



LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF  
PUBLIC WORKS, ROADS & INFRASTRUCTURE

# ANNUAL REPORT

2020/2021

**The heartland of southern Africa - *development is about people!***



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**PROVINCIAL GOVERNMENT**  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF**  
**PUBLIC WORKS, ROADS & INFRASTRUCTURE**

**PROVINCE OF LIMPOPO**

**VOTE NO. 09**

**ANNUAL REPORT**

**2020/2021 FINANCIAL YEAR**

## DPWR&I Strategy Map



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# PART A: GENERAL INFORMATION



## DEPARTMENT GENERAL INFORMATION

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## 1. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
AO	Accounting Officer
BBBEE	Broad Based Black Economic Empowerment
CFO	Chief Financial Officer
MEC	Member of Executive Council
HOD	Head of Department
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
EU	European Union
SITA	State Information Technology Agency
SDIP	Service Delivery Improvement Plan

## 2. FOREWORD BY THE MEC



**Name: Namane Dickson Masemola**

**Title: MEC Public Works, Roads and Infrastructure**

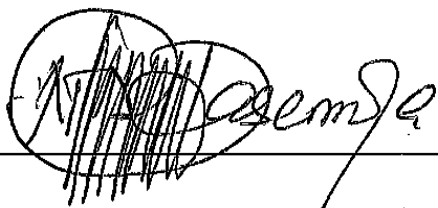
This report bring to the fore our account for the work done during the second year of the sixth administration, the 2020-21 financial year. The year that became congruent to the advent of COVID-19 and subsequent, fight against the pandemic. As the Department and the Provincial Administration, we had to pause immediately just upon our start of the financial year, and begin to lead a response to the crisis, which threatened the lives of not only ourselves as agents of service delivery, but also the lives of the people we serve.

During the financial year 2020-21 we aimed to give impetus to our stern efforts of heightening service delivery, and ensure that we continue to make a better life for all a reality, as guided by the seven priorities of this administration of ensuring; (a.) Economic transformation and job creation, (b.) Education, skills and health, (c.) Consolidating the social wage through reliable and quality basic services, (d.) Spatial integration, human settlements and local government, (e.) Social cohesion and safe communities, (f.) A capable, ethical and developmental state and (g.) A better Africa and World.

The work of the Department of Public Work, Roads and Infrastructure remains at the heart of the lives of the people so far as their daily socio-economic viability is concerned. It is therefore always prudent that in a financial year's work we target in a smart but inclusive manner, and deliver at maximum levels. The Annual Performance Plan 2020-21 in terms of its targets aimed at addressing the infrastructure delivery backlog and also accelerating on the initiatives that do not only ensure good management of state land and property, the continued rollout of infrastructure, but also by ensuring the creation of job opportunities through the Expanded Public Works Programme, as well as the creation of economic opportunities that would help empower even the SMMEs.

It is however, unfortunate that for the year under review not much was implementable under the National State of Disaster, which compelled us to refocus our priorities and thereby amend the Annual Performance Plan (APP) 2020-21 with a reduced budget allocation. Without necessarily lamenting the effects of the pandemic, it is worth recording that the best possible was done and some achievements were registered, especially later in the financial year where construction and related industry resumed. This Annual Report 2020-21 presents the kind of trajectory we traversed and takes stock of the work done during this period under review.

We appreciate the hardworking women and men of the public service, with their varying capabilities and skills that enabled us to achieve during this difficult financial year. This of course we do while noting with humility the improvement of the finances of the Department as we equally urge everyone to keep the standard up and aim for even greater achievements, going forward.

A handwritten signature in black ink, appearing to read 'Masemola', is written over a horizontal line. The signature is stylized and somewhat scribbled.

**Mr. Namane Dickson Masemola (MPL)**

**MEC of the Department of Public Works, Roads and Infrastructure**

### 3. REPORT OF THE ACCOUNTING OFFICER



**Name: Mr Dikgole Timothy Seroka**

**Title: Head of Department**

#### **Overview of the operations of the department:**

The Department is mandated to render technical services in building management, real estate management as well as roads construction and maintenance services, including coordinating implementation of the EPWP, guided through by management consisting of six (6) executive directors graded at chief director level. There are three (3) chief directors for infrastructure operations, two (2) for corporate support and a chief financial officer, twenty-one (21) directors involved in operations management within the core units and nine (9) corporate service directors responsible for finance, human resources, strategic management, information management, corporate affairs and district service management.

Subsequent to the tabling of 2020/21 Annual Performance Plans the President declared the National State of Disaster as a result of the outbreak of Coronavirus (COVID 19) in the country. Given the status quo in the country, it had become prudent for the provincial administration to put system in place to address this outbreak



The Provincial Command Council directed that departmental 2020/21 budget be reduced to provide funding to the provincial disaster funding. The budget for the department was revised downward by R68 479 000 million and that necessitated the revision of plans.

A number of interventions were proposed that required additional funds including among others provision of PPE, Shelter and availability of Quarantine sites.

The reduction of funds necessitated the department to reprioritise its 2020/21 plans in line with the reductions, and the revised APP was developed and re-tabled.

Owing to the factors of National State of Disaster, the department did not perform optimally on the infrastructure delivery and information below will allude to that:

#### **Programme 1- Administration**

The programme was badly affected by budget cuts but managed to achieve eight (8) of the ten (10) planned targets. The department still experiencing challenges with thirty (30) days payment, which is still at 99% and revenue collection, was not fully achieved as well.

#### **Programme 2 Property and Facilities**

The department had to scale down on planned targets due to budget cuts. Four (4) out of the seven (7) targets had to be revised and the department was able to achieve six (6) of its planned target. The only challenge was with the Number of R293 Townships transferred to municipalities where submissions were submitted to the State Attorney's office but they were not processed.

#### **Planning and Design**

Although there were no budget cuts, the department did not have an option but to shift quarterly target to the end of the financial year and managed to achieve three (3) out of the four (4) planned targets, the challenge was non- confirmation of scope by client department.

#### **Construction Management**

All targets had to be scaled down due to budget but the department did fairly well as we managed to achieve all targets for this programme.

#### **Programme 3 - Expanded Public Works Programme**

The programme had received additional funding and managed to create more work opportunities and all planned targets were achieved.

## Programme 4 - Roads Infrastructure

There were not budget cuts and plans were not revised except for Roads Project Implementation Programme, but due to the economic environment that we were operating under the Re-habitation of and Blading of roads was badly affected and did not achieve. The Roads Project Implementation also was not able to appoint the planned number of youth, women and persons living with disability.

### Departmental receipts

**TABLE 1: DEPARTMENT RECEIPTS**

Departmental receipts	2019/2020			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	29 684	28 353	(1 332)	29 467	27 553	(1 914)
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	423	59	(364)	255	29	(266)
Sale of capital assets	6 901	2901	(3000)	5 788	88	(3 600)
Financial transactions in assets and liabilities	1 008	4 059	3 051	2 309	3 981	1 672
Total	38 016	35 372	(2 644)	37 819	31 651	(6 168)

## Programme Expenditure

Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	404 457	391 163	13 294	359 331	334 745	24 586
Public Works	886 278	864 627	21 651	816 881	869 333	-52 452
EPWP	61 797	63 531	(1 734)	75 453	72 413	3 040
Roads and Infrastructure	2 542 454	2 145 666	396 788	2 278 455	1 663 956	614 499
Total	3 869 964	3 466 960	430 004	3 530 120	2 940 447	589 673

### Programme 1: Administration

Personnel expenditure - The programme has underspend its expenditure by R24586 million or 7% due to prolonged process of filling vacant posts and service terminations because of retirements, resignations.

### Programme 2 – Infrastructure Operations

Personnel expenditure - The programme has overspent its projections by R52 452 million or 6 per cent due to s.

### Programme 3 – Expanded Public Works Programme

Personnel expenditure - The programme has underspent its projections by R30 40 million or 3 per cent.

Creditor's payments - The programme has overspent its projections by R302 thousand or 1 per cent.

### Programme 4 – Roads Infrastructure

Personnel expenditure – The programme has underspent its projections by R614499 million or 27 per cent. Prolonged process of filling vacant posts and service terminations due to resignations, retirements and natural attritions

#### Virements/roll overs

The state of virements made by the department during the period under review is R 36 million.

- Public Private Partnerships
  - None
- Discontinued key activities / activities to be discontinued
  - None
- New or proposed key activities
  - None
- Supply chain management

#### Reporting structure and capacity

Supply Chain Management is configured as indicated below:

AS PER APPROVED STRUCTURE	STATUS
1. CFO	Occupied
2. Director SCM	Occupied
3. Deputy Director: Demand Management	Occupied
4. Assistant Directors x 3	1 vacant
5. Senior Admin Officer x 6	5 vacant
6. Deputy Director: Acquisition Management	Occupied
7. Assistant Directors x 3	3 vacant
8. Senior Admin officer x 8	8 occupied
9. Deputy Director: Contract Management	Occupied
10. Assistant Directors x 3	2 vacant
11. Senior Admin officer x 3	1 vacant
12. Admin clerk x1	occupied

List all unsolicited bid proposals concluded for the year under review

AWARDED BIDS 2020/2021

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI-B/19008/2019/20	Real thoughts trading 42	Construction of new accommodation block B at Limpopo traffic training college in the Vhembe district	R21 570 442.00	100	24 .06.20
LDPWRI-BM/19002	Appointment of service provider for repair and maintenance of accessible lifts for a period of thirty six(36) months in the Limpopo Department of Public Works, Roads and Infrastructure	Schindler Lifts SA (PTY)LTD	R2 314 950.00	80	07 .07.20
LDPWRI-BM/19004	Decommission of existing Lifts, Supply, delivery, install and commission new lifts at various Government facilities in Limpopo Province	Otis (PTY) LTD	R10 142 847.86	80	07 .07.20
LDPWRI-B/19001	Construction of New Facilities, Additions and Rehabilitation of Schools at Marude Secondary School in the Vhembe District for the Department of Education in Limpopo Province	Deliblox (PTY)Ltd	R41 080 269.52	100	13.11.20

<b>PROJECT NO</b>	<b>DESCRIPTION</b>	<b>AWARDED BIDDER</b>	<b>Amount</b>	<b>Points</b>	<b>Date Awarded</b>
LDPWRI-B/19002	Construction of New Facilities, Additions and Rehabilitation of Schools at Alldays Primary School in the Capricorn District for the Department of Education in Limpopo Province	FGN Construction and Plant Hire	R32 400 469.81	100	13.11.20
LDPWRI-B/19003	Construction of New Facilities, Additions and Rehabilitation of Schools at Laduma Mahuma Primary School in Sekhukhune District for the Department of Education in Limpopo Province	Deliblox (PTY)Ltd	R28 887 546.79	100	13.11.20
LDPWRI-B/19004	Construction of New Facilities, Additions and Rehabilitation of Schools at Mahlagaume Primary School in Sekhukhune District for the Department of Education in Limpopo Province	Fanang Diatla Business Enterprise and Construction	R32 101 522.67	96.47	13.11.20
LDPWRI-B/19005	Construction of New Facilities, Additions and Rehabilitation of Schools at Naledi Ya Meso Secondary School in Sekhukhune District for the Department of Education in Limpopo Province	Zerbacraft(PTY)LTD JV Lance Management Services	R26 895 478.98	100	13.11.20

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI-B/19006	Construction of New Facilities, Additions and Rehabilitation of Schools at Gidela Secondary School in the Mopani District for the Department of Education in Limpopo Province	Zerbacraft(PTY)LTD JV Lance Management Services	R26 988 210.34	100	13.11.20
LDPWRI-B/18028	Alterations and Renovation of 40 Paul Kruger Street Building in Capricorn District	Nkomaba Trading and Projects	R36 080 616.36	100	13.11.20
LDPWRI-R/19005	Procurement of Tar Cutters	Nompendulo Lesedi Trading Enterprise (PTY) LTD	R910 159.30	100	10 .11.20
LDPWRI -RS/20001/01	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Mabotwane Security Services	R344 771.38	95	26.01.21
LDPWRI -RS/20001/02	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	R-5 Security Services	R329 753.12	77.5	26.01.21
LDPWRI -RS/20001/03	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Molapo-Motle Enterprise & Construction	R331 149.94	88	26.01.21

<b>PROJECT NO</b>	<b>DESCRIPTION</b>	<b>AWARDED BIDDER</b>	<b>Amount</b>	<b>Points</b>	<b>Date Awarded</b>
LDPWRI -RS/20001/04	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Wowo Trading and Projects	R327 600.00	78	26.01.21
LDPWRI -RS/20001/05	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Matjekelane Security Services	R297 901.00	73	26.01.21
LDPWRI -RS/20001/06	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Brown Dogs Security Unity	R351 900.00	73	26.01.21
LDPWRI -RS/20001/07	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Bravospan 90 cc	R419 405.00	82.5	26.01.21
LDPWRI -RS/20001/08	Rendering Of Physical Security Services at various Guards Posts at Capricorn District for thirty six (36) Months	Gubis 85 Solution	R290 850.00	80	26.01.21



PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI -RS/20001/09	Rendering Of Physical Security Services at various Guards Posts at Sekhukhune for thirty six (36) Months	Tshegane Business Enterprise	R322 575.00	80	26.01.21
LDPWRI -RS/20001/10	Rendering Of Physical Security Services at various Guards Posts at Sekhukhune for thirty six (36) Months	Linspire 134 cc	R319 872.25	82.5	26.01.21
LDPWRI -RS/20001/11	Rendering Of Physical Security Services at various Guards Posts at Sekhukhune for thirty six (36) Months	Hwibidu Group (PTY)LTD	R343 593.61	82.5	26.01.21
LDPWRI -RS/20001/12	Rendering Of Physical Security Services at various Guards Posts at Sekhukhune for thirty six (36) Months	Mathomomayo Investment Holdings cc	R394 650.19	78	26.01.21
LDPWRI -RS/20001/13	Rendering Of Physical Security Services at various Guards Posts at Waterberg for thirty six (36) Months	Mazaxa Construction And Projects	R400 999.99	90	26.01.21
LDPWRI -RS/20001/14	Rendering Of Physical Security Services at various Guards Posts at Waterberg for thirty six (36) Months	Both Best Training And Projects	R314 860.60	73	26.01.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI -RS/20001/15	Rendering Of Physical Security Services at various Guards Posts at Waterberg for thirty six (36) Months	LL Security Services	R353 658.35	80	26.01.21
LDPWRI -RS/20001/16	Rendering Of Physical Security Services at various Guards Posts at Waterberg for thirty six (36) Months	KTS General Trader	R376 550.66	75	26.01.21
LDPWRI -RS/20001/17	Rendering Of Physical Security Services at various Guards Posts at Mopani District for Thirty Six (36) Months	Mphosha Security Services	R310 499.77	98	26.01.21
LDPWRI -RS/20001/18	Rendering Of Physical Security Services at various Guards Posts at Mopani District for Thirty Six (36) Months	Motane Investment Cc	R313 497.80	83	26.01.21
LDPWRI -RS/20001/19	Rendering Of Physical Security Services at various Guards Posts at Mopani District for Thirty Six (36) Months	George B Security Services	R311 535.92	85	26.01.21
LDPWRI -RS/20001/20	Rendering Of Physical Security Services at various Guards Posts at Mopani District for Thirty Six (36) Months	Eulitsaki Construction And Cleaning Enterprise	R307 227.80	98	26.01.21
LDPWRI -RS/20001/21	Rendering Of Physical Security Services at various Guards Posts at Mopani District for Thirty Six (36) Months	Linda Integrate Security	R268 200.00	70	26.01.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI -RS/20001/22	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	Dimo Le Dikwena Security Services (PTY)Ltd	R298 200.00	70	26.01.21
LDPWRI -RS/20001/23	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	Molebogeng Security Services	R280 237.77	97	26.01.21
LDPWRI -RS/20001/24	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	Life At Its Best Protection	R380 100.00	78	26.01.21
LDPWRI -RS/20001/25	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	Musangweni Security JV /Great Fox One	R313 032.00	87.5	26.01.21
LDPWRI -RS/20001/26	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	NKFC Security & Projects	R307 050.00	70	26.01.21
LDPWRI -RS/20001/27	Rendering Of Physical Security Services at various Guards Posts at Vhembe District for Thirty Six (36) Months	Rigayisi Development Services	R313 429.62	80	26.01.21
LDPWRI-R/20024	Supply and Delivery of Personal Protective Clothing in Mopani District	Arten M Cubed JV	R990 489.80	76.56	23 .02.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI-R/20024	Supply and Delivery of Personal Protective Clothing in Sekhukhune District	Great Focus Media JV Amazon Industries & Mining Services	R1 182 936.0 0	24.15	23 .02.21
LDPWRI-R/20024	Supply and Delivery of Personal Protective Clothing in Vhembe District	Kumbatia Holdings (PTY)LTD	R1 195 244.0 0	76.43	23 .02.21
LDPWRI-R/20024	Supply and Delivery of Personal Protective Clothing in Waterberg District	Worvic/Lumoja General Construction JV	R1 755 026.5 0	94,05	23 .02.21
LDPWRI-R/20024	Supply and Delivery of Personal Protective Clothing in Capricorn	Sane and Kgao Trading	R1 051 230.0 0	100	23 .02.21
LDPWRI -ROADS/20012	Appointment of Professional Environmental Consultants to Rehabilitate Borrow Pits and conduct post Rehabilitation monitoring in the Waterberg District for a period of 36 Months	Lefatshe Minerals and Consulting (PTY)LTD	R249 451.33	100	22.02.21
LDPWRI -ROADS/20012/1	Appointment of Professional Environmental Consultants to Rehabilitate Borrow Pits and conduct post Rehabilitation monitoring in the Waterberg District for a period of 36 Months	Tshedza Consulting Engineering	R252 191.55	99.12	22.02.21
LDPWRI -ROADS/20013	Appointment of Professional Environmental Consultants to Rehabilitate Borrow Pits and conduct post Rehabilitation monitoring in the Vhembe District for a period of 36 Months	Tshedza Consulting Engineering	R233 170.73	100	22.02.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI -ROADS/20014	Appointment of Professional Environmental Consultants to Rehabilitate Borrow Pits and conduct post Rehabilitation monitoring in the Mopani District for a period of 36 Months	Lefatshe Minerals and Consulting (PTY)LTD	R247 800.85	100	22.02.21
LDPWRI -ROADS/20002	Appointment of Professional Health service Provider to Conduct Health Risk Assessment and Medical Screening for In-House Road Maintenance workers in the Waterberg District for a period of Three (3) Years.	Bonang Bathabile Civil Construction	R233 742.39	100	22.02.21
LDPWRI -ROADS/20003	Appointment of Professional Health service Provider to Conduct Health Risk Assessment and Medical Screening for In-House Road Maintenance workers in the Vhembe District for a period of Three(3) Years	Bonang Bathabile Civil Construction	R241 359.99	100	22.02.21
LDPWRI -ROADS/20004	Appointment of Professional Health service Provider to Conduct Health Risk Assessment and Medical Screening for In-House Road Maintenance workers in the Capricorn District for a period of Three(3) Years	Bonang Bathabile Civil Construction	R233 742.39	100	22.02.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI-ROADS/19001	Appointment Professional Environmental Consultant to investigate Contamination in Government Garages and Cost Centres and Compilation of Site Assessment Reports and Remediation Plans in areas where there is Contamination(Vhembe and Capricorn District)	Tshedza JV Segope Consulting	R 5 332 780.00	-173	22.02.21
LDPWRI-ROADS/19002	Appointment Professional Environmental Consultant to investigate Contamination in Government Garages and Cost Centres and Compilation of Site Assessment Reports and Remediation Plans in areas where there is Contamination(Mopani District)	Tshedza JV Segope Consulting	5 332 780.00	-272.07	22.02.21
LDPWRI-ROADS/19003	Appointment Professional Environmental Consultant to investigate Contamination in Government Garages and Cost Centres and Compilation of Site Assessment Reports and Remediation Plans in areas where there is Contamination(Waterberg District)	Tshedza JV Segope Consulting	6 665 975.00	-312.46	22.02.21

PROJECT NO	DESCRIPTION	AWARDED BIDDER	Amount	Points	Date Awarded
LDPWRI-ROADS/19004	Appointment Professional Environmental Consultant to investigate Contamination in Government Garages and Cost Centres and Compilation of Site Assessment Reports and Remediation Plans in areas where there is Contamination(Sekhukhune District)	Tshedza JV Segope Consulting	5 332 780.00	-272.02	22.02.21
LDBWRI-B/20015	Reconstruction of the New Infrastructure Facilities at Schoemandal Museum: Vhembe District	Xiluva Xa Mina Projects cc	R37 218 000.00	80	25.02.21

Future plans of the department on Supply Chain Management

- The Department has strengthened internal controls through the segregation of duties in the SCM Unit to ensure that SCM practitioners do not have more than one function to process a transaction in the LOGIS system.
- Monitor adherence to SCM prescripts.

The Department did not award any unsolicited bid proposal during the period under review of 2020/21 financial year

SCM processes and systems to prevent irregular expenditure

- Supply chain processes have been put in place to prevent irregular expenditure whereby procurement with a rand value of less than R500 000 and BIDS ABOVE R500 000 BAC & IBAC are adjudicated by Bid Evaluation Committee at Head Office and District Acquisition Committees (of Districts).
- The Department has fully implemented the Central Supplier Database (CSD) as introduced by National Treasury from 01 April 2016 and serves as the single source of key supplier information for state organs. The Department reported that the system is providing consolidated, accurate, up-to-date and verified supplier information. This supplier

information was verified against institutions like the South African Revenue Service (SARS), Companies and Intellectual Property Commission (CIPC) and the Department of Home Affairs.

#### **Challenges experienced in SCM and how they were resolved**

- The SCM unit in the Department experienced higher attrition and these posts could not be filled due to moratorium placed on filling of vacant positions.
- The issue of government employees doing business with the Department, other Departments and other state organs without approval from the Executing Authority remained a challenge on procurement related matters. A message was broadcast on salary advices to notify all government officials that they are not allowed to conduct business with the state or perform remunerative work without approval.
- The Department has implemented the Public Administration Management Act that prohibit all employees appointed by the state to conduct business with the State and are not allowed to be a director of public or private company conducting business with the state. The Department utilise the Central Supplier Database system to verify government employees doing business with the state.
- The Department had several challenges in ensuring that SCM prescripts were fully complied with by all officials and this was evident through a number of issues raised during audit process. Officials responsible for procurement in the Department are continuously trained through on-the-job training and training provided by Provincial Treasury to ensure continuous compliance with SCM prescripts. Further, all supply chain management practitioners have made their financial disclosures on E- Disclosure in accordance with the Regulation. All SCM official signed the code of conduct.
- In addition, the Department requires disclosures of interest by bid committee members prior to all evaluation and adjudication of bids. All members of bid committees declared their interest during the committee meetings. Similarly, all employees are required to seek permission of the Executive Authority for additional remunerative work.

#### **Gifts and Donations received in kind from non-related parties**

- The department has the gifts and donation register in terms of Public Service Regulation (2016) and during the year under review, there were no gifts declared nor received.

#### **Exemptions and deviations received from the National Treasury**

- There were no exemption from the PFMA or TR or deviation from the financial reporting requirements received for the financial year under review.

#### **Events after the reporting date**

There were no events to be reported after the reporting date.

- Other



There were no other material fact or circumstances, which have an effect on the understanding of the financial state of affairs, not addressed elsewhere in this report.

- Acknowledgement/s or Appreciation
- Conclusion
- Approval and sign off

A handwritten signature in black ink, appearing to be 'SD', written over a horizontal line.

**Mr Seroka Dikgole Timothy**

**Head of Department**

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

#### 4. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

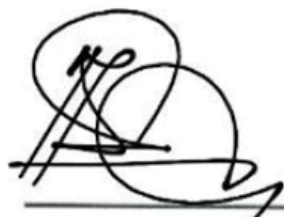
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2021.

Yours faithfully

A handwritten signature in black ink, appearing to be 'TD', written over a horizontal line.

**Head of Department**

**Mr Seroka Dikgole Timothy**

## 5. STRATEGIC OVERVIEW

### 5.1. Vision

A leader in the provision and management of provincial land, buildings and roads infrastructure.

### 5.2. Mission

Optimal utilization of resources in the provision and management of sustainable social and economic infrastructure including implementation and coordination of Expanded Public Works Programme is must be as per the department's strategic plan.

### 5.3. Values

The Limpopo Department of Public Works, Roads and Infrastructure prides itself on the following core values:

#### Accountability

Every officials will be held responsible for own action and ensuring single point accountability

#### Integrity

All officials will be truthful and honest in execution of duties in their area of competence

#### Professional Ethics

All official will perform diligently with necessary proficiency in the execution of duties in their area of skills backed by acceptable moral codes.

#### Excellence in Service Delivery

All official shall dedicate his or her energy and time to serve with distinction and offer quality service to the public.

#### Teamwork

Official in the department will at all times strive to deliver as a joint and cooperate amongst himself or herself for service excellence

#### Transparency

The department will always uphold Batho Pele Principles and deliver accordingly.

#### Answerability

The department will collectively take liability for poor service delivery

## **6. LEGISLATIVE AND OTHER MANDATES**

### **6.1. Constitutional Mandates**

In terms of sub-section 125 (1) of the Constitution of RSA, “the executive authority of a Province is vested in the Premier of that Province.” Sub-section (2) also provides that “The Premier exercises the Executive Authority, together with other Members of the Executive Council, by: -

- Implementing Provincial Legislation;
- Implementing all National Legislation within the functional areas listed in Schedule 4 or 5 except where the Constitution or an Act of Parliament provides otherwise;
- Administering in the province, national legislation outside the functional areas listed in Schedule 4 or 5, the administration of which has been assigned to the provincial executive in terms of an Act of Parliament;
- Developing and implementing provincial policy;
- Co-ordinating the functions of the provincial administration and its departments;
- Preparing and initiating provincial legislation; and
- Performing any other function assigned to the provincial executive in terms of the Constitution or an Act of Parliament.”

In terms of Schedule 4 of the RSA Constitution, Public Works, Roads and Infrastructure is a functional area of concurrent National and Provincial legislative competence “only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law.”

In terms of his Constitutional prerogative, the Honourable Premier or Minister establishes the Department of Public Works, Roads and Infrastructure to provide and manage Provincial land and buildings. In addition, to contribute to the provincial goal of job creation and poverty alleviation through the Expanded Public Works Programme “only in respect of the needs of provincial government institutions in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution.”

### **6.2. Legislative Mandates**

In terms of the relevant provisions of the RSA Constitution, (Act 108 of 1996) and the Public Service Act, (Proclamation 103 of 1994), a functional mandate was assigned to the Department in respect to Public Works. The Provisions of the Northern Province Land Administration Act (Act 6 of 1999) confirms the legislative mandate of the department in matters pertaining to the acquisition and disposal of provincial land and building.

In terms of this legislative mandate, it is abundantly clear that the Department of Public Works, Roads, and Infrastructure is assigned the role of custodian and manager of all provincial government land and buildings for which other legislation does not make other departments or institutions responsible. This mandate includes the determination of

accommodation requirements; rendering expert built environment services to client departments as well as the acquisition, management, maintenance and disposal of such provincial government land and buildings.

### **6.3. Other General Public Service Legislative mandates and the Regulations**

Other General Public Service Legislative mandates and the Regulations are listed hereunder:-

- Public Finance Management Act, (Act 29 of 1999): To secure transparency, accountability and sound management of revenue, expenditure, assets and liabilities of various public institutions;
- Division of Revenue Act, (Act of 2008): To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2008/09 financial year and the responsibilities of all three spheres pursuant to such division; and to provide for matters connected therewith;
- Public Service Act, (Act 103 of 1994): The regulation of the conditions of employment, discipline and matters connected therewith.
- Labour Relations Act, (Act 66 of 1995): To promote and maintain sound labour practice.
- Basic Conditions of Employment Act, (Act 75 of 1997): To advance economic development and social justice by fulfilling the primary objects such as to give effect to and regulate the right to fair labour practices conferred by Section 23(1) of the Constitution.
- Employment Equity Act, (Act 55 of 1998): To promote equal opportunity and fair treatment in employment through the elimination of unfair discrimination through affirmative action measures in order to redress the imbalances of the past.
- Skills Development Act, (Act 97 of 1998): To provide an institutional framework to devise and implement strategies to develop and improve the skills of the workplace;
- Compensation of Occupational Injuries and Diseases Act, (Act No 130 of 1993): To provide for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases; and to provide for matters connected therewith;
- Preferential Procurement Policy Framework Act, (Act 5 of 2000): A system for proper evaluation in the provision of services;
- Broad Based Black Economic Empowerment Act, (Act 53 of 2003): To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith;
- Occupational Health and Safety Act, (Act 85 of 1993): To ensure safe working conditions and safe equipment at all times;
- Promotion of Access to Information Act, (Act No 2 of 2000): 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, (Act 3 of 2000): To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.
- Protected Disclosure Act (Act 26 of 2000): To make provision for procedures in terms of which employees in both the private and the public sector may disclose information regarding unlawful or irregular conduct by their employers or other employees in the employ of their employers; to provide for the protection of employees who make a disclosure which is protected in terms of this Act; and to provide for matters connected therewith.
- State Information Technology Agency Act, 1998

The department also discharges its core responsibilities in terms of the following line function specific legislative mandates, which are -

- Construction Industry Development Board Act, (Act 38 of 2000)
- Deeds Registries Act, (Act 47 of 1937)
- Council for the Built Environment Act, (Act 43 of 2000)
- Architectural Professional Act, (Act 44 of 2000)
- Landscape Architectural Profession Act, (Act 45 of 2000)
- Engineering Professions Act, (Act 46 of 2000)
- Property Valuers Act, (Act 47 of 2000)
- Projects and Construction Management Profession Act, (Act 48 of 2000)
- Quantity Surveying Profession Act, (Act 49 of 2000)
- Town and Regional Planning Act, (Act 36 of 2002)
- Rating of State Property Act, (Act 79 of 1984)
- Land Affairs Act, (Act 101 of 1987)
- Land Titles Adjustment Act, (Act 111 of 1995)
- National Building Regulations and Building Standards Amendment Act, (Act 49 Of 1995)
- Housing Act, (Act 107 of 1997)
- Rental Housing Act, (Act 50 of 1999)
- National Heritage Council Act, (Act 11 of 1999)
- Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007)
- Northern Province Roads Agency Act, Act 7 of 1998 as amended by Act. No.3 of 2001.

#### **6.4. Policy Mandates**

The department is guided by the following policy mandates in the discharge of its core responsibilities:

##### *National*

- Ruling Party Election Manifesto of 2014
- National Development Plan
- Medium Term Strategic Framework 2014- 2019
- State of the Nation Address

##### *Provincial*

- State of the Province Address
- Limpopo Development Plan

##### *Departmental*

- MEC Budget Policy Speech
- Departmental Policies and Frameworks

#### **6.5. Relevant court rulings**

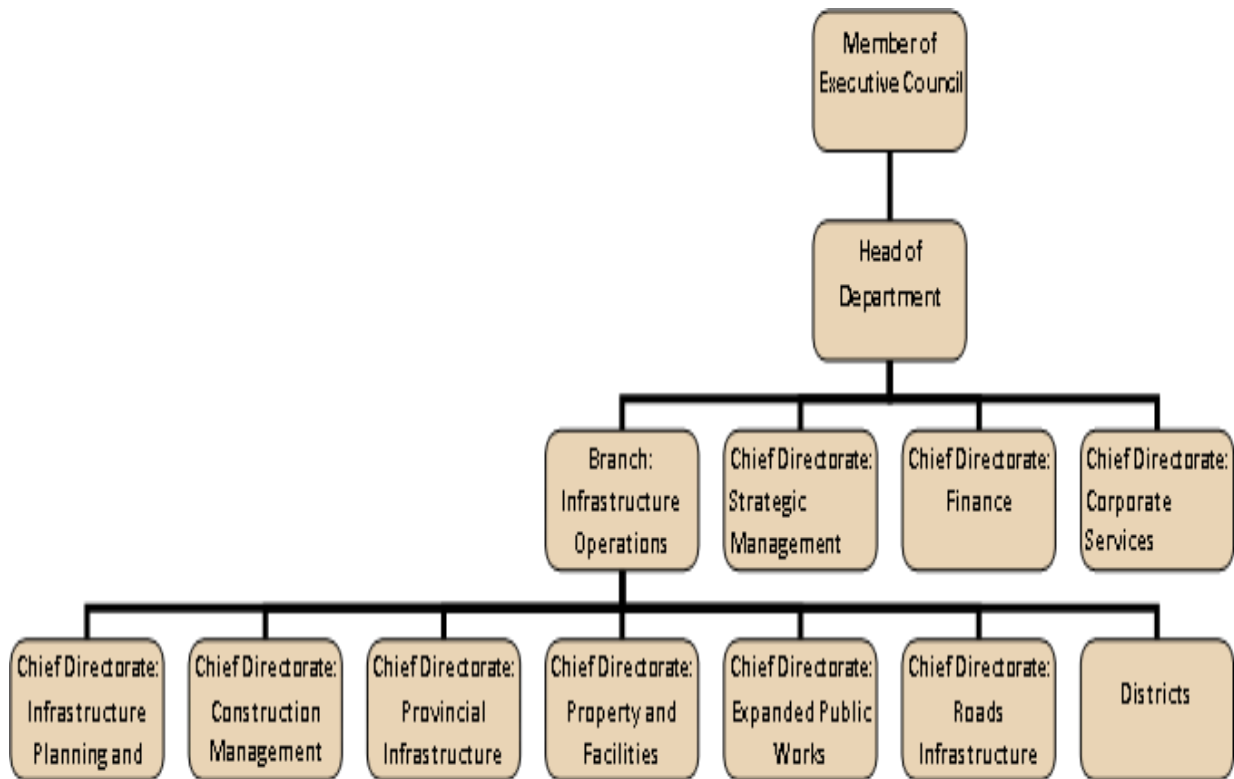
The department did not have any specific court rulings that have a significant impact on operations or service delivery obligations.

#### **6.6. Planned Policy Initiatives**

Over the strategic plan period, the focus of the department will be on -

- Effective coordination of policy development;
- Implementation and coordination of provincial infrastructure development.
- Development of departmental specific scarce skills;
- Contribution to the creation of decent work and sustainable livelihoods through increasing the labour intensity of government infrastructure funded projects through the Expanded Public Works Programme for unemployed people of working age;
- SMME and Contractor development and capacity building for the built environment;
- Enact the Infrastructure Strategic Planning Hub
- Strengthen the efficacy of the reconfigured department to improve on service delivery

## 7. ORGANISATIONAL STRUCTURE





## 8. ENTITIES REPORTING TO THE MEC

The table below indicates the entities that report to the Minister/MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
<b>Road Agency Limpopo</b>	RAL is listed as a schedule 3C Provincial Public Entity in terms of Public Finance Management Act (PFMA) 1999, Act No.1 of 1999 and also Chapter 16A of the Treasury Regulations is applicable to this entity. The Northern Province Roads Agency Act, Act 7 of 1998 as amended by Act, further governs RAL. No.3 of 2001.	Roads Agency Limpopo	Strategic planning of provincial roads system, planning, design, construction, operation, management, control, maintenance and rehabilitation of provincial roads.



## **PART B: PERFORMANCE INFORMATION**

## **1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES**

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 179 of the Report of the Auditor General, published as Part E: Financial Information.

## **2. OVERVIEW OF DEPARTMENTAL PERFORMANCE**

### **2.1 Service Delivery Environment**

As required by the Public Service Regulations 2016, read in conjunction with the Public Service 1994, The Department develops an HR Plan for a period of five (05) years. The HR Plan is reviewed annually and as and when necessary. An HR Plan Implementation Plan is also compiled annually and submitted to the DPSA annually, and at the end of the five (05) years. The HR Plan helps the Department to identify current and future human resources needs in order to achieve its strategic goals. It links human resource management to the overall strategic plan of the Department.

The aim of the HR plan is to ensure that the Department of Public Works, Roads and Infrastructure has the right number of employees with the right competencies and in the right positions as and when they are required. The development of the HR plan will ensure that shortages and surplus can be anticipated and an action plan developed, implemented prior to experiencing skills challenges. For LDPWRI, the approach is to develop an integrated HR Plan which includes the following focus areas and or priorities which are instrumental in supporting the Core of the Department to deliver quality real time service to the its clients and the community of Limpopo;

- Organisational Design
- Recruitment Plan
- Employment Equity Plan
- Work Place Skills Plan
- Attrition Plan
- Succession Plan
- Retention Plan

There is a need to upgrade Local Area Network (LAN) switches and support upgrade as well as adding redundancy and resiliency. This includes upgrading the voice infrastructure, server and video conferencing. This will enable seamless communication between all districts and Head Office. The organisational structure will be finalised and ensure that it aligned to the mandates of the Department.

### **Programme 2: Infrastructure Operations**

In terms of the GIAMA planning cycle as directed by the Provincial Treasury Practice Note 3 of 2013, the Department as the custodian will continue to assess all the User Asset Management Plans (U-Amps) and develop a Custodian Asset Management Plan (C-Amp) as expected. The department will continue to conduct condition assessments of all governmental facilities within its portfolio to guide investment decisions for the future and schedule appropriate plans to ensure value maximisation of the assets across its lifecycle.

The Department will implement education, health, libraries, traditional council offices, nature reserves, transport and agriculture facilities over the MTEF period. Provision of education infrastructure will focus on schools with acute infrastructure challenges and storm damaged. The education facilities include classrooms, administration block and sanitation. The completed education infrastructure is expected to provide conducive environment for rendering of quality education services.

The provision of health infrastructure will include revitalisation of hospitals, construction of clinics, emergency medical service stations and upgrading of hospital laundries. The health infrastructure is expected to provide conducive environment for the provision of quality health care services.

The implementation will include monitoring on construction activities on site and processing of payment certificates. Monitoring will be done in accordance with the specifications, implementation programme and budget. Payment certificates will be processed and paid within 30 days.

### **Programme 3: Expanded Public Works Programme**

The Department will continue to provide work opportunities and income support to poor and unemployed people using labour-intensive methods in the delivery of public and community assets and services, thereby contributing to development. The planned target are funded through Equitable share, Incentive grant and Municipal Intergrated Grant.

In this Phase IV, the demographic employment target for Women has been increased from 55% to 60% whilst that for Youths and People with Disability respectively remain unchanged at 55% and 2%.

The following structures are in place to ensure to ensure the improvement of EPWP coordination:

- Provincial Steering Committee (PSC) that sits quarterly to review and advise on the strategic formulas for improving performance;
- Quarterly Monitoring & Evaluation, which visits projects to monitor compliance of EPWP guidelines;

- Joint Infrastructure meetings that reviews performance of Infrastructure delivery; Pre-Audits that ensures safe record keeping and reporting of work opportunities created or uploaded on the EPWP Reporting System.

The implementation of turn- around strategy will be monitored closely to ensure that all objectives and pillars are realised for the maximisation of work opportunities.

#### **Programme 4: Roads Infrastructure**

The department has an obligation to promote accessibility and safe affordable movement of people, goods and services through the delivery and maintenance of roads infrastructure that is sustainable, integrated and environmentally sensitive, and supports economic growth of the Province.

In the building and maintenance of the road infrastructure, the Department through its Agency RAL utilises SMMEs, trains local labour and employs local labour including youth, women and people with disabilities thereby contributing to the objectives of the NDP, that is, eliminating poverty and reducing inequality. The agency has also adopted an integrated approach to its road infrastructure development by aligning with the LIIMP. RAL's approach to road infrastructure development is based on stronger partnerships between the public and private sectors, and with local communities.

## 2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

### *Main services and standards*

<b>Main services</b>	<b>Beneficiaries</b>	<b>Current/actual standard of service</b>	<b>Desired standard of service</b>	<b>Actual achievement</b>
Provision of information on number of immovable assets verified in the Immovable Asset Register in accordance with the mandatory requirements of National Treasury	Government departments	300 Asset to be registered in the Immovable asset register	300 asset registered in the Immovable asset register.	300 assets registered.
Provision of building infrastructure.	Government departments	7 Projects to be completed	7 Projects to be completed	05 Projects completed
Provision of roads infrastructure	Government departments	73 km of roads to be re-gravelled	73 km of roads to be re gravelled	84.2 km of roads re-gravelled

*Batho Pele arrangements with beneficiaries (Consultation access, etc.)*

<b>Current/actual arrangements</b>	<b>Desired arrangements</b>	<b>Actual achievements</b>
Provincial User Departments Forum (PUDF)	To build capacity for government departments in terms of Asset Register	PUDF is held on quarterly basis
Professional Capacity Development and Mentoring Initiative (PCDMI)	For professional development as well as mentoring initiative in terms of registered professionals	PCDMI is held on a monthly basis
District Regional Coordinating Centre	To register all job cards for maintenance issues	RCC's are not effectively working in all five Districts.

*Service delivery information tool*

<b>Current/actual information tools</b>	<b>Desired information tools</b>	<b>Actual achievements</b>
Service Standards	Service Standards document	Service standards were develop and distributed to customers and potential customers annually.
Citizens	Citizen Report	Citizen's report was prepared and distributed to customers and potential customers annually.
Service Charter	3 year Service Delivery Charter	3 year Service Delivery Charter developed and distributed to customers and potential customers annually



Current/actual information tools	Desired information tools	Actual achievements
Service Delivery Improvement Plan	3 year Service Delivery Improvement Plan	3 year Service Delivery Improvement Plan developed and distributed to customers and potential customers annually
PAIA Manuals	PAIA Manuals	PAIA Manuals are available

#### *Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Presidential Hotline	30	25
Premier Hotline	20	17

## 2.3 Organisational environment

Key issues relating to the Organisational Structure –

The President of the Republic of South Africa on 15th March 2020, declared a national State of Disaster following the outbreak of the coronavirus in the country. Since then, COVID-19 has undoubtedly impacted on the public service in various ways. To mitigate the impact on the health of the employees and service delivery, it was important that a common approach in the manner departments deal with cases linked to the virus be established. The President including Ministers and the Provincial Executive Council issued guidelines on the management of this outbreak. Given the status quo in the country and in the Province, it became prudent for the province to put systems in place to address this outbreak.

The department finalized its APP 2020-21 and was tabled in the Provincial Legislature as required. On the 15 April 2020, the Provincial Treasury wrote to departments with a number of proposed interventions to be implemented to fight Covid-19 pandemic. The interventions included amongst others, provision of Personal Protection Equipment's (PPE's), Testing and Tracing of positive cases, health facility equipment's and including much needed ICU beds and Ventilators, provision of social services (such as shelters and food parcels) and availability of well-equipped quarantine and or isolation sites. All these interventions required funding and provincial reserves did not have enough to cater for the proposed intervention.

Subsequently Provincial Disaster Command Council directed departmental 2020/21 budgets be reduced to provide funding to the Provincial Disaster Funding. The departmental budget was adjusted from R3.860 billion to R3.450 billion.

Due to budget cuts and COVID-19 restrictions, programmes were not able to meet their performance as planned. The department had to appoint the 10 front liners whose responsibility was to screen staff members on the daily basis. Construction and roads maintenance activities were halted for level 5 and 4-lockdown period as prescribed in the National Covid-19 Risk Adjusted Strategy.

The department had to revise its APP targets in line with the Provincial Treasury Directive on budget cut to ensure attainment of the targets and compensate for the lost time.

The Organisational Structure has been developed and is in the process of being reviewed by Office of the Premier before submission to DPSA. Once completed it will be implemented in a phased approach over the MTEF period.

The Department of Public Works Roads and Infrastructure has established the Infrastructure Strategic Planning Hub (ISPH), which is the turnaround model for the implementation of the Limpopo Infrastructure delivery in support of the Executive Council. The Infrastructure Strategic Planning Hub (ISPH) is the permanent structure of the department in order to ensure that the department reclaims the infrastructure mandate in the province. The Hub is focused on providing qualified, registered and relevantly skilled built environment professionals component to help reduce provincial expenditure on appointing external services.

The current project delivery model has been reviewed from an IDIP perspective and this resulted in recommendations pertaining to improving infrastructure implementation and overall performance of the construction management function being formulated. A model, which encompasses both centralization and decentralization of the infrastructure operation, was proposed as follows:

#### SUMMARY DEPARTMENTAL ANNUAL PERFORMANCE 2020/2021

Programme	Annual Target	Actual Achieved	Variance	Percentage
Administration	10	8	2	86.4%
Property and Facilities Management	7	6	1	85.7%
Planning and Design	4	3	1	75%
Construction Management	3	2	1	66.7%

<b>Programme</b>	<b>Annual Target</b>	<b>Actual Achieved</b>	<b>Variance</b>	<b>Percentage</b>
<b>Expanded Public Works Programme</b>	5	5	0	100%
<b>Roads Infrastructure:Construction</b>	11	5	6	45.5%
<b>TOTAL</b>	<b>40</b>	<b>29</b>	<b>11</b>	<b>87.3%</b>

#### **2.4 Key policy developments and legislative changes**

During the period under review, there were no major policy changes. Due to the outbreak of COVID-19 pandemic, the department had to review its SHERQ policy to align to the current situation.

### 3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The department held its Five-year strategic plan in August 2019 and in the planning process, 7 government priorities for the sixth administration were taken into consideration. This is evidenced in the strategic impact statement and the three departmental outcomes as indicated in the strategy map below:-

Impact statement :	
Accessible, integrated and sustainable infrastructure for economic and socio-economic development	
DPWRI Outcomes	DPWRI contribution to MTSF
<b>Outcome 1:</b> Decent jobs	<ul style="list-style-type: none"> <li>• <b>Priority 1;</b> Economic Transformation and Job Creation;</li> </ul>
<b>Outcome 2:</b> Sustainable Roads and Building Infrastructure	<ul style="list-style-type: none"> <li>• <b>Priority 1;</b>Economic Transformation and Job Creation;</li> <li>• <b>Priority 4;</b> Spatial Integration, Human Settlements and Local Government;</li> <li>• <b>Priority 5;</b> Social Cohesion and Safe Communities</li> <li>• <b>Priority 7;</b> A better Africa and World</li> </ul>
<b>Outcome 3:</b> Capacitated Institution	<ul style="list-style-type: none"> <li>• <b>Priority 2;</b> Education, Skills and Health;</li> <li>• <b>Priority 6;</b> A Capable, Ethical and Developmental State</li> </ul>

## 4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### 4.1 Programme 1: Administration

The Programme serves as a support function to building Infrastructure Operations, Expanded Public Works Programme and Roads and Infrastructure. It provides strategic leadership, supports services and overall management of the Department. This entails giving political, managerial and administrative leadership for the effective functioning of the Department. The Programme consists of the Office of the MEC, Office of the Head of Department and Corporate Support (Strategic Management, Corporate Services and Finance).

**Table 2.4.4.1:**

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 <u>until date of re-tabling</u>	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Capacitated institution	Integrated Human Resource plan	Number of integrated HR plan developed	1	1	1	1	0	The HR Plan was developed and submitted to OTP in the second quarter as per the revised submission dates by the DPSA	

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Responsive IT system	Digital transformation project plan developed	-	-	2	2	0	None	None
	Risk reports	Number of risk management report produced	4	4	4	4	0	None	None
	Audit progress report	Number of audit progress produced	4	4	4	4	0	None	None
	Strategic Risk assessment	Number of Strategic Risk assessment conducted	1	1	1	1	0	None	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Scopa progress reports	Number of SCOPA progress report produced	-	-	4	4	0	None	None
	Clean Audit Strategy	Develop and implement Clean Audit Strategy	-	-	1	1	0	None	None
	Reduced debt account	Percentage reduction of debt amount	79%	108%	100%	129.4%	29.4%	Over achievement was due to the resolved debt from Department of Sports Arts and Culture	None
	Revenue collected	Estimated amount of revenue collected	34.14mil	30.438mil	R34 962mil	R31,651mil	(3.302)mil	None auction sale during the period under review and none payments of house rent.	There has been revenue budget adjustment of 37 819.

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Paid suppliers	Percentage of eligible suppliers paid within 30 days	97%	98%	100%	99%	1%	Rejected payment due to supplier has closed banking account.	None

#### **STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE**

Departments should provide the strategies to address under performance.

Over achievement was due to the resolved debt from Department of Sports Arts and Culture

None auction sale during the period under review and none payments of house rent.

Rejected payment due to supplier has closed banking account.

#### **Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

#### **Reporting on the Institutional Response to the COVID-19 Pandemic**

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.



**Table: Progress on Institutional Response to the COVID-19 Pandemic**

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Medical supplies & Cleaning Detergent	Procurement of PPE and cleaning detergents	Head Office, districts and Cost Centres	-	-	2 000	1 804	-	-

**Linking performance with budgets**

**Sub-programme expenditure**

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office Of The MEC	-	-	-	10 428	6 395	4 030
Head Of Department	-	-	-	13 968	12 431	1 537
Corporate Support	406 435	390 136	13 299	337 970	315 919	22 051
Total	406 435	390 136	13 299	362 363	334 745	27 618

## **4.2 Programme 2: Infrastructure Operations**

### **4.2.1 Sub Programme: 2 Property and Facilities Management**

The Sub-Programme, Property and Facilities Management is responsible for the provision and management of immovable properties, which serves as a platform for the efficient delivery of various government services. It facilitates the provision of office accommodation and other related accommodation to the Provincial Government. These functions are performed in line with the broader departmental goals of improving service delivery, complying with corporate governance requirements, promoting black economic empowerment and contributing to the transformation of the property industry.

The main purpose of this Sub-Programme is to ensure that immovable assets owned and/ or utilized for delivery of government's services yield functional, economic and social benefits to the province.

**Table 2.4.4.1:**

**(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has re-tabled an Annual Performance Plan in the financial year under review)**

<b>Programme / Sub-programme:</b>									
<b>Outcome</b>	<b>Output</b>	<b>Output Indicator</b>	<b>Audited Actual Performance 2018/2019</b>	<b>Audited Actual Performance 2019/2020</b>	<b>Planned Annual Target 2020/2021</b>	<b>*Actual Achievement 2020/2021 until date of re-tabling</b>	<b>Deviation from planned target to Actual Achievement 2020/2021</b>	<b>Reasons for deviations</b>	<b>Reasons for revisions to the Outputs / Output indicators / Annual Targets</b>
Sustainable Roads and Building Infrastructure	Compiled User Asset Management Plan	Number of user Asset Management Plan (U-AMP) compiled in terms of GIAMA framework	1	1	1	1	0	None	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Approved vesting applications	Number of vesting applications approved	32	46	75	122	47	47 more were done to fast-track the registration of surveyed State Domestic Facilities	None
	Maintained properties	Number of properties maintained as per Departmental U-AMP	36	56	30	33	3	Additional work was done using the left over materials from other projects	None
	R293 Towns transferred	Number of R293 Townships transferred to municipalities	2	0	3	0	(3)	Registrations were delayed at State Attorney's office and certificates expired due to backlog	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Verified immovable Asset register	Number of immovable assets verified in the Immoveable Asset Register	1515	1560	300	300	0	None	None
	Maintenance projects awarded	Number of planned maintenance project awarded	10	47	25	41	16	Additional work was done using the left over materials from other projects	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Maintenance projects completed	Number of planned maintenance project completed	6	28	25	37	12	Additional work was done using the left over materials from other projects	None

#### STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

Departments should provide the strategies to address under performance.

#### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

##### Reporting on the Institutional Response to the COVID-19 Pandemic

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.

**Table: Progress on Institutional Response to the COVID-19 Pandemic**

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Protective clothing & fumigation					5 000	3 307		

**Linking performance with budgets**

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

**Sub-programme expenditure**

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Property & Facilities Management	886 278	864 627	21 651	725 483	768 858	(43 375)
Total	886 278	864 627	21 652	725 483	768 858	(43 375)

#### 4.2.2 Sub Programme 2: Infrastructure Planning and Design

The Sub-Programme Infrastructure Planning and Design is responsible for the planning and design of infrastructure projects and/or as well, as oversees the Infrastructure Strategic Planning Hub (ISPH).

**Table 2.4.4.1:**

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Sustainable Roads and Building Infrastructure	Compliant IPMP received from client departments	Number of 2021-22 Infrastructure Programme Management Plan (IPMP) received in line with Client Departments U-AMPs	7	7	7	7	0	None	None



Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	SDAs developed	Number of Client Department's Service Delivery Agreements (SDAs) for 2021/22 developed	7	6	6	6	0	None	None
	IPIP developed	Number of Infrastructure Programme Implementation Plans (IPIP) for 2021/22 developed.	7	7	7	7	0	None	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Infrastructure designs ready for tender	Number of infrastructure designs ready for tender	8	11	57	7	50	The target could not be achieved due to delay in confirmation of the budget by DOE and scope of work on schools.	None

#### STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

Departments should provide the strategies to address under performance.

The target could not be achieved due to delay in confirmation of the budget by DOE and scope of work on schools.

#### Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

##### Reporting on the Institutional Response to the COVID-19 Pandemic

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.

**Table: Progress on Institutional Response to the COVID-19 Pandemic**

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
N/A								

**Linking performance with budgets**

**Sub-programme expenditure**

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Infrastructure Planning & Design	8,919	73,502	80,690	61,017	74,15	(13,138)
Total	8,919	73,502	80,690	61,017	74,15	(13,138)

### 4.2.3 Sub Programme 2: Construction Management

The Sub-Programme is responsible for implementation of provincial capital works infrastructure programme and provision of project management services and coordination of the Provincial infrastructure delivery programme in respect of the EXCO Cluster Plan of Action (POA). Oversee the implementation of GIAMA Section 13 (d) 1(iii) in the implementation of the Condition Assessment framework.

**Table 2.4.4.1:**

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target 2020/2021	*Actual Achievement 2020/2021 <u>until date of re-tabling</u>	Deviation from planned target to Actual Achievement 2020/2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Sustainable Roads and Building Infrastructure	Capital infrastructure projects completed	Number of capital infrastructure projects completed	25	7	7	5	(2)	Additional works on site for Molemole Agricultural Office (VO was approved in March 2021). Slow progress on site for Humula School	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Work opportunities created	Number of work opportunities created in the implementation of Client Departments Projects	555	301	210	214	4	More work opportunities created in accelerating construction works after lock down.	None
	Condition assessment conducted	Number of condition assessments conducted on state-owned buildings	688	596	275	301	26	More facilities were conducted in Mopani with easing of lock down levels	None

**Strategy to overcome areas of under performance**

Departments should provide the strategies to address under performance.

Additional works on site for Molemole Agricultural Office (VO was approved in March 2021).

Slow progress on site for Humula School More work opportunities created in accelerating construction works

More facilities were conducted in Mopani with easing of lock down levels

**Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

**Reporting on the Institutional Response to the COVID-19 Pandemic**

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.

**Table: Progress on Institutional Response to the COVID-19 Pandemic**

<b>Budget Programme</b>	<b>Intervention</b>	<b>Geographic location (Province/District/local municipality) (Where Possible)</b>	<b>No. of beneficiaries (Where Possible)</b>	<b>Disaggregation of Beneficiaries (Where Possible)</b>	<b>Total budget allocation per intervention (R'000)</b>	<b>Budget spent per intervention</b>	<b>Contribution to the Outputs in the APP (where applicable)</b>	<b>Immediate outcomes</b>
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	62 129	27 665	34 464	30 381	36 319	(5 938)
Total	62 129	27 665	34 464	30 381	36 319	(5 938)

**4.3 Programme 3: EPWP**

The purpose of this programme is to co-ordinate and Implement the Expanded Public Works Programme in the Province. This involves Planning and Support, Empowerment, Innovation, Monitoring and reporting. Furthermore, the Programme facilitates training and reporting of progress on all EPWP programmes in the Province.

**Table 2.4.4.1:**

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

<b>Programme / Sub-programme:</b>									
<b>Outcome</b>	<b>Output</b>	<b>Output Indicator</b>	<b>Audited Actual Performance 2018/2019</b>	<b>Audited Actual Performance 2019/2020</b>	<b>Planned Annual Target 2020/2021</b>	<b>*Actual Achievement 2020/2021 until date of re-tabling</b>	<b>Deviation from planned target to Actual Achievement 2020/2021</b>	<b>Reasons for deviations</b>	<b>Reasons for revisions to the Outputs / Output indicators / Annual Targets</b>
Decent Jobs	Work opportunities created	Number of EPWP Work Opportunities Created by the Provincial Department of Public Works, Roads and Infrastructure	6 289	2060	1,060	2067	+1 007	Additional Work Opportunities created from Equitable Share and COVID 19 intervention	Additional Work Opportunities created from Equitable Share and COVID 19 funding Received after APP was tabled.
	Beneficiary Empowerment interventions	Number of Beneficiary Empowerment Interventions	2	2	2	2	0	None	None



Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Reports by Public bodies on EPWP targets	Number of Public Bodies Reporting on EPWP Targets Within the Province	36	35	35	35	0	None	None
	Interventions to support job creation	Number of Interventions Implemented to Support Public Bodies	7	4	4	4	0	None	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Reported work opportunities	Number of work opportunities reported in the EPWP-RS by Public Bodies aligned to the approved EPWP Phase 4 plan targets	55 430	52 072	57 792	58 026	234	More work opportunities created by public bodies.	None

**Strategy to overcome areas of under performance**

Departments should provide the strategies to address under performance.

**Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

**Reporting on the Institutional Response to the COVID-19 Pandemic**

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.

**Table: Progress on Institutional Response to the COVID-19 Pandemic**

Budget Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Labour Intensive (cleaners & screeners)		Head Office, Capricorn, Vhembe, Waterberg, Sekhukhune, Mopani	796		7 377	7 379	Additional work opportunities created	work opportunities created

**Linking performance with budgets**

Departments must provide a summary of the actual expenditure in comparison to the adjusted appropriation for both the current year and previous year. The information must be provided at a sub-programme level and must agree to the appropriation statement of the audited financial statements. Reasons for variations should be linked to the information discussed above in the organisational environment and the service delivery environment. The department must also report on how expenditure contributed to achievement of outputs.

**Sub-programme expenditure**

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	61 797	63 531	1 734	75 453	72 413	3 040
Total	61 797	63 531	1 734	75 453	72 413	3 040

**4.4 Programme 4: Roads Infrastructure**

The purpose of this programme is to implement roads infrastructure management in the Province. This involves evaluating business plans, monitoring implementation, facilitating training and reporting progress on all roads infrastructure management programmes in the Province including allocations to the Roads Agency Limpopo.

**Table 2.4.4.1:**

*(To be used for a report against the originally tabled Annual Performance Plan until date of re-tabling (In the instance where a department has **re-tabled** an Annual Performance Plan in the financial year under review)*

<b>Programme / Sub-programme:</b>									
<b>Outcome</b>	<b>Output</b>	<b>Output Indicator</b>	<b>Audited Actual Performance 2018/2019</b>	<b>Audited Actual Performance 2019/2020</b>	<b>Planned Annual Target 2020/2021</b>	<b>*Actual Achievement 2020/2021 until date of re-tabling</b>	<b>Deviation from planned target to Actual Achievement 2020/2021</b>	<b>Reasons for deviations</b>	<b>Reasons for revisions to the Outputs / Output indicators / Annual Targets</b>
Sustainable Roads and Building Infrastructure	Kilometres of gravel roads upgraded	Number of kilometres of gravel roads upgraded	54.77	87.62	85km	79.03km	(5.97km)	Slow ramp up of production on projects due to working under COVID-19 regulations	
	Square metres of surfaced roads re-habilitated	Number of square metres of surfaced roads re-habilitated	248 566	68 080	185 000m <sup>2</sup>	0.4 m <sup>2</sup>	(184.999.6 m <sup>2</sup> )	There were delays in procurement process of service providers for the maintenance projects which were re-advertised	

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Bridges completed	Number of bridges completed	-	-	2	4	2	Bridge construction completed earlier than planned.	
	Kilometres of gravel roads bladed	Number of kilometres of gravel roads bladed	77 511.7	69 997.1	39 342 km	33 710.6km	(5 631.4)	Slow ramp up of production on projects due to working under COVID-19 regulations	
	Kilometres of gravel roads re-gravelled	Number of kilometres of gravel roads re-gravelled	140.5	143.3	73 km	84.2km	11.2	Over achievement due to community requests prioritised.	
	Square metres of blacktop	Number of square metres of blacktop patching	150 200.72	101 197	170 000 m <sup>2</sup>	208 044 m <sup>2</sup>	38 044 m <sup>2</sup>	Over achievement due to blacktop, patching prioritised.	

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Households projects implemented	Number of household-based projects implemented	22	22	22	22	0	None	None
	Jobs created	Number of jobs created	-	13 655	5 500	5 675	175	Additional beneficiaries appointed on Presidential Employment Initiative	None
	Youth employed	Number of youth (18-35) employed	-	-	4 213	3 644	(569)	The target is percentage based (55% of jobs created), however an omission during COVID-19 APP revision.	None

Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	Women employed	Number of women employed	-	-	4 213	3 615	(598)	The target is percentage based (55% of jobs created), however an omission during COVID-19 APP revision.	None



Programme / Sub-programme:									
Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019	Audited Actual Performance 2019/2020	Planned Annual Target	Outcome	Output	Output Indicator	Audited Actual Performance 2018/2019
	People with disabilities employed	Number of persons with disabilities employed	-	-	153	44	(109)	Insufficient number of PLWD was attracted due to the duration of employment, nature of the activities and conflicting interest with SASSA grant pay-outs.	None

**Strategy to overcome areas of under performance**

The annual target for number of jobs opportunities was adjusted from 7 660 to 5 500. Target for number youth, women and people living with disabilities are percentage based on number of jobs created. In this regard, the number of youth and women are 55%, and PLWD is 2% of the targeted number of jobs which translates a target of 3 025 and 110 respectively, however there was an omission and these targets were not revised and are based on the original target of 7 660 job opportunities.

**Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions**

**Reporting on the Institutional Response to the COVID-19 Pandemic**

Externally, during the outbreak of the COVID-19 virus, the Department received 50 thermometers, 4000 1L sanitisers, 40 sanitiser dispensers and 200 surgical masks from Department of Health.

Internally, in response to the COVID-19 pandemic, the Department procured Personal Protective Equipments (PPE) for all employees in the department in order to minimise the risk of exposure to COVID-19 virus in the workplace as well as the cleaning detergents, thermometers, etc.

**Table: Progress on Institutional Response to the COVID-19 Pandemic**

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes

Linking performance with budgets

Sub-programme expenditure

Sub- Programme Name	2019/2020			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	2 542 454	2 145 666	369 788	2 278 455	1 663 956	614 499
Total	2 542 454	2 145 666	369 788	<b>2 278 455</b>	<b>1 663 956</b>	<b>614 499</b>

**5. TRANSFER PAYMENTS**

**5.1. Transfer payments to public entities**

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Roads Agency Limpopo(RAL)	Planning, Design, construction and maintenance of provincial roads and bridges	<i>877 113</i>	<i>877113</i>	79.03 kilometres of gravel roads upgraded to surfaced roads 0.4 m <sup>2</sup> of surfaced roads re-habilitated 4 Bridges completed

## 5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2020 to 31 March 2021

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2020 to 31 March 2021, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A	N/A	N/A	N/A	N/A

## 6. CONDITIONAL GRANTS

### 6.1. Conditional grants and earmarked funds paid

The table below describes each of the conditional grants and earmarked funds paid by the department.

#### Conditional Grant 1: Provincial Roads Maintenance Grant

<b>Department/ Municipality to whom the grant has been transferred</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Purpose of the grant</b>	To supplement provincial investments for preventative, routine and emergency maintenance as well as non-motorised infrastructure,
<b>Expected outputs of the grant</b>	Preventative, routine and emergency maintenance as well as non-motorised infrastructure
<b>Actual outputs achieved</b>	<i>Assess and evaluate all provinces' Road Asset Management Plans (RAMP) and give feedback to Provincial departments</i>
<b>Amount per amended DORA</b>	1 098 659
<b>Amount transferred (R'000)</b>	1 098 659
<b>Reasons if amount as per DORA not transferred</b>	N/A
<b>Amount spent by the department/ municipality (R'000)</b>	718 359

Conditional Grant 1: Provincial Roads Maintenance Grant

<b>Reasons for the funds unspent by the entity</b>	There were delays in procurement process of service providers for the maintenance projects which were re-advertised
<b>Monitoring mechanism by the transferring department</b>	<i>Quarterly Reports</i>

Conditional Grant 2: Presidential Employment Initiative

<b>Department/ Municipality to whom the grant has been transferred</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Purpose of the grant</b>	<i>To stimulate the economy through maximization of job reaction</i>
<b>Expected outputs of the grant</b>	<i>To create employment opportunities in deep rural areas</i>
<b>Actual outputs achieved</b>	<i>All spent</i>
<b>Amount per amended DORA</b>	<i>All spent</i>
<b>Amount transferred (R'000)</b>	<i>70 578</i>
<b>Reasons if amount as per DORA not transferred</b>	<i>N/A</i>

Conditional Grant 2: Presidential Employment Initiative

<b>Amount spent by the department/ municipality (R'000)</b>	13 985
<b>Reasons for the funds unspent by the entity</b>	<i>Delay in implementation of the stimulus projects</i>
<b>Monitoring mechanism by the transferring department</b>	<i>Quarterly Reports</i>

Conditional Grant 3: EPWP Integrated Grant

<b>Department/ Municipality to whom the grant has been transferred</b>	Department of Public Works, Roads and Infrastructure
<b>Purpose of the grant</b>	To expand the creation of work opportunities for the unemployed communities.
<b>Expected outputs of the grant</b>	Increase level of employment and
<b>Actual outputs achieved</b>	Reduced level of poverty
<b>Amount per amended DORA</b>	560 Work Opportunities created
<b>Amount transferred (R'000)</b>	5 706

Conditional Grant 3: EPWP Integrated Grant

<b>Reasons if amount as per DORA not transferred</b>	<i>N/A</i>
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Conditional Grant 3: EPWP Integrated Grant

<b>Amount spent by the department/ municipality (R'000)</b>	<i>5 705</i>
<b>Reasons for the funds unspent by the entity</b>	<i>N/A</i>
<b>Monitoring mechanism by the transferring department</b>	<i>Quarterly Reports</i>



## 6.2. Conditional grants and earmarked funds received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2020 to 31 March 2021.

*Conditional Grant 1: : Infrastructure HUB*

<b>Department who transferred the grant</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Purpose of the grant</b>	<i>Capacitation of the infrastructure unit</i>
<b>Expected outputs of the grant</b>	<i>Public Works to have the capacity to deliver on its mandate</i>
<b>Actual outputs achieved</b>	<i>The department was able to increase technical capacity by recruiting built environment professionals inclusive of the Cuban Technical Advisers. .</i>
<b>Amount per amended DORA</b>	<i>31 620</i>
<b>Amount received (R'000)</b>	<i>31 620</i>
<b>Reasons if amount was not received</b>	<i>N/A</i>
<b>Amount spent by the department (R'000)</b>	<i>31 620</i>
<b>Reasons for the funds unspent by the entity</b>	<i>N/A</i>
<b>Reasons for deviations on performance</b>	<i>N/A</i>
<b>Measures taken to improve performance</b>	<i>N/A</i>

Conditional Grant 1: : Infrastructure HUB

<b>Monitoring mechanism by the receiving department</b>	<i>Quarterly Reports</i>
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*Earmarked Funding 2: RAL Capital Projects*

<b>Department who transferred the grant</b>	<i>Department of Public Works Roads and Infrastructure</i>
<b>Purpose of the grant</b>	<i>Upgrading of roads infrastructure</i>
<b>Expected outputs of the grant</b>	<i>Roads and infrastructure upgrade</i>
<b>Actual outputs achieved</b>	<i>Kilometres of gravel roads upgraded</i>
<b>Amount per amended</b>	<i>N/A</i>
<b>Amount received (R'000)</b>	<i>400 000</i>
<b>Reasons if amount as per was not received</b>	<i>N/A</i>
<b>Amount spent by the department (R'000)</b>	<i>348 432</i>
<b>Reasons for the funds unspent by the entity</b>	<i>N/A</i>
<b>Reasons for deviations on performance</b>	<i>N/A</i>

Earmarked Funding 2: RAL Capital Projects

<b>Measures taken to improve performance</b>	<i>N/A</i>
<b>Monitoring mechanism by the receiving department</b>	<i>Quarterly Reports</i>

*Earmarked Funding 3: Municipal Rates*

<b>Department who transferred the grant</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Purpose of the grant</b>	<i>Payment of rates and taxes to Municipalities</i>
<b>Expected outputs of the grant</b>	<i>Paid Rates and taxes</i>
<b>Actual outputs achieved</b>	<i>Amount paid for rates and taxes</i>
<b>Amount per amended DORA</b>	<i>100 000</i>
<b>Amount received (R'000)</b>	<i>100 000</i>
<b>Reasons if amount as per DORA was not received</b>	<i>N/A</i>
<b>Amount spent by the department (R'000)</b>	<i>100 000</i>
<b>Reasons for the funds unspent by the entity</b>	<i>N/A</i>

Earmarked Funding 3: Municipal Rates

<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	<i>Quarterly Reports</i>

*Earmarked Funding: Early Retirement Penalty*

<b>Department who transferred the grant</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Purpose of the grant</b>	<i>Payment of early retirement pension penalties</i>
<b>Expected outputs of the grant</b>	<i>28 officials applied for early retirement</i>
<b>Actual outputs achieved</b>	<i>26 officials terminated</i>
<b>Amount per amended DORA</b>	15 115
<b>Amount received (R'000)</b>	15 115
<b>Reasons if amount as per DORA was not received</b>	N/A
<b>Amount spent by the department (R'000)</b>	12 420
<b>Reasons for the funds unspent by the entity</b>	<i>(1)The grant was an estimation amount of the pension penalties.(2) Two officials did not retire due to the reasons stated below.</i>

Earmarked Funding: Early Retirement Penalty

<b>Reasons for deviations on performance</b>	<i>(1)1 application not approved. (2) 1 official is no longer willing to exit. (The matter was referred to Labour Relations)</i>
<b>Measures taken to improve performance</b>	<i>N/A</i>
<b>Monitoring mechanism by the receiving department</b>	<i>Annual Report</i>

## 7. DONOR FUNDS

### 7.1. Donor Funds Received

*Donor Fund 1: Merseta*

<b>Name of donor</b>	<i>Department of Public Works, Roads and Infrastructure</i>
<b>Full amount of the funding</b>	<i>19 900 000.00</i>
<b>Period of the commitment</b>	<i>2019 to 2022</i>

Donor Fund 1: Merseta

<b>Purpose of the funding</b>	<p><i>Training of National Youth Participants on the following Apprenticeships for a 24 months duration:</i></p> <ul style="list-style-type: none"> <li>• <i>Electrical (25 Learners)</i></li> <li>• <i>Welding (25 Learners)</i></li> <li>• <i>Diesel Mechanic (25 Learners)</i></li> <li>• <i>Fitting (25 Learners)</i></li> <li>• <i>Experiential Learning (70 Learners)</i></li> </ul>
<b>Expected outputs</b>	<i>Qualified Artisans as well as experienced learners who will be able to obtain their qualifications at TVET level</i>
<b>Actual outputs achieved</b>	<i>Theoretical, practicals as well as work placements training completed</i>
<b>Amount received in current period (R'000)</b>	5 965
<b>Amount spent by the department (R'000)</b>	5 000
<b>Reasons for the funds unspent</b>	<i>Payments are based on the achievement of milestones and for as long as the milestones are not achieved, no payment is processed hence the surplus in terms of the budget</i>
<b>Monitoring mechanism by the donor</b>	<i>Regional Client Liaison Officer is engaging continuous on the projects and is part of the Project Management Team.</i>

## 8. CAPITAL INVESTMENT

### 8.1. Capital investment, maintenance and asset management plan

Progress made on implementing the capital, investment and asset management plan:

The infrastructure planning in the Department was guided by the National Development Plan and the Limpopo Development Plan. Projects undertaken are in line with the Departmental Maintenance Plan that is developed over the MTEF period. Infrastructure projects were implemented in accordance with the Delivery Management System (IDMS).

The progress on the infrastructure projects implemented during the year under review is in comparison to what was planned at the beginning of the year and achieved at the end of the period. The following infrastructure projects implemented and progress is reported hereunder:

- Progress on the alteration and renovation of 40 Paul Kruger is 19% during the year under review.
- Progress on the alteration and renovation of seven houses at Dalmada Rivera Estate is 21% during the year under review.
- The alteration and renovation of house no 112 Plein Street Polokwane has reached 25% progress.
- Maintenance and Repairs of SAPS Building at Lebowakgomo Government Complex has reached 71% progress during the year under review.
- The Construction of Mokopane Traditional Council Office which is implemented by our In-house teams has reached 100% progress.
- Number of properties maintained as per Departmental U-AMP 33 of them were completed against a target of 30 and the over achievement was result of the amended APP was approved late in the financial year while we were still aiming to the old target set during the beginning of the financial year.
- 41 out of 25 of Number of Planned Maintenance Projects Awarded were completed. The reason for over achievement is the same as above.
- 37 out of 25 of Number of Planned Maintenance Projects Completed were completed. The reason for over achievement is the same as above.

8.1.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2019/2020			2020/2021		
	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	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
- Upgrades and additions	-	-	-	-	-	-
- Rehabilitation, renovations and refurbishments	43 956	38 062	5 894	18 452	18 452	0
- Maintenance and repairs	362 112	373 084	(10 972)	12 104	12 104	0
Infrastructure transfer	-	-	-	-	-	-
- Current	-	-	-	-	-	-
- Capital	-	-	-	-	-	-
<b>Total</b>	<b>406 068</b>	<b>411 146</b>	<b>(5 078)</b>	<b>30 556</b>	<b>30 556</b>	





## PART C: GOVERNANCE



## **1. INTRODUCTION**

The Department has established the following governance structures to ensure effective, efficient and economic use of state resources: Executive Management Committee which is responsible for making strategic decisions and monitors the overall performance of the department. Audit Committee has a responsibility to provide an oversight on financial and non-financial performance of the department as well as compliance with applicable rules and regulations.

Internal Audit is responsible for the evaluation of the adequacy of internal controls and compliance with applicable rules and regulations, and assessment of key risk areas and provide advisory services to the Accounting Officer. The Risk Management Committee has been established to monitor and evaluate the effectiveness of the risk management processes and also to review control measures to mitigate identified significant risks.

The Audit Steering Committee has been established to oversee the implementation of the audit programs from both the Internal Audit and Office of the Auditor-General to ensure the smooth running of the audit process. The committee meets on quarterly basis to address audit related issues.

The Standing Committee on Public Accounts (SCOPA) is the committee of the legislature responsible for oversight and to hold the executive accountable in implementing agreed policies, government programmes and spending public money properly. Portfolio Committee is the committee which provides oversight and holds the department accountable for the achievement of goals and objectives.

## **2. RISK MANAGEMENT**

The Department is guided, in its risk management practices, by the Public Finance Management Act, National Treasury Risk Management Framework and the Provincial Risk Management Framework. The Department is in the process of reviewing the risk management policy approved by the Executing Authority and the risk management strategy approved by the Accounting Officer.

The Department conducted both strategic and operational risk assessments during the year under review to identify significant risks affecting the operations of the department. The risk mitigation plan is implemented and monitored on a continuous basis and progress is reported to the Audit Committee on a quarterly basis for oversight and evaluation of the effectiveness of the risk management processes.

The Department has implemented risk management awareness programme and conducted training and education on risk management related activities to all staff members both at Head Office and District Offices for continuous improvement of its performance.

The Department has established the Departmental Risk Management Committee which is comprised of the executive management of the department, internal auditors and transversal risk management officers. The committee held three quarterly meetings during the year under review.

### **3. FRAUD AND CORRUPTION**

The Department continuously implements the provisions of the Public Service Anti-Corruption Strategy and Provincial Anti-Corruption Strategy as a guideline to address issues relating to fraud and corruption. The Department has reviewed and implemented the fraud prevention strategy and plan. Fraud and Corruption Prevention awareness and education workshops were conducted during induction and orientation of the newly appointed employees. Ethics Management Policy consultation workshops were conducted throughout the department including district offices and cost centers.

The Department fraud and corruption policy and the whistle blowing policy are currently under review. The Department has developed and implemented programs on induction and orientation on newly appointed staff members on the Code of Conduct of Public Service, Whistle Blowing procedure including the Public Service Charter.

The Department has established an Integrity Management Unit to deal with fraud risk management. The Department has developed Ethics Management Strategy. The National Hotline (0800 701 701) has been popularized amongst all staff members and reported cases are investigated and finalized within the prescribed time stipulated in our service delivery standards.

Fraud and corruption related cases are reported through the National Anti-Corruption Hotline and through the Departmental Risk Management Unit as stipulated in our Whistleblowing Policy. Cases are registered in the case register and assigned to investigating officers. Criminal cases are reported to law enforcement agencies and misconduct cases are dealt with through the internal disciplinary processes.

### **4. MINIMISING CONFLICT OF INTEREST**

The Public Service Act No.103 of 1994 and Regulations as amended requires Senior Management Service (SMS) and Middle Management Service (MMS) members to complete Financial Disclosure form on an annual basis. In terms of the New Public Service Regulations, public servants are forbidden to conduct business with organs of the State.

The Department has continuously implemented the policy on Remunerative work outside public service. The purpose of this policy is to encourage employees to seek approval from the Executive Authority to conduct remunerative work and for the declaration of financial interest as provided for in the Public Service Code of Conduct. On a yearly basis the department issues a circular to remind employees to disclose their financial interest and to seek approval to conduct remunerative work.

Members of the Bid Specification, Bid Evaluation and Bid Adjudication Committees have signed the Code of Conduct and are required to declare their financial interest during each meeting of the Departmental Evaluation and Bid Adjudication committees. Staff members as well as officials rendering administrative support

such as recruitment are also required to complete declaration forms. Officials in are subjected to the vetting process conducted by State Security Agency. The Department has implemented Instruction Notes issued by Provincial Treasury relating to Supply Chain Management.

## **5. CODE OF CONDUCT**

The primary purpose of the Code of Conduct is to promote ethical behavior as exemplary conduct. In order to promote a high standard of professional ethics in the workplace, public servants are encouraged to think and behave ethically. The Code of Conduct addresses issues pertaining to relationships with Legislature, the general public, performance of duties, personal conduct and personal interests. The Department has distributed the Code of Conduct to all staff members.

The Department has appointed ethics officers to advise on ethics matters and monitor the implementation of ethics management policy and strategy in line with Public Service Regulations of 2016. Ethics officers' conducted investigations on complaints of unethical conduct and ensure the implementation of remedial actions.

New recruits or employees are inducted during the first week of assumption of duties. The Department has developed a yearly programme to create awareness on the Code of Conduct for all staff members. All staff members are required to complete the Oath of Secrecy to regulate unauthorized leakage of confidential information.

Any reported transgressions of the Code of Conduct are dealt with in terms of the Public Service Disciplinary Code and Procedures.

## **6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES Mr**

The Department of Public Works, Roads and Infrastructure in Limpopo Province is committed to provide and implement Occupational Safety, Health, Environment and Quality measures to ensure healthy and safe working environment for employees, and visitors. The department is responsible and committed to prevent Occupational injuries and diseases in the workplace and is continually implementing Health and Safety standards operational procedures to minimise hazards in compliance with the relevant SHERQ legislations, regulation, codes, standards and practices.

The current state of compliance with OHS issues in the Department:

The Department conducted the following activities in order to comply with the OHS Act 85 of 1993 and its regulations, COVID-19 regulations and protocols:

- OHS committee meetings/Departmental COVID-19 steering committee meetings.
- OHS workplace inspections/audits/COVID-19 monitoring inspections.

- Incident and accident investigations
- Emergency evacuation drill.
- COVID-19/OHS/COID, PPE awareness sessions.
- In-house Training of screeners and cleaners
- COVID-19 risk assessment.

The Department also continues to report injury on duty (IOD's) cases to the Department of Employment and Labour in line with to the compensation for occupational injuries and disease act 130 of 1993.

## 7. PORTFOLIO COMMITTEES

The dates of the meeting, matters raised by the Portfolio Committee and how has the department addressed these matters

Date of the meeting	Matters raised	How it was addressed
28 May 2020	Briefing on 2019/2020 third Quarter report Briefing on 2020/2021 Annual Performance Plan and Budget for both the department and RAL.	

Date of the meeting	Matters raised	How it was addressed
23 July 2020	<p>Department of Public Works:</p> <ol style="list-style-type: none"> <li>1. 4<sup>th</sup> Quarter Performance</li> <li>2. Legislature and Parliamentary Village as National key points</li> <li>3. Refurbishment of the Parliamentary Village</li> <li>4. On the outline and regularisation of the irregular expenditure</li> <li>5. On the rates and taxes to municipalities based on devalued functions</li> </ol> <p>Roads Agency Limpopo:</p> <ol style="list-style-type: none"> <li>1. 4<sup>th</sup> Quarter report</li> <li>2. Outline on the regularisation of irregular expenditure</li> <li>3. On Bermuda roads, Political commitments, Political hotspots, projects completed in 2019/2020 and action on contractors who abandoned sites</li> <li>4. Detailed report on bridges</li> <li>5. Detailed report on roads done by SANRAL</li> <li>6. Progress report on implementation of Audit action plan and Risk register</li> </ol>	
6 November 2020	<p>Department of Public Works and Roads Agency Limpopo:</p> <ol style="list-style-type: none"> <li>1. Brief the Committee on 2020/2021 1<sup>st</sup> quarter reports and budgets for the Department and Road Agency Limpopo respectively</li> <li>2. Briefing in respect of progress regarding Departmental capital projects for 2020/2021 and 2020/2021 Roads Agency Infrastructure projects respectively</li> </ol>	

## 8. SCOPA RESOLUTIONS

The Department appeared before the SCOPA public hearing on the 21st January 2020 to provide oral responses to SCOPA questions raised in line with Auditor-General's reports for the financial year ending 31 March 2018 and 31 March 2019 respectively. Unfortunately the department has not yet received the SCOPA resolutions.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1.	<b>Failure to implement House Resolutions for 2014/15; 2015/16 and 2016/17 in the House.</b>	The Committee recommends that the Executing Authority must appraise the House on the implementation of the 2014/15; 2015/16 and 2016/17 in the House resolutions as a matter of urgency and submit a report to SCOPA and the Portfolio Committee on Public Works, Roads and Infrastructure as a matter of urgency.	The Executing Authority for the Department of Public Works, Roads and Infrastructure presented progress reports to the House on the implementation of SCOPA resolutions for the 2014/15; 2015/16 and 2016/17 financial years on the 6th October 2020.	<b>Resolved</b>
2.	<b>Key audit findings</b>	Committee recommends that the Executing Authority must develop a comprehensive audit plan to address <u>asset management; expenditure management, material misstatements</u> in the preparation of the Annual Financial Statement (AFS).	The Department has developed an effective system of internal controls to address issues pertaining to movable tangible assets, which caused a modified audit report (qualified audit opinion).	<b>Resolved</b>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
3.	<b>None improvement in the Audit outcomes</b>	Committee recommends that the Accounting officer must develop an audit action in order to obtain a clean audit.	<p>The Department has developed the Corrective Action Plan to address audit findings raised by Office of the Auditor-General during the 2018/19 financial year.</p> <p>According to the developed corrective action plan for 2018/19 financial year, the department had 86 audit findings and to date 78 findings have been resolved and 8 audit findings are still work in progress. The unresolved audit findings were carried over to the 2019/20 financial year audit action plan.</p> <p>During the 2018/19 financial year, the department was qualified on the basis of movable tangible assets valued at R1. This control deficiency has since been resolved since all assets have been fair valued.</p> <p>Furthermore, the department also developed the clean audit strategy which addressed issues pertaining to financial misstatements, compliance with laws and regulations, records managements and effective risk management.</p>	<b>Resolved</b>
4.	<b>Movable tangible capital assets</b>	<p>This Matter has been in the books of the department since 2012/13 financial year.</p> <p>The committee recommends that the Accounting Officer must develop an adequate system of internal control to safeguard all movable and immovable capital assets.</p>	<p>The Department conducts physical asset verification monthly asset inspections and bi-annually using electronic scanners;</p> <p>The Department utilizes the BAUD Asset Management System to maintain a credible asset register;</p> <p>The Department has fair valued all assets previously valued at R1.</p>	<b>Resolved.</b>



<b>Resolution No.</b>	<b>Subject</b>	<b>Details</b>	<b>Response by the department</b>	<b>Resolved (Yes/No)</b>
			Monthly reconciliation between BAS and BAUD are being conduct;	
5.	<b>Restatement of corresponding figures.</b>	The committee recommends that the Accounting Officer must take appropriate action proportionate with the misconduct committed against both the Chief Financial Officer and responsible officials for failing to ensure that errors contained in the financial statements were corrected before submission to the Auditor General.	No action has been taken against the Chief Financial Officer. The Financial Statements were prepared in accordance with the prescribed financial reporting framework (Modified Cash Standards - MCS). All the disclosure notes were supported by the accounting schedules. The misstatements discovered during the audit were properly adjusted and corrected in line with auditing standards.	<b>Resolved</b>
1.	<b>Significant uncertainties.</b>	The Committee recommends that Executing Authority must table a report in the house on the implementation of recommendations of the investigation report once the investigations have been concluded and provide report every six months until the resolution is fully implemented with effect from 31 October 2020.	The Department is a defendant in numerous claims for potholes damages, legal claims and is disputing certain rates and taxes charges municipalities. No investigation report since all outstanding cases have been referred to Office of the State Attorney for legal advice. The Department will on regular basis update the committee on all outstanding cases referred to office of the State Attorney as and when we receive progress report. During the year under review, the Department received 27 new claims arising from pothole, the department resolved 14 cases through settlement negotiations and the remaining 13 cases are being defended through the office of the State Attorney	<b>On-going</b>
2.	<b>Material impairments</b>	The Committee recommends that the Executing Authority must conduct an investigation into the circumstances which led to the Department incurring material impairment of irrecoverable trade debtors losses of R93 396 000.	The amount of R93, 396,000 does not constitute a financial loss. The impairment amount is calculated to determine the provision for doubtful debts.  The following interventions to were implemented to enhance revenue collection and reduction of the provision for doubtful debts:	<b>Resolved</b>

			<p>Provincial Treasury has advised the department to participate in the Transversal Contract RT 27;</p> <p>The Department has established Rental Management Committee to review the rental management policy and the lease agreement.</p>	
<b>Resolution No.</b>	<b>Subject</b>	<b>Details</b>	<b>Response by the department</b>	<b>Resolved (Yes/No)</b>
3.	<b>Material under spending of the budget.</b>	The Committee recommends that the Accounting Officer must take action against responsible officials for under-spending the budget on programme 1, 2 and 4.	<p>No action has been taken against the responsible officials.</p> <p><b>Programme 1:</b> Corporates Services underspent the budget for Compensation of Employees (filling of vacant posts were delayed).</p> <p><b>Programme 2:</b> Properties and Facilities Management:</p> <p><b>Programme 4:</b> Roads Infrastructure: RAL underspent the PRMG and the money was surrendered to Provincial Treasury.</p>	<b>Resolved</b>
4.	<b>Irregular expenditure</b>	Furthermore, the Accounting Officer must conduct investigations into all allegations of financial misconduct committed by officials and take action which is commensurate with the offence committed.	<p>The Department incurred cumulative irregular expenditure due to contraventions of SCM process on extension of security contracts and participation in contracts concluded by another organ of State without validation by the Departmental Bid Adjudication Committee.</p> <p>The participation in contracts concluded by other organs of State are now serving in the Departmental Bid Adjudication Committee;</p> <p>Investigations are conducted and consequence management is implemented;</p>	<b>Work-in-progress</b>

			Timeous reporting of incidents of non-compliance with Supply Chain Management prescripts;	
5.	<b>Achievement of planned targets</b>	The Committee recommends that the Accounting officer must take appropriate action commensurate with the offence committed against responsible officials for failing to achieve planned targets on programmes 2 and 3 as reflected in the Annual performance Plan as this may have a serious impact on service delivery.	No action has been taken against the responsible officials. The finding has been addressed.	<b>Resolved</b>
<b>Resolution No.</b>	<b>Subject</b>	<b>Details</b>	<b>Response by the department</b>	<b>Resolved (Yes/No)</b>
6.	<b>Annual financial statements, performance reports and annual report</b>	<p>The Committee recommends that the Accounting Officer must take appropriate action commensurate with the misconduct committed against the Chief Financial Officer and responsible officials for submitting financial statements that were not prepared in accordance with prescribed financial reporting framework as required by section 40(1)(b) of the PFMA.</p> <p>Furthermore, the Committee recommends that the Executing Authority must ensure that the Accounting officer implements proper record keeping system to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting as a matter of urgency.</p>	<p>The Department has instituted the following internal control measures to address financial misstatements:</p> <p>Compile monthly financial statements for submission to Treasury and Internal Audit and implement recommendations.</p> <p>Disclosure Notes audit file is compiled with supporting documents and signed off by heads programme for audit purposes;</p> <p>Auditor-General adjustments are implemented and serve as a yardstick or checklist for future reference;</p>	<b>Work-in-progress</b>

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Include a discussion on mechanisms put in place by the Accounting Officer to resolve the matters reported by the AGSA in the previous financial year. This should include all matters in the audit report and those noted as important in the management report.

The discussion should be limited to all matters that gave rise to a qualification, disclaimer, adverse opinion and matters of non-compliance only. The department may include the information in a table as follows:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
<p><b><u>Basis for Qualified opinion:</u></b> Movable tangible capital assets; Irregular Expenditure;</p>	<p>2018/19</p>	<p>The Department is in the process of quantifying the amount of irregular expenditure in order to make the necessary disclosures in the financial statements.</p> <p>The Department has developed an oversight and monitoring framework approved by the Head of Department on the 30 August 2019 to ensure compliance by Roads Agency Limpopo.</p> <p>The Shareholder's Compact for 2019/20 financial year has been signed by both the Chairperson of the Board of Directors of RAL and Member of the Executive Council for Public Works, Roads and Infrastructure.</p>
<p><b><u>Basis for Qualified opinion:</u></b></p>	<p>2017/18</p>	<p>The Assets acquired after 1 April 2002 have been fair valued and major assets and minor assets have been correctly categorized in the BAUD asset management system.</p>

Movable tangible capital assets: assets acquired after 1 April 2002 were valued at R1 and major assets were incorrectly recognised as minor assets.		
<b>Nature of qualification, disclaimer, adverse opinion and matters of non-compliance</b>	<b>Financial year in which it first arose</b>	<b>Progress made in clearing / resolving the matter</b>
<u><b>Basis for Qualified opinion:</b></u> Movable tangible capital assets; Accrued Departmental Revenue;	2016/17	The Department has implemented the Revenue Enhancement Strategy which focuses on eviction of rent defaulters and disposal of redundant properties. The department is using the PASTEL Accounting System which provides an automated debtors statements and age analysis.

## 10. INTERNAL CONTROL UNIT

The Departmental Internal Control Unit has not yet been established, but it has been catered for in the new organisational structure. In terms of the current arrangement the functions supposed to be performed by Internal Control Unit are performed by Risk Management Unit and the following responsibilities were performed during the year under review:

- Monitor and evaluate compliance with applicable rules and regulations;
- Coordinate and provide support to the work done by Internal Audit Unit;
- Coordinate and provide support to the work done by Office of the Auditor-General;
- Develop and monitor the implementation of Internal Audit action plan to address internal audit findings;
- Develop and monitor the implementation of the AG action plan to address audit findings;

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

### KEY ACTIVITIES AND OBJECTIVES OF THE AUDIT COMMITTEE

#### 11.1 KEY ACTIVITIES

Despite the challenges posed by the National Regulations as a direct consequence of COVID-19 (Coronavirus), Audit Committee (AC) has satisfactorily performed its mandate as enshrined in Sections 76 (4) (d) and 77 of the Public Finance Management Act (Act No. 1 of 1999) read in conjunction with Treasury Regulations 3.1 which states that AC must, amongst others, review the following:

- I. the effectiveness of the internal control systems;
- II. the effectiveness of the internal audit function;
- III. the risk areas of the institution's operations to be covered in the scope of internal and external audits;
- IV. the adequacy, reliability and accuracy of the financial information provided to management and other users of such information;
- V. any accounting and auditing concerns identified as a result of internal and external audits;
- VI. the institution's compliance with legal and regulatory provisions; and
- VII. the activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

### **11.1.1 .Impact of COVID-19 on Audit Committee Activities**

During 2020/2021 financial year, the AC was unable to hold its AC Meetings as planned due to difficulties posed by the COVID-19. As a result, the AC Annual Schedule of meetings was amended during 19 May 2020 from the original AC Annual Schedule of 22 January 2020 to pave a way-forward for AC Meetings to take place under COVID-19 National Regulations. The impact of COVID-19 further affected the special AC Meetings to consider Draft Annual Reports, AC Meetings to consider Draft Audit & Management Reports as well as First Quarterly AC Meetings to consider AC First Quarterly Reports. All the aforementioned AC Meetings were pushed forward in a month or two to allow time for Departments, Shared Internal Audit Service (SIAS), and Auditor General (Limpopo) to prepare and finalise all the reports to be considered during the AC Meetings.

Nevertheless, all the AC activities have been taking place through virtual platforms (Microsoft Teams) as a direct consequence of COVID-19. The need for all the AC activities to take place through virtual platforms had actually emphasised the vulnerability of our servers, connectivity, Data allocation and poor networks across the country. Poor connectivity ranging from myriad of issues remains a problem hampering Provincial Accountant General's (PAG) office through AC Secretariat to facilitate smooth AC activities / meetings.

### **11.2. Audit Committee Meetings**

During the financial year 2020/2021, the AC has met five (5) times to perform its roles and responsibilities as stipulated in the AC Charter. This was in addition to the special meetings to consider both Three Year Internal Audit Plans Plus Annual Plans and Auditor General Audit Coverage Strategy held during June 2020. As per National Treasury guidance on review of audit cycle, AC Meetings to consider Draft Annual Report including Annual Financial Statements (AFS) were held during July 2020. AC Meetings to consider Draft Audit and Management Reports were subsequently held during September 2020. However, not all the meetings to consider Draft audit and management reports were held in September 2020 due to delay in the finalization of audits of some Departments including Department of Public Works, Roads & Infrastructure (DPWRI), Office of the Premier (OTP)

and Department of Health. However, AC meeting for Health was held during September 2020 although their final audit opinion was only signed off in January 2021. Meetings for both DPWRI and OTP to consider their Draft audit and Management Reports were only held during February 2021. Moreover, first and second quarter AC meetings were combined and held during November 2020 to ensure that the AC was able to cover the scope of its work and advise the Accounting Officers accordingly.

### **11.3. 2020/2021 Audit Committee Annual Strategic Planning Workshop**

For the first time in the history of the Limpopo AC Annual Strategic Planning Workshop, the AC held its Annual Strategic Planning Workshop virtually during 15 – 16 February 2021. This was, however, not spared by the connectivity challenges outlined in paragraph 1.1 above. Connectivity to such a huge number of officials and AC Members (AC Stakeholders) during AC Annual Strategic Planning Workshop remains a big challenge. This often affects many other fundamental areas such as participation by AC members as well as active engagement by the Accounting Officers thus slightly failing the session to achieve its objectives. The CEO of the Institute of Internal Auditors South Africa (IIASA) was invited to present on the topic titled: “*The Dynamics around Drafting, Finalisation and Reviewing of Internal Audit Plans and the role of AC, Internal Audit and Management (Departments)*”. Other notable presenters included National Treasury Accountant General’s office on the topic titled: “*Carrying out specialised audit: oversight of the Audit Committee on Forensic Audits*”. The CAC assumes the responsibility to coordinate all the AC resolutions taken during the AC Annual Strategic Planning Workshop.

### **11.4. Meetings Between MECs of Departments and AC Chairpersons**

During the financial year 2020/2021, only two Chairpersons (Cluster 02 & 03) were able to meet with Executive Authorities (EAs) of their respective Departments although not for all the Departments. Cluster 01 and 04 Chairpersons were not able to meet the EAs of the respective Departments



they are responsible for due to poor logistical arrangements within the offices of the Accounting Officers (AOs) of the Departments they are responsible for. The meetings between AC Chairpersons and EAs are very important as part of the Stakeholder Engagements as defined in the AC Charter. The AC Resolution taken during the AC Annual Strategic Planning Workshop which states that during the meeting between the AO and the EA to discuss performance review, AC Chairpersons must be slotted in to meet their respective MECs should be implemented.

### **11.5. CAC Chairperson Meetings**

The CAC Chairperson managed to attend only one EXCO meeting. Attendance of such meetings by the CAC Chairperson are as per invite by EXCO Secretariat thus the CAC Chairperson was not invited to most of the EXCO meetings. Moreover, the CAC Chairperson managed to attend the HOD Forum to present the CAC Report on audit matters by AGSA. Invitation of the CAC Chairperson to these critical governance structures is very important to ensure that the work of the AC is visible and noticed by the EA of the Departments. Engagement with EXCO Secretariat is ongoing to ensure that the AC plays a pivotal role in reshaping Service Delivery in the Province through key Stakeholder Engagements. During the execution and reporting of audit outcomes by AGSA, the CAC Chairperson met with AGSA Business Executive to discuss several concerns that emanated from the Cluster AC meetings for prompt and high-level intervention. Although the CAC chairperson managed to meet the MEC for Finance once during December 2020, this was not enough to address the afore-mentioned concerns. The CAC Chairperson and all the Cluster Chairpersons managed to meet during December 2020 to review the Performance of the Chief Audit Executive (CAE) as the standard requires.

### **11.6. 360 Degree Audit Committee Evaluation**

National Treasury 360 Degree Evaluation model was used to evaluate the work and performance of the AC. The final evaluation yielded an average score of 4.52 (from rating of 1 – 5) when combining the average scores of all the AC Stakeholders. This represented a slight improvement from the previous evaluation period which yielded an average score of 4.50 rating. The AC stakeholders who participated in the performance evaluation of

the AC included Provincial Internal Audit, External AC Members and Management (Accounting Officers, Chief Risk Officers, Chief Financial Officers, Head of Internal Controls and GITO). AGSA as an AC stakeholder could not participate in the performance review of the AC, mentioning that they do their own evaluation in the management report of each Department to protect and maintain their independence. Although the average rating of the AC was 4.52 (2019 – 4.50), the scores in respect of “Poor understanding of Business & Risks of the Departments by the external AC members” reduced from 4.46 in 2019 to 4.34 in 2020 and “Process and Procedure” which reduced from 4.63 in 2019 to 4.60 in 2020. A fundamental matter raised was the unavailability of the EAs to meet with the Chairpersons of the Clusters AC.

#### **11.7. Audit Committee Membership**

Current AC Membership was appointed with effect from 01 January 2020 and will expire on 31 December 2022. A total of 17 AC members were appointed during 2020 AC membership appointment process. Total number of female AC members are eight (8) while a total number of male AC members are nine (9) represented as: 53% males and 47% females. Although this represent a huge improvement from the previous AC composition, there is a strong need to improve female recruitment to the Limpopo AC composition.

#### **11.8. The following table stipulate the nature and activities of each AC meeting/event held:**

<b>NO.</b>	<b>PERIOD</b>	<b>NATURE OF THE AC MEETING</b>	<b>INFORMATION / DOCUMENTS REVIEWED</b>
1.	June 2020	Approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan	a. Three Year Internal Audit Plans and Annual Internal Audit Plans b. Auditor General Audit Coverage Strategies

		and Auditor General Audit Coverage Strategy	
<b>NO.</b>	<b>PERIOD</b>	<b>NATURE OF THE AC MEETING</b>	<b>INFORMATION / DOCUMENTS REVIEWED</b>
2.	June 2020	CAC Meeting to consider Clusters AC Reports	c. Clusters AC Reports reporting on matters pertaining to Internal Audit Plans and AGSA Audit Strategies.
3.	July 2020	Review of Fourth Quarterly Performance Information and Draft Annual Report (Including Draft Annual Financial Statements) before submission to the Auditor General	a. Annual Performance Report, b. Draft Annual Financial Statements, c. Fourth Quarterly Risk Management Report, d. Fourth Quarterly Internal Audit Progress Report.
4.	August 2020	CAC Meeting to consider Clusters AC Reports	e. Clusters AC Reports on matters pertaining to Draft Annual Reports including Draft AFS.
5.	September / October 2020	Review of Draft Audit and Management Reports	a. Draft Management Reports, b. Draft Audit Reports.
6.	October 2020	CAC Meeting to consider Clusters AC Reports	c. Clusters AC Reports on matters pertaining to Draft Audit & Management Reports.
7.	November 2020	Review of First & Second Quarter Performance Reports (Financial and Non-Financial)	a. Accounting Officer's Report to the AC (Financial & Non-Financial), b. Quarterly Risk Management Report, c. SCOPA Resolutions Implementation Progress,

			<ul style="list-style-type: none"> <li>d. Auditor General Audit Findings Implementation Progress,</li> <li>e. First &amp; Second Quarterly Internal Audit Progress Reports.</li> <li>f. Procurement Plans of the Departments.</li> </ul>
NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
8.	December 2020	CAC Meeting to consider Clusters AC Reports	g. Clusters AC Reports on matters pertaining to First & Second Quarter Audit Committee Reports as per paragraph 7 above.
9.	February 2021	Review of Draft and Management Reports for DPWRI & OTP.	<ul style="list-style-type: none"> <li>a. Draft Management Reports,</li> <li>b. Draft Audit Reports.</li> </ul>
10.	February 2021	AC Annual Strategic Planning Workshop	<ul style="list-style-type: none"> <li>a. Approval of the Audit Committee Charter,</li> <li>b. Approval of the Internal Audit Charter,</li> <li>c. Review of the Accounting Officer's Reporting Framework to the AC,</li> <li>d. AC Improvement Plan by Clusters AC Chairpersons</li> <li>e. Reflection on the Status of the Previous Year AC Resolutions,</li> <li>f. 360 Degree AC Evaluation Feedback.</li> </ul>
11.	March 2021	Third Quarterly Departmental Reports and approval of the Three-Year Internal Audit Plan, Annual Internal Audit Plan and Auditor General Audit Coverage Strategy	<ul style="list-style-type: none"> <li>g. All information under No. 4 except point f,</li> <li>h. Three Year Internal Audit Plans and Annual Internal Audit Plans for 2021/2022.</li> <li>i. Auditor General Audit Coverage Strategies</li> </ul>

NO.	PERIOD	NATURE OF THE AC MEETING	INFORMATION / DOCUMENTS REVIEWED
12.	March 2021	CAC Meeting to consider Clusters AC Reports	j. Clusters AC Reports on matters pertaining to Third Quarter AC Reports as per paragraph 11 above.

## 12. OBJECTIVES OF THE AUDIT COMMITTEE

The Strategic Objectives of the AC as stipulated in its approved written Terms of Reference (AC Charter) are to ensure:

- a. the availability of a well-resourced, functional and sustained internal audit function;
- b. sound relationship with all assurance providers, oversight structures and other stakeholders;
- c. effective and efficient Internal and External Audit processes;
- d. promotion of sound functional interaction between the internal audit and other assurance providers;
- e. that there is adequate and effective corporate governance, encompassing fraud and risk management, information technology, internal control, financial management and reporting systems;
- f. Accounting Officers are fully supported in fulfilling their responsibilities in terms of the PFMA;
- g. accountability in terms of financial management and performance information for effective service delivery; and
- h. Compliance with relevant laws and regulations.

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

**CLUSTER 02 (01 APRIL 2020 – 31 MARCH 2021)**

INITIALS & SURNAME	QUALIFICATIONS	INTERNAL OR EXTERNAL MEMBER	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED / TERMINATED	NO. OF MEETINGS ATTENDED (DPWRI)
S.A Ngobeni	<ul style="list-style-type: none"> <li>University of the North – B Com Accounting</li> <li>UNISA - B Compt (honours) CTA</li> <li>North West University-Masters in Commerce: Taxation.</li> <li>North West University – Master in Business Administration (MBA)</li> <li>UNISA –Certificate in Portfolio Management &amp; Investment Analysis.</li> <li>Wits University – Higher Diploma in Computer Auditing.</li> <li>UNISA:Certificate in Mining Taxation</li> </ul>	External	N/A	01 February 2017  Re-appointed 01 February 2020	To date	06
S.P Mzizi	<ul style="list-style-type: none"> <li>CSSA International Qualifying Exam</li> <li>Post Grad Dip: Corporate Law</li> <li>CIMA</li> <li>B Com Hons</li> <li>B Tech Accounting</li> <li>H Diploma Education</li> </ul>	External	N/A	01 Feb 2020	To date	06
M.G Mathabathe	<ul style="list-style-type: none"> <li>N Dip Auditing</li> <li>B Tech IA</li> <li>Post-Grad. Diploma: Internal Audit</li> <li>CIA</li> <li>Cert. Information System Auditor</li> </ul>	External	N/A	01 Feb 2020	To date	06

INITIALS & SURNAME	QUALIFICATIONS	INTERNAL OR EXTERNAL MEMBER	IF INTERNAL, POSITION IN THE DEPARTMENT	DATE APPOINTED	DATE RESIGNED / TERMINATED	NO. OF MEETINGS ATTENDED (DPWRI)
K.M Ramukumba	<ul style="list-style-type: none"> <li>• Cert. Information Security Manager</li> <li>• CA (SA)</li> <li>• IRBA</li> <li>• B Com: Honours (Fin. Acc.)</li> <li>• B Com: Financial Accounting</li> </ul>	External	N/A	01 February 2017  Re-appointed 01 February 2020	To date	06

## 13. AUDIT COMMITTEE REPORT



### PROVINCIAL TREASURY

## REPORT OF THE AUDIT COMMITTEE ON LIMPOPO DEPARTMENT OF PUBLIC WORKS ROADS AND INFRASTRUCTURE

We are pleased to present our report for the financial year ended 31 March 2021.

### **Audit Committee Structure**

Limpopo Provincial Government has an Audit Committee which is two tiered consisting of 4 Cluster Audit Committees, dealing with specific departments, and a shared Central Audit Committee.

### **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 and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and the related code of conduct, policies and practices.



## **Stakeholder Engagement/s**

The committee has been able to engage with the following stakeholders:

- Limpopo Provincial Treasury senior management
- Limpopo Provincial Internal Auditors (Shared Internal Audit Services)
- Limpopo Provincial Auditor General (AGSA)

## **Audit Committee Skills Development**

A strategic and induction session was held during the last quarter of the financial year to assist the audit committee members better understand their challenging roles and the direction of the province in general.

## **The Effectiveness of Internal Control**

Based on the results of the formal documented review of the design, implementation and effectiveness of the department's system of internal controls conducted by the internal audit and AGSA during the financial year ended 31 March 2021, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that no material internal control breaches come to the Committee's attention.

## **Risk Management**

The Audit committee reviewed the department's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that the department's risk management maturity level is satisfactorily and improving.

## **In-Year Management and Monthly/Quarterly Report**

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is somewhat satisfied with the quality, accuracy, usefulness, reliability, appropriateness, and adequacy of the department in-year reporting systems. However, the year-end reporting should improve to avoid adjustment of the annual financial statements after submission to the AGSA.

## **Internal Audit**

The Audit committee is satisfied with the performance of the internal audit based on the activities below:

- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the department's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

### **Combined assurance**

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the internal audit unit and department should finalise the fully implementation of Combined assurance framework.

### **Compliance with the relevant laws and regulations**

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did not fully comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures, especially in the areas of addressing the irregular and fruitless expenditure, quality of annual financial statement and supply chain management (including expenditure management).

### **Evaluation of Annual Financial Statements**

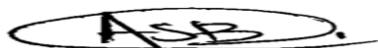
Following the review by the Audit Committee of the draft annual financial statements for the year ended 31 March 2021 before the audit, the committee is of the view that, annual financial statements fairly present the financial performance of the department for the year under review and can be incorporated into the annual report.

### **Evaluation of Annual Performance Report**

Following the review by the Audit Committee of the annual performance report for the year ended 31 March 2021 and after the audit, the committee is of the view that, draft annual performance report fairly presents the non-financial performance of the department for the year under review and can be incorporated into the annual report.

### **Consideration of the Final Audit report**

The Audit Committee considered final audit report and concurred with the AGSA's unqualified audit opinion. Furthermore, the Audit Committee commended the department for maintaining the unqualified audit opinion.



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**Stanley Ngobeni**

**Chairperson of the Audit Committee**

**September 2021**

#### 14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	N/A
Developing and implementing a preferential procurement policy?	N/A	N/A
Determining qualification criteria for the sale of state-owned enterprises?	N/A	N/A
Developing criteria for entering into partnerships with the private sector?	N/A	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	N/A





**PART D: HUMAN RESOURCE MANAGEMENT**



## 1. INTRODUCTION

The Minister has prescribed the information contained in this part of the annual report for the Public Service and Administration for all departments in the public service.

## 2. OVERVIEW OF HUMAN RESOURCES

The Department's Human Resource Component plays a critical role in building a team of working professionals. It provides support function and leverage service delivery to other programmes in the Department. The fundamental functions of the HR unit include organisational design, recruitment, training human capital, performance appraisals and employee motivation. In a quest to realise its objectives, the Department implements an integrated Human Resource Plan annually which comprises amongst other plans, the Recruitment Plan and a Workplace Skills Plan for the capacitation of critical areas of the Department.

The Department acknowledges that the health and wellness of its employees is directly and indirectly linked to production and quality of work. The Department is therefore committed to enhancing and maintaining the employee's health and wellness, including the quality of their working life and appropriate environment thus enhancing productivity and service delivery. The Department is further responsible and committed to preventing occupational injuries and diseases in the workplace by continually providing health and safety control measures in line with the available legislations, regulations, codes, standards and practices.

The Department is entrusted with a mandate to deliver quality infrastructure for the provincial government. In order to fulfil this mandate, there is an ever-present need for skilled personnel in order to improve productivity, service delivery and sustainability within a fast growing and competitive environment. To achieve this, the Department invests in the training and development of its human resource through the Workplace Skills Plan that is developed and implemented annually. Such training initiatives and priorities conform to the broader national priorities laid down in the South African training legislations, from which the capacity building programmes are derived, and are also be linked to the Departmental Five-Year Strategy and the MTEF Human Resource Plan.

The following have been identified as some of the main human resource challenges in the Department:

- High vacancy rate due to difficulty in attracting and retaining scarce skills especially the built environment professions.
- Inability to replace employees when they exit due to provincial directives
- Insufficient registered built environment professionals in the Department.
- Inadequate management of Human Resources Information
- Delays in the finalisation of the organisational structure.
- The impact of COVID-19 on performance of employees and morale

The Department subscribes to the Provincial Performance Management and Development System (PMDS) Policy for level 1-12, approved in 2018 and Chapter 4 of the Senior Management Service (SMS) Handbook, 2006 on performance management of SMS members. The main purpose of the PMDS is

to; enhance performance at strategic and operational levels of the Department by teams and individuals to achieve desired results, to identify individual's potential, strengths, weaknesses and align them to the departmental priorities and strategies, identify and remedy poor performance and to provide a framework for recognising and rewarding good performance.

Action plans were put in place to ensure that the processes to mitigate risks and challenges identified in human capital management are undertaken. Whilst some improvement in the controls, systems and processes implementation are evidenced in compliance with human resources policies, more strategic and operational interventions are still required in the quest to institutionalise world-class human resource practices in the Department.

### 3. HUMAN RESOURCES OVERSIGHT STATISTICS

#### 3.1 Personnel related expenditure

***Table 3.1.1 Personnel expenditure by programme for the period 1 April 2020 and 31 March 2021***

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 1 (Administration)	334 841.00	256 002.00	0.00	0.00	76.50	532,00
Programme 2 (Infrastructure Operations)	839 676.00	423 254.00	0.00	0.00	41.50	1 236,00
Programme 3 (EPWP)	77 414.00	32 132.00	0.00	0.00	50.40	354,00



Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Programme 4 (Roads Infrastructure)	1 663 490.00	286 350.00	0.00	0.00	17.20	346,00
<b>Total</b>	<b>2 915 421.00</b>	<b>997 738.00</b>	<b>0.00</b>	<b>0.00</b>	<b>34.20</b>	<b>395,00</b>

***Table 3.1.2 Personnel costs by salary band for the period 1 April 2020 and 31 March 2021***

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	8 797,00	0,90	48,00	183 271,00
Skilled (level 3-5)	351 992,00	34,30	1 325,00	265 654,00
Highly skilled production (levels 6-8)	313 488,00	30,60	676,00	463 740,00
Highly skilled supervision (levels 9-12)	242 172,00	23,60	293,00	826 526,00
Senior and Top management (levels 13-16)	36 330,00	3,50	30,00	1 211 000,00
Contract (Levels 1-2)	622,00	0,10	2,00	311 000,00
Contract (Levels 3-5)	6 798,00	0,70	36,00	188 833,00
Contract (Levels 6-8)	14 050,00	1,40	35,00	401 429,00

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Contract (Levels 9-12)	32 235,00	3,10	46,00	700 761,00
Contract (Levels >= 13)	2 477,00	0,20	2,00	1 238 500,00
Contract Other	4 688,00	0,50	36,00	130 222,00
<b>Total</b>	<b>1 013 650,00</b>	<b>98,80</b>	<b>2 529,00</b>	<b>400 811,00</b>

***Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2020 and 31 March 2021***

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
<b>Programme 1 (Administration)</b>	204 979,00	79,90	476,00	0,20	6 966,00	2,70	13 143,00	5,10
<b>Programme 2 (Infrastructure Operations)</b>	350 183,00	78,80	834,00	0,20	18 484,00	4,20	26 249,00	5,90
<b>Programme 3 (EPWP)</b>	17 818,00	81,40	0.00	0,00	248,00	1,10	629,00	2,90
<b>Programme 4 (Roads Infrastructure)</b>	<b>221 730,00</b>	<b>73,20</b>	<b>4,00</b>	<b>0,00</b>	<b>15 026,00</b>	<b>5,00</b>	<b>20 720,00</b>	<b>6,80</b>
<b>Total</b>	<b>794 711,00</b>	<b>77,55</b>	<b>1 314,00</b>	<b>0,10</b>	<b>40 725,00</b>	<b>4,00</b>	<b>60 741,00</b>	<b>5,90</b>

**Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2020 and 31 March 2021**

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	5 643,00	64,10	6,00	0,10	763,00	8,70	1 699,00	19,30
Skilled (level 3-5)	251 348,00	71,00	75,00	0,00	23 645,00	6,70	33 261,00	9,40
Highly skilled production (levels 6-8)	246 495,00	78,00	962,00	0,30	11 839,00	3,70	17 950,00	5,70
Highly skilled supervision (levels 9-12)	199 812,00	80,80	252,00	0,10	3 673,00	1,50	7 235,00	2,90
Senior management (level 13-16)	31 216,00	83,80	0,00	0,00	805,00	2,20	595,00	1,60
Contract (Levels 1-2)	622,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5)	6 703,00	98,40	0,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8)	13 865,00	96,90	4,00	0,00	0,00	0,00	0,00	0,00
Contract (Levels 9-12)	32 116,00	96,00	0,00	0,00	0,00	0,00	0,00	0,00

Salary band	Salaries	Overtime	Home Owners Allowance	Medical Aid	Salary band	Salaries	Overtime	Home Owners Allowance
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs		Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)
Contract (Levels >= 13)	2 315,00	87,90	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>4 577,00</b>	<b>97,20</b>	<b>15,00</b>	<b>0,30</b>	<b>0,00</b>	<b>4,00</b>	<b>60 740,00</b>	<b>5,90</b>

### 3.2 Employment and Vacancies

*Table 3.2.1 Employment and vacancies by programme as on 31 March 2021T*

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1 (Administration)	549	486	18.2	38
Programme 2 (Infrastructure Operations)	1 298	1031	20.6	114
Programme 3 (EPWP)	24	23	4.2	3

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 4 (Roads Infrastructure)	1 130	834	26.2	0
<b>Total</b>	<b>3 046</b>	<b>2 374</b>	<b>22.1</b>	<b>155</b>

*Table 3.2.2 Employment and vacancies by salary band as on 31 March 2021*

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled ( 1-2)	69	48	30.4	2
Skilled(3-5)	1 780	1 325	25.5	36
Highly skilled production (6-8)	806	676	16.1	35
Highly skilled supervision (9-12)	349	293	16.0	46
Senior management (13-16)	42	32	23.8	0
<b>Total</b>	<b>3046</b>	<b>2 374</b>	<b>22.1</b>	<b>119</b>

*Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2021*

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Chief Architect	0	0	0	1
Architectural Technologist	0	0	0	1
Construction Project Manager	29	24	17.2	7
Candidate Engineer	0	0	0	15

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Candidate Engineering Technician	0	0	0	28
GISC Professional Candidate	0	0	0	2
Candidate Quantity Surveyor	0	0	0	6
Town and Regional Planner	0	0	0	2
Valuer: Professional	0	0	0	1
<b>Total</b>	<b>29</b>	<b>24</b>	<b>17.2</b>	<b>63</b>

### 3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

*Table 3.3.1 SMS post information as on 31 March 2021*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	8	4	50	4	50
Salary Level 13	32	26	81.25	6	18.75
<b>Total</b>	<b>42</b>	<b>32</b>	<b>76.2</b>	<b>10</b>	<b>23.8</b>

*Table 3.3.2 SMS post information as on 30 September 2020*

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	1	1	100	0	0
Salary Level 15	1	1	100	0	0
Salary Level 14	8	4	50	4	50
Salary Level 13	32	26	81.25	6	18.75
<b>Total</b>	<b>42</b>	<b>32</b>	<b>76.2</b>	<b>10</b>	<b>23.8</b>

*Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2020 and 31 March 2021*

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 of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2020 and 31 March 2021*

Reasons for vacancies not advertised within six months
Vacated SMS posts were not advertised within six months due to Covid-19 Lockdown level 5, Lockdown level 4 Disruptions.

Reasons for vacancies not advertised within six months
Vacated SMS posts were not advertised within six months due to Covid-19 Lockdown level 5, Lockdown level 4 Disruptions.

*Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2020 and 31 March 2021*

Reasons for vacancies not advertised within six months
<b>No Disciplinary actions taken against anyone due to the fact that</b> Vacated SMS posts were not advertised within six months due to Covid-19 Lockdown level 5, Lockdown level 4 Disruptions.



Reasons for vacancies not advertised within six months
Vacated SMS posts were not advertised within six months due to Covid-19 Lockdown level 5, Lockdown level 4 Disruptions.

### 3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

*Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2020 and 31 March 2021*

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	69	0	0	0	0	0	0
Skilled (Levels 3-5)	1780	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	806	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	349	0	0	0	0	0	0
Senior Management Service Band A	32	0	0	0	0	0	0
Senior Management Service Band B	8	0	0	0	0	0	0

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
<b>Total</b>	<b>3046</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

*Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2020 and 31 March 2021*

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

*Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2020 and 31 March 2021*

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	0	0	0	0
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				<b>0</b>
<b>Percentage of total employed</b>				<b>0</b>

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

*Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2020 and 31 March 2021*

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Employees with a disability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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#### Notes

- If there were no cases where the salary levels were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total number of Employees whose salaries exceeded the grades determine by job evaluation	None
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### 3.5 Employment Changes

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

*Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2020 and 31 March 2021*

Salary band	Number of employees at beginning of period-1 April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( Levels 1-2)	49	0	01	2
Skilled (Levels3-5)	1500	0	192	12,8
Highly skilled production (Levels 6-8)	723	0	51	7,5
Highly skilled supervision (Levels 9-12)	317	2	29	9,11
Senior Management Service Bands A	26	2	2	7,14
Senior Management Service Bands B	4	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	0	0	0	0
Contracts	210	0	130	61,9
<b>Total</b>	<b>2830</b>	<b>4</b>	<b>377</b>	<b>9,78</b>

*Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2020 and 31 March 2021*

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
administrative related permanent	124,00	1,00	11,00	8,90
all artisans in the building metal machinery etc. permanent	255,00	0,00	18,00	7,10
appraisers-valuers and related professionals permanent	2,00	0,00	1,00	50,00
artisan project and related superintendents permanent	145,00	0,00	13,00	9,00
auxiliary and related workers permanent	6,00	0,00	0,00	0,00
building and other property caretakers permanent	2,00	0,00	0,00	0,00
bus and heavy vehicle drivers permanent	70,00	0,00	14,00	20,00
civil engineering technicians permanent	15,00	0,00	2,00	13,30
cleaners in offices workshops hospitals etc. permanent	142,00	0,00	25,00	17,60
client inform clerks(switchb recept inform clerks) permanent	10,00	0,00	1,00	10,00

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
communication and information related permanent	8,00	0,00	0,00	0,00
diplomats permanent	4,00	0,00	0,00	0,00
electrical and electronics engineering technicians permanent	5,00	0,00	0,00	0,00
engineering sciences related permanent	21,00	1,00	2,00	9,50
engineers and related professionals permanent	53,00	3,00	2,00	3,80
farm hands and labourers permanent	107,00	0,00	21,00	12,10
finance and economics related permanent	18,00	0,00	3,00	16,70
financial and related professionals permanent	29,00	0,00	3,00	10,30
financial clerks and credit controllers permanent	32,00	0,00	3,00	9,40
head of department/chief executive officer permanent	1,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
horticulturists foresters agricul.& forestry techn permanent	6,00	0,00	0,00	0,00
human resources & organisat developm & relate prof permanent	177,00	70,00	128,00	61,00
human resources clerks permanent	19,00	0,00	0,00	0,00
human resources related permanent	8,00	0,00	0,00	0,00
inspectors of apprentices works and vehicles permanent	47,00	0,00	3,00	6,40
librarians and related professionals permanent	2,00	0,00	0,00	0,00
library mail and related clerks permanent	26,00	0,00	4,00	15,40
light vehicle drivers permanent	111,00	0,00	9,00	8,10
logistical support personnel permanent	72,00	0,00	6,00	8,30
material-recording and transport clerks permanent	73,00	0,00	3,00	4,10
mechanical engineering technicians permanent	14,00	0,00	0,00	0,00

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
messengers porters and deliverers permanent	13,00	0,00	3,00	23,10
meteorologists permanent	2,00	0,00	0,00	0,00
motor vehicle drivers permanent	16,00	0,00	3,00	18,80
motorised farm and forestry plant operators permanent	2,00	0,00	1,00	50,00
natural sciences related permanent	1,00	0,00	0,00	0,00
other administrative policy and related officers permanent	103,00	0,00	8,00	7,80
other information technology personnel. permanent	39,00	0,00	4,00	10,30
other machine operators permanent	4,00	0,00	0,00	0,00
other occupations permanent	1,00	0,00	0,00	0,00
printing and related machine operators permanent	11,00	0,00	1,00	9,10
quantity surveyors & rela prof not class elsewhere permanent	1,00	0,00	0,00	0,00



Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
regulatory inspectors permanent	5,00	0,00	0,00	0,00
risk management and security services permanent	10,00	0,00	0,00	0,00
road superintendents permanent	2,00	0,00	0,00	0,00
road trade workers. permanent	7,00	0,00	2,00	28,60
road workers permanent	17,00	0,00	3,00	17,60
safety health and quality inspectors permanent	379,00	0,00	49,00	12,90
secretaries & other keyboard operating clerks permanent	4,00	0,00	0,00	0,00
security guards permanent	13,00	1,00	2,00	15,40
security officers permanent	63,00	0,00	14,00	15,90
senior managers permanent	16,00	0,00	0,00	0,00
trade labourers permanent	20,00	1,00	2,00	10,00
trade quality controllers permanent	484,00	3,00	44,00	9,10

Critical occupation	Number of employees at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
trade related permanent	1,00	0,00	0,00	0,00
trade/industry advisers & other related profession permanent	7,00	0,00	0,00	0,00
water plant and related operators permanent	1,00	0,00	1,00	100,00
work planners permanent	1,00	0,00	0,00	0,00
<b>TOTAL</b>	2,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2 829,00</b>	<b>80,00</b>	<b>405,00</b>	<b>9.78</b>

*Table 3.5.3 Reasons why staff left the department for the period 1 April 2020 and 31 March 2021*

Termination Type	Number	% of Total Resignations
Death	45	11.1
Resignation	15	3.7
Expiry of contract	125	30.9
Dismissal – operational changes	0	0
Dismissal – misconduct	1	0.2
Dismissal – inefficiency	0	0
Discharged due to ill-health	0	0

Termination Type	Number	% of Total Resignations
Retirement	183	45.2
Transfer to other Public Service Departments	0	0
Early Retirement	36	8.9
<b>Total</b>	<b>405</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment</b>	<b>17,05</b>	

*Table 3.5.4 Promotions by critical occupation for the period 1 April 2020 and 31 March 2021*

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
administrative related	124,00	0,00	0,00	75,00	60,50
all artisans in the building metal machinery etc.	255,00	0,00	0,00	140,00	54,90
appraisers-valuers and related professionals	2,00	0,00	0,00	0,00	0,00
artisan project and related superintendents	145,00	0,00	0,00	77,00	53,10
auxiliary and related workers	6,00	0,00	0,00	2,00	33,30
building and other property caretakers	2,00	0,00	0,00	1,00	50,00
bus and heavy vehicle drivers	70,00	0,00	0,00	53,00	75,70
civil engineering technicians	15,00	0,00	0,00	1,00	6,70

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
cleaners in offices workshops hospitals etc.	142,00	0,00	0,00	75,00	52,80
client inform clerks(switchb receipt inform clerks)	10,00	0,00	0,00	5,00	50,00
communication and information related	8,00	0,00	0,00	5,00	62,50
diplomats	4,00	0,00	0,00	3,00	75,00
electrical and electronics engineering technicians	5,00	0,00	0,00	0,00	0,00
engineering sciences related	21,00	0,00	0,00	5,00	23,80
engineers and related professionals	53,00	0,00	0,00	10,00	18,90
farm hands and labourers	107,00	0,00	0,00	42,00	39,30
finance and economics related	18,00	0,00	0,00	13,00	72,20
financial and related professionals	29,00	0,00	0,00	11,00	37,90
financial clerks and credit controllers	32,00	0,00	0,00	7,00	21,90
head of department/chief executive officer	1,00	0,00	0,00	0,00	0,00

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
horticulturists foresters agricul.& forestry techn	6,00	0,00	0,00	3,00	50,00
human resources & organisat developm & relate prof	177,00	0,00	0,00	36,00	20,30
human resources clerks	19,00	0,00	0,00	9,00	47,40
human resources related	8,00	0,00	0,00	5,00	62,50
inspectors of apprentices works and vehicles	47,00	0,00	0,00	7,00	14,90
librarians and related professionals	2,00	0,00	0,00	2,00	100,00
library mail and related clerks	26,00	0,00	0,00	10,00	38,50
light vehicle drivers	111,00	0,00	0,00	60,00	54,10
logistical support personnel	72,00	0,00	0,00	37,00	51,40
material-recording and transport clerks	73,00	0,00	0,00	30,00	41,10
mechanical engineering technicians	14,00	0,00	0,00	0,00	0,00
messengers porters and deliverers	13,00	0,00	0,00	4,00	30,80
meteorologists	2,00	0,00	0,00	0,00	0,00

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
motor vehicle drivers	16,00	0,00	0,00	5,00	31,30
motorised farm and forestry plant operators	2,00	0,00	0,00	1,00	50,00
natural sciences related	1,00	0,00	0,00	1,00	100,00
other administrators & related clerks and organisers	103,00	1,00	1,00	50,00	48,50
other administrative policy and related officers	39,00	0,00	0,00	15,00	38,50
other information technology personnel.	4,00	0,00	0,00	2,00	50,00
other machine operators	1,00	0,00	0,00	1,00	100,00
other occupations	11,00	0,00	0,00	5,00	45,50
printing and related machine operators	1,00	0,00	0,00	0,00	0,00
quantity surveyors & related prof not class elsewhere	5,00	0,00	0,00	0,00	0,00
regulatory inspectors	10,00	0,00	0,00	7,00	70,00
risk management and security services	2,00	0,00	0,00	1,00	50,00
road superintendents	7,00	0,00	0,00	2,00	28,60

Occupation	Employees 1 April 2020	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
road trade workers.	17,00	0,00	0,00	9,00	52,90
road workers	379,00	0,00	0,00	171,00	45,10
safety health and quality inspectors	4,00	0,00	0,00	3,00	75,00
secretaries & other keyboard operating clerks	13,00	0,00	0,00	8,00	61,50
security guards	63,00	0,00	0,00	19,00	30,20
security officers	16,00	0,00	0,00	8,00	50,00
senior managers	20,00	0,00	0,00	0,00	0,00
trade labourers	484,00	0,00	0,00	294,00	60,70
trade quality controllers	1,00	0,00	0,00	0,00	0,00
trade related	7,00	0,00	0,00	3,00	42,90
trade/industry advisers & other related profession	1,00	0,00	0,00	0,00	0,00
water plant and related operators	1,00	0,00	0,00	1,00	100,00
work planners	2,00	0,00	0,00	2,00	100,00
<b>TOTAL</b>	<b>2 829,00</b>	<b>1,00</b>	<b>0,00</b>	<b>1 336,00</b>	<b>47,20</b>

*Table 3.5.5 Promotions by salary band for the period 1 April 2020 and 31 March 2021*

Salary Band	Employees 1 April 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled ( Levels 1-2)	49,00	0,00	0,00	28,00	57,10
Skilled (Levels3-5)	1 500,00	0,00	0,00	767,00	51,10
Highly skilled production (Levels 6-8)	723,00	1,00	0,10	350,00	48,40
Highly skilled supervision (Levels 9-12)	317,00	0,00	0,00	191,00	60,30
Senior Management (Level 13-16)	29,00	0,00	0,00	0,00	0,00
Other, Permanent	71,00	0,00	0,00	0,00	0,00
Contract (Levels 1-2), Permanent	8,00	0,00	0,00	0,00	0,00
Contract (Levels 3-5), Permanent	35,00	0,00	0,00	0,00	0,00
Contract (Levels 6-8), Permanent	47,00	0,00	0,00	0,00	0,00
Contract (Levels 9-12), Permanent	48,00	0,00	0,00	0,00	0,00
Contract (Levels >= 13), Permanent	2,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>2 829,00</b>	<b>1,00</b>	<b>0,00</b>	<b>1 336,00</b>	<b>47,20</b>



### 3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2021

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	1	0	0	11	0	0	0	31
Professionals	104	6	0	2	122	6	0	4	244
Technicians and associate professionals	125	0	0	1	126	5	1	2	260
Clerks	85	0	0	1	164	1	1	3	255
Service and sales workers	48	0	0	0	32	0	1	0	81
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	335	0	0	8	98	1	0	0	442
Plant and machine operators and assemblers	161	0	0	2	12	0	0	0	175
Elementary occupations	621	0	0	1	382	0	0	0	1004
<b>Total</b>	<b>1498</b>	<b>7</b>	<b>0</b>	<b>15</b>	<b>947</b>	<b>13</b>	<b>3</b>	<b>9</b>	<b>2492</b>
<b>Employees with disabilities</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>

*Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2021*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	18	1	0	0	11	0	0	0	30
Professionally qualified and experienced specialists and mid-management	196	6	0	6	120	7	0	4	339
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	394	0	0	7	296	6	3	5	711
Semi-skilled and discretionary decision making	869	0	0	2	490	0	0	0	1361
Unskilled and defined decision making	20	0	0	0	30	0	0	0	50
<b>Total</b>	<b>1498</b>	<b>7</b>	<b>0</b>	<b>15</b>	<b>947</b>	<b>13</b>	<b>3</b>	<b>9</b>	<b>2492</b>

*Table 3.6.3 Recruitment for the period 1 April 2020 to 31 March 2021*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	01	0	0	0	0	0	0	0	01
Professionally qualified and experienced specialists and mid-management	01	0	0	0	0	0	0	0	01
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	01	0	0	0	0	0	0	0	01
Unskilled and defined decision making	03	0	0	0	0	0	0	0	03
<b>Total</b>	<b>06</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>06</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Table 3.6.4 Promotions for the period 1 April 2020 to 31 March 2021*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
<i>Top Management</i>	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Table 3.6.5 Terminations for the period 1 April 2020 to 31 March 2021*

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	3	0	0	0	3
Professionally qualified and experienced specialists and mid-management	22	1	0	3	7	0	0	0	34

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	42	0	0	1	16	0	0	2	61
Semi-skilled and discretionary decision making	141	0	0	1	81	0	0	0	223
Unskilled and defined decision making	18	0	0	0	60	0	0	0	78
<b>Total</b>	<b>223</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>168</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>399</b>
<b>Employees with Disabilities</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>405</b>

*Table 3.6.6 Disciplinary action for the period 1 April 2020 to 31 March 2021*

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	8	1	0	0	3	0	0	0	12

*Table 3.6.7 Skills development for the period 1 April 2020 to 31 March 2021*

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	1	0	0	0	4	0	0	0	5
Professionals	4	0	0	0	3	0	0	6	13
Technicians and associate professionals	11	0	0	0	7	0	0	0	18
Clerks	0	0	0	0	1	0	0	0	1
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	2	0	0	0	0	0	0	0	2
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	2	0	0	0	0	0	0	0	2
<b>Total</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>41</b>
<b>Employees with disabilities</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>

### 3.7 Signing of Performance Agreements by SMS Members

*Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2020*

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department				
Salary Level 16				
Salary Level 15	1	1	0	0,00
Salary Level 14	4	4	4	100
Salary Level 13	30	28	28	100
<b>Total</b>	<b>35</b>	<b>33</b>	<b>32</b>	<b>96,97</b>

*Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2021*

Reasons
One member was on Precautionary suspension

*Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2021*

Reasons
The member was on precautionary suspension

### 3.8 Performance Rewards

*Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2020 to 31 March 2021*

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	1 371	1 587	86,39	2 768,70	2 019,00
Female	868	1 037	83,70	4 188,93	4 826,00
<b>Asian</b>					
Male	0,00	0,00	0,00	0,00	0,00
Female	2,00	3,00	66,67	9,33	4 665,00
<b>Coloured</b>					
Male	0,00	8,00	0,00	0,00	0,00
Female	6,00	13,00	46,20	25,56	4 260,00
<b>White</b>					
Male	10,00	16,00	62,00	40,00	4 089,00
Female	9,00	10,00	90,00	53,56	5 955,00
<b>Total</b>	<b>2 266</b>	<b>2 674</b>	<b>84,70</b>	<b>7 087,97</b>	<b>3 128,00</b>



*Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2020 to 31 March 2021*

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	42	50	84,00	55,31	1 317,00	0,00
Skilled (level 3-5)	1 318	1 435	91,85	2 602,93	1 974,91	0,26
Highly skilled production (level 6-8)	657	735	89,39	2 519,19	3 834,38	0,25
Highly skilled supervision (level 9-12)	249	454	54,85	1 909,53	7 668,80	0,19
<b>Total</b>	<b>2 266</b>	<b>2 674</b>	<b>84,70</b>	<b>7 086,96</b>	<b>3 128,00</b>	<b>0,70</b>

*Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2020 to 31 March 2021*

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Property Valuer	0	1	0,00	0,00	0,00
Quantity Survey	2	5	40,00	27,26	13 631,00
Architects	0	1	0,00	0,00	0,00
Artisans	229	247	92,70	744,12	3 249,00
Horticulturist	6	6	100	29,06	4 843,00
Engineers	6	18	33,30	69,63	11 605,00

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Construction Project Managers	21	53	39,60	237,48	11 308,00
Works Inspectors	48	54	88,89	243,81	5 079,00
<b>Total</b>	<b>312</b>	<b>385</b>	<b>81,04</b>	<b>1 351,36</b>	<b>4 331,28</b>

*Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2020 to 31 March 2021*

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0,00	27,00	0,00	0,00	0,00	0,00
Band B	0,00	4,00	0,00	0,00	0,00	0,00
Band C	0,00	1	0,00	0,00	0,00	0,00
Band D	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>0,00</b>	<b>32</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>

### 3.9 Foreign Workers

*Table 3.9.1 Foreign workers by salary band for the period 1 April 2020 and 31 March 2021*

Salary band	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	14,00	100%	11,00	100%	3,00	0,00
Contract (level 9-12)	0	0	0	0	0	0
Contract (level 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>14,00</b>	<b>100%</b>	<b>11,00</b>	<b>100%</b>	<b>3,00</b>	<b>0</b>

*Table 3.9.2 Foreign workers by major occupation for the period 1 April 2020 and 31 March 2021*

Major occupation	01 April 2020		31 March 2021		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	14,00	100%	11,00	100%	3	0
<b>TOTAL</b>	<b>11,00</b>	<b>100%</b>	<b>11,00</b>	<b>100%</b>	<b>0</b>	<b>0</b>

### 3.10 Leave utilisation

*Table 3.10.1 Sick leave for the period 1 January 2020 to 31 December 2020*

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	169,00	87,60	29,00	2,20	6,00	94,00
Skilled (levels 3-5)	4 301,00	96,70	679,00	51,30	6,00	3 533,00
Highly skilled production (levels 6-8)	2 271,00	88,20	391,00	29,60	6,00	3 708,00
Highly skilled supervision (levels 9 -12)	1 007,00	89,30	156,00	11,80	6,00	2 886,00
Top and Senior management (levels 13-16)	41,00	90,20	10,00	0,80	4,00	188,00
<b>Total</b>	<b>7 789,00</b>		<b>1 265</b>	<b>95,70</b>	<b>6,00</b>	<b>10 409, 00</b>

*Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2020 to 31 December 2020*

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)						
Skilled (Levels 3-5)	569,00	100,00	18,00	69,20	32,00	482,00
Highly skilled production (Levels 6-8)	427,00	100,00	7,00	26,90	61,00	688,00
Highly skilled supervision (Levels 9-12)	15,00	100,00	1,00	3,80	15,00	44,00
Senior management (Levels 13-16)	0	0	0	0	0	0
<b>Total</b>	<b>1 011,00</b>	<b>100,00</b>	<b>26,00</b>	<b>99,90</b>	<b>108</b>	<b>1214</b>

*Table 3.10.3 Annual Leave for the period 1 January 2020 to 31 December 2020*

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	864,00	49,00	18,00
Skilled Levels 3-5)	33 106,00	1 478,00	22,00
Highly skilled production (Levels 6-8)	16 027,00	717,00	22,00
Highly skilled supervision(Levels 9-12)	6 943,00	319,00	22,00
Senior management (Levels 13-16)	677,00	30,00	23,00
<b>Total</b>	<b>57 618,20</b>	<b>2 593.00</b>	<b>24,00</b>

*Table 3.10.4 Capped leave for the period 1 January 2020 to 31 December 2020*

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2021
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	77,16	11,00	7,00	80,00
Highly skilled production (Levels 6-8)	16,00	5,00	3,00	94,00
Highly skilled supervision(Levels 9-12)	23,00	3,00	8,00	114,00
Senior management (Levels 13-16)	0	0	0	0
<b>Total</b>	<b>116.16</b>	<b>19,00</b>	<b>6,00</b>	<b>87,00</b>

*Table 3.10.5 Leave payouts for the period 1 April 2020 and 31 March 2021*

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2020/21 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2020/21	22 519,00	214,00	105 229,00
Current leave payout on termination of service for 2020/21	7 679,00	283	74 598
<b>Total</b>	<b>30 198,00</b>	<b>497</b>	

### 3.11 HIV/AIDS & Health Promotion Programmes

*Table 3.11.1 Steps taken to reduce the risk of occupational exposure*

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	

*Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)*

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Director: Employee Health and Wellness: Mr K.P.Khosa
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		05 Employees, No budget allocated

Question	Yes	No	Details, if yes
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		The employee Assistance programmes are offered by the HIV&AIDS assistance: Therapeutic counselling (bereavement, trauma, HIV&AIDs) and attend to all cases regarding the troubled employees as per referral within the Department. Employee Health events are hosted in order to promote and encourage health and wellness of the employees.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		X	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		HIV&AIDS Policy Wellness Management Policy Health and Productivity policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		HIV&AIDS Policy Wellness Management Policy
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		Through the assistance of Department of Health, GEMS and ANOVA (as experts in the field of medical issues), employees are tested voluntarily and referred for medical attention when needs arise. However, all medical tests results are treated confiden
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Operational Plans Monthly , quarterly and annual reports Policies

### 3.12 Labour Relations

*Table 3.12.1 Collective agreements for the period 1 April 2020 and 31 March 2021*

Subject matter	Date
None	N/A

#### Notes

- If there were no agreements, keep the heading and replace the table with the following:

Total number of Collective agreements	None
---------------------------------------	------

*Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2020 and 31 March 2021*

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	6	31%
Final written warning	2	10%
Suspended without pay	3	15%
Fine	-	-
Demotion	-	-
Dismissal	-	-
Not guilty	-	-
Case withdrawn	1	5%



Outcomes of disciplinary hearings	Number	% of total
<b>Total</b>		<b>61%</b>

#### Notes

- If there were no agreements, keep the heading and replace the table with the following:

<b>Total number of Disciplinary hearings finalised</b>	<b>12</b>
--	-----------

*Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2020 and 31 March 2021*

Type of misconduct	Number	% of total
Failure to disclose financial interests	6	31%
RWOPS	2	10%
Failure to take lawful instructions	1	5%
Negligence	1	5%
Absenteeism	1	5%
Gross Dishonesty	1	5%
<b>Total</b>		<b>61%</b>

*Table 3.12.4 Grievances logged for the period 1 April 2020 and 31 March 2021*

Grievances	Number	% of Total
Number of grievances resolved	46	80%
Number of grievances not resolved	11	19,2%
<b>Total number of grievances lodged</b>	<b>57</b>	

*Table 3.12.5 Disputes logged with Councils for the period 1 April 2020 and 31 March 2021*

<b>Disputes</b>	<b>Number</b>	<b>% of Total</b>
Number of disputes upheld	00	00
Number of disputes dismissed	5	100%
<b>Total number of disputes lodged</b>		

*Table 3.12.6 Strike actions for the period 1 April 2020 and 31 March 2021*

<b>Total number of persons working days lost</b>	<b>38</b>
<b>Total costs working days lost</b>	<b>1</b>
<b>Amount recovered as a result of no work no pay (R'000)</b>	<b>0.00</b>

*Table 3.12.7 Precautionary suspensions for the period 1 April 2020 and 31 March 2021*

<b>Number of people suspended</b>	0
<b>Number of people who's suspension exceeded 30 days</b>	0
<b>Average number of days suspended</b>	0
<b>Cost of suspension(R'000)</b>	R0,00

### 3.13 Skills development

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

*Table 3.13.1 Training needs identified for the period 1 April 2020 and 31 March 2021*

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	4	7	11
	Male		0	1	1	2
Professionals	Female		0	9	2	11
	Male		0	4	1	5
Technicians and associate professionals	Female		0	7	7	14
	Male		0	11	6	17
Clerks	Female		0	1	16	17
	Male		0	0	4	4
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	1	1
	Male		0	2	1	3

Occupational category	Gender	Number of employees as at 1 April 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	0	1	1
	Male		0	2	0	2
Sub Total	Female		0	21	34	55
	Male		0	20	13	33
<b>Total</b>			<b>0</b>	<b>41</b>	<b>47</b>	<b>88</b>

*Table 3.13.2 Training provided for the period 1 April 2020 and 31 March 2021*

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	2	4	6
	Male		0	0	1	1
Professionals	Female		0	1	0	1
	Male		0	0	0	0
Technicians and associate professionals	Female		0	03	17	20
	Male		0	1	5	6
Clerks	Female		0	0	7	7
	Male		0	0	1	1
Service and sales workers	Female		0	0	0	0
	Male		0	0	0	0
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	2	2

Occupational category	Gender	Number of employees as at 1 April 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female		0	0	0	0
	Male		0	0	0	0
Elementary occupations	Female		0	86	5	91
	Male		0	13	0	13
Sub Total	Female		0	92	33	125
	Male		0	14	9	23
<b>Total</b>			<b>0</b>	<b>106</b>	<b>42</b>	<b>148</b>

### 3.14 Injury on duty

The following tables provide basic information on injury on duty.

*Table 3.14.1 Injury on duty for the period 1 April 2020 and 31 March 2021*

Nature of injury on duty	Number	% of total
Required basic medical attention only	55	2.17%
Temporary Total Disablement	0	0%
Permanent Disablement	0	0%
Fatal	01	0.04%
<b>Total</b>	<b>56</b>	<b>2.21%</b>

### 3.15 Utilisation of Consultants

*Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2020 and 31 March 2021*

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

*Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A

*Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2020 and 31 March 2021*

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
N/A	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
N/A	N/A	N/A	N/A

*Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2020 and 31 March 2021*

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
N/A	N/A	N/A	N/A



### 3.16 Severance Packages

*Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2020 and 31 March 2021*

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

646	41 600	20 220
422	91 901	1 342
5 047	8 870	44 872
9 163	87 626	51 720
53 213	10 939	19 544
15 193	48 940	63 118
98 933	37 995	70 937
95 403	42 783	54 117
49 112	7 210	80 811
76 731	22 866	...

Net Sales	1,070,000	1	800,000	48
<b>Cost of Sales</b>			<b>1,920,000</b>	<b>1</b>
	<b>Amount</b>	<b>% of Sales</b>	<b>Amount</b>	<b>% of Sales</b>
Beginning inventory	540,000	1	45,000	0
Plus goods purchased/manufactured	123,000	0	250,000	0
Total goods available	200,000	0	295,000	0
Less ending inventory	38,000	0	200,000	0
Total cost of goods sold	20,000	0	95,000	0
Gross profit (loss)	1,050,000	1	1,825,000	1

<b>Operating Expenses</b>				
	<b>Amount</b>	<b>% of Sales</b>	<b>Amount</b>	<b>% of Sales</b>
<b>Selling</b>				
Salaries and wages	122,000			
Commissions	112,000	0	32,000	0
Advertising	335,000	0	22,000	0
Depreciation	10,000	0	37,000	0
Total selling expenses	680,000	1	150,000	1
<b>General/Administrative</b>				
Salaries and wages	10,000	0		
Employee benefits	83,000			
Payroll taxes	70,000			
Insurance				
Rent				
Utilities				
Depreciation				

Name : EXP	
Actual	Actual
\$300,00	
\$300,00	
Actual	
\$500,00	



	January	February	March	April	May	June	July	August	September	October	November	December
Net Sales	85,000	75,000	85,000	75,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Cost of Sales	60,000	70,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Gross Profit	25,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Operating Expenses	5,000	10,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Net Income	20,000	(5,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)

# PART E: FINANCIAL INFORMATION

## 1. REPORT OF THE AUDITOR GENERAL

This is the auditor's report as issued by AGSA.

### Report of the auditor-general to Limpopo Provincial Legislature on vote no. 9: Department of Public Works, Roads and Infrastructure

#### *Report on the audit of the financial statements*

#### **Opinion**

1. I have audited the financial statements of the Department of Public Works, Roads and Infrastructure set out on pages 179 to 385, which comprise the appropriation statement, statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the department as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2020 (Act No. 4 of 2020) (DoRA).

#### **Basis for opinion**

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.



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

### **Emphasis of matters**

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

### **Material under and over spending of the budget**

7. As disclosed in the appropriation statement, the department materially underspent its budget by R603 885 000 on programme 4: roads infrastructure and overspent its budget by R16 880 000 on programme 2: infrastructure operations.

### **An uncertainty relating to the future outcome of exceptional litigation**

8. With reference to note 25 to the financial statements, the department is a defendant in legal claims. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.

### **Impairment of accrued departmental revenue**

9. As disclosed in note 30 to the financial statements, an impairment of R98 465 000 for accrued departmental revenue was raised due to ineffective debt collection practices.

### **Other matter**

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

### **Unaudited supplementary schedules**

11. The supplementary information set out in page 349 to 385 does not form part of the financial statements and presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### **Responsibilities of the accounting officer for the financial statements**

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and 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.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

### **Auditor-general's responsibilities for the audit of the financial statements**

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### ***Report on the audit of the annual performance report***

#### **Introduction and scope**

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My

procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department’s annual performance report for the year ended 31 March 2021:

Programmes	Pages in the annual performance report
Programme 2 – Infrastructure operations	57 – 70

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

20. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:

- Programme 2 – Infrastructure operations

**Other matter**

21. I draw attention to the matter below.

**Achievement of planned targets**

22. Refer to the annual performance report on pages 52 to 82 for information on the achievement of planned targets for the year and management’s explanations provided for the under/over achievement of targets.

## ***Report on the audit of compliance with legislation***

### **Introduction and scope**

23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

24. The material findings on compliance with specific matters in key legislation are as follows:

### **Annual financial statements**

25. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) of the PFMA. Material misstatements on revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, which resulted in the financial statements receiving an unqualified audit opinion.

### **Expenditure management**

26. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1 594 196 000, as disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The irregular expenditure was caused by non-compliance with supply chain management laws and regulations and contraventions of the conditions of the Provincial Roads Maintenance Grant (PRMG).

27. Effective and appropriate steps were not taken to prevent unauthorised expenditure amounting to R16 880 000, as disclosed in note 11 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

### **Asset management**

28. I was unable to obtain sufficient appropriate audit evidence that preventative mechanisms were in place at the department to eliminate the loss of assets, as required by treasury regulation 10.1.1(a).

## Procurement and contract management

29. Some of the contracts were awarded to suppliers whose tax matters had not been declared by the South African Revenue Services to be in order as required by treasury regulation 16A9.1(d).
30. Some of the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content in accordance with paragraph 3.4 of *National Treasury Instruction Note 4 of 2015/2016*.
31. Some of the commodities designated for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 preferential procurement regulation 8(5). Similar non-compliance was also reported in the prior year.

## Consequence management

32. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred unauthorised expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into unauthorised expenditure were not performed.
33. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was due to investigations into irregular expenditure in prior year were not completely performed.
34. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.

## Other information

35. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.



36. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
37. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
38. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### ***Internal control deficiencies***

39. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.
40. Management did not implement a proper record keeping to ensure that complete, relevant and accurate information is accessible and available to support financial reporting and compliance with legislation.
41. The internal controls for monitoring compliance with laws and regulations are ineffective as they do not detect and prevent instances non-compliance with legislations.

#### ***Material irregularities***

42. In accordance with the PAA and the *Material Irregularity Regulations*, I have a responsibility to report on material irregularities identified during the audit.
43. The material irregularity identified is as follows:

**Routine road maintenance contract awarded to bidder that did not score the highest points.**

44. The department awarded a three years contract of R40 791 448 in September 2018 for the supply of Household Based Routine Road Maintenance to a bidder that did not score the highest points, in contravention of section 2(1)(f) of the Preferential Procurement Policy Framework Act (PPPFA). The non-compliance is likely to result in a material financial loss as the contract value of the winning bidder is higher than the bid amount of the supplier that scored the highest points. A total amount of R 25 527 730.48 has been paid as at year end.
45. The accounting officer was notified of the material irregularity on 04 March 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. On 03 June 2021, the accounting officer requested the Special Investigating Unit (SIU) to perform a forensic investigation on the identified MI. A secondment agreement with the SIU was signed on 24 August 2021; the investigation will start on 01 September 2021 until 31 October 2021. Based on the outcome of the investigation the accounting officer plans to institute disciplinary actions against any person responsible for the material irregularity. I will follow up on the investigation and the implementation of the planned actions during my next audit.

***Other reports***

46. In addition to the investigations relating to material irregularities, I draw attention to the following engagement conducted by various parties, which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
47. The SIU has been engaged by the department to investigate an alleged abuse of supply chain management process for a service contract concluded without following processes. The department is in the process of concluding the contract with the investigating unit after which the investigation will start. The outcome of the investigation and report should be issued within twelve months.

Auditor General  
Polokwane

01 September 2021



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected [programmes/ objectives/ development priorities] and on the department’s compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Public Works, Roads and Infrastructure to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## 2. ANNUAL FINANCIAL STATEMENTS

Insert the department's word version of the audited annual financial statements.

Appropriation per programme									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. ADMINISTRATION	357,353	-	(22,339)	335,014	332,766	2,248	99.3%	404,457	391,163
2. INFRASTRUCTURE OPERATORS	816,881	-	35,612	852,493	869,333	(16,840)	102.0%	886,278	864,627
3. EPWP	75,453	-	(2,660)	72,793	72,413	380	99.5%	61,797	63,531
3. ROADS INFRASTRUCTURE	2,278,455	-	(10,613)	2,267,842	1,663,956	603,886	73.4%	2,542,454	2,145,666
<b>Subtotal</b>	<b>3,528,142</b>	<b>-</b>	<b>-</b>	<b>3,528,142</b>	<b>2,938,469</b>	<b>589,674</b>	<b>83.3%</b>	<b>3,894,986</b>	<b>3,464,987</b>
Statutory Appropriation	1,978	-	-	1,978	1,978	-	100.0%	1,978	1,973
<b>President and Deputy President salary</b>									
<b>Members' remuneration</b>	1,978	-	-	1,978	1,978	-	100.0%	1,978	1,973
<b>Debt service costs</b>									
<b>Provincial equitable share</b>									

General fuel levy sharing with metropolitan municipalities National Revenue Fund payments Skills levy and sector education and training authorities Judges' and magistrates' salaries									
TOTAL	3,530,120	-	-	3,530,120	2,940,447	589,674	83.3%	3,896,964	3,466,960

	2020/21		2019/20	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward) Reconciliation with statement of financial performance				
ADD				
Departmental receipts	31,651		35,373	
NRF Receipts	-		-	
Aid assistance	4,148		5,724	

Actual amounts per statement of financial performance (total revenue)	<b>3,565,919</b>		<b>3,938,061</b>	
ADD				
<b>Aid assistance</b>		5,000		4,187
<b>Prior year unauthorised expenditure approved without funding</b>				
Actual amounts per statement of financial performance (total expenditure)		<b>2,945,447</b>		<b>3,471,147</b>



Appropriation per economic classification									
	2020/21							2019/20	
	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
Economic classification									
Current payments	<b>1,863,119</b>	-	<b>(11,342)</b>	<b>1,851,777</b>	<b>1,747,540</b>	<b>104,237</b>	<b>94.4%</b>	<b>1,980,045</b>	<b>1,963,004</b>
<b>Compensation of employees</b>	1,021,399	-	(21,648)	999,751	997,684	2,067	99.8%	1,076,808	1,069,792
<b>Salaries and wages</b>	847,667	16,297	(13,960)	850,004	849,341	663	99.9%	883,196	920,152
<b>Social contributions</b>	173,732	(16,297)	(7,688)	149,747	148,343	1,404	99.1%	193,612	149,640
<b>Goods and services</b>	841,720	-	10,306	852,026	749,856	102,170	88.0%	903,237	893,212
<b>Administrative fees</b>	-	-	-	-	-	-	-	-	-
<b>Advertising</b>	627	58	(132)	553	552	1	99.8%	2,188	1,538
<b>Minor assets</b>	2,877	(553)	(991)	1,333	482	851	36.2%	2,066	1,171
<b>Audit costs: External</b>	10,625	-	(513)	10,112	10,112	-	100.0%	10,511	10,406
<b>Bursaries: Employees</b>	457	-	(326)	131	131	-	100.0%	850	825
<b>Catering: Departmental activities</b>	496	20	(437)	79	77	2	97.5%	1,821	1,369
<b>Communication</b>	11,133	303	(754)	10,682	10,115	567	94.7%	12,954	12,750
<b>Computer services</b>	25,302	169	(976)	24,495	24,492	3	100.0%	34,746	34,483

<b>Consultants: Business and advisory services</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure and planning services</b>	39,608	(2,288)	-	37,320	1,172	36,148	3.1%	7,429	3,475
<b>Laboratory services</b>	-	-	-	-	-	-	-	-	-
<b>Scientific and technological services</b>	-	-	-	-	-	-	-	-	-
<b>Legal services</b>	641	-	(76)	565	565	-	100.0%	363	338
<b>Contractors</b>	336,035	-	10	336,045	317,595	18,450	94.5%	328,206	356,358
<b>Agency and support / outsourced services</b>	31,579	(208)	13,198	44,569	44,512	57	99.9%	63,136	63,109
<b>Entertainment</b>	-	-	-	-	-	-	-	-	-
<b>Fleet services</b>	83,475	67	-	83,542	78,706	4,836	94.2%	97,234	94,081
<b>Housing</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Clothing material and supplies</b>	-	-	-	-	-	-	-	-	152
<b>Inventory: Farming supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Food and food supplies</b>	-	-	-	-	-	-	-	-	(77)
<b>Inventory: Fuel, oil and gas</b>	26,282	-	-	26,282	20,685	5,597	78.7%	23,847	17,905
<b>Inventory: Learner and teacher support material</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Materials and supplies</b>	56,199	-	476	56,675	41,034	15,641	72.4%	44,570	47,282
<b>Inventory: Medical supplies</b>	-	-	-	-	-	-	-	-	-

<b>Inventory: Medicine</b>	-	-	-	-	-	-	-	-	-
<b>Medsas Inventory Interface</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Other supplies</b>	-	-	-	-	-	-	-	-	-
<b>Consumable supplies</b>	15,187	232	(2,325)	13,094	7,084	6,010	54.1%	21,624	11,536
<b>Consumable: Stationery, printing and office supplies</b>	2,075	141	(747)	1,469	1,436	33	97.8%	5,318	3,697
<b>Operating leases</b>	-	-	-	-	-	-	-	-	-
<b>Property payments</b>	128,547	(633)	8,101	136,015	136,950	(935)	100.7%	152,904	142,858
<b>Transport provided: Departmental activity</b>	-	-	-	-	-	-	-	-	-
<b>Travel and subsistence</b>	16,030	2,520	(2,107)	16,443	18,264	(1,821)	111.1%	37,574	36,440
<b>Training and development</b>	2,125	(446)	(632)	1,047	1,054	(7)	100.7%	10,558	9,309
<b>Operating payments</b>	1,065	225	(379)	911	952	(41)	104.5%	1,422	774
<b>Venues and facilities</b>	1,985	363	(1,054)	1,294	1,080	214	83.5%	4,205	4,339
<b>Rental and hiring</b>	49,370	30	(30)	49,370	32,806	16,564	66.4%	39,711	39,094
<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
<b>Interest</b>	-	-	-	-	-	-	-	-	-
<b>Rent on land</b>	-	-	-	-	-	-	-	-	-

Transfers and subsidies	<b>1,564,214</b>	-	<b>11,829</b>	<b>1,576,043</b>	<b>1,101,345</b>	<b>474,698</b>	<b>69.9%</b>	<b>1,806,258</b>	<b>1,422,213</b>
<b>Provinces and municipalities</b>	162,987	-	12,450	175,437	189,713	(14,276)	108.1%	98,962	93,409
<b>Provinces</b>	-	-	-	-	-	-	-	-	-
<b>Provincial Revenue Funds</b>	-	-	-	-	-	-	-	-	-
<b>Provincial agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Municipalities</b>	162,987	-	12,450	175,437	189,713	(14,276)	108.1%	98,962	93,409
<b>Municipal bank accounts</b>	162,987	-	12,450	175,437	189,713	(14,276)	108.1%	98,962	93,409
<b>Municipal agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>	1,366,034	-	-	1,366,034	877,113	488,921	64.2%	1,680,308	1,293,589
<b>Social security funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>	1,366,034	-	-	1,366,034	877,113	488,921	64.2%	1,680,308	1,293,589
<b>Higher education institutions</b>	-	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations</b>	-	-	-	-	-	-	-	-	-
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to public corporations</b>	1,564,214	-	11,829	1,576,043	1,101,345	474,698	69.9%	1,806,258	1,422,213

<b>Private enterprises</b>	162,987	-	12,450	175,437	189,713	(14,276)	108.1%	98,962	93,409
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-	-	-	-	-	-
<b>Households</b>	35,193	-	(621)	34,572	34,519	53	99.8%	26,988	35,215
<b>Social benefits</b>	30,504	828	672	32,004	31,951	53	99.8%	22,451	31,353
<b>Other transfers to households</b>	4,689	(828)	(1,293)	2,568	2,568	-	100.0%	4,537	3,862
<b>Payments for capital assets</b>	<b>102,787</b>	-	<b>(487)</b>	<b>102,300</b>	<b>91,561</b>	<b>10,739</b>	<b>89.5%</b>	<b>110,661</b>	<b>81,691</b>
<b>Buildings and other fixed structures</b>	69,228	-	-	69,228	58,114	11,114	83.9%	92,384	66,505
<b>Buildings</b>	24,452	-	571	25,023	13,909	11,114	55.6%	45,156	38,057
<b>Other fixed structures</b>	44,776	-	(571)	44,205	44,205	-	100.0%	47,228	28,448
<b>Machinery and equipment</b>	33,559	-	(487)	33,072	33,447	(375)	101.1%	18,277	15,186
<b>Transport equipment</b>	797	(196)	-	601	600	1	99.8%	7,035	1,209
<b>Other machinery and equipment</b>	32,762	196	(487)	32,471	32,847	(376)	101.2%	11,242	13,977
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
<b>Specialised military assets</b>	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-

<b>Land and subsoil assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets</b>	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	52

Statutory Appropriation per economic classification									
2020/21								2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	<b>1,978</b>	-	-	<b>1,978</b>	<b>1,978</b>	-	<b>100.0%</b>	<b>1,978</b>	<b>1,973</b>
<b>Compensation of employees</b>	1,978	-	-	1,978	1,978	-	100.0%	1,978	1,973
<b>Goods and services</b>	1,670	-	-	1,670	1,670	-	100.0%	1,711	1,699
<b>Interest and rent on land</b>	308	-	-	308	308	-	100.0%	267	274
Transfers and subsidies	-	-	-	-	-	-	-	-	-
<b>Provinces and municipalities</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>	-	-	-	-	-	-	-	-	-
<b>Higher education institutions</b>	-	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-	-	-	-	-	-
<b>Households</b>	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-

<b>Buildings and other fixed structures</b>	-	-	-	-	-	-	-	-	-	-
<b>Machinery and equipment</b>	-	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Specialised military assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Land and subsoil assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets</b>	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-



Programme 1: ADMINISTRATION									
	2020/21							2019/20	
	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
Sub programme									
<b>1. OFFICE OF THE MEC</b>	6,531	(1,116)	(769)	4,646	4,417	229	95.1%	7,871	6,846
<b>2. HEAD OF DEPARTMENT</b>	12,259	1,709	(1,520)	12,448	12,431	17	99.9%	22,568	12,663
<b>3. CORPORATE SUPPORT</b>	338,563	(593)	(20,050)	317,920	315,918	2,002	99.4%	374,018	371,654
Total for sub programmes	<b>357,353</b>	-	<b>(22,339)</b>	<b>335,014</b>	<b>332,766</b>	<b>2,248</b>	<b>99.3%</b>	<b>404,457</b>	<b>391,163</b>
Economic classification									
Current payments	342,238	-	(23,490)	318,748	316,516	2,232	99.3%	391,115	378,510
<b>Compensation of employees</b>	267,976	-	(12,860)	255,116	253,969	1,147	99.6%	277,713	273,083
<b>Salaries and wages</b>	227,254	677	(11,156)	216,775	216,674	101	100.0%	239,988	236,390
<b>Social contributions</b>	40,722	(677)	(1,704)	38,341	37,295	1,046	97.3%	37,725	36,693
<b>Goods and services</b>	74,262	-	(10,630)	63,632	62,547	1,085	98.3%	113,402	105,427
<b>Administrative fees</b>	-	-	-	-	-	-	-	-	-
<b>Advertising</b>	627	58	(132)	553	552	1	99.8%	2,090	1,440

<b>Minor assets</b>	1,015	(170)	(515)	330	330	-	100.0%	1,292	930
<b>Audit costs: External</b>	10,625	-	(513)	10,112	10,112	-	100.0%	10,511	10,406
<b>Bursaries: Employees</b>	457	-	(326)	131	131	-	100.0%	850	825
<b>Catering: Departmental activities</b>	496	20	(437)	79	77	2	97.5%	1,605	1,153
<b>Communication</b>	11,133	303	(754)	10,682	10,115	567	94.7%	12,954	12,750
<b>Computer services</b>	24,735	77	(976)	23,836	23,834	2	100.0%	34,676	34,415
<b>Consultants: Business and advisory services</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure and planning services</b>	-	-	-	-	-	-	-	-	-
<b>Laboratory services</b>	-	-	-	-	-	-	-	-	-
<b>Scientific and technological services</b>	-	-	-	-	-	-	-	-	-
<b>Legal services</b>	641	-	(76)	565	565	-	100.0%	363	338
<b>Contractors</b>	-	-	-	-	-	-	-	10	6
<b>Agency and support / outsourced services</b>	1,017	(235)	(399)	383	382	1	99.7%	771	485
<b>Entertainment</b>	-	-	-	-	-	-	-	-	-
<b>Fleet services</b>	6,346	67	-	6,413	6,413	-	100.0%	12,640	10,429
<b>Housing</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Clothing material and supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Farming supplies</b>	-	-	-	-	-	-	-	-	-

<b>Inventory: Food and food supplies</b>	-	-	-	-	-	-	-	-	(77)
<b>Inventory: Fuel, oil and gas</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Learner and teacher support material</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Materials and supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Medical supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Medicine</b>	-	-	-	-	-	-	-	-	-
<b>Medsas Inventory Interface</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Other supplies</b>	-	-	-	-	-	-	-	-	-
<b>Consumable supplies</b>	4,968	232	(2,218)	2,982	2,750	232	92.2%	1,139	1,220
<b>Consumable: Stationery, printing and office supplies</b>	2,075	141	(747)	1,469	1,436	33	97.8%	4,752	3,697
<b>Operating leases</b>	-	-	-	-	-	-	-	-	-
<b>Property payments</b>	-	-	-	-	-	-	-	-	-
<b>Transport provided: Departmental activity</b>	-	-	-	-	-	-	-	-	-
<b>Travel and subsistence</b>	6,768	(636)	(1,893)	4,239	4,199	40	99.1%	16,363	15,448
<b>Training and development</b>	2,125	(446)	(632)	1,047	1,054	(7)	100.7%	10,558	9,309
<b>Operating payments</b>	-	196	-	196	196	-	100.0%	-	168
<b>Venues and facilities</b>	1,234	363	(982)	615	401	214	65.2%	2,828	2,485
<b>Rental and hiring</b>	-	30	(30)	-	-	-	-	-	-

<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
<b>Interest</b>	-	-	-	-	-	-	-	-	-
<b>Rent on land</b>	-	-	-	-	-	-	-	-	-
Transfers and subsidies	10,996	-	904	11,900	11,885	15	99.9%	7,740	9,022
<b>Provinces and municipalities</b>	495	-	(221)	274	266	8	97.1%	469	348
<b>Provinces</b>	-	-	-	-	-	-	-	-	-
<b>Provincial Revenue Funds</b>	-	-	-	-	-	-	-	-	-
<b>Provincial agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Municipalities</b>	495	-	(221)	274	266	8	97.1%	469	348
<b>Municipal bank accounts</b>	495	-	(221)	274	266	8	97.1%	469	348
<b>Municipal agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>	-	-	-	-	-	-	-	-	-
<b>Social security funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies</b>	-	-	-	-	-	-	-	-	-
<b>Higher education institutions</b>	-	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-	-	-	-	-	-

<b>Public corporations</b>	-	-	-	-	-	-	-	-	-
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to public corporations</b>	-	-	-	-	-	-	-	-	-
<b>Private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-	-	-	-	-	-
<b>Households</b>	10,501	-	1,125	11,626	11,619	7	99.9%	7,271	8,674
<b>Social benefits</b>	5,812	828	2,418	9,058	9,051	7	99.9%	3,970	5,367
<b>Other transfers to households</b>	4,689	(828)	(1,293)	2,568	2,568	-	100.0%	3,301	3,307
Payments for capital assets	<b>4,119</b>	-	<b>247</b>	<b>4,366</b>	<b>4,365</b>	<b>1</b>	<b>100.0%</b>	<b>5,602</b>	<b>3,628</b>
<b>Buildings and other fixed structures</b>	-	-	-	-	-	-	-	-	-
<b>Buildings</b>	-	-	-	-	-	-	-	-	-
<b>Other fixed structures</b>	-	-	-	-	-	-	-	-	-
<b>Machinery and equipment</b>	4,119	-	247	4,366	4,365	1	100.0%	5,602	3,628
<b>Transport equipment</b>	797	(196)	-	601	600	1	99.8%	2,919	1,209
<b>Other machinery and equipment</b>	3,322	196	247	3,765	3,765	-	100.0%	2,683	2,419

<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Specialised military assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Land and subsoil assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets</b>	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	3

1.1 OFFICE OF THE MEC									
	2020/21							2019/20	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	<b>6,417</b>	<b>(1,116)</b>	<b>(769)</b>	<b>4,532</b>	<b>4,304</b>	<b>228</b>	<b>95.0%</b>	<b>7,871</b>	<b>6,846</b>
<b>Compensation of employees</b>	5,551	(1,116)	(213)	4,222	4,012	210	95.0%	5,577	4,753
<b>Goods and services</b>	866	-	(556)	310	292	18	94.2%	2,294	2,093
<b>Interest and rent on land</b>									

Transfers and subsidies	114	-	-	114	113	1	99.1%	-	-
<b>Provinces and municipalities</b>									
<b>Departmental agencies and accounts</b>									
<b>Higher education institutions</b>									
<b>Foreign governments and international organisations</b>									
<b>Public corporations and private enterprises</b>									
<b>Non-profit institutions</b>									
<b>Households</b>									
Payments for capital assets	-	-	-	-	-	-	-	-	-
<b>Buildings and other fixed structures</b>									
<b>Machinery and equipment</b>									
<b>Heritage assets</b>									
<b>Specialised military assets</b>	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
<b>Land and subsoil assets</b>	-	-	-	-	-	-	-	-	-
<b>Intangible assets</b>	-	-	-	-	-	-	-	-	-
Payments for financial assets									

1.2 HEAD OF DEPARTMENT									
Economic classification	2020/21							2019/20	
	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	10,450	1,709	(446)	11,713	11,696	17	99.9%	20,853	12,231
<b>Compensation of employees</b>	9,034	1,709	(237)	10,506	10,493	13	99.9%	19,583	10,858
<b>Goods and services</b>	1,416	-	(209)	1,207	1,203	4	99.7%	1,270	1,373
<b>Interest and rent on land</b>									
Transfers and subsidies	1,809	-	(1,074)	735	735	-	100.0%	1,715	432
<b>Provinces and municipalities</b>									
<b>Departmental agencies and accounts</b>	-	-	-	-	-	-	-	-	-
<b>Higher education institutions</b>	-	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-	-	-	-	-	-
<b>Households</b>	-	-	-	-	-	-	-	-	-



	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-	-
<b>Buildings and other fixed structures</b>	-	-	-	-	-	-	-	-	-	-
<b>Machinery and equipment</b>	-	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Specialised military assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Land and subsoil assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible assets</b>	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-

Programme 2: INFRASTRUCTURE OPERATIONS									
	2020/21							2019/20	
	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
Sub programme									
<b>1. INFRASTRUCTURE, PLANNING AND DESIGN</b>	48,025	12,992	14,075	75,092	74,155	937	98.8%	73,502	80,690
<b>2. CONSTRUCTION MANAGEMENT</b>	30,779	(398)	(4,482)	25,899	26,319	(420)	101.6%	62,129	27,665
<b>3. PROPERTY AND FACILITIES MANAGEMENT</b>	738,077	(12,594)	26,019	751,502	768,859	(17,357)	102.3%	750,647	756,272
Total for sub programmes	<b>816,881</b>	-	<b>35,612</b>	<b>852,493</b>	<b>869,333</b>	<b>(16,840)</b>	<b>102.0%</b>	<b>886,278</b>	<b>864,627</b>
Economic classification									
Current payments	<b>579,243</b>	-	<b>25,716</b>	<b>604,959</b>	<b>613,685</b>	<b>(8,726)</b>	<b>101.4%</b>	<b>685,815</b>	<b>692,016</b>
<b>Compensation of employees</b>	419,611	-	4,018	423,629	423,255	374	99.9%	447,976	452,418
<b>Salaries and wages</b>	342,828	15,620	4,018	362,466	362,172	294	99.9%	351,933	391,062
<b>Social contributions</b>	76,783	(15,620)	-	61,163	61,083	80	99.9%	96,043	61,356
<b>Goods and services</b>	159,632	-	21,698	181,330	190,430	(9,100)	105.0%	237,839	239,598
<b>Administrative fees</b>	-	-	-	-	-	-	-	-	-
<b>Advertising</b>	-	-	-	-	-	-	-	-	-

<b>Minor assets</b>	1,386	(383)	-	1,003	152	851	15.2%	744	241
<b>Audit costs: External</b>	-	-	-	-	-	-	-	-	-
<b>Bursaries: Employees</b>	-	-	-	-	-	-	-	-	-
<b>Catering: Departmental activities</b>	-	-	-	-	-	-	-	10	8
<b>Communication</b>	-	-	-	-	-	-	-	-	-
<b>Computer services</b>	567	92	-	659	658	1	99.8%	70	68
<b>Consultants: Business and advisory services</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure and planning services</b>	2,604	(2,288)	-	316	316	-	100.0%	3,416	1,392
<b>Laboratory services</b>	-	-	-	-	-	-	-	-	-
<b>Scientific and technological services</b>	-	-	-	-	-	-	-	-	-
<b>Legal services</b>	-	-	-	-	-	-	-	-	-
<b>Contractors</b>	7,841	-	-	7,841	6,110	1,731	77.9%	11,902	28,168
<b>Agency and support / outsourced services</b>	13,633	27	13,597	27,257	27,202	55	99.8%	43,054	43,314
<b>Entertainment</b>	-	-	-	-	-	-	-	-	-
<b>Fleet services</b>	-	-	-	-	-	-	-	-	-
<b>Housing</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Clothing material and supplies</b>	-	-	-	-	-	-	-	-	152
<b>Inventory: Farming supplies</b>	-	-	-	-	-	-	-	-	-

<b>Inventory: Food and food supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Fuel, oil and gas</b>	-	-	-	-	1,251	(1,251)	-	-	-
<b>Inventory: Learner and teacher support material</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Materials and supplies</b>	3,416	-	-	3,416	9,742	(6,326)	285.2%	10,998	9,298
<b>Inventory: Medical supplies</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Medicine</b>	-	-	-	-	-	-	-	-	-
<b>Medsas Inventory Interface</b>	-	-	-	-	-	-	-	-	-
<b>Inventory: Other supplies</b>	-	-	-	-	-	-	-	-	-
<b>Consumable supplies</b>	540	-	-	540	1,855	(1,315)	343.5%	5,240	4,139
<b>Consumable: Stationery, printing and office supplies</b>	-	-	-	-	-	-	-	-	-
<b>Operating leases</b>	-	-	-	-	-	-	-	-	-
<b>Property payments</b>	128,547	(633)	8,101	136,015	136,950	(935)	100.7%	152,904	142,858
<b>Transport provided: Departmental activity</b>	-	-	-	-	-	-	-	-	-
<b>Travel and subsistence</b>	1,098	3,156	-	4,254	6,116	(1,862)	143.8%	9,501	9,501
<b>Training and development</b>	-	-	-	-	-	-	-	-	-
<b>Operating payments</b>	-	29	-	29	78	(49)	269.0%	-	6
<b>Venues and facilities</b>	-	-	-	-	-	-	-	-	453
<b>Rental and hiring</b>	-	-	-	-	-	-	-	-	-

<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
<b>Interest</b>	-	-	-	-	-	-	-	-	-
<b>Rent on land</b>	-	-	-	-	-	-	-	-	-
Transfers and subsidies	173,170	-	9,896	183,066	197,488	(14,422)	107.9%	106,918	104,617
<b>Provinces and municipalities</b>	160,602	-	12,581	173,183	187,645	(14,462)	108.4%	96,702	91,630
<b>Provinces</b>	-	-	-	-	-	-	-	-	-
<b>Provincial Revenue Funds</b>	-	-	-	-	-	-	-	-	-
<b>Provincial agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Municipalities</b>	160,602	-	12,581	173,183	187,645	(14,462)	108.4%	96,702	91,630
<b>Municipal bank accounts</b>	160,602	-	12,581	173,183	187,645	(14,462)	108.4%	96,702	91,630
<b>Municipal agencies and funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies and accounts</b>	-	-	-	-	-	-	-	-	-
<b>Social security funds</b>	-	-	-	-	-	-	-	-	-
<b>Departmental agencies</b>	-	-	-	-	-	-	-	-	-
<b>Higher education institutions</b>	-	-	-	-	-	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-	-	-	-	-	-

<b>Public corporations</b>	-	-	-	-	-	-	-	-	-
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to public corporations</b>	-	-	-	-	-	-	-	-	-
<b>Private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Subsidies on products and production</b>	-	-	-	-	-	-	-	-	-
<b>Other transfers to private enterprises</b>	-	-	-	-	-	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-	-	-	-	-	-
<b>Households</b>	12,568	-	(2,685)	9,883	9,843	40	99.6%	10,216	12,987
<b>Social benefits</b>	12,568	-	(2,685)	9,883	9,843	40	99.6%	8,980	12,789
<b>Other transfers to households</b>	-	-	-	-	-	-	-	1,236	198
Payments for capital assets	64,468	-	-	64,468	58,160	6,308	90.2%	93,545	67,949
<b>Buildings and other fixed structures</b>	63,228	-	-	63,228	58,114	5,114	91.9%	92,384	66,505
<b>Buildings</b>	18,452	-	571	19,023	13,909	5,114	73.1%	45,156	38,057
<b>Other fixed structures</b>	44,776	-	(571)	44,205	44,205	-	100.0%	47,228	28,448
<b>Machinery and equipment</b>	1,240	-	-	1,240	46	1,194	3.7%	1,161	1,444
<b>Transport equipment</b>	-	-	-	-	-	-	-	-	-
<b>Other machinery and equipment</b>	1,240	-	-	1,240	46	1,194	3.7%	1,161	1,444

<b>Heritage assets</b>									
<b>Specialised military assets</b>									
<b>Biological assets</b>									
<b>Land and subsoil assets</b>									
<b>Intangible assets</b>									
Payments for financial assets	-	-	-	-	-	-	-	-	45
<b>Total</b>	<b>816,881</b>	<b>-</b>	<b>35,612</b>	<b>852,493</b>	<b>869,333</b>	<b>(16,840)</b>	<b>102.0%</b>	<b>886,278</b>	<b>864,627</b>

2.1 INFRASTRUCTURE PLANNING AND DESIGN									
Economic classification	2020/21							2019/20	
	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	<b>47,220</b>	<b>12,992</b>	<b>13,973</b>	<b>74,185</b>	<b>74,054</b>	<b>131</b>	<b>99.8%</b>	<b>71,511</b>	<b>80,374</b>
<b>Goods and services</b>	18,640	-	13,597	32,237	32,146	91	99.7%	37,116	36,853
<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	<b>102</b>	<b>102</b>	<b>101</b>	<b>1</b>	<b>99.0%</b>	-	<b>24</b>
<b>Provinces and municipalities</b>									
<b>Departmental agencies and accounts</b>									
<b>Higher education institutions</b>									
<b>Foreign governments and international organisations</b>									
<b>Public corporations and private enterprises</b>									
<b>Non-profit institutions</b>									
<b>Households</b>									
Payments for capital assets	<b>805</b>	-	-	<b>805</b>	-	<b>805</b>	-	<b>1,991</b>	<b>292</b>
<b>Buildings and other fixed structures</b>									
<b>Machinery and equipment</b>									
<b>Heritage assets</b>									



<b>Specialised military assets</b>									
<b>Biological assets</b>									
<b>Land and subsoil assets</b>									
<b>Intangible assets</b>									
Payments for financial assets									

2.2 CONSTRUCTION MANAGEMENT									
Economic classification	2020/21							2019/20	
	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	<b>25,980</b>	<b>(398)</b>	-	<b>25,582</b>	<b>26,041</b>	<b>(459)</b>	<b>101.8%</b>	<b>60,893</b>	<b>27,403</b>
<b>Compensation of employees</b>	25,876	(398)	-	25,478	25,297	181	99.3%	57,892	26,094
<b>Goods and services</b>	104	-	-	104	744	(640)	715.4%	3,001	1,309
<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
Transfers and subsidies	<b>4,799</b>	-	<b>(4,482)</b>	<b>317</b>	<b>278</b>	<b>39</b>	<b>87.7%</b>	<b>1,236</b>	<b>262</b>
<b>Provinces and municipalities</b>									
<b>Departmental agencies and accounts</b>									
<b>Higher education institutions</b>									
<b>Foreign governments and international organisations</b>									
<b>Public corporations and private enterprises</b>									
<b>Non-profit institutions</b>									
<b>Households</b>									
Payments for capital assets	-	-	-	-	-	-	-	-	-
<b>Buildings and other fixed structures</b>									
<b>Machinery and equipment</b>									
<b>Heritage assets</b>									

<b>Specialised military assets</b>									
<b>Biological assets</b>									
<b>Land and subsoil assets</b>									
<b>Intangible assets</b>									
Payments for financial assets									

## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

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-H) 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	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
<b>ADMINISTRATION</b>	335,055	332,766	2,289	1%
<b>INFRASTRUCTURE OPERATIONS</b>	852,453	869,333	(16,880.00)	-2%
<b>EXPANDED PUBLIC WORKS PROGRAMME</b>	72,792	72,413	379	1%
<b>ROADS INFRASTRUCTURE</b>	<b>2,267,842</b>	<b>1,663,956</b>	<b>603,886</b>	<b>27%</b>
4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation

## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

	R'000	R'000	R'000	R'000
Current payments				
<b>Compensation of employees</b>	999,751	997,684	2,067	0%
<b>Goods and services</b>	852,025	744,174	107,851	13%
<b>Interest and rent on land</b>	-	-	-	-
Transfers and subsidies				
<b>Provinces and municipalities</b>	175,445	189,713	(14,268)	-8%
<b>Departmental agencies and accounts</b>	1,366,034	877,113	488,921	36%
<b>Higher education institutions</b>	-	-	-	-
<b>Public corporations and private enterprises</b>	-	-	-	-
<b>Foreign governments and international organisations</b>	-	-	-	-
<b>Non-profit institutions</b>	-	-	-	-
<b>Households</b>	34,565	34,519	46	0%
Payments for capital assets				
<b>Buildings and other fixed structures</b>	69,228	58,113	11,115	16%
<b>Machinery and equipment</b>	33,072	33,448	(376)	-1.1%
<b>Heritage assets</b>	-	-	-	-

## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

Specialised military assets	-	-	-	-
Biological assets	-	-	-	-
Land and subsoil assets	-	-	-	-
Intangible assets	-	-	-	-
	-	-	-	-
Payments for financial assets	-	-	-	-

"Goods and Services underspending is due to delays in implementation of projects/ programmes owing to COVID-19 lockdown restrictions. Partial implementation of projects further increased the backlog of maintenance of the provincial road network thereby contributing to the underspending. Provinces and municipalities was caused by payments for municipal rates on verified properties which were previously not billed as a results of them being on a communal land. Departmental agencies and accounts funds could not be fully spent as the Roads and Agency Limpopo (RAL) did not submit all request for funds to be transferred Furthermore, Buildings and other fixed structures is attributable to delays caused by the impact of COVID-19 lockdown restrictions on infrastructure projects.

4.3 Per conditional grant

Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
R'000	R'000	R'000	R'000

**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 31 March 2021*

PROVINCIAL ROADS MAINTANANCE	968,659	499,297	469,362	48%
EPWP INTERGRATED GRANT DISASTER GRANT	5,706	5,705	1	0.02%
PRSIDENTIAL EMPOERMENT INITIATIE (PEI)	130,000	8,934	121,066	93%
	70,578	58,563	12,015	17%

*(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)*  
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***STATEMENT OF FINANCIAL PERFORMANCE***  
*for the year ended 31 March 2021*



## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
REVENUE			
Annual appropriation	<a href="#">1</a>	3,528,142	3,894,986
Statutory appropriation	<a href="#">2</a>	1,978	1,978
Departmental revenue	<a href="#">3</a>	31,651	35,373
NRF Receipts		-	-
Aid assistance		4,148	5,724
TOTAL REVENUE		<u>3,565,919</u>	<u>3,938,061</u>
EXPENDITURE			
Current expenditure			
Compensation of employees	<a href="#">5</a>	997,687	1,069,792
Goods and services	<a href="#">6</a>	749,853	893,214
Interest and rent on land	<a href="#">7</a>	-	-

**STATEMENT OF FINANCIAL PERFORMANCE**

for the year ended 31 March 2021

<b>Aid assistance</b>	<u>4</u>	5,000	4,187
Total current expenditure		1,752,540	1,967,193
Transfers and subsidies			
<b>Transfers and subsidies</b>	<u>9</u>	1,101,346	1,422,213
<b>Aid assistance</b>	<u>4</u>	-	-
Total transfers and subsidies		1,101,346	1,422,213
Expenditure for capital assets			
<b>Tangible assets</b>	<u>10</u>	91,561	81,689
<b>Intangible assets</b>	<u>10</u>	-	-
Total expenditure for capital assets		91,561	81,689
<b>Unauthorised expenditure approved without funding</b>	<u>11</u>	-	-
Payments for financial assets	<u>8</u>	-	52

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
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**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 31 March 2021*

TOTAL EXPENDITURE	2,945,447	3,471,147
SURPLUS/(DEFICIT) FOR THE YEAR	620,472	466,914

**STATEMENT OF FINANCIAL PERFORMANCE**

*for the year ended 31 March 2021*

Reconciliation of Net Surplus/(Deficit) for the year			
<b>Voted funds</b>		589,673	430,004
<b>Annual appropriation</b>		0	157,391
<b>Conditional grants</b>		589,613	272,615
<b>Departmental revenue and NRF Receipts</b>	<u>19</u>	31,651	35,373
<b>Aid assistance</b>	<u>4</u>	-852	1,537
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>620,472</b>	<b>466,914</b>

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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STATEMENT OF FINANCIAL POSITION  
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
ASSETS			
Current assets		617,416	440,544
Unauthorised expenditure	<a href="#">11</a>	18,614	1,734
Cash and cash equivalents	<a href="#">12</a>	595,096	435,903
Other financial assets	<a href="#">13</a>	-	-
Prepayments and advances	<a href="#">14</a>	-	-
Receivables	<a href="#">15</a>	3,706	2,907
Loans	<a href="#">17</a>	-	-
Aid assistance prepayments	<a href="#">4</a>	-	-
Aid assistance receivable	<a href="#">4</a>	-	-
Non-current assets		80	290
Investments	<a href="#">16</a>	-	-
Receivables	<a href="#">15</a>	80	290
Loans	<a href="#">17</a>	-	-
Other financial assets	<a href="#">13</a>	-	-

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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STATEMENT OF FINANCIAL POSITION  
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
TOTAL ASSETS		617,496	440,834
LIABILITIES			
Current liabilities		615,355	438,754
<b>Voted funds to be surrendered to the Revenue Fund</b>	<b><u>18</u></b>	608,285	431,737
<b>Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund</b>	<b><u>19</u></b>	2,787	2,751
<b>Bank overdraft</b>	<b><u>20</u></b>	-	-
<b>Payables</b>	<b><u>21</u></b>	2,301	1,432
<b>Aid assistance repayable</b>	<b><u>4</u></b>	-	-
<b>Aid assistance unutilised</b>	<b><u>4</u></b>	1,982	2,834
Non-current liabilities			
<b>Payables</b>	<b><u>22</u></b>		
TOTAL LIABILITIES		615,355	438,754
NET ASSETS		2,141	2,080

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
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STATEMENT OF FINANCIAL POSITION  
as at 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		2,141	2,080
Retained funds		-	-
Revaluation reserves		-	-
TOTAL		<b>2,141</b>	<b>2,080</b>

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
Capitalisation Reserves			
<b>Opening balance</b>			
<b>Transfers:</b>			
<b>Movement in Equity</b>			
<b>Movement in Operational Funds</b>			
<b>Other movements</b>			
<b>Closing balance</b>			
Recoverable revenue			
<b>Opening balance</b>		2,080	589
<b>Transfers:</b>		61	1,491
<b>Irrecoverable amounts written off</b>	<a href="#">8.3</a>		-21
<b>Debts revised</b>			-
<b>Debts recovered (included in departmental receipts)</b>		-2,911	-624
<b>Debts raised</b>		2,972	2,136
<b>Closing balance</b>		2,141	2,080
Retained funds			
<b>Opening balance</b>			
<b>Transfer from voted funds to be surrendered (Parliament/Legislatures ONLY)</b>			
<b>Utilised during the year</b>			
<b>Other transfers</b>			



(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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**STATEMENT OF CHANGES IN NET ASSETS**  
*for the year ended 31 March 2021*

<b>Closing balance</b>		
Revaluation Reserve		
<b>Opening balance</b>		
<b>Revaluation adjustment (Housing departments)</b>		
<b>Transfers</b>		
<b>Other</b>		
<b>Closing balance</b>		
TOTAL	<b>2,141</b>	<b>2,080</b>

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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**CASH FLOW STATEMENT**  
for the year ended 31 March 2021

	Note	2020/21 R'000	2019/20 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>3,565,831</b>	<b>3,935,160</b>
Annual appropriated funds received	<a href="#">1.1</a>	3,528,142	3,894,986
Statutory appropriated funds received	<a href="#">2</a>	1,978	1,978
Departmental revenue received	<a href="#">3</a>	31,534	32,412
Interest received	<a href="#">3.3</a>	29	60
NRF Receipts		-	-
Aid assistance received	<a href="#">4</a>	4,148	5,724
<b>Net (increase)/decrease in working capital</b>		<b>-16,810</b>	<b>-3,059</b>
Surrendered to Revenue Fund		-461,620	-120,785
Surrendered to RDP Fund/Donor		-	-
Current payments		-1,735,660	-1,965,459
Interest paid	<a href="#">7</a>	-	-
Payments for financial assets		-	-52
Transfers and subsidies paid		-1,101,346	-1,422,213

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
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**CASH FLOW STATEMENT**  
**for the year ended 31 March 2021**

Net cash flow available from operating activities	<u>23</u>	250,395	423,592
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Distribution/dividend received</b>		-	-
<b>Payments for capital assets</b>	<u>10</u>	-91,561	-81,689
<b>Proceeds from sale of capital assets</b>	<u>3.4</u>	88	2,901
<b>(Increase)/decrease in loans</b>		-	-
<b>(Increase)/decrease in investments</b>		-	-
<b>(Increase)/decrease in other financial assets</b>		-	-
<b>(Increase)/decrease in non-current receivables</b>	<u>15</u>	210	-12
Net cash flows from investing activities		<u>-91,263</u>	<u>-78,800</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Increase/(decrease) in net assets</b>		61	1,491
<b>Increase/(decrease) in non-current payables</b>		-	-
Net cash flows from financing activities		<u>61</u>	<u>1,491</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		159,193	346,283

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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**CASH FLOW STATEMENT**  
**for the year ended 31 March 2021**

Cash and cash equivalents at beginning of period		435,903	89,620
<b>Unrealised gains and losses within cash and cash equivalents</b>			
Cash and cash equivalents at end of period	<u>24</u>	<u>595,096</u>	<u>435,903</u>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2021*

**PART A: ACCOUNTING POLICIES**

**Summary of significant accounting policies**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

<b>1</b>	<b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2</b>	<b>Going concern</b> The financial statements have been prepared on a going concern basis.
<b>3</b>	<b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
<b>4</b>	<b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
<b>5</b>	<b>Foreign currency translation</b> Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
<b>6</b>	<b>Comparative information</b>
<b>6.1</b>	<b>Prior period comparative information</b>

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*for the year ended 31 March 2021*

	<p>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.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"><li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li><li>• the amount of revenue can be measured reliably.</li></ul>

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	<p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<b>Salaries and wages</b>
	<p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<b>Social contributions</b>
	<p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<b>Other expenditure</b>
	<p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
<b>8.3</b>	<b>Accruals and payables not recognised</b>
	<p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
<b>8.4</b>	<b>Leases</b>

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<b>8.4.1</b>	<b>Operating leases</b>  Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.  The operating lease commitments are recorded in the notes to the financial statements.  Operating lease payments received are recognised as departmental revenue.
<b>8.4.2</b>	<b>Finance leases</b>  Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.  The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.  Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"><li>• cost, being the fair value of the asset; or</li><li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li></ul> Finance lease payments received are recognised as departmental revenue.
<b>9</b>	<b>Aid Assistance</b>
<b>9.1</b>	<b>Aid assistance received</b>  Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.  Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
<b>9.2</b>	<b>Aid assistance paid</b>



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	<p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
<b>10</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
<b>11</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>&lt;Indicate when prepayments and advances are expensed and under what circumstances.&gt;</p>
<b>12</b>	<p><b>Loans and receivables</b></p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
<b>13</b>	<p><b>Investments</b></p> <p>Investments are recognised in the statement of financial position at cost.</p>
<b>14</b>	<p><b>Financial assets</b></p>
<b>14.1</b>	<p><b>Financial assets (not covered elsewhere)</b></p>

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	<p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
<b>14.2</b>	<p><b>Impairment of financial assets</b></p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
<b>15</b>	<p><b>Payables</b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
<b>16</b>	<p><b>Capital Assets</b></p>
<b>16.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
<b>16.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p>

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	<p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.4	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>

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<b>17</b>	<b>Provisions and Contingents</b>
<b>17.1</b>	<b>Provisions</b>  Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
<b>17.2</b>	<b>Contingent liabilities</b>  Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
<b>17.3</b>	<b>Contingent assets</b>  Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
<b>17.4</b>	<b>Capital commitments</b>  Capital commitments are recorded at cost in the notes to the financial statements.
<b>18</b>	<b>Unauthorised expenditure</b>  Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2021*

	<ul style="list-style-type: none"><li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li><li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li><li>• transferred to receivables for recovery.</li></ul> Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p><b>Changes in accounting estimates and errors</b></p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

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	<p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
<b>22</b>	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
<b>23</b>	<p><b>Principal-Agent arrangements</b></p> <p>The department has entered into contracts with IDT/DBSA whereby the two entities implement the department's own projects. The entities contract with various suppliers/contractors to deliver infrastructure projects for the department. The department pays a management fee of R725' for the current financial year reporting.</p> <p>The department is the custodian of immovable assets in the province. The department has entered into service delivery agreements with the various user departments to deliver infrastructure projects on their behalf. Majority of the projects are for the Departments of Education and Health and include construction projects on Hospitals, schools, clinics and other build projects</p> <p>The department has in turn contracted DBSA/IDT to deliver some of projects of the user departments due to capacity constraints. DBSA/IDT act as implementing agents and will source contractors and render project management services. Management fees and all related expenses in terms of these arrangement are incurred by the user departments. This arrangement has no financial impact on the department. The department's revenues, expenditures, assets and liabilities are not affected by these arrangements.</p>
<b>24</b>	<p><b>Departures from the MCS requirements</b></p> <p>There are no departures from MCS requirements</p>
<b>25</b>	<p><b>Capitalisation reserve</b></p>

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	<p>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 National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<b>26</b>	<p><b>Recoverable revenue</b></p> <p>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 National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<b>27</b>	<p><b>Related party transactions</b></p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
<b>28</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
<b>29</b>	<p><b>Public-Private Partnerships</b></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p>

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*for the year ended 31 March 2021*

	<p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<b>30</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>



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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 R'000	2020/21 Actual Funds Received R'000	Funds not requested/not received R'000	Final Appropriation R'000	2019/20 Appropriation received R'000	Funds not requested /not received
<b>Programme 1</b>	335,055	335,055	-	404,457	404,457	-
<b>Programme 2</b>	852,453	852,453	-	886,278	886,278	-
<b>Programme 3</b>	72,792	72,792	-	61,797	61,797	-
<b>Programme 4</b>	2,267,842	2,267,842	-	2,542,454	2,542,454	-
<b>Total</b>	<b>3,528,142</b>	<b>3,528,142</b>	<b>-</b>	<b>3,894,986</b>	<b>3,894,986</b>	<b>-</b>

1.2 Conditional grants

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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		2020/21 R'000	2019/20 R'000
Total grants received	47	1,174,943	1,164,360
		<hr/>	<hr/>
Provincial grants included in Total Grants received		1,174,943	1,164,360
		<hr/>	<hr/>

2. Statutory Appropriation

		2020/21 R'000	2019/20 R'000
President and Deputy President salaries			
Members' remuneration		1,978	1,978
Debt-service costs			
Provincial equitable share			
General fuel levy sharing with metropolitan municipalities			
National Revenue Fund payments			
Skills levy and sector education and training authorities			
Magistrates salaries			
Judges salaries			
Total		<hr/> 1,978	<hr/> 1,978
		<hr/>	<hr/>
Actual Statutory Appropriation received		1,978	1,978

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3. Departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Tax revenue		-	-
Sales of goods and services other than capital assets	3.1	27,553	28,352
Fines, penalties and forfeits	3.2	-	-
Interest, dividends and rent on land	3.3	29	60
Sales of capital assets	3.4	88	2,901
Transactions in financial assets and liabilities	3.5	3,981	4,060
Transfer received	3.6	-	-
<b>Total revenue collected</b>		<b>31,651</b>	<b>35,373</b>
<b>Less: Own revenue included in appropriation</b>	<b>19</b>		
Departmental revenue collected		<b>31,651</b>	<b>35,373</b>

*Rental amounting to R48701' was collected by the Department of Health and paid over to Provincial Treasury.*

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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3.1 Sales of goods and services other than capital assets

	Note	2020/21 R'000	2019/20 R'000
Sales of goods and services produced by the department	3	27,553	28,352
Sales by market establishment		25,331	25,481
Administrative fees		-	-
Other sales		2,222	2,871
Sales of scrap, waste and other used current goods		-	-
Total		<b>27,553</b>	<b>28,352</b>

3.2 Fines, penalties and forfeits

3.3 Interest, dividends and rent on land

	Note	2020/21 R'000	2019/20 R'000
Interest	3	29	60
Dividends		-	-
Rent on land		-	-

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*for the year ended 31 March 2021*

Total

<u>29</u>	<u>60</u>
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

3.4 Sale of capital assets

	Note	2020/21 R'000	2019/20 R'000
<b>Tangible assets</b>	<b>3</b>	88	2,901
Buildings and other fixed structures	41	88	-
Machinery and equipment	39	-	-
Heritage assets	39,41	-	-
Specialised military assets	39	-	-
Land and subsoil assets	41	-	2,901
Biological assets	39	-	-
<b>Intangible assets</b>		-	-
Software	40	-	-
Mastheads and publishing titles	40	-	-
Patents, licences, copyright, brand names, trademarks	40	-	-
Recipes, formulae, prototypes, designs, models	40	-	-
Services and operating rights	40	-	-

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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Total	<b>88</b>	<b>2,901</b>
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3.5 Transactions in financial assets and liabilities

	<b>Note</b>	2020/21 R'000	2019/20 R'000
<b>Loans and advances</b>	<b>13</b>	-	-
<b>Receivables</b>		-	-
<b>Forex gain</b>		-	-
<b>Stale cheques written back</b>		-	-
<b>Other Receipts including Recoverable Revenue</b>		3,981	4,060
<b>Gains on GFECRA</b>		-	-
Total		<b>3,981</b>	<b>4,060</b>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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3.6 Transfers received

3.7 Cash received not recognised (*not included in the main note*)

4. Aid assistance

	Note	2020/21 R'000	2019/20 R'000
Opening Balance		2,834	1,297
Prior period error			
As restated		2,834	1,297
Transferred from statement of financial performance		-852	1,537
Transfers to or from retained funds			-
Paid during the year			-
Closing Balance		1,982	2,834

4.1 Analysis of balance by source

	Note	2020/21 R'000	2019/20 R'000
Aid assistance from RDP			-
Aid assistance from other sources		1,982	2,834



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<b>CARA</b>			-
Closing balance	4	<u>1,982</u>	<u>2,834</u>
4.2 Analysis of balance			
	<i>Note</i>	2020/21 R'000	2019/20 R'000
<b>Aid assistance receivable</b>			-
<b>Aid assistance prepayments (not expensed)</b>			-
<b>Aid assistance unutilised</b>		1,982	2,834
<b>Aid assistance repayable</b>			-
Closing balance	4	<u>1,982</u>	<u>2,834</u>
<b>Aid assistance not requested/not received</b>			

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3.2.1. Aid assistance prepayments (expensed)

4.3 Prior period error

4.4 Aid assistance expenditure per economic classification

	Note	2020/21 R'000	2019/20 R'000
<b>Current</b>		5,000	4,187
<b>Capital</b>	<a href="#">10</a>	-	-
<b>Transfers and subsidies</b>		-	-
Total aid assistance expenditure		<u>5,000</u>	<u>4,187</u>

4.5 Donations received in kind (not included in the main note)

5. Compensation of employees

5.1 Salaries and Wages

Note	2020/21 R'000	2019/20 R'000
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Basic salary	686,597	739,429
Performance award	7,087	16,232
Service Based	2,954	62,746
Compensative/circumstantial	2,440	2,910
Periodic payments	-	-
Other non-pensionable allowances	150,264	98,836
Total	<b>849,342</b>	<b>920,153</b>

5.2 Social contributions

	Note	2020/21 R'000	2019/20 R'000
Employer contributions			
<b>Pension</b>		85,999	89,808
<b>Medical</b>		61,343	59,481
<b>UIF</b>		-	-
<b>Bargaining council</b>		276	283
<b>Official unions and associations</b>		-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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<b>Insurance</b>	727	67
Total	<b>148,345</b>	<b>149,639</b>
Total compensation of employees	<b>997,687</b>	<b>1,069,792</b>
<b>Average number of employees</b>	3,201	2,859

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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6. Goods and services

	Note	2020/21	2019/20
		R'000	R'000
Administrative fees		552	1,538
Advertising		482	1,070
Minor assets	<a href="#">6.1</a>	131	825
Bursaries (employees)		77	1,370
Catering		10,114	12,750
Communication		24,493	34,483
Computer services	<a href="#">6.2</a>	-	-
Consultants: Business and advisory services		1,172	3,475
Infrastructure and planning services		-	-
Laboratory services		-	-
Scientific and technological services		565	338
Legal services		317,594	356,357
Contractors		44,512	63,110

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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Agency and support / outsourced services		-	-
Entertainment		10,112	10,406
Audit cost – external	<a href="#">6.3</a>	78,706	94,082
Fleet services		59,845	66,161
Inventory	<a href="#">6.4</a>	8,520	14,437
Consumables	<a href="#">6.5</a>	-	-
Housing		-	-
Operating leases		137,332	142,857
Property payments	<a href="#">6.6</a>	34,299	39,094
Rental and hiring		-	-
Transport provided as part of the departmental activities		18,263	36,439
Travel and subsistence	<a href="#">6.7</a>	1,080	4,340
Venues and facilities		1,053	9,309
Training and development		951	773
Other operating expenditure	<a href="#">6.8</a>	552	1,538
<b>Total</b>		<b>749,853</b>	<b>893,214</b>

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6.1 Minor assets

	<i>Note</i>	2020/21	2019/20
	<a href="#">6</a>	R'000	R'000
Tangible assets		482	1,070
<b>Buildings and other fixed structures</b>		-	-
<b>Biological assets</b>		-	-
<b>Heritage assets</b>		-	-
<b>Machinery and equipment</b>		482	1,070
<b>Transport assets</b>		-	-
<b>Specialised military assets</b>		-	-
Intangible assets		-	-
<b>Software</b>		-	-
<b>Mastheads and publishing titles</b>		-	-
<b>Patents, licences, copyright, brand names, trademarks</b>		-	-
<b>Recipes, formulae, prototypes, designs, models</b>		-	-
<b>Services and operating rights</b>		-	-
Total		<b>482</b>	<b>1,070</b>



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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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6.2 Computer services

	Note	2020/21	2019/20
	<a href="#">6</a>	R'000	R'000
<b>SITA computer services</b>		24,421	34,387
<b>External computer service providers</b>		72	96
Total		<b>24,493</b>	<b>34,483</b>

6.3 Audit cost – External

	Note	2020/21	2019/20
	<a href="#">6</a>	R'000	R'000
<b>Regularity audits</b>		10,112	10,406
<b>Performance audits</b>		-	-
<b>Investigations</b>		-	-
<b>Environmental audits</b>		-	-
<b>Computer audits</b>		-	-
Total		<b>10,112</b>	<b>10,406</b>

6.4 Inventory

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	Note	2020/21	2019/20
		R'000	R'000
Clothing material and accessories	<a href="#">6</a>	-	871
Farming supplies		-	-
Food and food supplies		-	-
Fuel, oil and gas		20,686	17,905
Learning, teaching and support material		-	-
Materials and supplies		39,159	47,385
Medical supplies		-	-
Medicine		-	-
Medsas inventory interface		-	-
Other supplies	6.4.1	-	-
Total		<b>59,845</b>	<b>66,161</b>

6.4.1 Other supplies

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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6.5 Consumables

	Note	2020/21	2019/20
	<a href="#">6</a>	R'000	R'000
<b>Consumable supplies</b>		7,084	10,739
<b>Uniform and clothing</b>		3,838	7,239
<b>Household supplies</b>		2,423	2,850
<b>Building material and supplies</b>		-	-
<b>Communication accessories</b>		-	-
<b>IT consumables</b>		-	-
<b>Other consumables</b>		823	650
<b>Stationery, printing and office supplies</b>		1,436	3,698
Total		<b>8,520</b>	<b>14,437</b>

6.6 Property payments

	Note	2020/21	2019/20
	<a href="#">6</a>	R'000	R'000
<b>Municipal services</b>		37,327	42,620
<b>Property management fees</b>		-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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	<b>Property maintenance and repairs</b>	-	-
	<b>Other</b>	100,005	100,237
	<b>Total</b>	<b>137,332</b>	<b>142,857</b>
6.7	Travel and subsistence		
		<b>Note</b>	
		<b>6</b>	
		2020/21	2019/20
		R'000	R'000
	<b>Local</b>	18,263	36,439
	<b>Foreign</b>	-	-
	<b>Total</b>	<b>18,263</b>	<b>36,439</b>
6.8	Other operating expenditure		
		<b>Note</b>	
		<b>6</b>	
		2020/21	2019/20
		R'000	R'000
	<b>Professional bodies, membership and subscription fees</b>	52	67
	<b>Resettlement costs</b>	-	139
	<b>Other</b>	899	567
	<b>Total</b>	<b>951</b>	<b>773</b>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Include discussion here where deemed relevant

7. Interest and rent on land

8. Payments for financial assets

	Note	2020/21	2019/20
		R'000	R'000
Material losses through criminal conduct		-	-
Theft	8.4	-	-
Other material losses	8.1	-	-
Purchase of equity		-	-
Extension of loans for policy purposes		-	-
Other material losses written off	8.2	-	-
Debts written off	8.3	-	52
Forex losses	8.5	-	-
Debt take overs		-	-
Losses on GFECRA		-	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Total		<hr/>	-	<hr/>	52
8.1	Other material losses				
8.2	Other material losses written off				
8.3	Debts written off				
		<b>Note</b>	<hr/>	<hr/>	
		<b>8</b>	2020/21	2019/20	
			R'000	R'000	
	Nature of debts written off				
	<b>(Group major categories, but list material items: debts written off relating to irregular expenditure, recoverable expenditure and other debts must be listed here)</b>				
	Irregular expenditure written off				
Total			<hr/>	<hr/>	
			<hr/>	<hr/>	

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

<b>Recoverable revenue written off</b>	<hr/>	<hr/>
		21
		-
		-
		-
		-
Total	<hr/>	<hr/>
	-	<b>21</b>
<b>Other debt written off</b>	<hr/>	<hr/>
		31
		-
		-
		-
		-
Total	<hr/>	<hr/>
	-	<b>31</b>
Total debt written off	<hr/>	<hr/>
	-	<b>52</b>

8.4 Details of theft

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8.5 Forex losses

9. Transfers and subsidies

		2020/21 R'000	2019/20 R'000
<b>Provinces and municipalities</b>	<i>Note</i> <b>48, 49</b>	189,714	93,408
Departmental agencies and accounts	<i>Annexure 1B</i>	877,113	1,293,589
Higher education institutions	<i>Annexure 1C</i>	-	-
Foreign governments and international organisations	<i>Annexure 1E</i>	-	-
Public corporations and private enterprises	<i>Annexure 1D</i>	-	-
Non-profit institutions	<i>Annexure 1F</i>	-	-
Households	<i>Annexure 1G</i>	34,519	35,216
Total		<b>1,101,346</b>	<b>1,422,213</b>

*Include discussion here where deemed relevant*

10. Expenditure for capital assets

<i>Note</i>	2020/21 R'000	2019/20 R'000
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Tangible assets		91,561	81,689
<b>Buildings and other fixed structures</b>	<b>40</b>	58,113	66,505
<b>Heritage assets</b>	<b>39, 41</b>	-	-
<b>Machinery and equipment</b>	<b>39</b>	33,448	15,184
<b>Specialised military assets</b>	<b>39</b>	-	-
<b>Land and subsoil assets</b>	<b>41</b>	-	-
<b>Biological assets</b>	<b>39</b>	-	-
Intangible assets		-	-
<b>Software</b>	<b>40</b>	-	-
<b>Mastheads and publishing titles</b>	<b>40</b>	-	-
<b>Patents, licences, copyright, brand names, trademarks</b>	<b>40</b>	-	-
<b>Recipes, formulae, prototypes, designs, models</b>	<b>40</b>	-	-
<b>Services and operating rights</b>	<b>40</b>	-	-
Total		<b>91,561</b>	<b>81,689</b>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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The following amounts have been included as project costs in Expenditure for capital assets

Compensation of employees  
Goods and services  
Total


**10.1 Analysis of funds utilised to acquire capital assets – 2020/21**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets			
<b>Buildings and other fixed structures</b>	58,113		58,113
<b>Heritage assets</b>			-
<b>Machinery and equipment</b>	33,448		33,448
<b>Specialised military assets</b>			-
<b>Land and subsoil assets</b>			-
<b>Biological assets</b>	58,113		-
Intangible assets			
<b>Software</b>			
<b>Mastheads and publishing titles</b>			
<b>Patents, licences, copyright, brand names, trademarks</b>			
<b>Recipes, formulae, prototypes, designs, models</b>			
<b>Services and operating rights</b>			

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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Total

<u>91,561</u>	<u>91,561</u>
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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10.2 Analysis of funds utilised to acquire capital assets – 2019/20

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	81,689		<b>81,689</b>
<b>Buildings and other fixed structures</b>	66,505		66,505
<b>Heritage assets</b>	-		-
<b>Machinery and equipment</b>	15,184		15,184
<b>Specialised military assets</b>	-		-
<b>Land and subsoil assets</b>	-		-
<b>Biological assets</b>	-		-
Intangible assets			
<b>Software</b>	-		-
<b>Mastheads and publishing titles</b>	-		-
<b>Patents, licences, copyright, brand names, trademarks</b>	-		-
<b>Recipes, formulae, prototypes, designs, models</b>	-		-
<b>Services and operating rights</b>	-		-
Total	<u>81,689</u>	<u></u>	<u>81,689</u>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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10.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2020/21 R'000	2019/20 R'000
Tangible assets			
<b>Buildings and other fixed structures</b>		44,206	47,227
<b>Heritage assets</b>			-
<b>Machinery and equipment</b>		2,836	2,340
<b>Specialised military assets</b>			-
<b>Land and subsoil assets</b>			-
<b>Biological assets</b>			-
Total		<u>47,042</u>	<u>49,567</u>

11. Unauthorised expenditure

11.1 Reconciliation of unauthorised expenditure

Note	2020/21 R'000	2019/20 R'000
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Opening balance		1,734	-
Prior period error			
As restated		1,734	-
Unauthorised expenditure – discovered in current year (as restated)		16,880	1,734
Less: Amounts approved by Parliament/Legislature with funding			-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Capital			-
Current			-
Transfers and subsidies			-
Less: Amounts recoverable	15		-
Less: Amounts written off			-
Closing balance		18,614	1,734
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		18,614	1,734
Unauthorised expenditure approved without funding and not derecognised			-
Total		18,614	1,734

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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11.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2020/21 R'000	2019/20 R'000
<b>Capital</b>	18,614	1,734
<b>Current</b>		-
<b>Transfers and subsidies</b>		-
Total	<u>18,614</u>	<u>1,734</u>

11.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2020/21 R'000	2019/20 R'000
<b>Unauthorised expenditure relating to overspending of the vote or a main division within a vote</b>	18,614	1,734
<b>Unauthorised expenditure incurred not in accordance with the purpose of the vote or main division</b>		-
Total	<u>18,614</u>	<u>1,734</u>



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11.4 Details of unauthorised expenditure – current year

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2020/21</b>
		<b>R'000</b>
Overspending of the Vote	Under Investigation	16,880
<b>Total</b>		<u><u>16,880</u></u>

11.5 Prior period error

**12. Cash and cash equivalents**

<b>Consolidated Paymaster General Account</b>	<b>Note</b>	<u>2020/21</u> R'000	<u>2019/20</u> R'000
		595,096	435,903

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Cash receipts	-	-
Disbursements	-	-
Cash on hand	-	-
Investments (Domestic)	-	-
Investments (Foreign)	-	-
Total	<u>595,096</u>	<u>435,903</u>

13. Other financial assets

14. Prepayments and advances

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14.1 Advances paid (Not expensed)

14.2 Prepayments (Not expensed)

14.3 Prepayments (Expensed)

<i>Note</i>	Amount as at 1 April 2019	Less: Received in the current year	Add or Less: Other	Add: Current Year prepayments	Amount as at 31 March 2020
	R'000	R'000	R'000	R'000	R'000
<b>Goods and services</b>	1,675				1,675
<b>Interest and rent on land</b>					-
<b>Transfers and subsidies</b>					-
<b>Capital assets</b>					-
<b>Other</b>	1,675	-	-	-	1,675
<b>Total</b>	<b>1,675</b>				<b>1,675</b>

14.4 Advances paid (Expensed)

<i>Note</i>	Amount as at 1 April 2020	Less: Received in the current year	Add or Less: Other	Add: Current Year advances	Amount as at 31 March 2021
	R'000	R'000	R'000	R'000	R'000

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<b>National departments</b>	1,675	-	-	-	1,675
<b>Provincial departments</b>	-	-	-	-	-
<b>Public entities</b>	-	-	-	-	-
<b>Other entities</b>	-	-	-	-	-
<b>Total</b>	<b>1,675</b>	-	-	-	<b>1,675</b>

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<b>Note</b>	<b>Amount as at 1 April 2019</b>	<b>Less: Received in the current year</b>	<b>Add or Less: Other</b>	<b>Add: Current Year advances</b>	<b>Amount as at 31 March 2020</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>National departments</b>	1,675	-	-	-	1,675
<b>Provincial departments</b>	-	-	-	-	-
<b>Public entities</b>	-	-	-	-	-
<b>Other entities</b>	-	-	-	-	-
<b>Total</b>	<b>1,675</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,675</b>

**15. Receivables**

	<b>Current</b>	<b>2020/21 Non-current</b>	<b>Total</b>	<b>Current</b>	<b>2019/20 Non-current</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Claims recoverable</b>	203	-	203	-	159	159
<b>Trade receivables</b>	439	-	439	568	-	568
<b>Recoverable expenditure</b>	3,064	80	3,144	2,339	131	2,470
<b>Staff debt</b>						

**Note**  
[15.1](#)

[15.2/](#)

[15.3](#)

[15.4](#)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Fruitless and wasteful expenditure	15.6						
Other receivables	<u>15.5</u>						
Total		3,706	80	3,786	2,907	290	3,197

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15.1 *Claims recoverable*

	Note	2020/21	2019/20
	15 and Annex 4	R'000	R'000
National departments			111
Provincial departments		203	48
Foreign governments			-
Public entities			-
Private enterprises			-
Higher education institutions			-
Households and non-profit institutions			-
Local governments			-
Total		<u>203</u>	<u>159</u>

15.2 *Trade receivables*

15.3 *Recoverable expenditure (disallowance accounts)*

Note	2020/21	2019/20
15	R'000	R'000

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Sal: Reversal Control	229	391
Sal: Tax Debt		
	210	177
Total	<u>439</u>	<u>568</u>

**15.4 Staff debt**

**15.5 Other receivables**

	Note	2020/21	2019/20
	15	R'000	R'000
Debt Acc - Current		<b>3,064</b>	<b>2,339</b>
Debt Acc - Non-current		<b>80</b>	<b>131</b>
Total		<u>3,144</u>	<u>2,470</u>

**15.6 Fruitless and wasteful expenditure**

**15.7 Impairment of receivables**

	Note	2020/21	2019/20
		R'000	R'000
Estimate of impairment of receivables		3,287	-



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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Total	3,287	-
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16. Investments

16.1 Impairment of investments

17. Loans

17.1 Impairment of loans

18. Voted funds to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		431,737	85,564
Prior period error	18.2		
As restated		431,737	85,564
Transfer from statement of financial performance (as restated)		589,673	430,004
Add: Unauthorised expenditure for current year	11	16,880	1,734

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Voted funds not requested/not received	<a href="#">1.1</a>	-	-
Transferred to retained revenue to defray excess expenditure (PARLIAMENT/LEGISLATURES ONLY)	18.1	-	-
Paid during the year		-430,005	-85,565
Closing balance		<u>608,285</u>	<u>431,737</u>

18.1 Voted funds / (Excess expenditure) transferred to the retained funds (Parliament / Legislatures ONLY)

18.2 Prior period error

19. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2020/21 R'000	2019/20 R'000
Opening balance		2,751	2,598
Prior period error	19.1		
As restated		<u>2,751</u>	<u>2,598</u>
Transfer from Statement of Financial Performance (as restated)		31,651	35,373
Own revenue included in appropriation		-	-
Transfer from aid assistance	4		-

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)	<a href="#">18.1</a>	-
Paid during the year		-31,615
Closing balance		-35,220
		<hr/>
		<b>2,787</b>
		<hr/>
		<b>2,751</b>
		<hr/>

**19.1 Prior period error**

**20. Bank Overdraft**

**21. Payables – current**

	<i>Note</i>	<hr/> 2020/21	<hr/> 2019/20
		R'000	R'000
Amounts owing to other entities		-	-
Advances received	<a href="#">21.1</a>	-	-
Clearing accounts	<a href="#">21.2</a>	-	-
Other payables	<a href="#">21.3</a>	2,301	1,432
Total		<hr/> <b>2,301</b> <hr/>	<hr/> <b>1,432</b> <hr/>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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21.1 *Advances received*

21.2 *Clearing accounts*

21.3 *Other payables*

	Note	2020/21	2019/20
	21	R'000	R'000
Rental deposit		1,126	1,106
Sal: GEHS refund control acc			
Sal: Income control acc		156	72
Sal: Pension acc			
		1,018	253
		1	1
Total		<b>2,301</b>	<b>1,432</b>

22. Payables – non-current

22.1 *Advances received*

22.2 *Other payables*

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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23. Net cash flow available from operating activities

Note	2020/21 R'000	2019/20 R'000
Net surplus/(deficit) as per Statement of Financial Performance	620,472	466,914
Add back non cash/cash movements not deemed operating activities	-370,077	-43,322
(Increase)/decrease in receivables	-799	-1,693
(Increase)/decrease in prepayments and advances	-	-
(Increase)/decrease in other current assets	-	-
Increase/(decrease) in payables – current	869	368
Proceeds from sale of capital assets	-88	-2,901
Proceeds from sale of investments	-	-
(Increase)/decrease in other financial assets	-	-
Expenditure on capital assets	91,561	81,689
Surrenders to Revenue Fund	-461,620	-120,785
Surrenders to RDP Fund/Donor	-	-
Voted funds not requested/not received	-	-
Own revenue included in appropriation	-	-

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Other non-cash items		-
Net cash flow generated by operating activities	250,395	423,592

24. Reconciliation of cash and cash equivalents for cash flow purposes

Note	2020/21 R'000	2019/20 R'000
Consolidated Paymaster General account	595,096	435,903
Fund requisition account	-	-
Cash receipts	-	-
Disbursements	-	-
Cash on hand	-	-
Cash with commercial banks (Local)	-	-
Cash with commercial banks (Foreign)	-	-
Total	595,096	435,903

25. Contingent liabilities and contingent assets

25.1 Contingent liabilities

Note	2020/21	2019/20
------	---------	---------

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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			R'000	R'000
Liable to	Nature			
<b>Motor vehicle guarantees</b>	<b>Employees</b>	<i>Annex 3A</i>		-
<b>Housing loan guarantees</b>	<b>Employees</b>	<i>Annex 3A</i>	43	154
<b>Other guarantees</b>		<i>Annex 3A</i>		-
<b>Claims against the department</b>		<i>Annex 3B</i>	264,106	111,002
<b>Intergovernmental payables (unconfirmed balances)</b>		<i>Annex 5</i>		-
<b>Environmental rehabilitation liability</b>		<i>Annex 3B</i>		-
<b>Other</b>		<i>Annex 3B</i>	-	-
Total			<u>264,149</u>	<u>111,156</u>

*The Labour Appeal Court (LAC) declared the salary increases for the 2020/2021 financial year unlawful and invalid. The LAC ruling has been appealed and referred to the Constitutional Court. The ruling by the Constitutional Court will confirm if the department will be obligated to pay the salary increases in dispute.*

25.2 Contingent assets

	Note	2020/21 R'000	2019/20 R'000
Nature of contingent asset			
<b>Claims by the Department</b>		764	2,065

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

Total	<u>764</u>	<u>2,065</u>
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**26. Capital commitments**

	<i>Note</i>	<u>2020/21</u> R'000	<u>2019/20</u> R'000
Building capital projects		46,792	4,236
Computers		3,848	-
Cameras & Projectors		2,179	-
Total		<u>52,819</u>	<u>4,236</u>

**27. Accruals and payables not recognised**

27.1 Accruals

	<u>2020/21</u> R'000	<u>2019/20</u> R'000
Listed by economic classification		



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	30 Days	30+ Days	Total	Total
<b>Goods and services</b>	10,728	1	10,729	7,688
<b>Interest and rent on land</b>			-	-
<b>Transfers and subsidies</b>	46,293		46,293	63,019
<b>Capital assets</b>				
<b>Other</b>				
<b>Total</b>	<b>57,021</b>	<b>1</b>	<b>57,022</b>	<b>70,707</b>

	<b>Note</b>	2020/21 R'000	2019/20 R'000
Listed by programme level			
<b>Programme 1</b>		1,246	1,104
<b>Programme 2</b>			
<b>Programme 3</b>			
<b>Programme 4</b>		9,483	69603
		-	-

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			-	-
			<u>10,729</u>	<u>70,707</u>
			<u><u>10,729</u></u>	<u><u>70,707</u></u>
27.2	Payables not recognised			
			<u>2020/21</u>	<u>2019/20</u>
			R'000	R'000
	Listed by economic classification		Total	Total
		30 Days	30+ Days	
	<b>Goods and services</b>	21,198	-	<b>21,198</b>
	<b>Interest and rent on land</b>			<b>14,460</b>
	<b>Transfers and subsidies</b>	586,416		<b>586,416</b>
	<b>Capital assets</b>			<b>551,090</b>
	<b>Other</b>		<b>1,611</b>	
	Total	<u>607,614</u>	<u>1,611</u>	<u>609,225</u>
				<u>565,550</u>
			<u>2020/21</u>	<u>2019/20</u>
	Listed by programme level		R'000	R'000
	<b>Programme 1</b>		<b>11,262</b>	<b>9,707</b>
	<b>Programme 2</b>			

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Programme 3  
Programme 4

596,638

555,843

1,325

-

Total

**609,225**

**565,550**

*Included in the above totals are the following:*

**Confirmed balances with other departments**

*Note*

2020/21

2019/20

R'000

R'000

*Annex 5*

4,106

34

**Confirmed balances with other government entities**

*Annex 5*

-

-

Total

**4,106**

**34**

**28. Employee benefits**

**Leave entitlement**

*Note*

2020/21

2019/20

R'000

R'000

67,945

49,392

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Service bonus	27,409	29,742
Performance awards	7,646	17,487
Capped leave	151,003	172,103
Other	25,219	3,419
Total	<u>279,222</u>	<u>272,143</u>

Leave Entitlement include negative 59.17 leave days amounting to R66. Other benefits are for long service awards. Performance awards is based on the budgeted amount for 2019/2020 financial year. There is also the 2% of pay progression of R20, 398

29. Lease commitments

29.1 Operating leases

29.2 Finance leases \*\*

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year			47,434	1,198	48,632

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<b>Later than 1 year and not later than 5 years</b>	300,541	581	301,122
<b>Later than five years</b>	206,452	-	206,452
<b>Total lease commitments</b>	<b>554,427</b>	<b>1,779</b>	<b>556,206</b>

2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>Not later than 1 year</b>			43,921	1,000	44,921
<b>Later than 1 year and not later than 5 years</b>			278,279	1,185	279,464
<b>Later than five years</b>			276,149	-	276,149
<b>Total lease commitments</b>			<b>598,349</b>	<b>2,185</b>	<b>600,534</b>

**\*\*This note excludes leases relating to public private partnership as they are separately disclosed in note no. 35.**

*The Department renewed the lease of office building (43 church street Polokwane) for a period of 9 years 11 months commencing from 01 December 2019 to 30 October 2029. The renewed rental contract was R3 850 200 per month with an escalation of 8% per annum. The Dept has the option to purchase the property at any time during the duration of the lease. The Dept has leased 165 machines for period of three years starting from*

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

**March 2019 up to September 2022. Rental leased amount per month is R 91'**

29.3 Operating lease future revenue\*\*

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>Not later than 1 year</b>			4,963		4,963
<b>Later than 1 year and not later than 5 years</b>			2,905		2,905
<b>Later than five years</b>					-
Total operating lease revenue receivable			<b>7,868</b>		<b>7,868</b>
2019/20	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>Not later than 1 year</b>			8,508		8,508
<b>Later than 1 year and not later than 5 years</b>			4,710		4,710
<b>Later than five years</b>			-		-
Total operating lease revenue receivable			<b>13,218</b>		<b>13,218</b>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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*The Department has entered into various operating leases for an average period of 3 years, renewable on expiry with the escalation of 5% per annum. A number of these leases have expired within the financial year and will be renewed per special lease dispensation. The lessees will be liable for the arrears on finalisation of the offers. The Department also has future operating leases on parking and house rental houses for one month.*

30. Accrued departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Tax revenue			
Sales of goods and services other than capital assets			
Fines, penalties and forfeits			
Interest, dividends and rent on land			
Sales of capital assets			
Transactions in financial assets and liabilities			
Transfers received			
Other		109,533	100,934
Total		<b>109,533</b>	<b>100,934</b>

30.1 Analysis of accrued departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Opening balance		100,934	95,855

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Less: amounts received	17,365	20,457
Less: services received in lieu of cash		-
Add: amounts recorded	25,964	25,536
Less: amounts written-off/reversed as irrecoverable		-
Less: amounts transferred to receivables for recovery		-
Other (Specify)		-
Closing balance	<u>109,533</u>	<u>100,934</u>

30.2 Accrued department revenue written off

30.3 Impairment of accrued departmental revenue

	Note	2020/21 R'000	2019/20 R'000
Estimate of impairment of accrued departmental revenue		98,465	89,566
Total		<u>98,465</u>	<u>89,566</u>

*Impairment calculation is determined by estimating the present value of the expected future cash flow that is expected in settlement of the recorded financial asset at a prevailing prime rate of interest. The Calculation of the Financial asset is on 120+ days.*



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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

**31. Irregular expenditure**

31.1 Reconciliation of irregular expenditure

	<i>Note</i>	2020/21 R'000	2019/20 R'000
<b>Opening balance</b>		512,450	150,622
<b>Prior period error</b>			
<b>As restated</b>		512,450	150,622
<b>Add: Irregular expenditure – relating to prior year</b>			155,478
<b>Add: Irregular expenditure – relating to current year</b>		1,578,738	206,350
<b>Less: Prior year amounts condoned</b>		104,312	-
<b>Less: Current year amounts condoned</b>			-
<b>Less: Prior year amounts not condoned and removed</b>			-
<b>Less: Current year amounts not condoned and removed</b>			-
<b>Less: Amounts recoverable (current and prior year)</b>	15		-
<b>Less: Amounts written off</b>			
Closing balance		<b>2,106,646</b>	<b>512,450</b>
Analysis of closing balance			
<b>Current year</b>		1,594,196	206,350

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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<b>Prior years</b>	512,450	306,100
Total	<b>2,106,646</b>	<b>512,450</b>

31.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2020/21</b>
		<b>R'000</b>
RAL irregular expenditure		1,489,884
SCM irregular expenditure current year		98,159
SCM (Non Tax Compliance		2,943
SCM (Local Contents)		354
Interests State		506
Interests Family		58
Irregular Expenditure relating to HRM		1,054
Non Compliance with PPPFA		1,238

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

<b>Total</b>		<u>1,594,196</u>
31.3	Details of irregular expenditure condoned	
31.4	Details of irregular expenditure recoverable (not condoned)	
31.5	Details of irregular expenditure removed - (not condoned)	
31.6	Details of irregular expenditures written off (irrecoverable)	
31.7	Details of irregular expenditures under assessment (not included in the main note)	
	<b>Incident</b>	<b>2020/21</b>
		<b>R'000</b>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

Irregular Expenditure incurred relating to appointments of SCM currently under investigation

Brown Dogs Security Unit

352

Great Fox One Security Services

313

**Total**

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**665**

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31.8 Prior period error

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

31.9 Details of the non-compliance where an institution is involved in an inter-institutional arrangement

**32. Fruitless and wasteful expenditure**

32.1 Reconciliation of fruitless and wasteful expenditure

	<i>Note</i>	2020/21 R'000	2019/20 R'000
<b>Opening balance</b>		3,616	3,522
<b>Prior period error</b>			-
<b>As restated</b>		3,616	3,522
<b>Fruitless and wasteful expenditure – relating to prior year</b>		5,559	-
<b>Fruitless and wasteful expenditure – relating to current year</b>		5	94
<b>Less: Amounts recoverable</b>	<i>15.6</i>		-
<b>Less: Amounts written off</b>			-
<b>Closing balance</b>		<b>9,180</b>	<b>3,616</b>

32.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2020/21</b>
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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R'000

Interest on municipal accounts and Eskom

5

Suspended Officials (2014/2015)

4,923

Recruitment disputes (Director Roads)

636

**Total**

**5,564**

32.3 Details of fruitless and wasteful expenditure recoverable

32.4 Details of fruitless and wasteful expenditure written off

32.5 Prior period error

32.6 Details of fruitless and wasteful expenditures under assessment (not included in the main note)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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33. Related party transactions

	Note	2020/21 R'000	2019/20 R'000
<b>In kind goods and services provided/received</b>			
<i>List in kind goods and services between the department and the related party</i>			
<i>Audit committee</i>		453	643
<i>Internal Audit</i>		3,914	5,515
<i>Department of Health</i>		1,816	
<i>Office of the Premier</i>			
<b>Total</b>		<b>6,183</b>	<b>6,158</b>

1) ROADS AGENCY LIMPOPO. RAL is the entity of the Department responsible for the planning, designing, upgrading and maintaining, own and control the usage of roads

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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and their reserves. 2) TREASURY-The Provincial Treasury renders a shared Internal Audit and Audit Committee services at no charge to the Department. 3) Provincial Departments-The Department is a related party to all Provincial departments within the Limpopo Province in executing its mandate of the provision and management building .The Department is related party to all provincial departments within Limpopo province in executing its mandate of provision and management of building infrastructure. The Department of health has supplied Public Works with Covid 19 PPE's amounting to 'R1816'

34. Key management personnel

	No. of Individuals	2020/21 R'000	2019/20 R'000
Political office bearers (provide detail below)			
Officials:	1	2,046	1,844
Level 15 to 16	1	1,412	1,656
Level 14 (incl CFO if at a lower level)	13	16,995	19,656
Family members of key management personnel	1	542	833
Total		20,995	23,898

35. Public Private Partnership



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*for the year ended 31 March 2021*

**36. Impairment (other than receivables, accrued departmental revenue, loans and investments)**

**37. Provisions**

37.1 Reconciliation of movement in provisions – 2020/21

**38. Non-adjusting events after reporting date**

**39. Movable Tangible Capital Assets**

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Openin g balance R'000	Value adjustme nts R'000	Additi ons R'000	Disposa ls R'000	Closing Balance R'000
HERITAGE ASSETS					
<b>Heritage assets</b>					
MACHINERY AND EQUIPMENT	851,482	-	30,809	-	882,291
<b>Transport assets</b>	217,991		600	-	218,591
<b>Computer equipment</b>	54,078		636	-	54,714

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<b>Furniture and office equipment</b>	47,250	340	-	47,590	
<b>Other machinery and equipment</b>	532,164	29,233	-	561,397	
SPECIALISED MILITARY ASSETS					
<b>Specialised military assets</b>					
BIOLOGICAL ASSETS					
<b>Biological assets</b>					
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>851,482</b>	<b>-</b>	<b>30,809</b>	<b>-</b>	<b>882,291</b>

Movable Tangible Capital Assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
<b>Heritage assets</b>		
<b>Machinery and equipment</b>	1,080	54,744
<b>Specialised military assets</b>		
<b>Biological assets</b>		

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**Section 42, Assets that were transferred from Department of Transport and could not be verified including Assets which are lost, not verified and reported to CRO for investigation and the quantity is 1080. The amount reflected for the assets under investigation is R54 744. The recovered quantity during the year is 513. The recovered assets stolen in 2019/20 is 2331, Assets not verified in 2019/20 but verified during 2020/21 is R 61777.**

39.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	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
HERITAGE ASSETS					
<b>Heritage assets</b>					
MACHINERY AND EQUIPMENT	33,448	-	-2,836	197	30,809
<b>Transport assets</b>	600				600
<b>Computer equipment</b>	636				636
<b>Furniture and office equipment</b>	340				340
<b>Other machinery and equipment</b>	31,872		-2,836	197	29,233
SPECIALISED MILITARY ASSETS					

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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Specialised military assets					
BIOLOGICAL ASSETS Biological assets					
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	33,448	-	-2,836	197	30,809

*Included in the total additions of Major assets R30809 there is a major assets delivered current year but not yet paid valued at R197.*

39.2 Disposals

39.3 Movement for 2019/20

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 20YY

	Openin g balance R'000	Prior period error R'000	Addi s R'000	Disposals R'000	Closing Balance R'000
HERITAGE ASSETS Heritage assets					
MACHINERY AND EQUIPMENT	838,948	-	12,568	34	851,482
Transport assets	216,782		1,209	-	217,991
Computer equipment	54,029		83	34	54,078

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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<b>Furniture and office equipment</b>	46,657	593	-	47,250
<b>Other machinery and equipment</b>	521,481	10,683	-	532,164
SPECIALISED MILITARY ASSETS				
<b>Specialised military assets</b>				
BIOLOGICAL ASSETS				
<b>Biological assets</b>				
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	<b>838,948</b>	<b>-</b>	<b>12,568</b>	<b>851,482</b>

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**09**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**39.3.1 Prior period error**

39.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
<b>Opening balance</b>				38,684		<b>38,684</b>
<b>Value adjustments</b>						
<b>Additions</b>				536		<b>536</b>
<b>Disposals</b>						
<b>TOTAL MINOR ASSETS</b>				39,220		39,220
<b>Number of R1 minor assets</b>				5,323		5,323

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

Number of minor assets at cost	20,457	20,457
TOTAL NUMBER OF MINOR ASSETS	25,780	25,780

Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
<b>Specialised military assets</b>		
<b>Intangible assets</b>		
<b>Heritage assets</b>		
<b>Machinery and equipment</b>	3,293	5,004
<b>Biological assets</b>		

*Section 42, Assets that were transferred from Department of Transport and could not be verified including Assets which are lost, not verified and reported to CRO for investigation and the quantity is 3293. The amount reflected for the assets under investigation is R5004. The recovered quantity during the year is 1017. Assets not verified in 2019/20 but verified during 2020/21 is R2990*

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2020

	Specialise d military assets	Intangibl e assets	Heritag e assets	Machin ery and equipm ent	Biologic al assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Opening balance</b>				37,743		37,743
<b>Prior period error</b>				-		-
<b>Additions</b>				941		941
<b>Disposals</b>				-		-
<b>TOTAL MINOR ASSETS</b>				<b>38,684</b>		<b>38,684</b>
	Specialise d military assets	Intangibl e assets	Heritag e assets	Machin ery and equipm ent	Biologic al assets	Total
<b>Number of R1 minor assets</b>				5,323		5,323
<b>Number of minor assets at cost</b>				20,295		20,295
<b>TOTAL NUMBER</b>				<b>25,618</b>		<b>25,618</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

OF MINOR  
ASSETS

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*Included in the total additions of minor assets R536 there is a minor assets delivered current year but not yet paid valued at R54*

**39.4.1 Prior period error**

39.5 Movable assets written off

39.6 S42 Movable capital assets

**40. Intangible Capital Assets**

40.1 Additions

40.2 Disposals

40.3 Movement for 2019/20

**40.3.1 Prior period error**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

**41. Immovable Tangible Capital Assets**

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Openin g balance R'000	Value adjustme nts	Additi ons R'000	Disposa ls R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	5,745,533	-	82,040	191	5,827,382
<b>Dwellings</b>	680,219		815	191	680,843
<b>Non-residential buildings</b>	5,062,189		79,971	-	5,142,160
<b>Other fixed structures</b>	3,125		1,254	-	4,379
HERITAGE ASSETS	370,950	-	-	-	370,950
<b>Heritage assets</b>	370,950		-	-	370,950
LAND AND SUBSOIL ASSETS	491,533	-	-	-	491,533
<b>Land</b>	491,533		-	-	491,533
<b>Mineral and similar non- regenerative resources</b>	-		-	-	-

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	6,608,016	-	82,040	191	6,689,865
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***Included in the opening balance on Non-Residential Building, there is a movement of an asset from Non Residential to Land amounting to R211. Also the difference on opening balance is the amount of WIP amounting to R19278.***

41.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year) R'000	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	58,112	82,040	-58,112	-	82,040
<b>Dwellings</b>		815			815
<b>Non-residential buildings</b>	58,112	79,971	-58,112		79,971
<b>Other fixed structures</b>		1,254			1,254

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

HERITAGE ASSETS

**Heritage assets**

--	--

LAND AND SUBSOIL ASSETS

**Land**

**Mineral and similar non-regenerative resources**

--	--

TOTAL ADDITIONS TO IMMOVABLE TANGIBLE  
CAPITAL ASSETS

**58,112**

**82,040**

**-58,112**

**-**

**82,040**

*Include discussion here where deemed relevant*

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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41.2 Disposals

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR  
ENDED 31 MARCH 2021

	Sold for cash	Non- cash disposals	Total disposal s	Cash Receive d Actual
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	191	-	191	88
<b>Dwellings</b>	191		191	88
<b>Non-residential buildings</b>			-	
<b>Other fixed structures</b>			-	
HERITAGE ASSETS				
<b>Heritage assets</b>				
LAND AND SUBSOIL ASSETS				
<b>Land</b>				
<b>Mineral and similar non- regenerative resources</b>				
TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS	191	-	191	88

*Sale of a House to Sarah Philadelphia Maluleke at Mopani District for R88 000.00*

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

41.3 Movement for 2019/20

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	5,326,460	-	450,199	31,126	5,745,533
<b>Dwellings</b>	706,822		1,622	28,225	680,219
<b>Non-residential buildings</b>	4,616,584		448,506	2,901	5,062,189
<b>Other fixed structures</b>	3,054		71	-	3,125
HERITAGE ASSETS	338,948	-	32,002	-	370,950
<b>Heritage assets</b>	338,948		32,002	-	370,950
LAND AND SUBSOIL ASSETS	484,143	-	7,390	-	491,533
<b>Land</b>	484,143		7,390	-	491,533
<b>Mineral and similar non- regenerative resources</b>	-		-	-	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>6,149,551</b>	<b>-</b>	<b>489,591</b>	<b>31,126</b>	<b>6,608,016</b>

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

**41.3.1 Prior period error**

41.4 Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

	Opening balance 1 April 2020	Current Year WIP	Ready for use (Assets to the AR) / Contract s terminat ed	Closing balance 31 March 2021
<i>Note Annexur e 7</i>	R'000	R'000	R'000	R'000
<b>Heritage assets</b>	-	-	-	
<b>Buildings and other fixed structures</b>	21,881	13,907	2,565	33,223
<b>Machinery and equipment</b>	-	-	-	
<b>Specialised military assets</b>	-	-	-	
<b>Intangible assets</b>	-	-	-	
<b>TOTAL</b>	<b>21,881</b>	<b>13,907</b>	<b>2,565</b>	<b>33,223</b>

Number of projects

2020/21

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

Age analysis on ongoing projects

	Planned, Construction not started	Planned, Construction started	Total R'000
<b>0 to 1 Year</b>	6	-	44,842
<b>1 to 3 Years</b>			
<b>3 to 5 Years</b>			
<b>Longer than 5 Years</b>	2	-	31,753
<b>Total</b>	8	-	76,595

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2020

	<i>Note Annexure 7</i>	Opening balance 1 April 2019 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2020 R'000
<b>Heritage assets</b>		-	-	-	-	-
<b>Buildings and other fixed structures</b>		39,815	-	672	18,606	21,881
<b>Machinery and equipment</b>		-	-	-	-	-
<b>Specialised military assets</b>		-	-	-	-	-
<b>Intangible assets</b>		-	-	-	-	-



(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

TOTAL	39,815	-	672	18,606	21,881
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*Include discussion here where deemed relevant*

Age analysis on ongoing projects	Number of projects		2019/20
	Planned, Construction not started	Planned, Construction started	Total R'000
<b>0 to 1 Year</b>	-	1	200
<b>1 to 3 Years</b>	-	4	18,564
<b>3 to 5 Years</b>	-	-	-
<b>Longer than 5 Years</b>	-	1	3,117
Total		<b>6</b>	<b>21,881</b>

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

41.5 Immovable assets written off

IMMOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
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**Assets  
written off**

TOTAL  
IMMOVABLE  
ASSETS  
WRITTEN  
OFF

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41.6 S42 Immovable assets

Assets to be transferred in terms of S42 of the PFMA – 2020/21

Assets to be transferred in terms of S42 of the PFMA – 2019/20

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

41.7 Immovable assets (additional information)

		Note	2020/21	2019/20
a) Unsurveyed land	Estimated completion date	<b>Annexure 9</b>	Area	Area
b) Properties deemed vested		<b>Annexure 9</b>	Number	Number
Land parcels				
Facilities				
<b>Schools</b>			1,971	1,994
<b>Clinics</b>			24	32
<b>Hospitals</b>			4	5
<b>Office buildings</b>			3	2
<b>Dwellings</b>			-	-
<b>Storage facilities</b>			-	-
<b>Other</b>			38	-
c) Facilities on unsurveyed land	Duration of use	<b>Annexure 9</b>	Number	Number
<b>Schools</b>				2,177

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

<b>Clinics</b>	731
<b>Hospitals</b>	53
<b>Office buildings</b>	621
<b>Dwellings</b>	-
<b>Storage facilities</b>	-
<b>Other</b>	2,416

d) Facilities on right to use land	Duration of use	<b>Annexure 9</b>	Number	Number
<b>Schools</b>			2,181	
<b>Clinics</b>			77	
<b>Hospitals</b>			52	
<b>Office buildings</b>			607	
<b>Dwellings</b>			-	
<b>Storage facilities</b>			1	
<b>Other</b>			2,402	

e) Agreement of custodianship		<b>Annexure 9</b>	Number	Number
Land parcels				
Facilities				

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

Schools  
Clinics  
Hospitals  
Office buildings  
Dwellings  
Storage facilities  
Other

42. Principal-agent arrangements

42.1 Department acting as the principal

	2020/21	2019/20
	R'000	R'000
Development Bank of South Africa	725	1,608
<b>Total</b>	<b>725</b>	<b>1,608</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

*"The department has entered into contracts with IDT/DBSA whereby the two entities implement the department's own projects. The entities contract with various suppliers/contractors to deliver infrastructure projects for the department. The department pays a management fee of R725' for the current financial year reporting. The Department has principal agent arrangement with Office of the Premier to do implementation of apprenticeship programme and experiential learning.*

*The department is the custodian of immovable assets in the province. The department has entered into service delivery agreements with the various user departments to deliver infrastructure projects on their behalf. Majority of the projects are for the Departments of Education and Health and include construction projects on Hospitals, schools, clinics and other build projects*

*The department has in turn contracted DBSA/IDT to deliver some of projects of the user departments due to capacity constraints. DBSA/IDT act as implementing agents and will source contractors and render project management services. Management fees and all related expenses in terms of these arrangement are incurred by the user departments. This arrangement has no financial impact on the department. The department's revenues, expenditures, assets and liabilities are not affected by these arrangements.*

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42.2 Department acting as the agent

42.2.1 Revenue received for agency activities

42.2.2 Reconciliation of funds and disbursements – 2020/21

Reconciliation of funds and disbursements – 2019/20

42.2.3 Reconciliation of carrying amount of receivables and payables – 2020/21

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

Receivables

Payables

Reconciliation of carrying amount of receivables and payables – 2019/20

Receivables

Payables

**43. Changes in accounting estimates**

**During the year the following changes were made to the estimations employed in the accounting for transactions, assets, liabilities, events and circumstances**

**44. Prior period errors**

44.1 Correction of prior period errors

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

45. Inventories

45.1

Inventories for the year ended 31 March 2021	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
<b>Opening balance</b>	6,550	45,750			52,300
<b>Add/(Less): Adjustments to prior year balances</b>					-
<b>Add: Additions/Purchases – Cash</b>	20,686	35,352			56,038
<b>Add: Additions - Non-cash</b>					-
<b>(Less): Disposals</b>					-
<b>(Less): Issues</b>	-16,000	-26,434			-42,434
<b>Add/(Less): Received current, not paid (Paid current year, received prior year)</b>					-
<b>Add/(Less): Adjustments</b>					-
Closing balance	11,236	54,668			65,904



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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

Inventories for the year ended 31 March 2020	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	TOTAL
	R'000	R'000	R'000	R'000	R'000
<b>Opening balance</b>	39,256				
<b>Add/(Less): Adjustments to prior year balances</b>	-				
<b>Add: Additions/Purchases – Cash</b>	66,161				
<b>Add: Additions - Non-cash</b>	-				
<b>(Less): Disposals</b>	-				
<b>(Less): Issues</b>	-53,116				
<b>Add/(Less): Received current, not paid (Paid current year, received prior year)</b>	-				
<b>Add/(Less): Adjustments</b>	-				
<b>Closing balance</b>	<b>52,301</b>				

45.2 Land parcels held for human settlement

*NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021*

45.3 Work in progress

45.4 Houses ready for use

*NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021*

**46. Transfer of functions and mergers**

46.1 Transfer of functions

46.2

46.1.1 Statement of Financial Position

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

46.1.2 Notes

46.3 Mergers

***Provide a brief description of the merger and the reason for undertaking the transaction or event.***

46.2.1 Statement of Financial Position

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

46.2.2 Notes

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

47. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2019/20	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	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	R'000
PROVINCIAL ROADS MAINTANANCE	968,659				968,659	968,659	499,267	469,362	52%	1,018,253	875,983
EPWP INTERGRANTED GRANT											
DISASTER GRANT	5,706				5,706	5,706	5,705	1	100%	5,768	5,767
PRESIDENTIAL EMPOWERMENT INITIATIVE(PEI)											
	130,000				130,000	130,000	8,934	121,066	7%	140,000	9,995

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

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70,578		70,578	70,578	58,563	12,015	83%	-	-
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1,174,943		1,174,943	1,174,943	572,499	602,444		1,164,021	891,745
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*NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021*

**48. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES**



**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**49. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	2020/21							2019/20	
	GRANT ALLOCATION				TRANSFER			Division of Revenue Act	Actual transfer
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>CAPRICORN DISTRICT</b>	<b>122,57</b>			<b>122,57</b>	<b>150,210</b>			<b>55,651</b>	<b>55,900</b>
<b>MOPANI DISTRICT</b>	<b>6</b>			<b>6</b>					
<b>SEKHUKHUNE DISTRICT</b>									
<b>WATERBERG DISTRICT</b>					19,984			19,667	14,898
<b>VHEMBE DISTRICT</b>	19,885			19,885					
<b>PD:Vehicle licences</b>						6,465		7,593	8,016
	6,911			6,911		8,215		6,250	6,641
	8,279			8,279		4,840		7,540	7,952
	5,336			5,336					
<b>TOTAL</b>	<b>162,987</b>			<b>162,987</b>	<b>189,714</b>			<b>96,701</b>	<b>93,407</b>

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

**for the year ended 31 March 2021**

***National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.***

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

50. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

51. COVID 19 Response Expenditure

	<i>Note</i> <i>Annexure 11</i>	2020/21 R'000	2019/20 R'000
Compensation of employees		-	-
Goods and services		12,491	-
Transfers and subsidies		-	-
Expenditure for capital assets		-	-
Other		-	-
Total		<u>12,491</u>	<u>-</u>

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2019/20	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
<b>CAPRICORN DISTRICT</b>	122,576			122,576	150,210							55,651	
<b>MOPANI DISTRICT</b>													
<b>SEKHUKHUNE DISTRICT</b>	19,885			19,885	19,984							19,667	
<b>WATERBERG DISTRICT</b>													
<b>VHEMBE DISTRICT</b>													
<b>PD:Vehicle licences</b>	6,911			6,911	6,465							7,593	

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2021

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	8,279	8,279	8,215	6,250
				7,540
	5,336	5,336	4,840	
	-	-		-
TOTAL	162,987	162,987	189,714	96,701

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*National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.*

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

ANNEXURE 1B  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2019/20
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>PROV DA: LP ROADS AGENCY</b>	<b>1,366</b>			<b>1,366</b>	<b>877,113</b>	<b>64210%</b>	<b>1,680,308</b>
<b>TOTAL</b>	<b>1,366</b>			<b>1,366</b>	<b>877,113</b>	<b>64210%</b>	<b>1,680,308</b>

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**

**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 1C  
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

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



**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**

**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**

**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 1F  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

ANNEXURE 1G  
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2019/20
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
<b>INJURY ON DUTY</b>	<b>1,158</b>			<b>1,158</b>	<b>756</b>	<b>65%</b>	<b>1,150</b>
<b>LEAVE GRATUITY</b>							
<b>BURSARIES (NON EMPLOYEES)</b>							
<b>CLAIMS AGAINST THE STATE</b>	14,231			14,231	29,707	209%	21,323
<b>PENS PENALTY</b>							
	2,880			2,880	1,852	64%	2,800
	1,809			1,809	716	40%	1,715
	15,115			15,115	1,488	10%	-
	<b>35,193</b>			<b>35,193</b>	<b>34,519</b>		<b>26,988</b>
Subsidies							
<b>TOTAL</b>	<b>35,193</b>			<b>35,193</b>	<b>34,519</b>		<b>26,988</b>

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 1H  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

ANNEXURE 1I  
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI-TURE	PAID BACK ON/BY 31 MARCH	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
<b>Received in cash</b>						
CETA GRANT	Learning Programmes	-				-
MERCETA FUNDING	Training fund for learnership Programme	1,818	4,148	5,000		966
<b>Subtotal</b>		<b>1,818</b>	<b>4,148</b>	<b>5,000</b>	<b>-</b>	<b>966</b>

**Received in kind**

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

Subtotal

TOTAL

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1,818	4,148	5,000	-	966
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**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**

**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 1J  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

ANNEXURE 1K  
STATEMENT OF ACTUAL MONTHLY EXPENDITURE PER GRANT

Grant Type	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
	2020	2020	2020	2020	2020	2020	2020	2020	2020	2021	2021	2021	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
EPWP	1,027	602	821	1,098	1,256	901	-	-	-	-	-	-	5,705
Prov Roads Maint	-	28,931	8,981	32,457	24,198	42,400	49,218	43,431	54,071	203,798	39,815	(19,069)	508,231
PRESIDENTIAL EMPOWERMENT INITIATIVE(PEI)	-	-	-	-	-	-	-	-	-	-	-	58,563	58,563
<b>TOTAL</b>	<b>1,027</b>	<b>29,533</b>	<b>9,802</b>	<b>33,555</b>	<b>25,454</b>	<b>43,301</b>	<b>49,218</b>	<b>43,431</b>	<b>54,071</b>	<b>203,798</b>	<b>39,815</b>	<b>39,494</b>	<b>572,499</b>



*(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)*

*09*

*ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS*

*for the year ended 31 March 2021*

ANNEXURE 1L

**STATEMENT OF INDIRECT GRANTS BETWEEN NATIONAL DEPARTMENTS AND MUNICIPALITIES**

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 2A  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 2B  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2021 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2021	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced during the year	Revaluation due to foreign currency movements	Closing balance 31 March 2021	Revaluations due to inflation rate movements	Accrued guaranteed interest for year ended 31 March 2021
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	<b>Motor vehicles</b>								
	<b>Subtotal Housing</b>		154		111		43		
<b>RISIMA HOUSING FINANCE CORP</b>									
	<b>Subtotal Other</b>		154		111		43		
	<b>Subtotal</b>								
	<b>TOTAL</b>		154		111		43		

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

ANNEXURE 3B  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2020	Liabilities incurred during the year	Liabilities paid/cancelled /reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Legal claims against the Department	36,696	151,950			188,646
Claims for pothole damages	74,306	1,175	21		75,460
Claims for pothole damages					
<b>Subtotal</b>	<b>111,002</b>	<b>153,125</b>	<b>21</b>	<b>-</b>	<b>264,106</b>
<b>Environmental Liability</b>					
<b>Subtotal</b>					

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

<b>Other</b>					
Municipal rates and taxes	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-
<b>TOTAL</b>	111,002	153,125	21	-	264,106

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

ANNEXURE 4  
CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2020/21 *	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
Limpopo Legislature		37			-	37		
Correctional Services		43			-	43		
Limpopo Provincial Gov Transport	65				65	-		
Correctional Services		58			-	58		
	<b>65</b>	<b>138</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>138</b>		

**Other Government Entities**

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)

09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**

*for the year ended 31 March 2021*

**TOTAL**

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65	138	-	-	65	138
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**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
*for the year ended 31 March 2021*

ANNEXURE 5  
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2020/21*	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000

**DEPARTMENTS**

**Current**

DEPARTMENT OF TRANSPORT	1,353				1,353			
DEPARTMENT OF TRANSPORT	1,247				1,247			
VAN BREDA & HERBEST INC obo MUSWESWE LOUISA	80				80			
VAN BREDA & HERBEST INC obo IWO CZERPINSKI	45				45			

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

VAN BREDA & HERBEST INC obo PETER SAREL FOURIEAN	18	18
VAN BREDA & HERBEST INC obo LENETTE SAAYMAN		
VAN BREDA & HERBEST INC obo MPERE MOKWENA	27	27
HARDAM & ASSOCIATES INC obo CHARL COETZEE	73	73
VAN BREDA & HERBEST INC obo NICOLAAS CORNELIUS KOEGELENBERG	17	17
JACO DE VILLEIRS ATTORNEYS	7	7
PMX TLADI & ASSOCIATES		
BORMAN SNYMAN & BARNAD	15	15
Depart of Agriculture		
Depart of Agriculture	7	7
Correctional	1,000	1,000
	116	116
	101	101

(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
09

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021

34

34

Subtotal

4,106

34

-

-

4,106

34

Non-current

Subtotal

TOTAL

4,106

34

-

-

4,106

34

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)  
09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2021**

**OTHER GOVERNMENT ENTITY**

**Current**

**Subtotal**

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**Non-current**

**Subtotal**

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**TOTAL INTERGOVERNMENT  
PAYABLES**

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<b>4,106</b>	<b>34</b>	<b>-</b>	<b>-</b>	<b>4,106</b>	<b>34</b>
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**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 6  
INVENTORIES

Inventories for the year ended 31 March 2021

	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	TOTAL R'000
<b>Opening balance</b>	6,550	45,750	-	-	52,300
<b>Add/(Less): Adjustments to prior year balances</b>	-				-
<b>Add: Additions/Purchases – Cash</b>	20,686	35,352			56,038
<b>Add: Additions - Non-cash</b>					-
<b>(Less): Disposals</b>					-
<b>(Less): Issues</b>	(16,000)	(26,434)			(42,434)
<b>Add/(Less): Received current, not paid (Paid current year, received prior year)</b>					-
<b>Add/(Less): Adjustments</b>					-
<b>Closing balance</b>	<b>11,236</b>	<b>54,668</b>	<b>-</b>	<b>-</b>	<b>65,904</b>

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 7  
MOVEMENT IN CAPITAL WORK IN PROGRESS

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000

HERITAGE ASSETS

**Heritage assets**

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MACHINERY AND EQUIPMENT

**Transport assets**

**Computer equipment**

**Furniture and office equipment**

**Other machinery and equipment**

--	--

SPECIALISED MILITARY ASSETS

**Specialised military assets**

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BIOLOGICAL ASSETS

**Biological assets**

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**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
09

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

BUILDINGS AND OTHER FIXED STRUCTURES	21,881	13,907	(2,565)	38,353
<b>Dwellings</b>	-			-
<b>Non-residential buildings</b>	21,881	13,907	(2,565)	38,353
<b>Other fixed structures</b>	-			
 LAND AND SUBSOIL ASSETS				
<b>Land</b>				
<b>Mineral and similar non-regenerative resources</b>				
 SOFTWARE				
<b>Software</b>				
 MASTHEADS AND PUBLISHING TITLES				
<b>Mastheads and publishing titles</b>				
 PATENTS, LICENCES, COPYRIGHT, BRAND NAMES, TRADEMARKS				
<b>Patents, licences, copyright, brand names and trademarks</b>				
 RECIPES, FORMULAE, PROTOTYPES, DESIGNS, MODELS				
<b>Recipes, formulae, prototypes, designs, models</b>				
 SERVICES AND OPERATING RIGHTS				
<b>Services and operating rights</b>				
 TOTAL	21,881	13,907	(2,565)	38,353



**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 8A  
INTER-ENTITY ADVANCES PAID (note 14)

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 8B  
INTER-ENTITY ADVANCES RECEIVED (note 21 AND note 22)

**(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)**  
**09**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2021**

ANNEXURE 9  
ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

*(DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE)*  
*09*

*ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS*  
*for the year ended 31 March 2021*

ANNEXURE 10\*

DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

**Capital commitments**

ANNEXURE 11  
**COVID 19 RESPONSE EXPENDITURE**

Per quarter and in total

Expenditure per economic classification	2020/21					2019/20
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000

**Compensation of employees**

**Goods and Services**

299      3,600      2,093      6,499      12,491

List all applicable SCOA level 4 items

*Contrctr:casual laboures*

-      -      1,991      5,388

*Cons supp: medical suppliers*

178      498      -      -

*Cons supp:uni/prot clth & clothes*

-      -      -      534

*Cons hous supp:wash/ clean detergent*

121      617      -      390

*P/P: pest cntrl/ fumigation*

-      2,485      102      187

**Transfers and subsidies**

List all applicable SCOA level 4 items

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**Expenditure for capital assets**

List all applicable SCOA level 4 items

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**Other expenditure not listed above**

List all applicable SCOA level 4 items

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**TOTAL COVID 19 RESPONSE EXPENDITURE**

299	3,600	2,093	6,499	12,491	-



# DEPARTMENT OF PUBLIC WORKS, ROADS AND INFRASTRUCTURE

Limpopo Province Head Office

43 Church Street

POLOKWANE

Private Bag X 9490

POLOKWANE

0700

Tel: (015) 284 7002/7172



EXPANDED PUBLIC WORKS PROGRAMME



Limpopo Public Works, Roads & Infrastructure  
Roads Agency Limpopo



[www.dpw.limpopo.gov.za](http://www.dpw.limpopo.gov.za)  
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