projects, officially opened the M5 (TR2/1 Rehabilitation) Koeberg Interchange Road. The M5 between the N1 and the N2 was upgraded from two to three lanes in both directions. A new road was built over the bridge at Valkenberg; the existing one was removed, and the bridges at Berkley Road and Black River were widened.</p>
6	13 to 16 August 2012	Youth in Construction Exhibition	<p>The Youth in Construction Exhibition provided an opportunity to show young learners the best that the industry could offer in skills and opportunities, as well as providing role models to follow.</p>
7	30 October 2012	October Transport Month – Open Day	<p>The Director-General of the Department of Transport attended the Open Day Event in the Western Cape on 30 October 2012. The aim of the Open Day was to profile the Provincial Regulatory Entity to the taxi industry. At this event, the Department:</p> <ul style="list-style-type: none"> • Reiterated its commitment to working with public transport operators towards achieving a shared vision of a safe, reliable, affordable and accessible transport system. • Engaged with public transport operators on matters of mutual benefit and interest, especially

			service delivery issues.
8	7 November 2012	Opening of Walk-in-Centre	The official opening of the Client Walk-in-Centre was done on 7 November 2012, where the Departmental Customer Service Charter which contains and describes the services the Department provides was introduced. The Charter states the Department's commitments and how it will treat its customers.

Major Projects undertaken or completed

General Buildings

Major capital projects currently work-in-progress include: The construction of the Khayelitsha Shared Service Office Block; the planning and design of the Ottery Office; the Karl Bremer Hospital Office Block; completion of the upgrade of the Western Cape Department of Education's Regional Office in Maitland, and the upgrade of the 4 Dorp Street, Cape Town building exterior.

Education Facilities

9 New and replacement schools were completed, whilst 35 new and replacement schools, of which 14 are linked to the National Accelerated School Infrastructure Delivery Initiative (ASIDI), are currently under construction. Scheduled maintenance was performed at 180 schools.

Health Facilities

19 facilities were completed, 18 are currently under construction and 38 are in planning phase. Major projects undertaken during the financial year include: Du Noon Community Health Centre; Symphony Way Community Day Centre in Delft; District Six Community Health Centre in Woodstock; Nursing accommodation in Worcester; the completion of Mitchell's Plain Hospital, and the Knysna Community Day Centre.

Transport Infrastructure

Road network planning projects commenced for Louis Fourie Road in Mossel Bay, Polkadraai Road and Annandale Road.

Planning also began for two of the three projects that were approved based on their contribution to economic growth and job creation, namely Wingfield interchange and road network improvement in support of the Saldanha Industrial Development Zone. Construction commenced on the third project, the Gansbaai-Elim Road.

A contract for the rehabilitation of Main Road 168 between the N2 and Stellenbosch, which will also eliminate nine at-grade rail level crossings, was advertised.

Departmental receipts trends

The over collection on departmental receipts, in aggregate for 2012/13 is R91.526 million (R92.031 million 2011/12). Table 2 below shows the percentage over collection on departmental receipts per classification expressed as a percentage of the estimates. The over collection for 2012/13 is mainly attributed to the following:

- Improved collection of motor vehicle license fees (current and arrear), voluntary payment of the prescribed fees by legitimate owners and an increase in the motor vehicle population.
- Improved collection of operating licences.
- An increased demand for personalised motor vehicle registration numbers, abnormal loads licences and operating licences.
- Redundant fleet of Road Construction and Maintenance Plant, and superfluous immovable assets sold.

Table 2: Departmental receipts over collection expressed as a percentage of estimated revenue

Classification	2012/13 R'000	%	2011/12 R'000	%
Tax revenue	64 133	6.80	42 892	4.70
Sales of goods and services other than capital assets	13 880	20.41	46 484	120.11
Interest, dividends, rent on land	93	100	158	100
Sale of capital assets	6 978	100	1 484	100
Financial transactions in assets and liabilities	6 442	100	1 013	100
TOTAL	91 526	9.05	92 031	9.67

Spending trends

The annual appropriation for 2012/13 was adjusted downwards by R66 million (upwards in 2011/12 by R128 million) from R4 609 million (2011/12, R4 116 million) to R4 543 million (2011/12, R4 244 million) or in nominal terms by 1.4 per cent (2011/12, 3.1 per cent). The under-spending per Main Division and Economic Classification is set out in Tables 3 and 4 below respectively. The information disclosed below is limited to programmes with variances in excess of 2 per cent.

Programme 6: Community Based Programmes

- Vacancies not filled as planned and outstanding claims in respect of the National Youth Service Programme.

Actions taken or planned to avoid recurrence of under spending:

In relation to vacancies, the following strategy was embarked upon from 2012/13:

- Vacancies have only been funded which management considers realistic to fill.
- The budget provision for funded vacancies is staggered in accordance with the anticipated time the post would be filled.
- Critical vacancies (Senior Management Service and Technical posts) are monitored by Top Management Committee through a monitoring tool.
- Filling of vacancies is monitored through the monthly In-year Monitoring of Expenditure reporting process.
- An expenditure analyst was employed to analyse the compensation of employee spend (on PERSAL) in relation to staff establishment information and to draft standard operating procedures in relation thereto.

Timely follow-up of outstanding claims instituted.

The impact of the under spending on programmes and service delivery is that existing staff carried an additional workload.

Table 3: Under-spending per Main Division

Main Division	2012/13 R'000	%	2011/12 R'000	%
1: Administration	1 206	0.96	5 830	4.17
2: Public Works	22 320	1.74	19 642	1.82
3: Roads infrastructure	3 105	0.16	5 044	0.26
4: Public Transport	1 194	0.15	5 377	0.70
5: Traffic management	2 503	0.86	7 282	2.71
6: Community Based Programme	1 942	4.13	2 276	4.60
TOTAL	32 270	0.71	45 451	1.07

Table 4: Under spending per economic classification

Economic classification	2012/13 R'000	%	2011/12 R'000	%
Current payments	18 377	1.14	28 772	1.90
Transfers and subsidies	6 698	0.58	6 498	0.59
Payments for capital assets land and	7 191	0.40	10 084	0.62

buildings					
Payments for financial assets and liabilities	4		0.37		97
TOTAL	32 270		0.71		45 451

Virements

Virement means that an accounting officer may utilise a saving in the amount appropriated under a main division within a vote towards the defrayment of excess expenditure under another main division within the same Vote subject to certain conditions and limitations. Table 5 below shows the virements authorised by the Accounting Officer.

Table 5: Virement

Main division			Reason
From	To	R'000	
1. Administration	3.Transport Infrastructure	8 000	Acceleration of roads infrastructure delivery.
2. Public Works Infrastructure	3.Transport Infrastructure	33 000	Acceleration of roads infrastructure delivery.
6. Community Based Programmes	3.Transport Infrastructure	2 300	Acceleration of roads infrastructure delivery.
6. Community Based Programmes	4.Transport Operations	599	Acceleration in the rollout of electronic monitoring of subsidised bus services

2 SERVICES RENDERED BY THE DEPARTMENT

Services

Services rendered are discussed in PART (B) of the Annual Report.

Tariff policy

Motor vehicle licence fees (MVLF) is the dominant contributor to provincial own receipts in the Western Cape. Motor vehicle license fees were not increased during 2012/13. In accordance with the Western Cape Medium Term Budget Policy Statement 2012-2015, in the past there have been concerns within the Western Cape Government (WCG) with the application of the MVLF structure being higher than other provinces. This encouraged practices of licensing outside of the Western Cape which has resulted in the WCG losing MVLF revenue. Given this background, the WCG some years back undertook research on the socio- economic incidence of the Western Cape's motor vehicle licence structure, and the patterns and implications of cross-border licensing. An update of this research is currently underway in order to determine if the motor vehicle fee structure is appropriate and whether

there is scope to update or amend the current motor vehicle license structure in the Province.

During 2012/13 a proposal was made to increase motor vehicle licence fees by an average of 5.3 percent in 2013/14 to bring the fee in line with the national average. Implementation of the increased fees is dependent on the conclusion of a public participation process.

Key revenue sources for which tariffs are determined are captured in Table 6 below.

Table 6: Tariffs for receipts

Nature of tariff	Tariff	Policy applicable
Motor vehicle license	Various	National Road Traffic Act, 1996 (Act 93 of 1996)
Non-refundable payment for bid documents	Various	Chapter 4.9 of the Supply Chain Management, A Guide for Accounting Officers.
Building leases	As per lease agreement	Western Cape Land Administration Act 1998 (Act 6 of 1998)
Operating Licenses	Various	National Land Transport Act, 2009 (Act 5 of 2009)

Free services

No free services were rendered that would have yielded significant revenue, had a tariff been charged.

3 CAPACITY CONSTRAINTS

Table 7 below shows the capacity constraints experienced by the Department.

Table 7: Capacity Constraints

Description of Constraint	Impact on planned programmes and service delivery	Actions to remove/reduce impact
Inadequate organisational structure and concomitant staff establishment.	Increased burden on staff and slowing down service delivery.	Review of macro- and micro- organisational structures and job descriptions.
Limited in-house specialist expertise to formulate complex policies and conduct policy impact analyses.	Implementation of policy decisions is slower than expected. Areas for improvement in	Contracting-in specialist expertise on a needs basis to augment in-house expertise.

	programme delivery may not be identified timely.	
Limited in-house specialist expertise to develop complex business cases for provincial infrastructure and property management strategies and implementation plans.	Delay in accessing resources (monetary, assets, human, etc.) to deliver on projects.	
Limited resources and experience to implement comprehensive and integrated public transport solutions in rural areas.	Slow implementation of projects.	

4 UTILISATION OF DONOR FUNDS

The Department did not receive *Donor Funding*.

5 TRADING ENTITIES

Information on the *Government Motor Transport Trading Entity* is presented in the Annual Report of that *Entity*.

6 ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Table 8 below shows the organisations to which transfer payments were made.

Table 8: Transfer payments

Administration

Name of entity	R'000	Purpose	Accounting Arrangement
George Municipality	396	To review and update municipal Integrated Transport Plans in terms of the National Land Transport Act, 2009 (Act 5 of 2009).	Accounting policy
Stellenbosch Municipality	396		
Cape Winelands District Municipality	715		

Public Works Infrastructure

Name of entity	R'000	Purpose	Accounting Arrangement
Cape Town	311 994	Payment of property rates for provincially-owned and deemed	Accounting policy
Matzikama	999		

Cederberg	965	to be owned properties as per the verified invoices submitted by municipalities.	
Bergriver	485		
Saldanha Bay	2 342		
Swartland	1 621		
Witzenberg	3 431		
Drakenstein	9 237		
Stellenbosch	5 940		
Breede Valley	1 391		
Langeberg	1 182		
Theewaterskloof	2 058		
Overstrand	1 157		
Cape Agulhas	225		
Swellendam	362		
Kannaland	1 251		
Hessequa	1 009		
Mossel Bay	242		
George	4 294		
Oudtshoorn	4 188		
Bitou	424		
Knysna	1 971		
Laingsburg	322		
Prince Albert	75		
Beaufort West	1 724		

Transport Infrastructure

Name of entity	R'000	Purpose	Accounting Arrangement
Cape Town	10 000	To provide financial assistance to the City of Cape Town for infrastructure upgrades, rehabilitation and maintenance as contained in the memorandum of agreement.	Accounting policy
Matzikama	68	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Cederberg	89		
Bergriver	78		
Saldanha Bay	153		
Swartland	172		
Witzenberg	101		
Drakenstein	231		
Stellenbosch	3 160	To assist with the provision of public transport facilities in rural communities.	

		To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Breede Valley	1 115	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas. To assist with the provision of public transport facilities in rural communities.	
Langeberg	187	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Theewaterskloof	1 608	To assist with the provision of public transport facilities in rural communities. To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Overstrand	1 565	To assist with the provision of public transport facilities in rural communities. To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Cape Agulhas	4 575	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Hessequa	407		
Mossel Bay	47		
George	13 415	To subsidise municipalities with the	

		maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
	2 000	To assist with the provision of public transport facilities in rural communities.	
	1 500	To install CCTV cameras in support of the George Integrated Public Transport Network (GIPTN) and to enhance the electronic monitoring of operations.	
Oudtshoorn	2 000	To assist with the provision of public transport facilities in rural communities.	
Bitou	33	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	
Laingsburg	33		
Prince Albert	2 000	To assist with the provision of public transport facilities in rural communities.	
Beaufort West	59	To subsidise municipalities with the maintenance of proclaimed municipal main roads, where the municipality is the Road Authority, within municipal areas.	

Transport Operations

Name of entity	R'000	Purpose	Accounting Arrangement
City of Cape Town	10 000	To assist with the movement of people in the public transport system with a focus on persons with special needs in the City of Cape Town.	Accounting policy
	1 352	To develop, implement and promulgate impoundment facilities.	
Cape Winelands Municipality	1 000	To develop, implement and promulgate impoundment facilities.	

George Municipality	10 000	To enable the George Municipality to contract for and implement a public transport service as contemplated in the George Integrated Public Transport Network (GIPTN). To provide supplementary funding towards public transport services provided by the George Municipality.	
Golden Arrow Bus Services (Pty) Ltd - GABS	696 237	To provide supplementary funding towards public transport services provided by provincial departments of transport.	Accounting policy
Passenger Rail Agency of South Africa (PRASA)	4 000	For rail safety initiatives.	Accounting policy
George Mobility Strategy Trust	500	To support the George Mobility Strategy Trust as the vehicle to facilitate the transformation of the public transport services in George.	Accounting policy

7 PUBLIC PRIVATE PARTNERSHIP (PPP)

7.1 Progress

7.1.1 Chapman's Peak Drive:

During March 2012, the 3rd Amending Agreement was signed by the Concessionaire and the Department. The construction of the Toll Plaza in Chapman's Peak commenced after an interdict was successfully resolved

During the latter half of 2012/13, negotiations commenced on the 4th Amending Agreement to address amongst other, issues relating to the new toll plaza still to be completed.

7.1.2 Head Office Accommodation:

The Department develops and maintains appropriate infrastructure and related services for sustainable economic development that will lead to jobs and facilitates empowerment and opportunity in the Province of the Western Cape. In line with its mission statement, the Department, as custodian of immovable property assets in terms of the Government

Immovable Asset Management Act (GIAMA), intends to reduce its reliance on leased space, and over time, replace leased space with its own accommodation.

The project is intended to procure a working environment, located in the Provincial Government Precinct of the CBD, for provincial employees currently operating from leased premises in the CBD that would result in the reduction of the Department's cost burden operationally as well as taking cognisance of the increased operational efficiencies attained by accommodating whole departments in single accommodation.

Within this context, the Department in September 2011, appointed a Transaction Advisor (TA) to undertake a feasibility study to provide a suitable and sustainable working environment for provincial departments through a public private partnership or an alternative procurement method.

Further, the Department would provide user departments with office accommodation in accordance with approved space norms, which would result in a densification of the current office environments as a result of moving from cellular offices to an open plan environment.

In November 2012, TA 1 approval was obtained for the Feasibility Study, from the National Treasury and subsequent work commenced in earnest on the procurement phase of the PPP cycle. During March 2013, the Department submitted a comprehensive set of documentation related to the Request for Proposal and Request for Qualification to solicit comments from the National Treasury, which phase is referred to as TA IIA, of the PPP cycle.

8 CORPORATE GOVERNANCE ARRANGEMENTS

The Department recognises the King Code of Governance of South Africa to be a key instrument to guide the implementation of the governance elements, principles and practices in the Department. The discussion below aims to address the nine principles of the Code.

1 - Ethical leadership:

The responsibility for leadership is assigned to the Provincial Minister and delegated to the Accounting Officer.

The values of the Department underpinned by its commitment to ethical leadership and behaviour are encapsulated in the Department's Strategic Plan 2010 – 2014 as updated through the annual performance planning processes.

Being an infrastructure delivery Department, in the order of 60 per cent of the Department's expenditure is realised through the supply chain. To give effect to the principles of ethics, the principles and standards for ethical supply chain management to guide supply chain practitioners decisions and actions was developed. In addition, all SCM practitioners disclosed their financial interest as well as declared their interest pertaining to each supply chain transaction.

It is the firm belief of the Department that ethics drives behaviour and conduct and as such the Department subscribes to a set of codes of conduct referred to in Part C of the Annual Report: Code of Conduct.

All Senior Management Service Members complied with the Financial Disclosure Framework through the timely submission of Financial Disclosures.

Acceptance of gifts is governed by, *inter alia*, the Acceptance and Declaration of Gifts in the Western Cape Government directive, issued by the Department of the Premier.

The Department enforces the requirement that all officials who do remunerative work outside of the Public Service receive approval in accordance with the Western Cape Government Policy on Remunerative Work Outside the Public Service.

The Department has an effective and fully implemented whistle-blowing policy. The subject of Whistle Blowing is also included in the Departmental Fraud Prevention Policy.

2 - Executive Management

The Department has and maintains a Ministerial Top Management Committee chaired by the Executive Authority, a Top Management Committee, an Enterprise Risk Management Committee, as well as a Management Forum chaired by the Accounting Officer.

The Strategic Plan 2010 – 2014 was approved by the Executive Authority and captures all the elements required by Treasury Regulation 5.2.2. Enterprise risk management was applied to the strategy by incorporating the risks and the mitigation thereof attached to each objective. As articulated in the Strategic Plan 2010 – 2014, which is updated through the annual performance planning processes, the Accounting Officer and Executive Authority were directly involved with the strategy setting process.

All members of the Senior Management Service, including the Accounting Officer:

- Concluded performance agreements that are aligned to the Annual Performance Plan 2012/13 which in turn is linked to the Department's Strategic Plan 2010 – 2014 as updated through the annual performance planning processes. Performance was measured on a quarterly basis or at least bi-annually against the specific outcomes in the respective agreements and assessed against the relevant protocol, through the prescribed performance management system. Final appraisals will only be conducted once the Auditor-General's Report for 2012/13 is published.
- Submitted financial disclosure certificates to the Executive Authority for noting.

The Department has, and reviews, delegations issued by the Executive Authority and the Accounting Officer in terms of the Public Service Act, 1994 and the Public Finance Management Act, 1999, respectively.

3 - Audit Committee

The Department is served by the Transport and Public Works Audit Committee, and all members are independent members, appointed by the Accounting Officer in consultation with the Executive Authority. The Audit committee operates in terms of an approved Terms of Reference.

The Audit Committee membership was also increased from three to five members.

The Audit Committee meets at least on a quarterly basis to give effect to its responsibilities as per the approved Terms of Reference. The Audit Committee further meets privately with the Executive Authority and Accounting Officer to discuss matters of concern. The Audit Committee meets with the external auditor quarterly.

Oversight was conducted on specific reports, which include but are not limited to the following:

- Monthly In-Year monitoring of revenue and expenditure reports
- Quarterly reports on performance (non-financial), i.e. performance on predetermined objectives
- Annual financial statements
- Irregular, fruitless and wasteful and unauthorised expenditure reports
- Departmental Corporate Governance Improvement Plan
- 3-year Rolling Strategic Internal Audit Plan
- Internal Audit Operational Plan and reports
- Enterprise Risk Management plans and reports
- Fraud Investigative Unit reports
- Annual report
- Auditor-General's Audit Strategy
- Auditor-General's Management Reports and Report

4 - Internal Audit

Internal Auditing continued to be offered independently by the Shared Internal Audit Activity that was corporatised to the Corporate Services Centre in the Department of the Premier.

In line with the PFMA and King III the Internal Audit Activity provides the Audit Committee and management with assurance that the internal controls relating to governance, risk management and control processes are adequate and effective. Consistent with the PFMA and King III, a risk-based 3-Year Rolling Strategic and Annual Operational Internal Audit Plan was approved by the Audit Committee, and the Audit Committee monitored the execution of the operational plan and management's implementation of corrective actions.

No further funding was made available for the increase of Internal Audit capacity and this year the focus was on the optimal utilisation of the existing resources.

Internal Audit continues to recognise the role played by other assurance providers and envisage a combined assurance approach for the next year which will ensure that internal audit resources are applied to the most relevant risk areas.

5 - Governance of Risks

Refer to Part C of the Annual Report.

6 - Governance of Information Technology (IT)

The Centre for e-Innovation is corporatised in the Corporate Service Centre in the Department of the Premier. The relationship between the Department and the Centre for e-Innovation is governed by a Service Level Agreement and Service Schedules. The Director-General, on 5 January 2011, approved an Information Technology Governance Framework for the Provincial Government of the Western Cape, which supports and enables the business, delivers value and improves performance. The Framework is aligned to the King Code of Governance for South Africa.

The Chief Information Officer (CIO), vested in the Department of the Premier, has oversight of internal governance structures and is the bridge between IT and the Department.

The Accounting Officer acknowledges his responsibility for cultivating an understanding of the value of IT within the Department. In order to support the Accounting Officer in the discharging of his responsibilities, an IT Steering Committee, comprising of representatives from both the Department (business) and the Centre for e-Innovation (IT) is maintained. The said committee is known as the Departmental IT Committee (DITCOM).

The Departmental Strategic ICT Plan covering a period of five years considers the critical system needs of the Department in order to enable more efficient delivery of services and execution of its core mandate. The ICT Plan articulates the Departmental ICT mandate and strategy, and fully addresses issues of ICT architecture. This strategy is supported with an implementation plan that outlines the prioritised strategic ICT initiatives of the Department.

7 - Compliance with laws, rules, codes and standards

Apart from Internal Audit, the division Financial Control, the division Supply Chain Management Performance and Compliance as well as the Monitoring and Evaluation Directorate are the key structures that assist the Accounting Officer with measuring compliance in relation to Financial Management, Supply Chain Management and Performance Management matters.

8 - Governing stakeholder relationships

The Department acknowledges that managing stakeholder perceptions and relationships is an integral part of the operations of the Department, particularly with the increased emphasis on service delivery. Key stakeholders include, but are not limited to, road users, public transport users, motorists, public transport operators, construction industry, client departments for infrastructure provision and property developers. Communications with these stakeholders occur through media, workshops, surveys, advertisements, public participation processes, events, seminars, etc. The main aim of the aforementioned

communication activities is to consult, inform, promote, obtain feedback and provide access to services.

The Department in its construction activities upholds environmental integrity, sustainability and maximises sustainable resource use through the intensifying of energy efficiency measures, utilisation of green technology and the promotion of water saving. In support of this effort the Department is registered with the Green Council of South Africa.

9 - Integrated reporting and disclosures

Appropriate systems and processes are in place to produce integrated reports that give a complete picture of the Department's financial and non-financial profiles in a holistic and reliable manner; and which also reflect on economic, social and environmental issues. These reports include, but are not limited to the following:

- Review and outlook in the annual Estimates of Revenue and Expenditure
- 5-Year strategic and Annual Performance Plans
- Annual Report
- Monthly In-Year monitoring of revenue and expenditure reports
- Quarterly reports on performance (non-financial), i.e. performance on predetermined objectives
- Interim (quarterly) and annual financial statements
- Irregular, fruitless and wasteful and unauthorised expenditure reports
- Fraud Investigative Unit reports
- Enterprise Risk Management reports
- 30 day payment monitoring reports

9 TRANSFER OF FUNCTIONS

No functions were transferred for the period under review.

10 ASSET MANAGEMENT

Table 9 below shows a matrix of the various types of assets managed by the Department that comply with the asset management requirements.

Table 9: Asset Management

Item	Type of Asset			
	Intangible	Immovable	Moveable	Infrastructure
Capturing of assets	In register	In register	In register	In register
Compliance with minimum	Comply	Comply	Comply	Comply

requirements				
Compliance with asset management reforms	Comply	Comply	Comply	Comply
Challenges	Capacity	Uncertainty of ownership and capacity	Capacity	Capacity

11 INVENTORIES

The total inventories on hand at year-end are included in Annexure 5 to the Annual Financial Statements. All stores were disclosed.

12 INFORMATION ON PREDETERMINED OBJECTIVES

The following processes are in place to report and record the information on pre-determined objectives:

- The Department has and maintains an approved Monitoring and Evaluation (M&E) Manual for the Management of Performance Information, as required by NTR 5.3.1.
- The Department manages the compilation of the Quarterly Performance Reports (QPR) through the OpenText ECM Workflow process. This process provides an automated distribution solution that ensures the optimisation and standardisation of the QPR process. OpenText provides a secure repository for QPR information and minimises the risk of lost or strayed documentation.
- Upon completion of the QPR workflow, M&E conducts a data analysis. This analysis involves the performance per Programme and Sub-Programme for the period under review; performance indicators, and related reasons for poor performance for the quarter/year; performance projection for year-end; an assessment of the probability of a Sub-Programme to meet or miss its planned target performance; a cursory correlation assessment between actual performance and budget spent. All of the information is collated and presented to Top Management of the Department in the form of a QPR Technical Assessment Report.
- The QPR workflow on OpenText ECM provides for line managers to upload the relevant Portfolio of Evidence (PoE) for reported information. This allows for Programme and Chief Programme managers to assess the evidence for reported information before approving and authorising the data for publication. Electronic storage of PoE's improves quality of the information, making it more secure, preserving the content, and ensuring it meets identified recordkeeping requirements. The Directorate: M&E conducts a verification and validation process of all received programme performance information in the quarter following the reported data, to ensure that an acceptable PoE exists. The Directorate: M&E prepares the PoE

Assessment Report containing the findings and recommendations on the quality of the PoE (based on the criteria of validity, accuracy and completeness) and any discrepancies between reported performance data and the substantiating evidence. The finalised PoE Assessment Report is mediated with Chief Programme Managers, Programme/Responsibility Managers to ensure that the findings and recommendations are taken into consideration and addressed.

- Governance and accountability rules were entrenched in the Technical Indicator Detailed Definition document of the Annual Performance Plan whereby all performance indicators were further defined and classified according to the elements of equity, effectiveness, efficiency and economy.
- The Senior Management Service echelon of the Department received training specific to the preparation of audits on performance information. Similar training interventions are planned to be further provided to the Middle Management Service staff.

13 STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) - RESOLUTIONS

SUBJECT	RESOLUTIONS	REPLY
	The Committee resolved that:	
<p>“Significant areas highlighted by Internal Audit” The Committee shares the concerns regarding key control deficiencies within the Department, as highlighted by the Audit Committee.</p>	<p>The Department prepares and implements a plan to address these concerns so as to prevent it from recurring in future years;</p>	<p>A Departmental Corporate Governance Improvement Plan 2012-2013 (DCGIP), was developed, the projects of which is being implemented.</p> <p>NOTE: A CD was submitted to the Committee on 17 April 2013.</p>
<p>“Internal Audit” The Committee shares the concern expressed by the Audit Committee, the Minister and HOD's of all departments that further audit coverage is required and that there is a need for additional capacity, particularly financial, to support the increased coverage of high risk areas. The audit coverage for the</p>	<p>The Committee requests that the Minister and HOD continues to engage with Cabinet and Provincial Treasury in this regard with the view of significantly increasing audit coverage over the medium term, in order to reduce the negative impact on future audit outcomes, service delivery and on the</p>	<p>The matter was addressed through a formal letter signed by the MEC Department of Transport and Public Works on 19 March 2013 and dispatched to the MEC: Finance, Economic Development and Tourism and the Head Official Provincial Treasury. A response is pending. The letter was also endorsed to the Director-General, Deputy Director-General: Corporate Assurance and the Chairperson</p>

<p>2011/12 financial year is at 37.74%, compared to 14.81% for the 2010/11 financial year.</p>	<p>achievement of predetermined objectives, particularly in high risk areas;</p>	<p>of SCOPA on 20 March 2013. The undated response from the MEC Finance received per email on 17 April 2013 was forwarded to the Chairperson of SCOPA on 29 May 2013.</p> <p>NOTE: Supporting documentation was submitted to the Committee on 17 April 2013.</p>
<p>“Unauthorised, fruitless and wasteful, and irregular expenditure” The Committee is concerned that the department does not give a detailed breakdown of the Irregular Unauthorised Expenditure including Fruitless and Wasteful Expenditure.</p>	<p>The Department should provide a more in-depth explanation regarding all instances of unauthorised, fruitless and wasteful and irregular expenditure recorded, including the root causes and the steps taken to prevent recurrence;</p>	<p>An analysis of Irregular, Fruitless and Wasteful expenditure as well as the revised Standard Operating Procedure (SOP) to manage and treat such expenditure was submitted to the Committee on 17 April 2013. The said SOP also addresses preventative measures. Furthermore, a risk management control weakness template is completed for each case.</p> <p>NOTE: Supporting documentation was submitted to the Committee on 17 April 2013.</p>
<p>“Capacity Constraints” “Contracting-in specialist expertise on a needs basis to augment in-house expertise”.</p>	<p>The Department drafts and implements a mechanism which provides for the transfer of skills to employees ensuring the retaining of specialists skills within the Department, and limiting expenditure in this regard;</p>	<p>The Department drafted and implemented the following mechanisms to limit expenditure in relation to contracting-in of specialist expertise on a needs basis to augment in-house expertise:</p> <ul style="list-style-type: none"> • The Strategic Human Resource Plan 2010-2014 will be strengthened in this regard in the next update. • The Departmental Procurement Plan linked to the Budget is approved by the Accounting Officer

		<p>(=>R500 000).</p> <ul style="list-style-type: none"> • Monitoring of procurement transactions (<R500 000) by the Supply Chain Unit. • Project Lists are approved by the relevant authority prior to inclusion in the Budget and the Procurement Plan. • The Standard Operating Procedures (SOP) on Limited Bids provides <i>inter alia</i> for needs assessment linking the need for procuring the consultant to the organisational structure. • Draft SOP related to Supply Chain Management Needs Assessment. • Departmental automated Consultants Register System for registration and procurement of built sector professionals. <p>The Department drafted and implemented the following mechanisms in relation to transferring of skills to employees ensuring the retaining of specialist skills within the department:</p> <ul style="list-style-type: none"> • The Strategic Human Resource Plan 2010-2014 will be strengthened in this regard in the next update. • Mentors are employed to assist graduates to obtain professional status. • Bursars are placed with Contractors and Built Sector Professionals to gain experience to obtain professional skills.
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		<ul style="list-style-type: none"> • The Standard Operating Procedure on limited bids provides, <i>inter alia</i>, for needs assessment linking the need for procuring the consultant to the organisational structure and identifying where and how skills should be transferred. • Draft SOP related to Supply Chain Management Needs Assessment. • The Standard Operating Procedure on Departmental Uniform Standards for Contract Administration and Contract Management requires an identification of level of skills between experts procured and employees.
<p>“Scopa Resolutions” The Committee thanks the Department for addressing the Committee's resolutions in the previous year and for including these in the annual report for the period under review.</p>	<p>A new report template be designed relating to the Departments actions on SCOPA Resolutions and requests that the Department replaces the old report template with this for the 2012/13 annual report onwards, once received;</p>	<p>The design of this reply will serve as the template for future replies and has also been incorporated into the Annual Report 2012/2013.</p>
<p>“Human Resource Management” (Paragraphs 3-19 and 3-20). The Committee is concerned about the deficiencies highlighted by the AG in respect of employees being appointed without verification of claims made in their applications and the implementation of effective measures to ensure that</p>	<p>The Department designs and implements effective measures and procedures to address these concerns and prevent their recurrence;</p>	<p><u>Verification of claims:</u> Project PT 10/2012-2013 within the Departmental Corporate Governance Improvement Plan 2012-2013 includes remedial actions to be taken in respect of the verification of information supplied by applicants prior to the appointment.</p> <p><u>Abuse of sick leave:</u> The Department of Public Service and Administration</p>

<p>employees do not abuse sick leave.</p>		<p>issued a directive on leave of absence in the public service referring to the eight (8) week rule with regard to normal sick leave dated August 2012.</p> <p>Furthermore, the Corporate Service Centre is also addressing above issues in their Governance Action Plan.</p> <p>NOTE: Supporting documentation was submitted to the Committee on 17 April 2013.</p>
<p>“Leadership” (Paragraphs 23-28). The Committee shares the concerns raised by the Auditor General including insufficient monitoring controls to ensure adherence to the applicable laws and regulations and inadequate documented policies and procedures to guide the operations of the department, resulting in numerous instances of noncompliance with the PFMA.</p>	<p>The Department designs and implements corrective controls, policies and procedures that address these concerns and prevent their recurrence;</p>	<p>The Departmental Corporate Governance Improvement Plan (DCGIP) 2012-2013 addresses the concerns raised by the Auditor-General of South Africa (AGSA) in the following projects contained in the CD referred to earlier: Paragraph 23: AG P20/2012-2013 Paragraph 24: CSC-CGRO (The information was submitted to the Committee on 17 April 2013.) Paragraph 25: DCGIP addresses shortcomings Paragraph 26: AG P29/2012-2013 Paragraph 27: AG P20/2012-2013 Paragraph 28: AG P08/2012-2013</p>
<p>“Financial and Performance Management” (Paragraphs 29-32). The Committee is concerned that the numerous instances of material misstatements</p>	<p>The Department designs and implements adequate prevention and detection controls to ensure that such material misstatements do not re-occur;</p>	<p>The Departmental Corporate Governance Improvement Plan (DCGIP) 2012-2013 addresses the concerns highlighted by the Auditor-General of South Africa (AGSA) in the following projects contained in the CD</p>

<p>highlighted by the Auditor General in the annual report relating, inter alia, to irregular expenditure, fruitless and wasteful expenditure, understatement of amounts received, immovable assets, GMT pre-payments and lease commitments were not detected by internal controls and on-going monitoring, that this was due to line management not taking responsibility for and reviewing the reported information, and that a non-compliance finding in the audit report was the result. The Committee notes further the Auditor-General's assertion that such findings will negatively affect the Departments audit outcomes in future years if not adequately addressed in the short-term.</p>		<p>referred to earlier: Paragraph 29: AG P11/2012-2013 Paragraph 30: AG P20/2012-2013 Paragraph 31: AG P08/2012-2013 Paragraph 32: AG P03/2012-2013</p>
<p>"Accounting Policies". The Committee is concerned that contracting specialists will not sustainably meet the Department's long term capacity constraints. The Committee congratulates the Department for complying with generally accepted creditor-payment periods and legislated requirements for payment of creditors within 30 days of receipt of invoice.</p>	<p>The Department drafts a clause to be inserted into the Accounting Policies of the Department confirming its commitment to complying with generally accepted creditor-payment periods and legislated requirements for payment of creditors within 30 days of receipt of invoice;</p>	<p>The Accounting policy is formulated and prescribed by National Treasury as taken up in Chapter 1 of the Departmental Financial Reporting Framework Guide dated October 2012. The Provincial Treasury (PT) has confirmed, per e-mail, that PT will discuss this transversal issue with the Committee directly. Furthermore, the Department is in the process of implementing an electronic Supplier Invoice Tracking System (SITS). The aim of the system is to register all invoices onto the departmental</p>

		<p>centralised electronic invoice register. The benefit is that all invoices will be monitored from receipt thereof until payment. The system will also produce early warning reports to achieve the 30 day payment deadline.</p> <p>NOTE: Supporting documentation was submitted to the Committee on 17 April 2013.</p>
<p>“Statement of Gifts, Donations and Sponsorships made and Remissions, Refunds and Payments made as an act of Grace” Annexure 1F. The Committee is concerned that the Department does not have a policy that guides the receipt, assessment and awarding or refusal of applications for gifts, donations and sponsorships to be made.</p>	<p>The Department drafts and adopts a policy that guides the HOD regarding the receipt, assessment and awarding or refusal of applications for gifts, donations and sponsorships to be made, and that it presents this to the Committee for deliberation; further that the Department includes more details relating to this in future annual reports;</p>	<p>Gifts and Donations are governed by the following policies and National Treasury Regulations:</p> <ul style="list-style-type: none"> • Departmental Circular 4 of 2012, issued on 7 November 2011, relating to the department’s reward and recognition system, including the HOD awards. • Circular, with reference number 3/3/1/1/4 dated 26 November 2011, issued by the Department of the Premier, regarding the acceptance and declaration of gifts in the Western Cape Government. • The Explanatory Manual on the Code of Conduct for the Public Service. • The Accounting Officer’s Delegations issued in terms of PFMA s44 and National Treasury Regulations s21. • A Consolidated Policy on the subject has been drafted, but is subject to review prior to issue. <p>NOTE: Supporting</p>

		documentation was submitted to the Committee on 17 April 2013.
<p><u>Information Systems Audit Findings</u></p> <p>The Committee shares the various concerns raised in the Auditor-General's report and in the briefing documents presented to the Committee, that are based on the final management report to the Department, relating, inter alia, to the design and implementation of an IT Governance Framework, Formal control over IT systems, IT Service continuity, User access control, Programme Change Management, Security management to ensure the reliability of the systems and the availability, accuracy and protection of information.</p>	<p>The Department works closely with the Department of the Premier (Directorate: CE-I) to ensure the implementation of mechanisms which address the concerns raised; and</p> <p>The Department presents its plan to address the concerns raised by the Auditor-General to the Committee.</p>	<p>A letter, dated 16 April 2013 with reference 9/1/2, requesting that the matter be put on the agenda of the Departmental IT Committee (DITCOM) was sent to the DITCOM Chairperson.</p> <p>Furthermore, the Departmental Corporate Governance Improvement Plan (DCGIP) 2012-2013 addresses the concerns raised in the Auditor-General's report with the following projects contained in the CD referred to earlier: AG P14/2012-2013 PT P03/2012-2013 PT P04/2012-2013 PT P11/2012-2013 AG GMT P11/2012-2013</p> <p>NOTE: Supporting documentation was submitted to the Committee on 17 April 2013.</p> <p>Scheduled for June 2013.</p>

14 PRIOR MODIFICATIONS TO AUDIT REPORTS

Table 10 below shows the matters that gave rise to non-compliance.

Table 10: Non-compliance matters

Nature of non-compliance	Year of origin	Progress
The Department did not submit financial statements for auditing that	2010/11	The Department developed and implemented various checklists on the

<p>were prepared in all material respects in accordance with the requirements of section 40(1) (b) of the PFMA, resulting in material misstatements.</p>		<p>disclosure notes to prevent material misstatements, as well as requiring review certificates on information collected.</p>
<p>Employees were appointed without following a proper process to verify the claims made in their applications in contravention of Public Service Regulations. 1/vii/D.8. Sufficient appropriate audit evidence could not be obtained that the accounting officer implemented effective measures to ensure that the employee do not abuse sick leave, as required by Public Service Regulation 1/V/F(c).</p>	<p>2011/12</p>	<ul style="list-style-type: none"> • The Corporate Service Centre embarked on a process and implemented procedures to verify the claims in question. • The Department of Public Service and Administration issued a directive on leave of absence in the Public Service referring to the eight week rule with regard to normal sick leave dated August 2012. • The assessment of the adequacy, effectiveness and efficiency of the administration of the leave process within the Department has been incorporated into the Annual Operational Internal Audit Plan, 2013/14.
<p>Goods and services with a transaction value above R500 000 were procured without inviting competitive requirements of Treasury Regulation 16A 6.1. Goods and services with a transaction value procured without obtaining the required price quotations as required by Treasury Regulations 16A6.1.</p>	<p>2011/12</p>	<p>This matter relates to the so called month-to-month leases. Appropriate authority was granted to condone the irregular expenditure and to authorise an end date for the lease period to enable due process to be followed for conclusion of new leases. A position paper was provided to the Provincial Treasury requesting a directive on what governance framework must be applied to the acquisition of accommodation through leases.</p>

15 EXEMPTIONS AND DEVIATIONS RECEIVED FROM NATIONAL TREASURY

No exemptions or deviations were received from National Treasury.

16 INTERIM FINANCIAL STATEMENTS

Interim Financial Statements for the period ending 30 June 2012, 30 September 2012, 31 December 2012 and 31 March 2013 were submitted timely to the Provincial Treasury, as required by Treasury Circular 27/2011. All four quarters were reviewed by the Provincial Accountant General's Office against the trial balances and it was confirmed by Provincial Treasury that the requirements were met and no discrepancies were identified.

17 OTHER

Roads Capital Account (RCA)

The Premier of the Province of the Western Cape has assented to Act No. 5 of 2012: Provincial Capital Fund Ordinance Repeal Act, 2012 bringing final closure to the Roads Capital Account within the Provincial Capital Fund.

Investigations

In the Accounting Officer's Report 2009/10, regarding the construction projects listed below, it was reported that in circumstances where the contractor exceeded the contract value to complete the contracts, the excess may be considered to be fruitless and wasteful expenditure. Progress on the matter is set out in Table 12 below:

Transaction fees

The Department receives transaction fees collected by Registering Authorities on behalf of the Road Traffic Management Corporation and pays these collections over to the Road Traffic Management Corporation for depositing in the National Revenue Fund.

Motor vehicle license fees

Registering Authorities receive motor vehicle license fees on behalf of the Department and pay these fees over to the Department for depositing in the Provincial Revenue Fund.

Vehicle Testing Stations (VTS)

Private enterprises and municipalities operate VTS's on behalf of the Department.

Driving License Testing Center (DLTC)

Municipalities operate DLTC's on behalf of the Department.

Road maintenance

District Municipalities perform road maintenance on provincial proclaimed roads on behalf of the Department.

Table 11: Western Cape Nurses College, Valkenberg High Care Admission Unit, Kalkfontein PS, Mfuleni PS, Delft SS, Du Noon SS

Project	Claim against guarantor	Claim against contractor
Western Cape Nurses College	Called up and paid out.	State Attorney responded that it is not advisable to institute any legal action, as recovery is most unlikely. The matter has been referred to Legal Services for an opinion.
Valkenberg High Care Unit	Claim with State Attorney.	State Attorney responded that it is not advisable to institute any legal action, as recovery is most unlikely. The matter has been referred to Legal Services for an opinion.
Schools <ul style="list-style-type: none"> ▪ Kalkfontein PS ▪ Mfuleni PS ▪ Delft SS ▪ Du Noon SS 	Claims with State Attorney.	Referred to Legal Services for an opinion.

Table View Primary, Samora Machel and Kuyasa schools:

An application was made to the Magistrate Court of Bellville, that the respondent be placed in provincial liquidation in the hands of the Master of the High Court. Legal Services is preparing an opinion in relation to the provincial liquidation.

Improvement of financial management

The Provincial Treasury set the target for the Province as a whole to achieve a financial management maturity capability rating of 3+ by 2015. To this end, the Financial

Management and Supply Chain Management teams currently with limited capacity have embarked on a journey towards achieving excellence through ensuring that the fundamentals of the said disciplines are in place. In addition to previous year's endeavors, the following further and continuing work was undertaken during the year under review:

Financial Management Improvement Plan	
Micro organisational structures to centralise the head office financial management function with concomitant job descriptions were submitted to the Corporatised Organisational Design component of the Department of the Premier for evaluation.	Evaluation in progress.
Micro organisational structures for financial and supply chain management at roads Regional Offices with concomitant job descriptions were also submitted to the Corporatised Organisational Design component of the Department of the Premier for evaluation.	Evaluation in progress.
Re-engineering of the Supply Chain (Phase 3 – design and development stage)	<p>SCM Re-Engineering Phase 3: Design Future State</p> <ul style="list-style-type: none"> • Developed procurement implementation roadmap and phase in process. • Designed and documented new SCM procurement, logistics, planning, disposal, risk management, fraud prevention, contract management and internal control processes, tools, templates. • Designed Strategies for strategic commodities of the Department: Built Sector Professional's and infrastructure contractors. • Designed new organisational structure relevant to the business of the Department. • Defined technology strategy, identified technology /enablers, and documented plans.
Financial delegations	Reviewed 28 February 2013
SCM delegations	Review subject to final consultation
SCM: Code of Ethics	Compiled not yet issued

SCM: policy for emergency bidding	Compiled not yet issued
SCM: Strategic Framework for the Prevention of Fraud Corruption and Collusion in the Supply Chain	Compiled not yet issued
Standard operating procedures:	
Supply Chain Management	
<ul style="list-style-type: none"> • Management and control of assets/inventory of IT equipment through the BIDCOM process 	Compiled not yet issued
<ul style="list-style-type: none"> • Balanced score card and reporting on inventories 	Compiled not yet issued
<ul style="list-style-type: none"> • Identification, detection and prevention of fronting in the context of Broad Based Black Economic Empowerment 	Compiled not yet issued
<ul style="list-style-type: none"> • Treatment and management of appeals in the procurement process 	Compiled not yet issued
<ul style="list-style-type: none"> • Application of the PPPFA Regulations, 2011, in the bidding process. 	Compiled not yet issued
<ul style="list-style-type: none"> • Standardized reporting and data interrogation in the Supply Chain 	Compiled not yet issued
<ul style="list-style-type: none"> • Master data maintenance standards 	Compiled not yet issued
<ul style="list-style-type: none"> • User and access control in the EPSi-WCSD procurement solution 	Compiled not yet issued
<ul style="list-style-type: none"> • Needs analysis SOP for general goods and services 	Compiled not yet issued
<ul style="list-style-type: none"> • Communications strategy for Supply Chain Management 	Compiled not yet issued
Financial Management	
<ul style="list-style-type: none"> • Treatment of Transfer payments 	Compiled not yet issued
<ul style="list-style-type: none"> • Compensation of Employees – Expenditure control <ul style="list-style-type: none"> ○ Procedure related to the process for the appointment of contract workers ○ Procedure related to the process for the filling of vacant funded posts 	Compiled not yet issued
<ul style="list-style-type: none"> • Infrastructure reporting 	Compiled not yet issued
<ul style="list-style-type: none"> • Reconciliation of leave applications 	Compiled not yet issued
<ul style="list-style-type: none"> • Conceptual design of banking and cash management system 	Compiled not yet issued
<ul style="list-style-type: none"> • Conceptual design for payment approval and processing 	Compiled not yet issued
<ul style="list-style-type: none"> • Cell phone policy implementation 	Compiled not yet issued
<ul style="list-style-type: none"> • Distribution of Salary Advises, Payrolls and Certification of the Latter 	Compiled not yet issued
<ul style="list-style-type: none"> • Safekeeping of BAS Payment Vouchers 	Compiled not yet issued
<ul style="list-style-type: none"> • Filling of Posts 	Compiled not yet issued
<ul style="list-style-type: none"> • Salary payments 	Compiled not yet issued
INSTRUCTIONS	
Supply Chain Management	
Issuance of new Provincial Treasury Instructions 2012	1/2012 4/4/2012
Disposal of redundant/unserviceable /obsolete Intervention/store stock	2/2012 (10/2012)
LOGIS year-end procedure	3/2012 (20/3/2012)
Movement and Transfer of Assets	4/2012 (06/3/2013)
BAS / LOGIS reconciliation	5/2012 (04/03/2013)
LOGIS access control	6/2012 (04/05/2012)
New Trip Authority	7/2012 (23/04/2012)
Discloser of financial interest	8/2012 (24/05/2012)

Extension /Expansion and /or variation of a contract	13/2012 (26/2/2013)
SCM 2012/2013 LOGIS AFS Interim Reports compilation	14/2012 (9/10/2012)
Late submission fuel claims	16/2012 (18/11/2012)
Implementation of LOGIS enhancements and changes	18/2012 (21/2/2013)
ICN request and item record creation LOGIS	19/2012 (26/2/2013)
Discloser of financial interest for 2013/14	20/2012 (7/3/2013)
Procurement plan 2013/14	21/2012 (2/4/2013)
GG vehicle checklist form	22/2012 (12/3/2013)
SCM Logistics and Moveable Asset year planner 2013/14	23/2012 (25/2013)
Logis enhancement relating to capturing of warranties	24/2012 (25/3/2013)
Checklist and templates for general goods and services	25/2013 (28/3/2013)
Logistics year-end report compilation	27/2012 (28/3/2013)
SOP BID committee system	9/2012 (Draft)
Repeal of PPIP	10/2012 (Draft)
New collision accident form	11/2012 (Draft)
Standard sop bidder and staff verification	15/2012 (Draft)
Retraction/Repeal Rescind of Instruction 4 2003	17/2012 (Draft)
Quotation Adjudication Committee Establishment	26/2012 (Draft)
Finance	
Departmental Corporate Governance Improvement Plan (DCGIP) 2012/2013	21 of 2012 dated 3 October 2012
PFMA Accounting Officer Delegation Framework, 2012.	6 of 2006 (Amendment 1 of 2012) dated 31 August 2012
Amendment of Covering Letter to the PFMA Accounting Officer Delegation Framework,2012	6 of 2006 (Amendment 2 of 2012) dated 11 September 2012
Amendments of item 43 and 46 of the PFMA Accounting Officer Delegations: Delegation Framework, 2012	6 of 2006 (Amendment 3 of 2012) dated 8 October 2012
PFMA Accounting Officer Delegations: Delegation Framework, 2013	6 of 2006 (Amendment 1 of 2013) dated 28 February 2013
Interim Financial Statement Reporting Requirements for the period ending 30 September 2012 and Mini Book closure	10 of 2011 (Supplementary 1 of 2012) dated 13 September 2012
Procedure with regard to Travel and Subsistence Advances and Claims, Strategic and Operational Planning Sessions, Team Building sessions and Annual End of the Year Function in respect of Officials/Employees employed in terms of the Public Service Act, 1994.	14 of 2009 (Supplement 1 of 2012) dated 1 November 2012
Financial Standard Operating Procedure: Management and Treatment of Irregular, Fruitless and Wasteful and unauthorised expenditure	2 of 2010 (Supplementary 1 of 2013) dated 27 March 2013
2012/2013 Regularity Audit by the Auditor-General of South Africa (AGSA)	2 of 2007 (Supplementary 1 of 2013) dated 12 February 2013
Closing Procedure for the 2012/2013 Financial Year	3 of 2013 dated 27 February
Annual Financial Statements Requirements: Financial Year 2012/2013	4 of 2013 dated 28 March 2013
Awareness Brochure in respect of Public Finance Management Act (PFMA) section 45	5 of 2013 dated 1 March 2013
Supply Chain Management Circular	
Implementation of an Integrated Procurement Solution	1/2012, 31/05/2012
Postponement of Western Cape Suppliers Database (WCSD)	3/2012, 16/07/2012
Treatment of non-compliance of Regulations pertaining to	4/2012, 18/07/2012

submission of tax clearance certificates	
DTI warning on fraudulent BBBEE certificates	5/2012, 15/10/2012
Comments on the amendment of the CIDB Regulations	6/2012, 15/10/2012
Roll out of training workshops	7/2012, 15/10/2012
Comments on Draft SCM Delegations	8/2012, 19/10/2012
Registration of Unisa Students	11/2012, 9/11/2012
Builders Holiday	12/2012, 03/12/2012
CIDB training	1/2013, 29/01/2013
CIDB training health/human settlement	2/2013, 29/01/2013
New Engineering Contract (NEC) 3 training	3/2013, 26/02/2013
Western Cape Infrastructure Delivery Management System (WCIDMS) training	4/2013, 26/02/2013
Request for comments: Principle of Ethical SCM	5/2013, 26/02/2013
Provincial Treasury integrated training programme	6/2013, 04/03/2013
Revision of tariffs increases for bids	8/2013, 27/03/2013
Updated on schedule for the provision with effective dates later than April 2012	2/2013, Draft
Provincial Treasury integrated training programme	9/2013, Draft

The following training interventions were made:

Name of course	Number of trainees
Unisa Programme (Exam prep)	17
Bid Committee Training	27
Western Cape Infrastructure Delivery Management System (WCIDMS) Training Workshop	48
Western Cape Supplier Database	11
Western Cape Supplier Database	10
Unisa Programme (Exam prep)	19
SCM Delegations	17
Bidder Verification Workshop	13
Introduction to Practical Buying	20
Strategic Sourcing	20
Unisa Programme	22
Unisa Advance Programme	3
Unisa Orientation	21
Unisa Programme	15
Unisa Advance Programme	6
CIDB Training	12
Infrastructure Delivery Management System (IDMS) Training	31
Construction Infrastructure Development Board (CIDB) Training	14
CIDB Training	13
Unisa Exam Prep	11
Accounting Officer's PFMA Delegations	109

18 APPROVAL

The Annual Financial Statements set on pages 207 to 281 are hereby approved.



ACCOUNTING OFFICER

DATE: 30 June 2013

3. REPORT OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON VOTE NO.10: WESTERN CAPE DEPARTMENT OF TRANSPORT AND PUBLIC WORKS

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Western Cape Department of Transport and Public Works set out on pages 207 to 281, which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Transport and Public Works as at 31 March 2013 and its financial performance and cash flows for the year then ended in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Material impairments

8. As disclosed in note 28 to the financial statements, material impairments to the amount of R247,652 million was provided for irrecoverable trade debtors.

Additional matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 272 to 281 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Financial reporting framework

11. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they "present fairly". Section 20(2) (a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

13. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 24 to 90 of the annual report.
14. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability for the programmes selected for auditing. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

15. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matter

16. Although no material findings concerning the usefulness and reliability of the performance information was identified in the annual performance report, I draw attention to the following matter below:

Achievement of planned targets

17. Of the total number of 125 targets planned for the year, 52 were not fully achieved during the year under review. This represents 42% of the total planned targets that were not achieved during the year under review.
18. This was as a result of the institution not considering relevant systems and evidential requirements during the annual strategic planning process. The indicators being measured by the department are demand driven, which makes it difficult to determine accurate targets, other than using prior periods' data as a predictive target.

Compliance with laws and regulations

I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters.

19. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA.

Internal control

I considered internal controls relevant to our audit of the financial statements, annual performance report and compliance with laws and regulations.

20. I did not identify any deficiencies in internal control that we considered sufficiently significant for inclusion in this report.

OTHER REPORTS

Investigations

21. The financial control unit within the department is in the process of investigating 26 cases as at 31 March 2013. Twenty-two of the cases relating to irregular expenditure consisted of alleged procurement irregularities and four related to fruitless and wasteful expenditure. Furthermore, of the 26 cases under investigation, six have been referred to the forensic investigation unit and eight to the labour relations unit.
22. The financial control unit concluded 41 investigations during the year under review. Consequently, the department processed corrections, transferred amounts to receivables and expenditure was condoned by the relevant authority. This resulted in a decrease in the disclosure note balance for fruitless and wasteful expenditure by R7 549 292 and irregular expenditure by R1 40 817 003.
23. The forensic investigation unit within the Department of the Premier certified that it is in the process of investigating 30 cases as at 31 March 2013. The investigations in respect of 24 of these cases (10 of which were received in the last two quarters of the year under review) have not yet started. Thirteen of the 30 cases still in progress related to alleged procurement irregularities; 10 related to alleged corruption and the balance related to other alleged misconduct, irregularities and non-compliance issues.
24. The forensic investigation unit concluded 12 investigations during the year under review. Four of these concluded cases had an impact on the financial statements, which resulted in an increase in irregular expenditure amounting to R38 838 682.

Performance audits

25. A performance audit was conducted on the readiness of government to report on its performance. The focus of the audit was on how government institutions were guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The management report was issued during the year under review.

Auditor-General

Cape Town

31 July 2013



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

4. ANNUAL FINANCIAL STATEMENTS

ANNUAL FINANCIAL STATEMENTS

**DEPARTMENT OF TRANSPORT AND
PUBLIC WORKS**

VOTE 10

**For the year ended
31 March 2013**

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DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Appropriation per programme									
2012/13								2011/12	
	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. Administration									
Current payment	122,431	(2,602)	(8,000)	111,829	111,333	496	99.6%	126,591	121,822
Transfers and subsidies	9,554	2,206	-	11,760	11,757	3	100.0%	9,833	9,237
Payment for capital assets	2,198	-	-	2,198	1,491	707	67.8%	2,737	2,363
Payment for financial assets	-	396	-	396	396	-	100.0%	511	420
	134,183	-	(8,000)	126,183	124,977	1,206		139,672	133,842
2. Public Works Infrastructure									
Current payment	591,254	(227)	(33,000)	558,027	544,574	13,453	97.6%	491,109	479,523
Transfers and subsidies	364,030	160	-	364,190	359,048	5,142	98.6%	346,480	346,450
Payment for capital assets	357,440	-	-	357,440	353,716	3,724	99.0%	240,247	232,222
Payment for financial assets	93	67	-	160	159	1	99.4%	19	18
	1,312,817	-	(33,000)	1,279,817	1,257,497	22,320		1,077,855	1,058,213
3. Transport Infrastructure									
Current payment	529,265	(4,175)	-	525,090	525,086	4	100.0%	508,935	507,941
Transfers and subsidies	48,751	-	-	48,751	47,501	1,250	97.4%	55,362	51,793
Payment for capital assets	1,374,421	5,601	43,300	1,423,322	1,421,472	1,850	99.9%	1,374,888	1,374,409
Payment for financial assets	1,926	(1,426)	-	500	499	1	99.8%	305	303
	1,954,363	-	43,300	1,997,663	1,994,558	3,105		1,939,490	1,934,446
4. Transport Operations									
Current payment	75,702	(48)	599	76,253	76,133	120	99.8%	70,070	68,125
Transfers and subsidies	724,189	48	-	724,237	723,936	301	100.0%	695,995	693,693
Payment for capital assets	1,311	-	-	1,311	538	773	41.0%	2,570	1,441
Payment for financial assets	-	-	-	-	-	-	-	5	4
	801,202	-	599	801,801	800,607	1,194		768,640	763,263

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

5. Transport Regulation									
Current payment	289,529	(504)	-	289,025	286,528	2,497	99.1%	267,865	260,660
Transfers and subsidies	16	42	-	58	56	2	96.6%	14	13
Payment for capital assets	1,049	461	-	1,510	1,507	3	99.8%	981	905
Payment for financial assets	11	1	-	12	11	1	91.7%	16	16
	290,605	-	-	290,605	288,102	2,503		268,876	261,594
6. Community Based Programmes									
Current payment	48,996	(1)	(2,899)	46,096	44,289	1,807	96.1%	48,084	45,811
Transfers and subsidies	-	-	-	-	-	-	-	2	2
Payment for capital assets	946	-	-	946	812	134	85.8%	1,384	1,383
Payment for financial assets	1	1	-	2	1	1	50.0%	23	21
	49,943	-	(2,899)	47,044	45,102	1,942		49,493	47,217
TOTAL	4,543,113	-	-	4,543,113	4,510,843	32,270	99.3%	4,244,026	4,198,575

	2012/13		2011/12	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	4,543,113	4,510,843	4,244,026	4,198,575
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	91,526		92,031	
Actual amounts per statement of financial performance (total revenue)	4,634,639		4,336,057	
Actual amounts per statement of Financial Performance (total expenditure)		4,510,843		4,198,575

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Appropriation per economic classification									
2012/13								2011/12	
	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									
Compensation of employees	434,170	(18,711)	(2,700)	412,759	404,173	8,586	97.9%	371,598	360,867
Goods and services	1,223,006	11,151	(40,600)	1,193,557	1,183,767	9,790	99.2%	1,141,049	1,123,010
Interest and rent on land	1	3	-	4	3	1	75.0%	7	5
Transfers and subsidies									
Provinces and municipalities	436,045	-	-	436,045	429,372	6,673	98.5%	424,302	418,407
Departmental agencies and accounts	70	51	-	121	117	4	96.7%	1,625	1,625
Public corporations and private enterprises	700,237	-	-	700,237	700,237	-	100.0%	671,005	671,005
Non-profit institutions	500	-	-	500	500	-	100.0%	800	800
Households	9,688	2,405	-	12,093	12,072	21	99.8%	9,954	9,351
Payments for capital assets									
Buildings and other fixed structures	1,659,853	6,687	43,300	1,709,840	1,705,651	4,189	99.8%	1,536,012	1,533,807
Machinery and equipment	31,771	5,070	-	36,841	34,992	1,849	95.0%	56,049	53,991
Land and subsoil assets	36,941	(6,475)	-	30,466	30,084	382	98.7%	23,478	18,182
Software and other intangible assets	8,800	780	-	9,580	8,809	771	92.0%	7,268	6,743
Payments for financial assets	2,031	(961)	-	1,070	1,066	4	99.6%	879	782
Total	4,543,113	-	-	4,543,113	4,510,843	32,270	99.3%	4,244,026	4,198,575

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 1: Administration	2012/13							2011/12	
	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									
Current payment	4,930	85	-	5,015	4,941	74	98.5%	5,052	5,050
Payment for capital assets	-	132	-	132	131	1	99.2%	47	47
1.2 Management of the Department									
Current payment	3,703	179	(181)	3,701	3,588	113	96.9%	3,805	3,096
Transfers and subsidies	20	(20)	-	-	-	-	-	20	9
Payment for capital assets	26	-	-	26	14	12	53.8%	41	35
1.3 Corporate Support									
Current payment	87,363	(1,374)	(6,831)	79,158	79,157	1	100.0%	92,839	90,038
Transfers and subsidies	8,017	2,236	-	10,253	10,250	3	100.0%	8,053	7,469
Payment for capital assets	1,730	(132)	-	1,598	1,118	480	70.0%	2,368	2,088
Payment for financial assets	-	396	-	396	396	-	-	511	420
1.4 Departmental Strategy									
Current payment	26,435	(1,492)	(988)	23,955	23,647	308	98.7%	24,895	23,638
Transfers and subsidies	1,517	(10)	-	1,507	1,507	-	100.0%	1,760	1,759
Payment for capital assets	442	-	-	442	228	214	51.6%	281	193
Total	134,183	-	(8,000)	126,183	124,977	1,206	99.0%	139,672	133,842

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 1 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	62,530	(2,444)	(1,000)	59,086	58,704	382	99.4%	53,938	52,025
Goods and services	59,901	(158)	(7,000)	52,743	52,629	114	99.8%	72,653	69,797
Transfers and subsidies									
Provinces and municipalities	1,507	-	-	1,507	1,507	-	100.0%	1,507	1,507
Departmental agencies and accounts	-	9	-	9	8	1	88.9%	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	250	250
Households	8,047	2,197	-	10,244	10,242	2	100.0%	8,076	7,480
Payments for capital assets									
Machinery and equipment	1,399	278	-	1,677	1,491	186	88.9%	2,722	2,363
Software and other intangible assets	799	(278)	-	521	-	521	-	15	-
Payments for financial assets	-	396	-	396	396	-	100.0%	511	420
Total	134,183	-	(8,000)	126,183	124,977	1,206	99.0%	139,672	133,842

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 2: Public Works Infrastructure	2012/13							2011/12	
	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									
Current payment	168,218	(227)	-	167,991	161,691	6,300	96.2%	157,869	149,070
Transfers and subsidies	-	160	-	160	159	1	99.4%	105	104
Payment for capital assets	4,500	-	-	4,500	3,761	739	83.6%	4,500	3,579
Payment for financial assets	93	67	-	160	159	1	99.4%	19	18
2.2 Planning									
Current payment	35,200	-	-	35,200	29,127	6,073	82.7%	17,835	16,558
2.3 Construction									
Current payment	-	-	-	-	-	-	-	165	164
Payment for capital assets	229,940	6,678	-	236,618	236,618	-	100.0%	219,371	218,899
2.4 Maintenance									
Current payment	80,468	(15,804)	(33,000)	31,664	30,617	1,047	96.7%	33,833	33,029
2.5 Immovable asset management									
Current payment	244,934	41,633	-	286,567	286,535	32	100.0%	231,637	231,636
Transfers and subsidies	364,030	-	-	364,030	358,889	5,141	98.6%	346,375	346,346
Payment for capital assets	123,000	(6,737)	-	116,263	113,279	2,984	97.4%	16,376	9,744
2.6 Facility operations									
Current payment	62,434	(25,829)	-	36,605	36,604	1	100.0%	49,770	49,066
Payment for capital assets	-	59	-	59	58	1	98.3%	-	-
Total	1,312,817	-	(33,000)	1,279,817	1,257,497	22,320	98.3%	1,077,855	1,058,213

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Programme 2 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	131,207	-	-	131,207	125,118	6,089	95.4%	118,802	112,696
Goods and services	460,046	(227)	(33,000)	426,819	419,455	7,364	98.3%	372,300	366,822
Interest and rent on land	1	-	-	1	1	-	100.0%	7	5
Transfers and subsidies									
Provinces and municipalities	364,030	-	-	364,030	358,889	5,141	98.6%	346,375	346,346
Households	-	160	-	160	159	1	99.4%	105	104
Payment for capital assets									
Buildings and other fixed structures	322,499	-	-	322,499	319,896	2,603	99.2%	220,739	218,899
Machinery and equipment	4,500	(25)	-	4,475	3,736	739	83.5%	4,500	3,579
Land and subsoil assets	30,441	25	-	30,466	30,084	382	98.7%	15,008	9,744
Payments for financial assets	93	67	-	160	159	1	99.4%	19	18
Total	1,312,817	-	(33,000)	1,279,817	1,257,497	22,320	98.3%	1,077,855	1,058,213

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 3: Transport Infrastructure	2012/13							2011/12	
	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									
Current payment	28,800	(5,508)	-	23,292	23,292	-	100.0%	21,923	21,778
Transfers and subsidies	140	(22)	-	118	102	16	86.4%	441	441
Payment for capital assets	1,010	630	-	1,640	1,638	2	99.9%	1,001	920
Payment for financial assets	1,500	(1,499)	-	1	-	1	-	101	100
3.2 Infrastructure Planning									
Current payment	14,797	918	-	15,715	15,714	1	100.0%	13,141	13,133
Transfers and subsidies	3,330	(326)	-	3,004	3,004	-	100.0%	4,907	4,906
Payment for capital assets	52,999	4,626	-	57,625	57,624	1	100.0%	46,677	46,677
3.3 Infrastructure Design									
Current payment	34,468	(3,495)	-	30,973	30,971	2	100.0%	27,991	27,861
Transfers and subsidies	10	19	-	29	28	1	96.6%	72	71
Payment for capital assets	102,420	(4,721)	1,709	99,408	99,146	262	99.7%	110,208	110,084
Payment for financial assets	-	-	-	-	-	-	-	4	3
3.4 Construction									
Transfers and subsidies	33,586	-	-	33,586	33,586	-	100.0%	32,766	32,766
Payment for capital assets	686,360	-	11,393	697,753	696,169	1,584	99.8%	583,342	583,151
3.5 Maintenance									
Current payment	451,200	3,910	-	455,110	455,109	1	100.0%	445,880	445,169
Transfers and subsidies	11,685	329	-	12,014	10,781	1,233	89.7%	17,176	13,609
Payment for capital assets	531,632	5,066	30,198	566,896	566,895	1	100.0%	633,660	633,577
Payment for financial assets	426	73	-	499	499	-	100.0%	200	200
Total	1,954,363	-	43,300	1,997,663	1,994,558	3,105	99.8%	1,939,490	1,934,446

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 3 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	152,136	(14,340)	-	137,796	137,794	2	100.0%	126,317	125,765
Goods and services	377,129	10,163	-	387,292	387,291	1	100.0%	382,618	382,176
Interest and rent on land	-	2	-	2	1	1	50.0%	-	-
Transfers and subsidies									
Provinces and municipalities	47,856	-	-	47,856	46,624	1,232	97.4%	53,620	50,054
Departmental agencies and accounts	70	-	-	70	68	2	97.1%	-	-
Households	825	-	-	825	809	16	98.1%	1,742	1,739
Payment for capital assets									
Buildings and other fixed structures	1,337,354	6,687	43,300	1,387,341	1,385,755	1,586	99.9%	1,315,273	1,314,908
Machinery and equipment	22,793	4,622	-	27,415	27,400	15	99.9%	44,459	44,383
Land and subsoil assets	6,500	(6,500)	-	-	-	-	-	8,470	8,438
Software and other intangible assets	7,774	792	-	8,566	8,317	249	97.1%	6,686	6,680
Payments for financial assets	1,926	(1,426)	-	500	499	1	99.8%	305	303
Total	1,954,363	-	43,300	1,997,663	1,994,558	3,105	99.8%	1,939,490	1,934,446

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 4: Transport Operations	2012/13							2011/12	
	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									
Current payment	4,487	(328)	-	4,159	4,138	21	99.5%	4,376	4,353
Transfers and subsidies	-	-	-	-	-	-	-	12	11
Payment for capital assets	20	77	-	97	96	1	99.0%	354	353
4.2 Public Transport Services									
Current payment	31,335	(8,863)	-	22,472	22,468	4	100.0%	30,401	30,400
Transfers and subsidies	716,237	-	-	716,237	716,237	-	100.0%	685,255	685,255
Payment for capital assets	100	-	-	100	41	59	41.0%	183	182
4.3 Transport Safety & Compliance									
Current payment	24,018	450	-	24,468	24,375	93	99.6%	26,817	26,199
Transfers and subsidies	7,952	48	-	8,000	7,699	301	96.2%	10,728	8,427
Payment for capital assets	191	204	-	395	395	-	100.0%	906	906
Payment for financial assets	-	-	-	-	-	-	-	5	4
4.4 Transport Systems									
Current payment	15,862	8,693	599	25,154	25,152	2	100.0%	8,476	7,173
Payment for capital assets	1,000	(281)	-	719	6	713	0.8%	1,127	-
Total	801,202	-	599	801,801	800,607	1,194	99.9%	768,640	763,263

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 4 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	18,147	(384)	-	17,763	17,762	1	100.0%	14,683	14,612
Goods and services	57,555	336	599	58,490	58,371	119	99.8%	55,387	53,513
Transfers and subsidies									
Provinces and municipalities	22,652	-	-	22,652	22,352	300	98.7%	22,800	20,500
Departmental agencies and accounts	-	42	-	42	41	1	97.6%	1,625	1,625
Public corporations and private enterprises	700,237	-	-	700,237	700,237	-	100.0%	670,755	670,755
Non-profit institutions	500	-	-	500	500	-	100.0%	800	800
Households	800	6	-	806	806	-	100.0%	15	13
Payment for capital assets									
Machinery and equipment	1,311	-	-	1,311	538	773	41.0%	2,007	1,378
Software and other intangible assets	-	-	-	-	-	-	-	563	63
Payments for financial assets									
	-	-	-	-	-	-	-	5	4
Total	801,202	-	599	801,801	800,607	1,194	99.9%	768,640	763,263

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 5: Transport Regulation	2012/13							2011/12	
	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									
Current payment	5,026	961	-	5,987	5,986	1	100.0%	4,976	3,313
Transfers and subsidies	6	16	-	22	21	1	95.5%	-	-
Payment for capital assets	175	57	-	232	232	-	100.0%	150	78
5.2 Transport Administration & Licensing									
Current payment	221,060	(1,383)	-	219,677	219,285	392	99.8%	207,655	207,062
Transfers and subsidies	-	33	-	33	33	-	100.0%	-	-
Payment for capital assets	316	323	-	639	637	2	99.7%	395	391
5.3 Operating Licensing & Permits									
Current payment	42,967	(82)	-	42,885	41,843	1,042	97.6%	34,681	30,529
Transfers and subsidies	10	(7)	-	3	2	1	66.7%	14	13
Payment for capital assets	558	81	-	639	638	1	99.8%	436	436
Payment for financial assets	11	1	-	12	11	1	91.7%	16	16
5.4 Law Enforcement									
Current payment	20,476	-	-	20,476	19,414	1,062	94.8%	20,553	19,756
Total	290,605	-	-	290,605	288,102	2,503	99.1%	268,876	261,594

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 5 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	47,717	(1,541)	-	46,176	44,831	1,345	97.1%	39,801	38,715
Goods and services	241,812	1,037	-	242,849	241,697	1,152	99.5%	228,064	221,945
Transfers and subsidies									
Households	16	42	-	58	56	2	96.6%	14	13
Payment for capital assets									
Machinery and equipment	822	195	-	1,017	1,015	2	99.8%	977	905
Software and other intangible assets	227	266	-	493	492	1	99.8%	4	-
Payments for financial assets	11	1	-	12	11	1	91.7%	16	16
Total	290,605	-	-	290,605	288,102	2,503	99.1%	268,876	261,594

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 6: Community Based Programmes	2012/13							2011/12	
	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									
Current payment	5,212	(1)	(419)	4,792	4,522	270	94.4%	5,229	5,202
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	320	(132)	-	188	54	134	28.7%	312	312
Payment for financial assets	1	1	-	2	1	1	50.0%	13	12
6.2 Innovation and Empowerment									
Current payment	31,199	-	(2,480)	28,719	28,438	281	99.0%	32,209	30,387
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	256	87	-	343	343	-	100.0%	463	463
Payment for financial assets	-	-	-	-	-	-	-	2	2
6.3 EPWP Co-ordination and Compliance Monitoring									
Current payment	12,585	-	-	12,585	11,329	1,256	90.0%	10,646	10,222
Transfers and subsidies	-	-	-	-	-	-	-	2	2
Payment for capital assets	370	45	-	415	415	-	100.0%	609	608
Payment for financial assets	-	-	-	-	-	-	-	8	7
Total	49,943	-	(2,899)	47,044	45,102	1,942	95.9%	49,493	47,217

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**APPROPRIATION STATEMENT
for the year ended 31 March 2013**

Programme 6 per Economic classification	2012/13							2011/12	
	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									
Compensation of employees	22,433	(2)	(1,700)	20,731	19,964	767	96.3%	18,057	17,054
Goods and services	26,563	-	(1,199)	25,364	24,324	1,040	95.9%	30,027	28,757
Interest and rent on land	-	1	-	1	1	-	100.0%	-	-
Transfers and subsidies									
Households	-	-	-	-	-	-	-	2	2
Payment for capital assets									
Machinery and equipment	946	-	-	946	812	134	85.8%	1,384	1,383
Payments for financial assets									
	1	1	-	2	1	1	50.0%	23	21
Total	49,943	-	(2,899)	47,044	45,102	1,942	95.9%	49,493	47,217

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2013**

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-F) to the Annual Financial Statements.

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

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

3. Detail on 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 programme

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Community Based Programmes	47,044	45,102	1,942	4.1%

Explanation of Variance: Under spending due to vacancies not filled as planned and outstanding claims in respect of the National Youth Services Programme.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2013**

4.2 Per economic classification	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payments				
Compensation of employees	412,759	404,173	8,586	2.08%
Goods and services	1,193,557	1,183,767	9,790	0.82%
Interest and rent on land	4	3	1	25.00%
Transfers and subsidies				
Provinces and municipalities	436,045	429,372	6,673	1.53%
Departmental agencies and accounts	121	117	4	3.31%
Public corporations and private enterprises	700,237	700,237	-	-
Non-profit institutions	500	500	-	-
Households	12,093	12,072	21	0.17%
Payments for capital assets				
Buildings and other fixed structures	1,709,840	1,705,651	4,189	0.24%
Machinery and equipment	36,841	34,992	1,849	5.02%
Land and subsoil assets	30,466	30,084	382	1.25%
Software and other intangible assets	9,580	8809	771	8.05%
Payments for financial assets	1,070	1,066	4	0.37%
4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Public Works				
<i>Devolution of Property Rates Fund Grant</i>	364,030	358,889	5,141	1.41%
<i>Expanded Public Works Programme Integrated Grant for Provinces</i>	9,099	4,736	4,363	47.95%
Transport				
<i>Provincial Roads Maintenance Grant</i>	478,895	476,258	2,637	0.55%
<i>Public Transport Operations Grant</i>	696,237	696,237	-	-

Explanation of variance:

Devolution of Property Rates Fund Grant - due to the late submission of invoices.

Expanded Public Works Programme Integrated Grant for Provinces - delayed due to litigation initiated by an unsuccessful bidder.

Provincial Roads Maintenance Grant – under spending as the scope of the project changed and delays impacted the completion date of the project.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2013

PERFORMANCE	<i>Note</i>	2012/13 R'000	2011/12 R'000
REVENUE			
Annual appropriation	1	4,543,113	4,244,026
Departmental revenue	2	91,526	92,031
TOTAL REVENUE		4,634,639	4,336,057
EXPENDITURE			
Current expenditure			
Compensation of employees	3	404,173	360,867
Goods and services	4	1,183,767	1,123,010
Interest and rent on land	5	3	5
Total current expenditure		1,587,943	1,483,882
Transfers and subsidies			
Transfers and subsidies	7	1,142,298	1,101,188
Total transfers and subsidies		1,142,298	1,101,188
Expenditure for capital assets			
Tangible capital assets	8	1,770,727	1,605,980
Software and other intangible assets	8	8,809	6,743
Total expenditure for capital assets		1,779,536	1,612,723
Payments for financial assets	6	1,066	782
TOTAL EXPENDITURE		4,510,843	4,198,575
SURPLUS FOR THE YEAR		123,796	137,482
Reconciliation of Net Surplus for the year			
Voted funds		32,270	45,451
Annual appropriation		20,129	45,451
Conditional grants		12,141	-
Departmental revenue	13	91,526	92,031
SURPLUS FOR THE YEAR		123,796	137,482

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2013**

POSITION	<i>Note</i>	2012/13 R'000	2011/12 R'000
ASSETS			
Current assets		94,127	110,693
Cash and cash equivalents	9	75,964	100,292
Prepayments and advances	10	7,366	1,665
Receivables	11	10,797	8,736
TOTAL ASSETS		94,127	110,693
LIABILITIES			
Current liabilities		93,298	109,881
Voted funds to be surrendered to the Revenue Fund	12	32,270	45,451
Departmental revenue to be surrendered to the Revenue Fund	13	44,437	49,186
Payables	14	16,591	15,244
TOTAL LIABILITIES		93,298	109,881
NET ASSETS		829	812
	<i>Note</i>	2012/13 R'000	2011/12 R'000
Represented by:			
Recoverable revenue		829	812
TOTAL		829	812

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2013**

NET ASSETS	<i>Note</i>	2012/13 R'000	2011/12 R'000
Recoverable revenue			
Opening balance		812	805
Transfers:		17	7
Irrecoverable amounts written off	6.2	(93)	(64)
Debts revised		(53)	30
Debts recovered (included in departmental receipts)		(5)	(36)
Debts raised		168	77
Closing balance		829	812
TOTAL		829	812

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**CASH FLOW STATEMENT
for the year ended 31 March 2013**

CASH FLOW	Note	2012/13 R'000	2011/12 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		5,639,082	5,286,160
Annual appropriated funds received	1.1	4,543,113	4,244,026
Departmental revenue received	2	1,095,969	1,042,134
Net (increase)/decrease in working capital		(6,415)	(408,912)
Surrendered to Revenue Fund		(1,153,147)	(1,216,818)
Current payments		(1,587,943)	(1,483,882)
Payments for financial assets		(1,066)	(782)
Transfers and subsidies paid		(1,142,298)	(1,101,188)
Net cash flow available from operating activities	15	1,748,213	1,074,578
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(1,779,536)	(1,612,723)
Proceeds from sale of capital assets	2.3	6,978	1,484
Net cash flows from investing activities		(1,772,558)	(1,611,239)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		17	7
Net cash flows from financing activities		17	7
Net increase/(decrease) in cash and cash equivalents		(24,328)	(536,654)
Cash and cash equivalents at beginning of period		100,292	636,946
Cash and cash equivalents at end of period	16	75,964	100,292

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 5 of 2012.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The “modification” results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Any amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

2.3 Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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ACCOUNTING POLICIES
for the year ended 31 March 2013

Any amount owing to the Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.5 Aid assistance

Aids assistance is recognised as revenue when received.

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year).

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

3. Expenditure

3.1 Compensation of employees

3.1.1 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date stipulated in the Act.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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ACCOUNTING POLICIES
for the year ended 31 March 2013

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

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.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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ACCOUNTING POLICIES
for the year ended 31 March 2013

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets”. On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.3 Intangible assets

Initial recognition

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

ACCOUNTING POLICIES
for the year ended 31 March 2013

An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.

Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the department.

Maintenance is expensed as current “goods and services” in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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ACCOUNTING POLICIES
for the year ended 31 March 2013

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

5.9 Provisions

Provisions are disclosed 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 will be required to settle the obligation and a reliable estimate of the obligation can be made.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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ACCOUNTING POLICIES
for the year ended 31 March 2013

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when identified as irrecoverable and are disclosed separately.

7. Net Assets

7.1 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.

7.2 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.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013**

1. Annual Appropriation

1.1 Annual Appropriation

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

	Final Appropriation	2012/2013 Actual Funds Received	Funds not requested/ not received	2011/12 Appropriation received
	R'000	R'000	R'000	R'000
Administration	126,183	126,183	-	140,042
Public Works	1,279,817	1,279,817	-	1,096,855
Infrastructure				
Transport	1,997,663	1,997,663	-	1,920,490
Infrastructure				
Transport	801,801	801,801	-	768,270
Operations				
Transport	290,605	290,605	-	268,876
Regulations				
Community Based	47,044	47,044	-	49,493
Programmes				
Total	4,543,113	4,543,113	-	4,244,026

1.2 Conditional grants

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Total grants received	33	<u>1,548,261</u>	<u>1,504,374</u>

**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013**

2. Departmental revenue

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Tax revenue		1,007,533	955,777
Sales of goods and services other than capital assets	2.1	81,901	85,186
Interest, dividends and rent on land	2.2	93	158
Sales of capital assets	2.3	6,978	1,484
Transactions in financial assets and liabilities	2.4	6,442	1,013
Total revenue collected		1,102,947	1,043,618
Less: Own revenue included in appropriation	13	1,011,421	951,587
Departmental revenue collected		91,526	92,031

2.1 Sales of goods and services other than capital assets

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Sales of goods and services produced by the department	2	80,802	84,546
Sales by market establishment		57,789	59,360
Administrative fees		22,976	24,044
Other sales		37	1,142
Sales of scrap, waste and other used current goods		1,099	640
Total		81,901	85,186

2.2 Interest, dividends and rent on land

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Interest	2	93	158
Total		93	158

2.3 Sale of capital assets

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Tangible assets		6,978	1,484
Machinery and equipment	30.2	1,422	1,430
Land and subsoil assets	30.2	5,556	54
Total		6,978	1,484

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

2.4 Transactions in financial assets and liabilities

	<i>Note</i>	2012/13	2011/12
	2	R'000	R'000
Receivables		176	158
Other Receipts including Recoverable Revenue		6,266	855
Total		6,442	1,013

3. Compensation of employees

3.1 Salaries and Wages

	<i>Note</i>	2012/13	2011/12
	3	R'000	R'000
Basic salary		277,679	243,174
Performance award		5,585	5,692
Service Based		455	433
Compensative/circumstantial		6,328	6,709
Periodic payments		1,061	1,696
Other non-pensionable allowances		62,356	56,477
Total		353,464	314,181

3.2 Social contributions

	<i>Note</i>	2012/13	2011/12
	3	R'000	R'000
Employer contributions			
Pension		30,610	27,673
Medical		20,000	18,924
Bargaining council		94	86
Insurance		5	3
Total		50,709	46,686

Total compensation of employees	404,173	360,867
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Average number of employees	1,655	1,603
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**DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013**

4. Goods and services

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Administrative fees		194,369	183,176
Advertising		1,806	2,050
Assets less than R5,000	4.1	3,052	2,345
Bursaries (employees)		725	1,124
Catering		1,647	2,320
Communication		7,494	7,494
Computer services	4.2	37,161	42,123
Consultants, contractors and agency/outsourced services	4.3	480,503	456,753
Entertainment		86	80
Audit cost – external	4.4	8,555	10,077
Inventory	4.5	44,076	38,851
Operating leases		176,781	153,699
Property payments	4.6	171,263	171,222
Rental and hiring		50	-
Travel and subsistence	4.7	23,234	23,010
Venues and facilities		1,386	1,594
Training and staff development		8,625	5,256
Other operating expenditure	4.8	22,954	21,836
Total		<u>1,183,767</u>	<u>1,123,010</u>

4.1 Assets less than R5,000

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Tangible assets			
Machinery and equipment	4	3,052	2,345
Total		<u>3,052</u>	<u>2,345</u>

4.2 Computer services

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
SITA computer services	4	1,135	1,338
External computer service providers		36,026	40,785
Total		<u>37,161</u>	<u>42,123</u>

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
VOTE 10

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

4.3 Consultants, contractors and agency/outsourced services

	<i>Note</i>	2012/13	2011/12
	4	R'000	R'000
Business and advisory services		126,507	99,513
Infrastructure and planning		32,797	23,911
Laboratory services		9	10
Legal costs		9,287	8,277
Contractors		290,701	302,056
Agency and support/outsourced services		21,202	22,986
Total		<u>480,503</u>	<u>456,753</u>

4.4 Audit cost – External

	<i>Note</i>	2012/13	2011/12
	4	R'000	R'000
Regularity audits		8,555	10,077
Total		<u>8,555</u>	<u>10,077</u>

4.5 Inventory

	<i>Note</i>	2012/13	2011/12
	4	R'000	R'000
Food and food supplies		515	271
Fuel, oil and gas		10,143	8,912
Other consumable material		11,582	11,160
Maintenance material		6,606	7,950
Stationery and printing		15,112	10,547
Medical supplies		118	11
Total		<u>44,076</u>	<u>38,851</u>

4.6 Property payments

	<i>Note</i>	2012/13	2011/12
	4	R'000	R'000
Municipal services		83,290	70,979
*Property maintenance and repairs		55,392	84,189
*Other		32,581	16,054
Total		<u>171,263</u>	<u>171,222</u>

*Previous years sub note amounts reclassified. The total amount of property payments agrees to the previous years disclosure.

DEPARTMENT OF TRANSPORT AND PUBLIC WORKS
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

4.7 Travel and subsistence

	<i>Note</i>	2012/13	2011/12
	<i>4</i>	R'000	R'000
Local		22,214	21,910
Foreign		1,020	1,100
Total		<u>23,234</u>	<u>23,010</u>

4.8 Other operating expenditure

	<i>Note</i>	2012/13	2011/12
	<i>4</i>	R'000	R'000
Learnerships		10,307	14,526
Professional bodies, membership and subscription fees		-	82
Resettlement costs		249	19
Gifts		34	-
Other		12,364	7,209
Total		<u>22,954</u>	<u>21,836</u>

5. Interest and rent on land

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Interest paid		3	5
Total		<u>3</u>	<u>5</u>

6. Payments for financial assets

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Material losses through criminal conduct		14	107
Theft	6.3	14	107
Other material losses written off	6.1	432	229
Debts written off	6.2	620	446
Total		<u>1,066</u>	<u>782</u>

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6.1 Other material losses written off

	<i>Note</i> 6	2012/13 R'000	2011/12 R'000
Nature of losses			
Accidents Government Motor Transport vehicle (5 cases)		74	65
Damages and losses to Road Construction and Maintenance Plant (12 cases)		356	149
Other Losses (10 cases)		1	1
Damages and losses to hired vehicles (1 case)		1	14
Total		432	229

6.2 Debts written off

	<i>Note</i> 6	2012/13 R'000	2011/12 R'000
Nature of debts written off			
Other Debts (9 cases)		226	42
Dishonoured cheques (3 cases)		2	2
Debt staff/ex-employees/bursaries (15 cases)		299	402
Total		527	446
Recoverable revenue written off			
Debts (2 cases)		93	-
Total		93	-
Total debt written off		620	446

6.3 Details of theft

	<i>Note</i> 6	2012/13 R'000	2011/12 R'000
Nature of theft			
Thefts (11 cases)		14	107
Total		14	107

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7. Transfers and subsidies

		2012/13 R'000	2011/12 R'000
	<i>Note</i>		
Provinces and municipalities	<i>Annex 1A</i>	429,372	418,407
Departmental agencies and accounts	<i>Annex 1B</i>	117	1,625
Public corporations and private enterprises	<i>Annex 1C</i>	700,237	671,005
Non-profit institutions	<i>Annex 1D</i>	500	800
Households	<i>Annex 1E</i>	12,072	9,351
Total		<u>1,142,298</u>	<u>1,101,188</u>

8. Expenditure for capital assets

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Tangible assets		1,770,727	1,605,980
Buildings and other fixed structures	32.1	1,735,695	1,546,142
Machinery and equipment	30.1	34,992	53,991
Land and subsoil assets	32	40	5,847
Software and other intangible assets		8,809	6,743
Capitalised development costs	31	8,809	6,743
Total		<u>1,779,536</u>	<u>1,612,723</u>

8.1 Analysis of funds utilised to acquire capital assets – 2012/13

	Voted funds R'000	Aid assist ance R'000	Total R'000
Tangible assets	1,770,727	-	1,770,727
Buildings and other fixed structures	1,735,695	-	1,735,695
Machinery and equipment	34,992	-	34,992
Land and subsoil assets	40	-	40
Software and other intangible assets	8,809	-	8,809
Computer software	8,809	-	8,809
Total	<u>1,779,536</u>	<u>-</u>	<u>1,779,536</u>

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8.2 Analysis of funds utilised to acquire capital assets – 2011/12

	Voted funds	Aid assist ance	Total
	R'000	R'000	R'000
Tangible assets	1,605,980	-	1,605,980
Buildings and other fixed structures	1,546,142	-	1,546,142
Machinery and equipment	53,991	-	53,991
Land and subsoil assets	5,847	-	5,847
Software and other intangible assets	6,743	-	6,743
Capitalised development costs	6,743	-	6,743
Total	1,612,723	-	1,612,723

9. Cash and cash equivalents

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Consolidated Paymaster General Account		88,331	18,607
Disbursements		(12,371)	(4,109)
Cash on hand		4	4
*Cash with commercial banks (Local)		-	85,790
Total		75,964	100,292

*Cash with commercial banks represents cash not required by the departments for immediate use and is invested by the Provincial Treasury at various commercial banks. Interest earned on these investments is reflected in the financial statements of the Provincial Revenue Fund.

10. Prepayments and advances

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Travel and subsistence		38	30
Prepayments		7,328	1,635
Total		7,366	1,665

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11. Receivables

		R'000	R'000	R'000	2012/13 R'000	2011/12 R'000
	<i>Note</i>	Less than one year	One to three years	Older than three years	Total	Total
Claims recoverable	11.1	4,539	628	392	5,559	5,671
Recoverable expenditure	11.2	234	154	216	604	950
Staff debt	11.3	473	137	987	1,597	1,911
Other debtors	11.4	2,982	53	2	3,037	204
Total		8,228	972	1,597	10,797	8,736

11.1 Claims recoverable

	<i>Note</i>	2012/13 R'000	2011/12 R'000
National departments	11	28	3
Provincial departments		486	1,124
Trading Entities		1,990	1,796
Households and non-profit institutions		1,018	1,464
Local governments		2,037	1,284
Total		5,559	5,671

11.2 Recoverable expenditure (disallowance accounts)

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Disallowance: Miscellaneous	11	86	357
Disallowance: Damages and Losses		426	483
Disallowance: Dishonoured cheques		92	110
Total		604	950

11.3 Staff debt

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Staff Debt:/Ex Employees/Bursary Debt	11	1,595	1,911
Salary Tax Debt		2	-
Total		1,597	1,911

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11.4

Other debtors

	<i>Note</i>	2012/13	2011/12
	11	R'000	R'000
Pension Recoverable		-	13
Salary Income tax		137	156
Salary Medical Aid		-	4
Salary Pension fund		-	3
Salary Reversal Control		-	28
*Contractual Debtors		2,900	-
Total		3,037	204

*Contractual debt relates to recovery of fruitless and wasteful expenditure.

12. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Opening balance		45,451	192,210
Transfer from statement of financial performance		32,270	45,451
Paid during the year		(45,451)	(192,210)
Closing balance		32,270	45,451

13. Departmental revenue to be surrendered to the Revenue Fund

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Opening balance		49,186	30,176
Transfer from Statement of Financial Performance		91,526	92,031
Own revenue included in appropriation		1,011,421	951,587
Paid during the year		(1,107,696)	(1,024,608)
Closing balance		44,437	49,186

14. Payables – current

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Clearing accounts	14.1	-	6
Other payables	14.2	16,591	15,238
Total		16,591	15,244

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14.1 Clearing accounts

	<i>Note</i>	2012/13	2011/12
	14	R'000	R'000
Salary ACB Recalls		-	6
Total		-	6

14.2 Other payables

	<i>Note</i>	2012/13	2011/12
	14	R'000	R'000
National Skills Fund Training		5,747	6,326
Guarantees for rehabilitation		6,098	5,826
Disallowance Miscellaneous		784	-
E-Natis (Administrative fees)		3,962	3,086
Total		16,591	15,238

15. Net cash flow available from operating activities

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		123,796	137,482
Add back non cash/cash movements not deemed operating activities		1,624,417	937,096
(Increase)/decrease in receivables – current		(2,061)	(1,923)
(Increase)/decrease in prepayments and advances		(5,701)	1,854
Increase/(decrease) in payables – current		1,347	(408,843)
Proceeds from sale of capital assets		(6,978)	(1,484)
Expenditure on capital assets		1,779,536	1,612,723
Surrenders to Revenue Fund		(1,153,147)	(1,216,818)
Other non-cash items		1,011,421	951,587
Net cash flow generated by operating activities		1,748,213	1,074,578

16. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Consolidated Paymaster General account		88,331	18,607
Disbursements		(12,371)	(4,109)
Cash on hand		4	4
Cash with commercial banks (Local)		-	85,790
Total		75,964	100,292

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

17. Contingent liabilities and contingent assets

Contingent liabilities

Liable to	Nature	<i>Note</i>	2012/13 R'000	2011/12 R'000
Claims against the department		<i>Annex 2</i>	21,050	25,676
Other departments (interdepartmental unconfirmed balances)		<i>Annex 4</i>	1,517	8,070
Total			22,567	33,746

18. Commitments

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Current expenditure			
Approved and contracted		314,822	199,825
Approved but not yet contracted		100,339	-
		415,161	199,825
Capital expenditure			
Approved and contracted		876,553	1,410,380
Approved but not yet contracted		268,489	-
		1,145,042	1,410,380
Total Commitments		1,560,203	1,610,205

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19. Accruals

	2012/13			2011/12
	R'000			R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	49,260	398	49,658	15,826
Transfers and subsidies	622	1	623	3,028
Capital assets	69,240	253	69,493	46,500
Other	-	-	-	2,934
Total	119,122	652	119,774	68,288

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Listed by programme level			
Programme 1: Administration		1,534	556
Programme 2: Public Works Infrastructure		40,442	6,360
Programme 3: Transport Infrastructure		70,945	54,712
Programme 4: Operations Transport		1,119	1,393
Programme 5: Transport Regulation		3,257	5,216
Programme 6: Community Based Programmes		2,477	51
Total		119,774	68,288

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Confirmed balances with other departments	<i>Annex 4</i>	869	127
Total		869	127

20. Employee benefits

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
*Leave entitlement		12,079	9,173
Service bonus (Thirteenth cheque)		9,924	8,914
**Performance awards		5,912	5,359
Capped leave commitments		23,213	23,182
Other		445	436
Total		51,573	47,064

*Negative leave amount of R1,213m not included in leave entitlement provision.

**Comparative amount in respect of Performance award provision, being 1.5% of compensation budget, is restated, to be in line with current reporting.

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21. Lease commitments

21.1 Operating leases expenditure

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2012/13			
Not later than 1 year	128,133	1,920	130,053
Later than 1 year and not later than 5 years	269,405	1,470	270,875
Later than five years	50,655	-	50,655
Total lease commitments	448,193	3,390	451,583
	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2011/12			
Not later than 1 year	89,975	1,708	91,683
Later than 1 year and not later than 5 years	161,863	1,500	163,363
Later than five years	194,505	-	194,505
Total lease commitments	446,343	3,208	449,551

Where escalations were based on the CPI, in terms of the lease agreement, the estimate of commitments (and therefore future escalations), had to be based on an estimate of the CPI, only up to the date available. The CPI used for calculations of future escalations was based on the CPI Forecast table. The Consumer Price Index (including interest rates on mortgage bonds) was used, and not the CPI (excluding interest rates on mortgage bonds). The Department capped leases for a maximum period of 20 years.

Receivables listing of R5,189m to be recovered in 2013/2014.

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21.2 Finance lease commitment

	Machinery and equipment	Total
2012/13		
Not later than 1 year	5,222	5,222
Later than 1 year and not later than 5 years	18,596	18,596
Later than five years	3,719	3,719
Total lease commitments	27,537	27,537
2011/12		
Not later than 1 year	4,084	4,084
Later than 1 year and not later than 5 years	9,675	9,675
Later than five years	1,169	1,169
Total lease commitments	14,928	14,928

As determined, the arrangement between the Department of Transport and Public Works and GMT constitutes finance leases. The obligation in respect of the finance leases are presented.

21.3

Operating lease revenue

	Buildings and other fixed structures	Total
2012/13		
Not later than 1 year	17,964	17,964
Later than 1 year and not later than 5 years	12,578	12,578
Later than five years	17,458	17,458
Total operating lease revenue receivable	48,000	48,000
2011/12		
Not later than 1 year	5,958	5,958
Later than 1 year and not later than 5 years	14,753	14,573
Later than five years	12,189	12,189
Total operating lease revenue receivable	32,720	32,720

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22. Receivables for departmental revenue

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Tax revenue		294,769	295,147
Licence fees		62,848	61,333
Licence arrears		98,267	100,676
Licence penalties		115,983	118,058
Registration fees		2,054	2,120
Registration penalties		1,785	1,838
Other		13,832	11,122
*Sales of goods and services other than capital assets		61,301	45,114
Total		356,070	340,261

*It should further be noted that the not signing of lease agreements of unlawfull occupants of government properties could result that the department is at risk of losing R2,538 million rental income per year.

22.1 Analysis of receivables for departmental revenue

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Opening balance		340,261	329,537
Less: amounts received		70,330	47,353
Add: amounts recognised		86,139	58,077
Closing balance		356,070	340,261

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23. Irregular expenditure

23.1. Reconciliation of irregular expenditure

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Opening balance		116,690	127,808
Adjustments to prior year balances		(11,623)	(61,615)
Add: Irregular expenditure – relating to prior year		62,370	19,509
Add: Irregular expenditure – relating to current year	23.2	37,784	30,988
Less: *Amounts condoned	23.3	(140,768)	-
Less: Amounts recoverable (not condoned)	23.4	(3)	-
Irregular expenditure awaiting condonation	23.5	<u>64,450</u>	<u>116,690</u>

*Included in the amount condoned are lease rentals, whereby approval has been obtained from the relevant authority, to continue with these leases on a month to month basis, until new agreements are concluded.

Analysis of awaiting condonation per age classification

Current year	676	30,988
Prior years	63,774	85,702
Total	<u>64,450</u>	<u>116,690</u>

23.2. Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2012/13
		R'000
SCM Contract Management	In process	827
Payment – relevant authority	In process	50
Property acquisition/rental	In process	36,907
Total		<u><u>37,784</u></u>

23.3. Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2012/13
		R'000
SCM Contract Management	As per Delegated authority	59,085
Payment – relevant authority	As per Delegated authority	1,675
Property acquisition/rental	As per Delegated authority	80,008
Total		<u><u>140,768</u></u>

23.4. Details of irregular expenditure recoverable (not condoned)

Incident	2012/13
	R'000
Duplicate payment	3
Total	<u><u>3</u></u>

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23.5. Details of irregular expenditures under investigation

Incident	2012/13
	R'000
SCM Contract Management	25,536
Application of policy bursaries	30
Property acquisition/rental	38,839
Appointment of contract worker	45
Total	64,450

24. Fruitless and wasteful expenditure

24.1. Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Opening balance		7,701	7,697
Adjustments to prior year balances		-	(1,988)
Fruitless and wasteful expenditure – relating to prior year		286	2,784
Fruitless and wasteful expenditure – relating to current year		605	24
Less:* Amounts resolved		(5,406)	-
Less: Amounts transferred to receivables for recovery		(2,143)	(675)
Less: Accept Liability		-	(141)
Fruitless and wasteful expenditure awaiting condonement		1,043	7,701

*The amount resolved being invalid findings.

24.2. Analysis of fruitless and wasteful expenditure awaiting resolution per economic classification

	2012/13	2011/12
	R'000	R'000
Current	1,043	7,701
Total	1,043	7,701

24.3. Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2012/13
		R'000
Interest on late payments	Under investigation	3
*Under utilisation of leased buildings	Under investigation	602
Total		605

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*Validation certificates received from provincial departments - resulting in under utilisation of work space.

25. Related party transactions

The Department provided buildings free of charge to the following departments as well as entities reporting to these departments:-

- 1) Department of the Premier
- 2) Provincial Parliament
- 3) Provincial Treasury
- 4) Community Safety
- 5) Education
- 6) Health
- 7) Social Development
- 8) Local Government and Housing
- 9) Environmental Affairs and Development Planning
- 10) Agriculture
- 11) Economic Development and Tourism
- 12) Culture Affairs and Sport
- 13) Provincial Operating Licence Board (POLB) / Provincial Regulating Entity (PRE)
- 14) Provincial Transport Registrar
- 15) Government Motor Transport
- 16) Western Cape Gambling and Racing Board
- 17) Construction Industrial Development Board
- 18) Western Cape Nature Conservation Board
- 19) University of the Western Cape
- 20) Groote Schuur Hospital Facility Board
- 21) Cape Medical Depot

The Department provided parking spaces for government officials at approved fees that is not market related.

The Department of Transport and Public Works received corporate services from the Corporate Service Centre of the Department of the Premier in the Western Cape. A service level agreement was signed on 30 November 2010. The service agreement consists of the following services:

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- a) Information and Communication Technology
- b) Organisation Development
- c) Provincial Training (generic)
- d) Human Resource Management
- e) Enterprise Risk Management
- f) Internal Audit
- g) Forensic Investigations
- h) Legal Services
- i) Corporate Communication

A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Departments. This relationship is based on an arm's length transaction in terms of tariffs approved by the Provincial Treasury.

The Department occupied buildings, where Security Services were provided by the Department of Community Safety.

26. Key management personnel

	No. of Individuals	2012/13 R'000	No. of Individuals	2011/12 R'000
Political office bearer	1	1,652	1	1,586
Officials:				-
Level 15 to 16	5	6,423	5	6,023
Level 14	9	8,653	7	7,114
Total		16,728		14,723

27. Public Private Partnership

	<i>Note</i>	2012/13 R'000	2011/12 R'000
Capital		20,571	1,336
Other obligations		12,544	9,885
		33,115	11,221

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 provides for both renewal and termination options, was signed on 21 May 2003. The partnership has been operational since 21 December 2003.

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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 the 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 a 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 unforeseen maintenance, operating and managing expenses were reviewed and pegged at an acceptable level, to be increased 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-term debt (2023) and there is a surplus available after expenses have been paid out of revenue.

The Province will have first right of call to this surplus for the revenue support provided during concession period and thereafter any available surplus will be distributed on a 50:50 basis.

28. Impairment

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Impairment			
*Debtors		247,652	248,836
Total		247,652	248,836

Amounts Included in impairment, which may not be recovered:

Outstanding motor vehicle licences: R221,077m

Property rentals: R23,049m

Previously fruitless and wasteful recoverable amounts, referred to State Attorney: R2,847m

Ex-employees/Bursaries R0,679

29. Provisions

	<i>Note</i>	2012/13	2011/12
		R'000	R'000
Claims Payable (previous contingent liability)		88	-
Total		88	-

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30. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
HERITAGE ASSETS	4,901	-	-	(7)	4,894
Heritage assets	4,901	-	-	(7)	4,894
MACHINERY AND EQUIPMENT	458,456	13,059	40,103	(19,727)	491,891
Transport assets	167,760	13,345	21,511	(5,487)	197,129
Computer equipment	35,889	7	4,225	(8,212)	31,909
Furniture and office equipment	5,142	(57)	333	(1,034)	4,384
Other machinery and equipment	249,665	(236)	14,034	(4,994)	258,469
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	463,357	13,059	40,103	(19,734)	496,785

30.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	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	34,992	5,696	(4,090)	3,505	40,103
Transport assets	16,565	5,643	(4,090)	3,393	21,511
Computer equipment	4,183	42	-	-	4,225
Furniture and office equipment	322	11	-	-	333
Other machinery and equipment	13,922	-	-	112	14,034
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	34,992	5,696	(4,090)	3,505	40,103

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30.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
HERITAGE ASSETS	-	7	7	-
Heritage assets	-	7	7	-
MACHINERY AND EQUIPMENT	6,603	13,124	19,727	1,422
Transport assets	2,243	3,244	5,487	718
Computer equipment	-	8,212	8,212	-
Furniture and office equipment	-	1,034	1,034	-
Other machinery and equipment	4,360	634	4,994	704
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	6,603	13,131	19,734	1,422

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30.3 Movement for 2011/12

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
HERITAGE ASSETS	4,906	-	(5)	4,901
Heritage assets	4,906	-	(5)	4,901
MACHINERY AND EQUIPMENT	451,844	49,644	(43,032)	458,456
Transport assets	168,507	11,431	(12,178)	167,760
Computer equipment	36,232	6,022	(6,365)	35,889
Furniture and office equipment	4,906	420	(184)	5,142
Other machinery and equipment	242,199	31,771	(24,305)	249,665
TOTAL MOVABLE TANGIBLE ASSETS	456,750	49,644	(43,037)	463,357

30.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	7	610	28,516	29,133
Curr Year				
Adjustments to				
Prior Year				
balances	-	(8)	(2,655)	(2,663)
Additions	-	-	3,137	3,137
Disposals	-	(52)	(4,428)	4,480
TOTAL MINOR ASSETS	7	550	24,570	25,127

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	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	253	1,379	1,632
Number of minor assets at cost	620	21,746	22,366
TOTAL NUMBER OF MINOR ASSETS	873	23,125	23,998

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2012

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	7	616	28,859	29,482
Additions	-	-	2,345	2,345
Disposals	-	(6)	(2,688)	2,694
TOTAL MINOR ASSETS	7	610	28,516	29,133

	Heritage assets	Machinery and equipment	Total
Number of R1 minor assets	265	1,899	2,164
Number of minor assets at cost	721	31,377	32,098
TOTAL NUMBER OF MINOR ASSETS	986	33,276	34,262

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31. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
CAPITALISED DEVELOPMENT	91,291	-	8,809	-	100,100
TOTAL INTANGIBLE CAPITAL ASSETS	91,291	-	8,809	-	100,100

31.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Cash	Non-Cash	(Develop- ment 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
CAPITALISED DEVELOPMENT	8,809	-	-	-	8,809
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	8,809	-	-	-	8,809

31.2 Movement for 2011/12

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	84,548	6,743	-	91,291
TOTAL INTANGIBLE CAPITAL ASSETS	84,548	6,743	-	91,291

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32. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	73,079,320	(25,081,481)	2,026,409	(2,482)	50,021,766
Non-residential buildings*	24,697,166	(1,416,141)	877,200	(2,482)	24,155,743
Other fixed structures	48,382,154	(23,665,340)	1,149,209	-	25,866,023
HERITAGE ASSETS	241,159	(179)	-	-	240,980
Heritage assets	241,159	(179)	-	-	240,980
LAND AND SUBSOIL ASSETS	96,747	(9,620)	40	-	87,167
Land	96,747	(9,620)	40	-	87,167
INVESTMENT PROPERTY	763,861	(2,494)	1,430	(730)	762,067
Investment property	763,861	(2,494)	1,430	(730)	762,067
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	74,181,087	(25,093,774)	2,027,879	(3,212)	51,111,980

The current year adjustments, includes immovable assets that were not registered in the name of the Province or transferred in terms of section 28, which must form part of the National Department of Public Works Asset register. The Department does not have facilities on land not yet surveyed, or any land where a real right is registered for the use of such land.

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32.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	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	1,735,695	1,400,306	(1,109,592)	-	2,026,409
Non-residential buildings	349,940	763,936	(236,676)	-	877,200
Other fixed structures	1,385,755	636,370	(872,916)	-	1,149,209
		-	-	-	
LAND AND SUBSOIL ASSETS	40	-	-	-	40
Land	40	-	-	-	40
		1,430			1,430
INVESTMENT PROPERTY		1,430			1,430
Investment property	-	1,430	-	-	1,430
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	1,735,735	1,401,736	(1,109,592)	-	2,027,879

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32.2 Disposals

**DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE
YEAR ENDED 31 MARCH 2013**

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
BUILDING AND OTHER FIXED STRUCTURES	3,212	-	3,212	5,556
Non-residential buildings	3,212	-	3,212	5,556
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	3,212	-	3,212	5,556

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32.3 Movement for 2011/12

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	71,436,523	2,406,972	(314)	73,843,181
Non-residential buildings	24,613,305	848,036	(314)	25,461,027
Other fixed structures	46,823,218	1,558,936	-	48,382,154
HERITAGE ASSETS	241,159	-	-	241,159
Heritage assets	241,159	-	-	241,159
LAND AND SUBSOIL ASSETS	90,900	5,847	-	96,747
Land	90,900	5,847	-	96,747
TOTAL IMMOVABLE TANGIBLE ASSETS	71,768,582	2,412,819	(314)	74,181,087

32.4 Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2013

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
R1 Immovable assets	2 902	102	154	3 158
TOTAL	2 902	102	154	3 158

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2012

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Total
R1 Immovable assets	8,939	113	159	9,211
TOTAL	8,939	113	159	9,211

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33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					Amount received by department	SPENT			2011/12	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available		Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000	%	R'000
Provincial Roads Maintenance Grant	478,895	-	-	-	478,895	478,895	476,258	2,637	99%	411,141	411,141
Public Works/ Devolution of Property Rates Fund Grant	319,501	29	44,500	-	364,030	364,030	358,889	5,141	99%	346,375	346,346
Transport Disaster Management Grant	-	-	-	-	-	-	-	-	-	61,885	61,885
Integrated Grant for Provinces	9,099	-	-	-	9,099	9,099	4,736	4,363	52%	18,718	21,441
Transport/Public Transport Operations Grant	696,237	-	-	-	696,237	696,237	696,237	-	100%	666,255	666,255
	1,503,732	29	44,500	-	1,548,261	1,548,261	1,536,120	12,141		1,504,374	1,507,068

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**ANNEXURE 1A (Note 7)
STATEMENT OF TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	TRANSFER ALLOCATION				TRANSFER		SPENT			2011/12
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Municipalities:										
Western Cape	56,201	-	13,000	69,201	68,455	99%	68,455	31,977	47%	74,912
Municipal Rates & Accounts	319,501	29	44,500	364,030	358,889	99%	358,889	358,889	100%	346,375
Provincial Department										
Agency Licences	2,810	-	-	2,810	2,028	72%	2,028	2,028	100%	3,011
Provincial Department										
Agency fines and penalties	4	-	-	4	-	-	-	-	-	4
	378,516	29	57,500	436,045	429,372		429,372	392,894		424,302

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**ANNEXURE 1B (Note 7)
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2011/12
	Adjusted Appropriation	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro- priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Government Motor Transport	-	-	42	42	41	98%	1,625
Com Licences (Radio & TV)	70	-	9	79	76	96%	-
	70	-	51	121	117		1,625

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ANNEXURE 1C (Note 7)

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2011/12
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers									
Subsidy to Bus Operator Services	696,237	-	-	696,237	696,237	100%	-	696,237	666,255
Passenger Rail Agency of SA	4,000	-	-	4,000	4,000	100%	-	4,000	4,750
Total	700,237	-	-	700,237	700,237		-	700,237	671,005

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**ANNEXURE 1D (Note 7)
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	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
NON-PROFIT INSTITUTIONS							
Transfers							
George Mobility Strategy Trust	500	-	-	500	500	100%	800
Total	500	-	-	500	500		800

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**ANNEXURE 1E (Note 7)
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Appro- priation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
HOUSEHOLDS							
Transfers							
*Social Benefits	1,027	-	-	1,027	1,012	99%	1,274
Bursaries (non-employees)	10,201	-	-	10,201	10,201	100%	8,000
Claims against the State	65	-	-	65	59	91%	635
Donations and gifts	800	-	-	800	800	100%	45
Total	12,093	-	-	12,093	12,072		9,954
*Injury on duty	248	-	-	-	245	-	243
*Leave gratuity	779	-	-	-	767	-	1019
*Social Security	-	-	-	-	-	-	12
Total	1,027	-	-	-	1,012	-	1,274

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ANNEXURE 1F

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
	R'000	R'000
Paid in cash		
Gifts: Personnel Awards	-	20
Gifts other	-	10
Breedee Valley Municipality - Safely Home Anti-Drunk Driving Operations Warroom	800	-
TOTAL	800	30

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ANNEXURE 2
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2013
	1 April 2012				
	R'000	R'000	R'000	R'000	R'000
Claims against the department	25,676	11,161	(15,787)	-	21,050
TOTAL	25,676	11,161	(15,787)	-	21,050

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**ANNEXURE 3
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Provincial Government Western Cape						
Education	-	537	-	-	-	537
Premiers Office	293	-	-	587	293	587
Human Settlements	193	-	-	-	193	-
National Departments						
Police Services	1	-	1	3	2	3
Correctional Services	-	-	12	-	12	-
Defense	-	-	14	-	14	-
TOTAL	487	537	27	590	514	1,127

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ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Provincial Government Western Cape						
Current						
Education	-	-	-	7,171	-	7,171
Premiers Office	152	-	-	-	152	-
Human Settlement	-	-	899	899	899	899
Social Development	227	-	-	-	227	-
Health	-	-	200	-	200	-
National Departments						
Justice & Constitutional Development	490	127	418	-	908	127
TOTAL	869	127	1,517	8,070	2,386	8,197

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ANNEXURE 5
INVENTORY

Inventory	Note	Quantity	2012/13	Quantity	2011/12
			R'000		R'000
Opening balance		262,569	4,856	348,646	7,695
Add: Additions/Purchases - Cash		1,578,450	38,917	1,709,268	36,293
Add: Additions - Non-cash		-	-	(3)	(1)
(Less): Disposals		(5)	(1)	-	-
(Less): Issues		(1,600,433)	(38,767)	(1,717,056)	(38,038)
Add/(Less): Adjustments		-	382	(78,286)	(1,093)
Closing balance		240,581	5,387	262,569	4,856

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ANNEXURE 6
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,038,568	1,109,592	512,840	1,635,320
Dwellings	218,899	236,676	-	455,575
Non-residential buildings	819,669	872,916	512,840	1,179,745
Other fixed structures				
TOTAL	1,038,568	1,109,592	512,840	1,635,320

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The Department develops and maintains appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity.

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**Western Cape
Government**

Transport and Public Works

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