

KwaZulu-Natal Department of Transport Annual Report 2002/03

DEPARTMENT OF TRANSPORT
KWAZULU-NATAL
UMNYANGO WEZOKUTHUTHA



prosperity through mobility

prosperity through mobility

Moving Forward Prosperously

Foreword

A corporate identity is more than just a design image. It is an organisation's unique character and a combination of its reputation, name, and organizational culture. It encapsulates the motto: "the way we do things around here". A corporate identity has the purpose of graphically differentiating an organization or product in a way that is unique, appropriate and relevant.

The KwaZulu-Natal Department of Transport's corporate identity reflects the dynamic nature and innovative credo of the organization.

The Department prides itself as one of the leading lights in the field of effective service delivery to the people of KwaZulu-Natal and the new South Africa. The identity reflects the values and vision of the Department.

It projects our creative and progressive manner in which we deliver the direly needed services to our communities.

The Wheel

A continuous rotation for the better life. Like a spiral, the wheel rotates around a centre (axle) to create continuous circular motion.

A wheel is the ultimate symbol of movement, mobility, a change of fortune for the betterment of the quality of life, especially among communities in the rural areas. The wheel is continuously turning towards prosperity – towards a better life for all people.

The Road

From gravel road to tarred road. The gravel portion symbolizes underdevelopment and limited accessibility among rural communities. Infrastructure development by the Department results in semi-tarred to tarred roads.

Tarred roads are a symbol of economic development and ease of accessibility by the previously disadvantaged rural communities into the mainstream economy of the country. A movement from gravel to tarred roads therefore symbolizes progress, a shift, and a means through which economic emancipation is realized. The road to prosperity starts with a gravel road.



The South African Flag

The colours of the South African flag re-emphasize the need for a unity of direction and purpose for the rainbow nation. It symbolizes unity in diversity. Multiculturalism.

It projects a feeling of continuous motion forward; a motion from road infrastructure underdevelopment into a future dominated by hope and prosperity. A future tarred with a better life. A movement into a focus of economic upliftment of the lives of the people we serve.

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MEC:
Transport KZN
Minister S'bu Ndebele



Head of Department:
Dr. Kwazi Mbanjwa



Chief Financial Officer:
Mr. Roger Govender



Head:
Corporate Service
Ms. Vicky Cunliffe



Director:
Office of the Minister
Rev. Themba Vundla

Director:
Procurement
(Vacant)

Director:
Legal Services
(Vacant)

Director:
Corporate Support
Services
(Vacant)

Director:
Financial Accounting
& Reporting
(Vacant)

Director:
Employment
Relationship
Management
(Vacant)

Director:
Labour Relations
(Vacant)



Director:
Financial Manager
Mr. Wayne Evans



Acting Director:
Provincial Motor Transport
Ms. Bathandwa Nogwanya



Director:
Technology Transfer
Dr. Simon Oloo



Part I

General Information

- 01 Strategic Vision
- 02 Report of the Executive Authority



prosperity through mobility

VISION

The KwaZulu-Natal Department of Transport's vision is accepted as being:

"PROSPERITY THROUGH MOBILITY"

This means that all the activities of the department, and the manner in which the department delivers services to communities, will increase the wealth and quality of life of all the citizens of the province.

MISSION STATEMENT

The mission statement of the Kwa-Zulu Natal Department of Transport was agreed to read:

We will provide the public with a safe, integrated, regulated, affordable and accessible transportation system, and ensure that, in delivering on our mandate, we meet the developmental needs of our province,

AND

We will promote a transparent and accountable government, plan in accordance with the needs of our customers, and ensure effective, efficient and transparent delivery of services through the appropriate involvement of the public and through regular and accurate reporting.

VALUES

- Teamwork
- Integrity
- Transparency and openness
- Equity and fairness
- Mutual Trust and respect
- Customer service
- Courtesy and commitment



MEC:
Transport KZN
Minister S'bu Ndebele

It is particularly pleasing that, despite heightened political tensions, the KwaZulu-Natal Department of Transport was still able to retain its development agenda and to reach its targeted service outputs.

Our mandate, as Government, is to deliver a better life for all but particularly for those so unjustly disadvantaged during apartheid. There can be no doubting the fact that the mandate to create a better life for all does require commitment to develop policies and to implement programmes that create wealth and opportunities among the poor.

Each year the KwaZulu-Natal Department of Transport has been able to record further achievements as an innovative service provider and as a creator of substantial and sustainable new work and entrepreneurial opportunities within disadvantaged communities. We have gone from concept, in the Road to Wealth and Job Creation Initiative (1998), to implementation in a very short space of time.

Although our Zibambele programme was only piloted in 2000, 14 800 Zibambele contracts had been awarded by the end of March 2003. Our Vukuzakhe programme has grown from a zero budget to a contracts value of more than R370 million in 2003/2004. We anticipate that contracts awarded to Vukuzakhe contractors will, in turn, create some 30 000 new jobs.

It is, I believe, indicative of strong community support that the KwaZulu-Natal Department of Transport has been able to implement its development agenda despite political tensions and despite serious attempts to sideline it. Our Zibambele, Vukuzakhe and Labour Intensive Road Construction programmes continue to be geared up to provide massive new opportunities for poor people who, with appropriate organisational inputs, can further benefit from SETA and CETA learnerships and create the foundations to move towards knowledge based production. In the coming years the co-ordination of the Road to Safety Strategy and the Taxi Recapitalisation programme will prove critical in ensuring that the public has access to safe and affordable public transport.

The KwaZulu-Natal Department of Transport has made significant progress in tackling the HIV/AIDS pandemic both within the Department as well as the taxi and freight transport industries. We are currently conducting research to ascertain the likely impact of HIV/AIDS on the infrastructure and mobility needs of rural communities. This study forms part of our African Renaissance Road Upgrading Programme.

The growing capacity of the KwaZulu-Natal Department of Transport to deliver services that reverse the spatial inequalities and injustices of apartheid society and, at the same time, create significant new work and entrepreneurial opportunities does appear to buck the trend of a worsening social crises in KwaZulu-Natal.

Report of the Executive Authority

It is well documented that KwaZulu-Natal is host to an increasing and disproportionate share of South Africa's poor and unemployed. The recently released Census 2001 indicates that KwaZulu-Natal has the second highest unemployment rate (48,7%) of all provinces in South Africa and that the majority of unemployed concern the black population. Clearly our annual growth rate in KwaZulu-Natal has not been able to create sufficient new jobs to arrest an unemployment rate which has worsened since Census 1996. Census 2001 draws further attention to the fact that the majority of unemployed are less than 40 years of age and that, increasingly, our demographic profile is characterised by high levels of unemployment among both the educated and uneducated youth.

Such high unemployment rates have profound implications for our government's initiative to push back the frontiers of poverty in KwaZulu-Natal. Although considerable progress has been made in KwaZulu-Natal since 1994 in providing a wide range of services specifically designed to improve the quality of life of poor people, poverty in itself limits the ability of the poor to access these services. It is precisely for this reason that we must commit our Provincial Government budgets to assisting the emerging business sectors to develop and grow. In the KwaZulu-Natal Department of Transport this commitment is further evidenced by the formation of Taxi Associations and Vukuzakhe Associations into Provincial Councils that will undoubtedly strengthen the capacity of these important economic sectors to become powerful lobby groups.

The KwaZulu-Natal economy derives its strength from the fact that we are a Gateway Province to the rest of South Africa and our northern neighbours and we are considered to have a comparative advantage over other provinces, particularly in the manufacturing, agriculture, tourism and transport sectors. Despite the fact that we are the critical route in South Africa's global supply chain and that we handle some 80% of the value of South Africa's imports and exports, we have failed to fully capitalise on our favourable position.

It is therefore of critical importance that KwaZulu-Natal moves forward decisively to create the conditions for sustainable economic growth levels that will, in turn, create massive new income opportunities among the poor.

It has been clear for some time now that investments in an efficient freight transport infrastructure will create an improved environment to sustain growth in the KwaZulu-Natal economy. However, investments in an efficient freight transport system must necessarily look beyond the upgrading of KwaZulu-Natal's ports of Richards Bay and Durban and the creation of the Dube Trade Port. While the long term planning objective is to increase rail's market share of transport, we must be mindful of the fact that currently 80% of people and goods in KwaZulu-Natal are transported by road. Increased investment levels in our provincial road network are critically important to realise the full development potential of our province.

It is a truism in development that developing countries cannot possibly develop unless they are prepared to invest in transport infrastructure. Transport is considered integral to all service provision as well as the supply and marketing of commodities. While initial capital expenditure on road infrastructure is considerable, expenditure does decline in later years as maintenance requires less resources.

For several years now our budget allocations have been guided by this thinking. It is therefore pleasing to report on how budget increases this financial year have been utilised and to note the increase in budget allocations to transport and transport infrastructure over this MTEF strategic planning period. These will continue to be allocated in support of the Provincial Policy Priorities, namely:

- Reducing poverty and inequality
- Addressing the impact of HIV/AIDS
- Re-engineering service delivery in government
- Investing in infrastructure
- Strengthening of governance
- Human capability development

Our Annual and MTEF budget allocations indicate a continued commitment to the objectives of providing improved road infrastructure access – especially for isolated communities – and ensuring that the public has access to safe and affordable public transport. In the process of ensuring improved access infrastructure and transport mobility for all we will continue to socially and economically empower disadvantaged communities. We will continue to play our role in the transformation of the KwaZulu-Natal economy and society.

Part II

Report of the Head of Department

Section 1: Introduction

Section 2: Ministers Office

Section 3: Financial Services

Section 4: Corporate Services

Section 5: Public Safety & Communication

Section 6: Strategic Planning

Section 7: Implementation

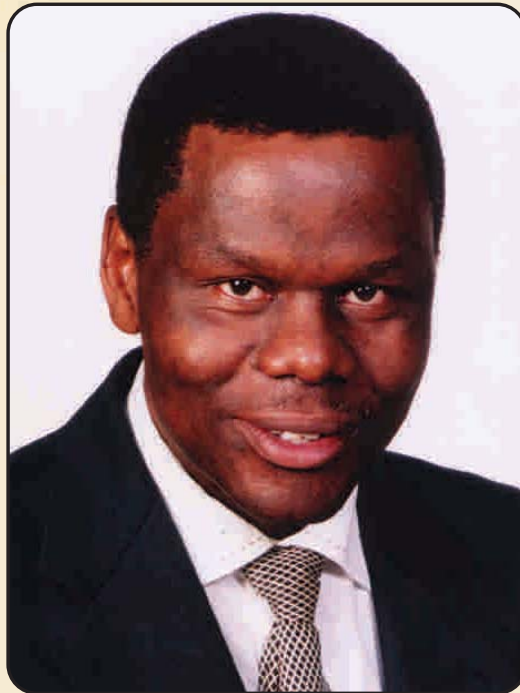
Section 8: Transport, Enterprise, Development & Logistics



prosperity through mobility

REPORT OF THE HEAD OF DEPARTMENT

Introduction



Head of Department:
Dr. Kwazi Mbanjwa

REPORT OF THE HEAD OF DEPARTMENT

Introduction

For the KwaZulu-Natal Department of Transport the year 2002/2003 was, in many ways, characterised by a high degree of “self introspection” forced on us by political tensions and a heightened questioning of our agenda. The rapid growth of so many of our flagship programmes from concept to implementation undoubtedly resulted in a situation whereby not all staff and stakeholders were properly inducted into the policies and conceptual underpinnings thereof. This exercise augers well for the future cost efficient and cost effective delivery of services.

The Department has contributed to the revised Provincial Growth and Development Strategy and has continued to highlight the integral role of transport to all service provision as well as the supply and marketing of commodities. To this end the Department:

- submitted to Treasury in 1999 an Implementation Plan for Conserving the Road Network. This was updated and re-submitted in May 2003. The Implementation Plan outlines a strategy and budget requirements for conserving the existing network over the next decade.
- contributed to the development of a National Road Infrastructure Strategic Framework for South Africa which is designed to secure appropriate budget levels to meet the road provision and maintenance needs of South Africa’s road network.
- is streamlining its capacity to respond to other sector demands for upgraded roads and new road developments. These include:
 - Tourism Sector including road networks to sustain tourism promotion of:
 - Zulu cultural and heritage trail
 - King Shaka cultural tourism route
 - eMakhosini Valley and Opathe Game Reserve (near Ulundi)
 - Isibaya (The Royal Zulu House at Nongoma)
 - LSDI / Maputoland / St Lucia
 - Dolphin Coast (Tongati River Coastal Resort)
 - Durban Beachfront
 - Valley of 1000 Hills
 - Ukhahlamba – Drakensberg, Mnweni Valley (Royal Natal National Park)
 - Access into the Northern Drakensberg
 - South Coast Marina
 - South Coast Hinterland
 - Agricultural Sector
KwaZulu-Natal’s lead agricultural products include sugar, timber and livestock. We are in the process of establishing the road infrastructure and freight transport needs of these important agri-industries. The KwaZulu-Natal Department of Agriculture and Environmental Affairs has plans to develop the agricultural potential of the Makhathini flats, the Black Umfolozi River catchment, the Tugela and Mooi River Valleys and to expand the Ntingwe Tea outgrower programme and the cashew outgrower programme.

The road networks necessary to sustain agricultural investments on these projects has yet to be finalised with the KwaZulu-Natal Department of Agriculture and Environmental Affairs. However, considerable progress has been made both at the senior management level and, through representation on African Renaissance Road Upgrading Programme Project Liaison Committees, at regional and district levels in developing and promoting more integrated planning frameworks.

REPORT OF THE HEAD OF DEPARTMENT

Introduction

- **Trade and Industry**

KwaZulu-Natal has an established Industrial Development Zone (IDZ) at Richards Bay and is in the planning process of establishing a second IDZ at La Mercy (Dube Transport Node/Port). Industrial Development Zones are industrial estates that have duty free production for exports and provide transport routes, facilities and services tailored for export-oriented industries. The road network to sustain the industrial development zones of Richards Bay and La Mercy have not yet been finalised.

- **Spatial Development Initiatives**

A road network investment strategy to sustain the Lebombo SDI has been submitted to the Department of Trade and Industry.

- **Urban Renewal Strategy and Integrated Sustainable Rural Development Programmes**

The road network needs of these nationally identified economic nodes are being incorporated into the Departmental Provincial Land Transport Infrastructure Plan.

Provision of Rail Infrastructure

The KwaZulu-Natal Department of Transport is, together with Spoornet, identifying potential customers for sub-economic routes with a view to increasing rail's market share of freight transport through the development of inter-modal transport nodes.

Public Transport

The Department is finalising its assessment of the payment of public transport subsidies in line with the White Paper on Transport and the National Land Transport Transition Act (Act 22 of 2000).

The regulation of the Minibus Taxi Industry is an ongoing process which includes Taxi Recapitalization and initiatives to diversify the economic base of the taxi industry through the establishment of Taxi Cities, Taxi Co-operatives and other enterprise developments.

It is important for the public to fully appreciate that the Minibus Taxi Industry in South Africa is extremely large and like all industries of this magnitude, it is characterised by significant differences of opinion. The progress made in democratising and regulating the Minibus Taxi Industry has created the institutional framework to voice disagreements in a constructive and orderly manner. This is a significant achievement and the public should not be deceived into believing that isolated confrontations – and even boycotts – that are often sensationalised are indicative that Government is no longer in control of its transformation agenda for the Minibus Taxi Industry in South Africa. Government's transformation agenda has been thoroughly consulted within the Minibus Taxi Industry and, despite hiccups, is on line to deliver safe, affordable and more comfortable public transport.

REPORT OF THE HEAD OF DEPARTMENT

Introduction

Road Traffic Management and Road Safety

The Department has a wide-ranging traffic management and road safety programme which includes Zero Tolerance Enforcement, overloading surveillance, Arrive Alive and Asiphephe. The Road Safety Directorate plays a co-ordinating role in implementing the Road to Safety Strategy. The Road to Safety Strategy concerns the implementation of a holistic programme to address all the known causes of road accidents. To assist it in its work the Road Safety Directorate has established 35 Community Road Safety Councils. Education and public awareness programmes co-ordinated by this directorate include Child in Traffic, Scholar Patrols, Participatory Education Techniques, Driver Development and Omela Ngasekhaya as well as the mobilisation of civil society support networks through church and sport.

We have concluded our analysis of road accident statistics compiled during the last festive season. Despite public perceptions to the contrary minibus taxis were involved in fewer accidents over the festive season than previously and they are not the main category of vehicle involved in fatal accidents. Our analysis indicates that sedans and bakkies are the vehicles most frequently involved in road fatalities. The statistics support the view that the “human factor” is the underlying cause of most road accidents. We have now established a special unit to mobilise civil society in support of road safety campaigns.

Our Mpimpa Hotline is proving highly successful. The Mpimpa Hotline number is 082211010. Use it any time of day or night to report bad driving. Your call could save lives.

On 22 August 2002 we launched the Public Transport Law Enforcement Unit (PTEU) which is dedicated to ensuring road traffic compliance within the public transport sector. The main work of this unit is to ensure that:

- drivers are properly licensed and in possession of a professional drivers permit. In terms of the National Road Traffic Act, a professional drivers permit must be renewed every twelve months.
- vehicles are roadworthy and display a valid COF which is renewable every twelve months.
- trading rights are not infringed.
- commuters are properly informed and aware of their rights. Of particular concern is the fact that passengers using an illegal taxi will not be paid out by the Road Accident Fund should they be involved in a road accident.

Traffic officers who serve in PTEU receive specialised training to ensure that they can cope with what is a very demanding job.

Black Economic Empowerment

Our Strategic Plan is in line with the Broad Based Black Economic Empowerment Bill (B27 – 2003). Of particular significance in this regard is our continued commitment to support the emerging contractor sector as well as the recapitalisation of the taxi industry and the broadening of its economic base. We have been disappointed in the slow pace of establishing plant depots that would eventually capitalise the emerging contractor sector and allow contractors to access reliable and affordable plant. However, we are confident that with the support of Treasury, plant depots will soon be fully operational.

REPORT OF THE HEAD OF DEPARTMENT

Introduction

Our Zibambele and Vukuzakhe programmes continue to be acknowledged throughout South Africa, and even internationally, as frontrunners in the economic empowerment of those most disadvantaged during apartheid. The KwaZulu-Natal Department of Transport is increasingly giving critical attention to the involvement of rural suppliers in support of its road construction and maintenance projects. Emerging merchants who have previously received preferential treatment in the supply of tools under the Zibambele road maintenance contract system are now being organised under the African Renaissance Road Upgrading Programme to jointly tender to supply items and materials in bulk. Some 150 rural suppliers have now registered on the Department's database. They are being assisted to register on the Provincial Suppliers database and to become tax compliant.

Our commitment in tabling the Road to Wealth and Job Creation Initiative in 1998 was that we would review the way we managed road construction and road maintenance in KwaZulu-Natal so as to maximise work and business opportunities for disadvantaged communities. I believe we have kept to that commitment. Nowhere is this more evident than in our African Renaissance Road Upgrading Programme.

Public Image

Considerable progress has been made in managing the public image of the Department through appropriate advertising and sector stakeholder consultations. Billboards have now been erected on all major road projects including the African Renaissance Road Upgrading Programme. The KwaZulu-Natal Department of Transport has an active website (www.kzntransport.gov.za) and we invite you to make use of this facility to keep abreast of latest developments.

Conclusion

The recognition of the Department's success was acknowledged by the honourable Minister of Finance Mr Trevor Manuel in his Medium Term Budget Policy statement 2002:

“Among the most successful capital expenditure programmes to date has been the Road to Wealth and Job Creation sector strategy in Kwa Zulu-Natal, an innovative model that blends the process of meeting infrastructure needs of communities with capacity building and economic empowerment.

In terms of this project, communities mobilised through Rural Roads Forums are able to take part in planning and prioritising roads. Through a phased advancement programme and through skills training, emerging contractors are helped to participate in road construction contracts. Through a programme called Zibambele, households within communities, especially women, are contracted to undertake routine maintenance using labour intensive methods on a specific length of road.

The programme has contributed to improved rural roads while injecting cash into poor communities.

This programme provides a good example of strategies for addressing road infrastructure needs, while creating meaningful livelihoods in rural areas where poverty and food insecurity are more prevalent.”

19/08/2003

REPORT OF THE HEAD OF DEPARTMENT

Introduction

The restructured KwaZulu-Natal Department of Transport

The conceptual underpinnings in restructuring the Department were the need to take seriously that the public are our customers who have, through their taxes, pre-paid us for our services.

We therefore restructured the Department on a customer/client/contractor model in which our commitment to regional one-stop-shops will make our services more accessible to the public.



3rd row: Mr. Charles Van Wyk, Dr. Simon Oloo, Mr. S'bu Gumbi, Mr. Sinethemba Mngqibisa, Mr. Rob Tarboton, Mr. Sipiwe Majola

2nd row: Mr. Mossie Mostert, Mr. Chris Stretch, Ms. Thoko Mabaso, Mr. Dumisane Ximba, Ms. Bathandwa Nogwanya, Rev. Themba Vundla, Ms. Jabu Bhengu, Mr. Wayne Evans

Front row: Mr. John Schnell, Mr. James Mlawu, Mr. Roger Govender, Dr. Kwazi Mbanjwa, Mr. George Mahlalela, Mr. Chris Hlabisa, Mr. Thabang Chiloane

Insert: Ms Vicky Cunliffe

REPORT OF THE HEAD OF DEPARTMENT

Minister's Office



**Director:
Office of the minister
Rev. Themba Vundla**

REPORT OF THE HEAD OF DEPARTMENT

Minister's Office

The *raison d'etre* for Office of the MEC is to:

- Support the MEC in achieving his goals and objectives while upholding the principles of accountability to stakeholders, and
- Build the profile and enhance the image of the MEC vis-à-vis the Department.

The Department's achievements under the capable leadership of MEC S'bu Ndebele can be attributed to his innovative participation in a variety of leadership roles, especially within the context of African Renaissance Trust, which he leads. Our famous African Renaissance Roads Upgrading Programme, for instance, is indebted to this vision. The MEC's adoption of the Victorian Model continues to benefit the Department, the Province and the country as a whole. The fact that the T-Square Centre has a Memorandum of Agreement with the American Federal Highway is primarily and specifically due to the MEC's broad leadership role outside the Department.

Owing to the fact that the Ministry Directorate is the first point of call for the broader community and that the MEC is the face of the Department, the role of this Directorate is that of the initiator, facilitator, role player and active supporter. This is evidenced by the Directorates active involvement on all Departments' activities without exception. The political volatility in KwaZulu-Natal has necessitated the Ministry's active involvement in certain Directorates to diffuse potentially politically explosive situations, e.g. Public Transport, RTI and Development to mention a few.

The MEC's hands on leadership style has seen the Ministry Directorate involved in organising the following:

- The MEC's visits to accident scenes and visiting accident victims at their homes and in hospital;
- Organising religious gatherings for Road Safety purposes;
- Initiating public-private partnerships, e.g. African Renaissance Trust, Umsobomvu Youth Fund and tertiary institutions.

The year 2002 marked the third year of existence for the Ministry Directorate under the able leadership of Reverend TJ Vundla. This saw the Ministry Directorate fulfilling its mandate with great maturity and growth amidst the turbulent political situation (especially the floor – crossing issue). This together with the fact that the Ministry is the first point of contact for the wider community means that the activities of the Ministry Directorate are determined by the mood of the people we serve. This gives the Directorate multiple responsibilities within and outside the Department. As we go about in enhancing the MEC's image, we have the community as the vantage point all the time.

REPORT OF THE HEAD OF DEPARTMENT

Minister's Office

The Ministry Directorate's commitment to the citizen's charter ensures that we become accountable to the wider community including our stakeholders. Hence the Ministry's active role in facilitating the Department's Annual Report Back Session.

In terms of parliamentary activities, 2002 saw a radical change in the political party composition in the legislature. The floor crossing legislation saw a seismic shift in the balance of power with our MEC becoming the leader of the majority party in the KZN legislature.

The KwaZulu-Natal Road Traffic Amendment Act 7 of 2002, was passed by the KwaZulu-Natal Legislature on 26 September 2002. This Act enabled the Department to apply Traffic Laws uniformly thereby aligning itself to national legislation, whilst ensuring that the administrative matters remain within the province's competence. The regulations of KZN Roads Act were presented to the Portfolio Committee for information and were adopted.

The office of the MEC continually strives to meet the demands of his hectic diary, liase with the media, conduct research, so as to speak and act from an informed position, reach out to our stakeholders, support the department's programmes and activities.

REPORT OF THE HEAD OF DEPARTMENT

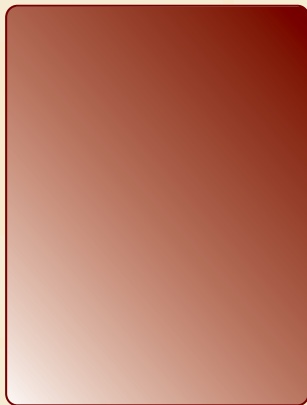
Financial Services



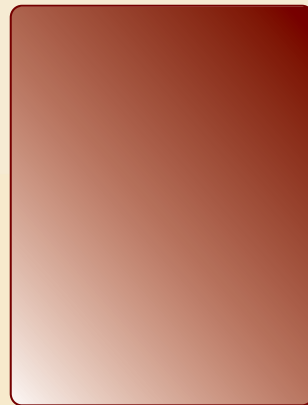
**Chief Financial Officer:
Mr. Roger Govender**



**Director:
Financial Manager
Mr. Wayne Evans**



**Director:
Procurement
(Vacant)**



**Director:
Financial Accounting
& Reporting
(Vacant)**

REPORT OF THE HEAD OF DEPARTMENT

Financial Services

Overview

The Financial Services Component aims to provide effective, efficient and transparent financial management support to the department and to provide regular and accurate reporting to the department, Provincial Treasury and the public.

The functions of the component are to:

- provide regular, accurate and timely financial reports on the activities of the department;
- plan and manage the annual budget process;
- manage the departmental assets;
- manage departmental losses, claims from private parties and the collection of debts;
- manage and co-ordinate the departmental supply chain management process including tender award, provisioning and demand estimation;
- implement and maintain a sound internal control system; and
- provide effective and efficient financial management of the department.

Expenditure for the year

The actual vs budgeted expenditure for the financial year ended 31 March 2003 is stated below:

| Programme | Description | Budget | Actual | Savings/ (Excess) |
|--------------------------|--|------------------|------------------|----------------------|
| Administration | Overall management of the department | 102 416 | 96 884 | 5 532 |
| Roads | Planning, design, construction & maintenance of the road network | 877 931 | 877 764 | 167 |
| Road Traffic | Regulation of road traffic, law enforcement, road safety and motor vehicle licensing | 188 131 | 187 893 | 238 |
| Public Transport | Planning and regulation of public transport | 19 778 | 19 739 | 39 |
| Aux and Ass Services | Radio communications and departmental motor transport | 7 850 | 7 837 | 13 |
| | | 1 196 632 | 1 190 117 | 5 989 |
| Statutory Allocation | | 526 | 562 | (32) |
| Authorised Losses | | - | 36 784 | (36 784) |
| Total Expenditure | | 1 196 632 | 1 227 463 | (30 827) |

REPORT OF THE HEAD OF DEPARTMENT

Financial Services

Revenue for the year

The main sources of revenue for the department are the Registration and Licensing of Motor Vehicles and income from Road Traffic Infringements. The revenue collected by the department for the year ending 31 March 2003 is as follows:

| | Budget | Actual | (Excess)/ Shortfall |
|--|----------------|----------------|------------------------|
| Motor Vehicle Registration and Licensing | 350 029 | 438 850 | (88 821) |
| Road Traffic Infringements | 18 887 | 21 557 | (2 670) |
| Other Revenue | 2 965 | 25 449 | (22 484) |
| Total Revenue | 371 881 | 485 856 | (113 975) |

Progress with financial management improvements

During the year the department continued with the process of implementing financial management improvements, major achievements during the year included:

- Phased implementation of financial management requirements in terms of the Public Finance Management Act and in compliance with the Treasury Regulations;
- The completion of a detailed departmental risk assessment in conjunction with the Provincial Internal Audit Unit;
- The creation of posts for Regional Financial Managers, to assist the Regional Directors with all financial matters;
- The registration of the KwaZulu-Natal Taxi Council as a Public Entity in terms of the PFMA. The Taxi Council is currently in the process of setting up the infrastructure for operation as an entity separate from the department;
- The development of a Fixed Asset Management Framework for the department, in order to optimise the asset acquisition, maintenance, utilisation and dispersal processes in use in the department; and
- Procurement reforms in relation to revised procurement legislation to support previously disadvantaged individuals (PDI's) and small, medium and micro enterprises (SMME's).
- Timeous payments to 14 800 Zibambele contractors (Labour Intensive Road Construction programme) and Vukuzakhe Emerging Contractors.

REPORT OF THE HEAD OF DEPARTMENT

Corporate Services



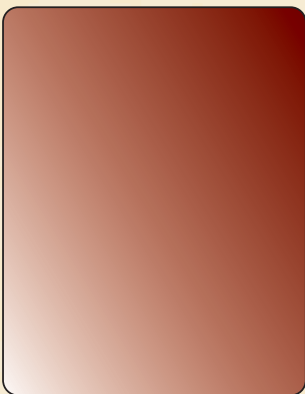
Chief Director:
Corporate Service
Ms. Vicky Cunliffe



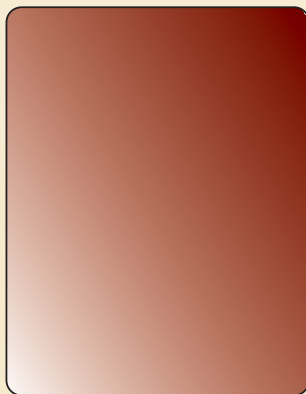
Director:
Technology Transfer
Dr. Simon Oloo



Acting Director:
Provincial Motor Transport
Ms. Bathandwa Nogwanya



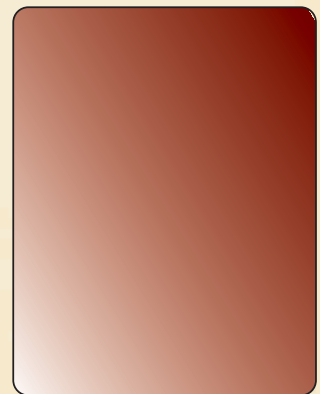
Director:
Legal Services
(Vacant)



Director:
Corporate Support
(Vacant)



Director:
Employment Relationship
Management
(Vacant)



Director:
Labour Relations
(Vacant)

REPORT OF THE HEAD OF DEPARTMENT

Corporate Services

Executive Summary

The Chief Directorate : Corporate Services is responsible for the provision of effective support services to the KwaZulu-Natal Department of Transport. By providing support with Human Resources, Skills Development, Legal Services and Labour Relations, the Chief Directorate provides guidance and a clear way through bureaucratic processes. The Chief Directorate also controls the Provincial vehicle fleet and provides a licensing function to the Province of KwaZulu-Natal.

- **Directorate : Legal Services**
Is responsible for the provision of legal services in terms of the legislation and mandates which govern the functioning of the Department;
- **Directorate : Corporate Support Services**
Is responsible for ensuring the optimisation of information technology as a key Departmental resource and all real estate related issues for the entire Department as well as the provision of an Office Service function at Head Office;
- **Directorate : Human Resource Management**
The role of this Directorate is to manage the human resources of the Department to the benefit of both the Department and the human resources;
- **Directorate : Labour Relations**
The function of this component is to facilitate harmonious employer-employee relations;
- **Directorate : Motor Transport Services**
This Directorate consists of the Provincial Motor Transport Component, Motor Vehicle Administration (previously Motor Licensing Bureau) including the Traffic Camera Office which are responsible for the execution of the motor transport, motor and drivers licensing and traffic offence administration functions;
- **Directorate : Technology Transfer**
This Directorate is responsible for technical research and best practices, and the effective transfer of skills and technology.

Over the last year Corporate Services was responsible for the restructuring of the Department to ensure the incorporation of lower level components and functions into a single, coherent structure which effectively reflects the strategic role of Head Office and the entrenchment of the “One-Stop-Shop” concept at Regional level thereby ensuring that service delivery objectives are met.

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MOTOR VEHICLE ADMINISTRATION

In line with Good Governance and Batho Pele principles, the Motor Licensing Bureau has set a goal of providing an efficient, effective and dynamic customer oriented service to community, thereby ensuring Prosperity through Mobility and Saving Lives.

The Bureau currently controls 65 Registering Authority agents situated throughout the province consisting of 36 Local Authorities; 23 Post Offices 6 Provincial Licensing Offices, and in addition thereto directly manages the Traffic Camera Office.

The Bureau places a high priority and value on customer service of the highest quality and integrity. Collectively and including the administration and management of the Traffic Camera Office, the Bureau expects to generate revenue in the region of R353 million in the 2001/2002 financial year.

Personalised and Specific Licence Numbers

The sale of Specific Licence Numbers and Personalised Licence Numbers continues to be extremely popular and has far exceeded the expectations. Choice Number Section, with an allocated marketing budget of only R199 000 market these products themselves, have almost doubled sales in comparison to the previous financial year. The Choice Numbers Section attended four shows during 2002 as a marketing initiative.



2001/2002 financial year
Personalised License Number sales
3063 sold = R4 719 829-00

Specific Licence Number sales
664 sold = R727 650-00

Total Revenue collected to date:
Personalised Licence Numbers
Specific Licence Numbers

2002/2003 financial year
Personalised License Number sales
3288 sold = R51 101 242-00

Specific Licence Number sales
897 sold = R941 850-00

R 21 102 883-00
R 3 860 100-00

Access to Services

In an endeavour to take its services to previously disadvantaged communities and, in partnership with the South African Post Office, opened offices in Bulwer, Ingwavuma, Mahlabatini, Mapumulo, Mkuze, Mtubatuba, Scottsville, Clernaville, Edendale, Umbumbulu and Kwangwanase.

The most recent office opened for motor vehicle licence renewals was the Umzinto TLC and the Babanango Municipal Office for the motor vehicle registration and licence function.

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The motoring public in the aforementioned areas have the advantage of extended office hours as the Post Offices are also opened on a Saturday and in some cases on a Sunday as well. A further 4 motor licence renewal outlets at the Newcastle and Madadeni Post Offices and the Margate and Mtunzini Local Authority offices will open in 2003.

Vehicle Testing Stations

In June 2002 the Bureau took over the administrative function of the Vehicle Testing Stations. The industry consists of 72 Testing Stations comprising of 52 private and 20 public stations, throughout KwaZulu-Natal.

The Bureau embarked upon an intense “clean-up” operation which entailed; following up on all outstanding reports and liaising with the South Africa Bureau of Standards (SABS) on Test Stations not audited for a period in excess of 1.5 years. Ensuring that all Test Stations have Quality Assurance manuals that are up to date, and are fully compliant with the SABS codes of practice. It must be mentioned that the latter is in fact a mandatory requirement in terms of section 76 of the National Road Traffic Act (Act 93 of 1996). The “clean-up” operation, has ensured full mandatory compliance of the Test Stations.

This industry was highly unregulated despite performing functions on behalf of government. Through engaging the services of Advocates instructed by the State Attorney’s office, the Motor Licensing Bureau drafted a generic agreement together with a proclamation making the signing an agreement a mandatory requirement. This is in fact a first in the country, and will in fact become a National contract taking into consideration the Road to Safety Strategy of the National Department of Transport.

As a result of the Regulating and Compliance checks the Department was able to successfully close a test centre in Durban and defend a High Court action. The case was viewed as a landmark case in the battle to rid the country of corruption at Vehicle Testing Stations that contribute to the carnage on our roads and as well as to curb the endemic proportions of white collar crimes rampant in this industry.

In addition a total of 5 vehicle examiners have been suspended and another Vehicle Testing Station has been closed down.

Based on the successful prosecutions thus far, the National Department of Transport has co-opted officials from the Motor Licensing Bureau to lead a sub-committee of the National Vehicle Technical Committee that is reviewing legislation governing this industry and to recommend improvements/ changes to legislation.

The effects that the improper regulation and control of the Vehicle Test Station industry has on our community are grave, and have resulted in innocent passengers and pedestrians risking their lives as a result of motor vehicles being in an unroadworthy condition, society losing its faith in licensing authorities and an increase in road accidents as a result of unfit motor vehicles. The stand taken by the Department of Transport sets it apart from other provinces in terms of the Road to Safety strategy of the KwaZulu-Natal Department of Transport and National Department of Transport.

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Traffic Camera Office (TCO):

The Traffic Camera Office has continued to function under the umbrella of the MLB and provide an efficient and effective service in the administration and processing of speed timing offences.

The Traffic Camera Office makes use of the TRAFMAN system. This system consists of 8 modules, 3 of which are functional in KZN and are managed and supported by the Traffic Camera Office Systems Administrator and Helpdesk. The Helpdesk provides a service to 22 Road Traffic Inspectorate (RTI) sites and approximately 700 users. The service and assistance the helpdesk provides is the registering and logging of calls with both the hardware and software consultants as well as assisting with the training of RTI officers either at the respective station or at the Traffic Camera Office.

In the 2002/2003 financial year the Traffic Camera Office processed a total of 332 453 speed violations received from the RTI, of these 198 685 fine notices were sent to offenders throughout South Africa. The Traffic Camera Office receipted fine payments for a total of 52 069 fines to the value of R 10,976,903.00. A total of 87 583 summonses were served.

A Mercedes Benz sprinter was purchased and converted to house the REMCOM equipment which is used in conjunction with the RTI at roadblocks to scan drivers licences. A total of 20 operations from April 2002 to January 2003 were performed where 910 summonses to a total value of R 202 692.00 were issued. REMCOM operations have proven to be extremely successful in that payments from summonses served at a REMCOM operation result in a payment rate of 55% opposed to 37% when the Bailiffs serve summonses.

HUMAN RESOURCES MANAGEMENT

The objectives of the Human Resources Directorate is to create an environment of empowerment that will unleash potential for success, benefiting both the organisation and its people through improved processes, systems and structures.

The functions of the Directorate are as follows:

Organisation Development

- Ensure good governance by providing a holistic, systematic intervention strategy including people and processes and focusing on the culture of the organisation to bring about planned change;

Policy Formulation

- Ensure quick, effective application of Public Service and Departmental policies and procedures;

Management Advisory Services

- Provide accurate, timeous, proactive human resources and structure information for effective decision making;

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Labour Relations

- Facilitate harmonious employer-employee relations;

Human Resources Development

- Provide systematic, holistic training and development programmes that will result in a motivated, productive workforce;

Human Resources Administration

- Offer support to the department as a whole in respect of accurate, prompt Human resources Administration services.

Records and Support

- Ensure accurate, prompt record keeping and management information; and Employee Wellbeing – Health and Safety
- Advise and support management towards achieving high continuously improving levels of health and safety of the workforce.

Since 1994 the Department has systematically reduced its number of posts on its establishment to ensure that a higher proportion of the budget is spent on actual services to the public. Currently the Department has a total of 5341 funded posts, which have been approved at various levels, however, the structure is currently under review and this number may change. A total of 4336 of these posts are currently filled with 1005 vacancies at various levels.

During the 2002/2003 financial year the budget for Personnel Expenditure was 27,06% while for the 2003/2004 Financial year the budget for Personnel expenditure is 23,67%.

HIV/AIDS

To ensure that the Department is adequately manned and in light of the diminishing workforce as a result of the impact of HIV/AIDS in the workplace, the Department via its Human Resources Plan seeks to address this challenge in terms of recruitment and/or supplementing of internal resources with external resources such as Zibambele, Vukuzakhe so that the level of service delivery remains unchanged. The department has developed the following strategy in dealing with HIV/AIDS: -

- Ensure that all employees are made aware of the Departments obligations in terms of the minimum, standards to ensure commitment and co-operation in the managing of the pandemic;
- Awareness and wellness programmes are ongoing;
- VCT is encouraged; and
- Employees who are HIV/AIDS positive are given the necessary support and assistance by the department to keep them healthy and productive for as long as possible.

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The abovementioned strategy will be assisted by the appointment of a full time Employee Assistance Manager and co-ordinators in the various Regional Directors Offices.

To date 3701 employees have attended HIV/AIDS Awareness training conducted by the Department.

Policies and procedures

During 2003 the Directorate: Human Resources Management will be embarking on a programme to develop amongst others the following policies and procedures: -

- a) Sick Leave (Temporary/Permanent Disability);
- b) Recruitment and Selection;
- c) Performance Management and Development System (effective 1 April 2003);
- d) Special Leave;
- e) Alcohol and Substance Abuse and
- f) Subsistence and Travel Allowance

Once completed and accepted, training will be conducted on all policies and procedures to ensure that they are uniformly applied throughout the Department.

Employment Equity/Affirmative Action

To ensure that the Department meets its employment equity targets and promotes employment equity.

The Department has an Employment Equity Manager in order that this matter gets the attention it deserves.

The Department has established an Employment Equity Committee, which deals with all issues relating to Employment Equity. This Committee has developed an Employment Equity Implementation Programme as well as drafting an Employment Equity Plan (SKILLS DEVELOPMENT).

On 17 February 2003, the Department appointed a Skills Development Facilitator. The 2003-2004 Workplace Skills Plan was finalised on 28 March 2003. The Workplace Skills Plan was completed taking into account the Skills Development Act, the Skills Development Levies Act and the National Skills Development Strategy. Emphasis was placed on the five (5) objectives of the National Skills Development Strategy ie, developing a culture of high life-long learning, fostering skills development in the formal economy for productivity and employment growth, stimulating and supporting skills development in small businesses, promoting skills development for employability and sustainable livelihoods through social development initiatives, and assisting new entrants into employment.

Skills Development

The Skills Development Plan has been completed and submitted to PSETA. The Department is in the process of appointing and training trainers, assessors, moderators, module writers and quality controllers according to the South African Qualifications Authority (SAQA) requirements.

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Skills Development Levy

The Skills Development Levy has been calculated as 10% of 1% of the Total payroll for the 2003 – 2004 financial year. The payroll for this financial year is R 312,854,000.00 and the levy amounts to R312,854.00. This levy payment is the administrative cost in order for the SETAs to be able to assist with the training of officials according to SAQA and will be paid to the Construction Education and Training Authority (CETA).

Current Status

The Human Resources Development component within the Department will make provision for the developmental functions as well as Skills Development activities. The Workplace Skills Development Committee is in the process of being established in the Department to coordinate all Skills Development activities.

The Department has a representative on all forums ie P SETA, CETA and The Central Human Resource Development committee meetings.

The Department is also represented on 5 Standard Generating Bodies (SGBs), namely:

Mechanical,
Engineering,
Road Traffic Inspectorate,
Motor Licensing Bureau, and
Administration.

Training Statistics

Out of twenty four (24) Student Industrial Technicians, there are eight (8) African Females, fourteen (14) African Males, and two (2) Indian females.

One hundred and seventy one (171) bursaries have been awarded to serving and non-serving officers.

The Department held an ABET graduation ceremony in November 2002 with the following achievements:

| | |
|---|--------------|
| Internal exams in Elementary Oral English Second Language | 93 graduates |
| External exams in Mother-Tongue Zulu First Language: | 12 graduates |
| External exams in English Second Language Level 1: | 38 graduates |
| External exams in English Second Language Level 2: | 8 graduates |
| External exams in English Second Language Level 3: | 4 graduates |
| External exams in English Second Language Level 4: | 2 graduates |
| External exams in Numeracy Level 1: | 4 graduates |
| External exams in Numeracy Level 2: | 1 graduate |
| Internal exams in Zulu Second Language Level 1: | 38 graduates |
| TOTAL GRADUATES: | 200 |

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This Department has taken the responsibility of adult basic education very seriously and is making every effort to ensure that employees are given the opportunity to receive basic education, not only to comply with legislation, but also to build a strong economic base in the Province. Therefore this programme is committed to reaching all the employees in the 2003 – 2004 financial year and it is planned that a minimum of 1830 learners will participate in the programme.

A total of forty seven (47) people obtained a Traffic Officers Diploma and 36 were people from designated groups. Sixteen (16) people completed examiner of vehicle course and 12 of them were from designated groups. Twenty nine (29) people completed examiner for driving licences course and 25 were from designated groups.

Training Budget and Plan

R11.2 million was budgeted by the Department for Training.

R6 million to be used by the Technical Transfer Centre

R5.2 million to be used for the ABET programme

The Department has submitted its Workplace Skills Plan to both the Construction SETA and Public Service SETA.

The department is using the following external institutions for training:

1. South African Red Cross for First Aid Courses.
2. NOSA for Healthy & Safety Courses.
3. Construction Resources Development Centre for Supervisory Skills.
4. Contest for concrete courses.
5. Project Safety for Fire/Health and Safety Courses.
6. Barlows for Earthmoving/Plant Operators.
7. Office of the Premier for some line function and skills training of the Department such as Management and Generics functions.
8. Technikons, Technical Colleges and Universities.
9. SITA for computer training.

The Departmental Bursary Committee, when awarding business, makes use of these service providers: Technikon South Africa, ML Sultan, Mangosuthu, UNISA, Durban Westville and Natal Universities Durban, Northdale and Msunduzi Technical Colleges.

Technical Training Centre

Technical training courses are presented to the departmental Roads Foremen and Road Superintendents in a formal training environment, supported by administrative lecture based skills training.

Mechanical Apprentice Training Centre

This training centre was registered with the Metal Engineering Training & Education Board (MEIETB) as a training provider for Earth Moving Equipment Mechanic Learnership.

This Training Centre has 6 Earth Moving Equipment Mechanic Apprenticeships and 21 Welding Apprenticeships.

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Traffic Training College

The Traffic Training College:

- presents the Basic Officer Diploma Course for all Traffic Authorities within the Province of KwaZulu-Natal. The duration of this course is 6 months;
- provides training to the Examiner for Driving Licences for the Department as well as Local Authorities;
- provides training to the Examiner of Motor Vehicles;
- provides internal refresher and advance generic RTI courses pertaining to Law Enforcement.

LABOUR RELATIONS

Since mid 1999 the application of discipline has been vested in line managers. Extensive training courses were conducted during 2001 and 2002 to equip line managers with the skills required to initiate discipline through both informal meetings and departmental disciplinary enquiries. It is essential that measures be taken correctly in accordance with Collective Agreements and the Labour Relations Act, 1995 (as amended) to limit possible disputes which may arise and have costly implications to the Department.

Work was undertaken during 2002 on a Collective Agreement, for implementation within the province of KwaZulu-Natal, on Organisational Rights. Members of the Labour Relations component within the Department drafted the Agreement which was recently signed at the Provincial General Public Service Sector Bargaining Council. This Collective Agreement contains detailed provisions on the manner in which the rights contained in Chapter III of the Labour Relations Act, 1995 (as amended) will now be implemented. This should result in cost savings as regards subsistence and transport within the Department.

The Labour Relations component has continued to administer the grievance procedure contained in the Rules For Dealing With Complaints And Grievances of Officials In The Public Service (Government Notice No R.800). This has assisted in resolving grievances lodged by employees of the Department and hence improved relations between aggrieved staff members and the Department as employer.

Management Advisory Services

Management Advisory Services is currently involved with a number of functions aimed at predominantly providing a Management and Departmental support function. This includes the fast tracking of the Departmental restructuring process in so far as the post migration exercise and evaluation of all newly created vacant posts are concerned. The abovementioned two tasks have received priority at this stage in line with the Departments strategic vision of delivering a more effective and efficient service to all its clients within the Province of KwaZulu-Natal.

Upon completion of the restructuring process, the Department would be better enabled to deliver on its legislative mandate and it's strategic plan and objectives. Therefore the completion of the said tasks is vitally important. The Establishment Control Section is working around the clock to finalise the migration process. Concurrently, all newly created vacant posts are being evaluated in order that they can be graded correctly and subsequently advertised and filled. Once people have been appointed into the said posts, it will greatly assist the four regional offices in realising the one-stop shop concept.

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The evaluation of all filled Senior Management Service (SMS) posts has been finalised and the only SMS posts which have not been evaluated thus far are those that have been created in terms of the new structure and awaiting approval. This is in keeping with a directive from the Department of Public Service and Administration that all the said approved posts be evaluated by no later than 31 March 2003.

Whilst the abovementioned tasks have received priority status within Management Advisory Services, the Sub-directorate is continuing to deliver on its mandate with regard to the other core functions it provides. These include conducting investigations into labour saving devices so as to enable Departmental officials to be equipped to carry out their functions efficiently and timeously as well as conducting ad hoc investigations into requests pertaining to organisational development requirements. All requests received in respect of the above have been dealt with accordingly and timeously.

CORPORATE SUPPORT SERVICES

Office Services

The Department of Transport has a varied portfolio, which includes some highly sensitive and politicised. This fact together with fact that the global economy is on a downward trend and the crime in the country is continuously increasing has resulted in the Department embarking on a huge drive to improve security and Office Services have been tasked with overseeing this initiative.

As a result a state of the art security system has been installed in the Department and implementation of the system is imminent. This system will not only ensure the safety of all departmental officials but will also ensure that the assets of the Department are sufficiently protected.

Office services is also, together with assistance from the Information Technology component investigating a document management and tracking system which could be implemented and be of great assistance to administrative processes within the Department.

Procurement

Procurement has implemented all tasks and procedures as dictated by the new Procurement Act and is now fully compliant with legislation. Policies and circulars have also been put in place and circulated to further ensure there is no misunderstanding with the new legislation. Procurement further has a dedicated official available to provide hands on training as and when required, to ensure the regions are fully acquainted with their own respective roles and functions, which contributes to the Departments service delivery.

Procurement implemented procedures to ensure that the all important road maintenance and construction contracts are given priority, ensuring the timeous renewal thereof, of which, a large percentage is awarded to contractors who were historically disadvantaged. To this end, contract specifications are now being drafted with the Departments developmental initiatives in mind, which is indicative of Procurements commitment to the Departments strategies in this regard. Database programmes were also designed for Procurements unique needs, which facilitates the extraction of statistics, which ensures tasks are effectively monitored.

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Together with Development directorate, Procurement has been instrumental in drafting the revised edition of the Vukuzakhe policy, which was implemented at the end of 2002, which will ensure the programmes goals are achieved.

In the new Financial Year further intensive training will be conducted for all procurement officials on all procurement and related legislation with particular emphasis on black economic empowerment and how Procurement can add value and impact on the policies of the present Government. This training will include understanding the role of Procurement and how it fits into the Department as a whole and how Procurement officials can make a difference.

A procedure is also being created to track procurement in relation to other departmental business plans. All Procurement of goods and services needs to be in line with the strategic direction of the Department as well as in support of the approved business plans and a mechanism will be in place to ensure that this is monitored and reported on should any procurement be considered outside the ambit of the business plans.

Real Estate

The Real Estate section under Corporate Services is responsible for the acquisition of property for roads as well as for office use. Land has been expropriated for the upgrading and alignment of Main Road P235-2 (KwaHlabisa) and compensation for land has been made in consultation with traditional authorities. The Department engaged in consultations with property owners in P100 and P68 with regard to compensation issues and payments have already been made to all affected.

At present land is being acquired for the construction of Main Road P577, which runs across Inanda, KwaMashu and KwaDabeka. Communication lines have been opened with the community with regard to the above and negotiations related to compensation are underway. The Department is in the process of acquiring properties for the Cost Centres in Hluhluwe, Jozini and Park Rynie with the intention of establishing 'One Stop Shop' centres to promote service delivery.

The Department has implemented an exercise of having all expropriated properties vested in the Province, which is in line with a National Government initiative to give the Provinces more control over their properties. Over 200 properties have been vested in the past year and with production levels being on the increase each year, a greater number of vested properties is expected this year.

The Department continuously offers assistance to the public by issuing, on request, clearance certificates of portions of expropriated properties for transfer purposes. Whenever a portion of any property has been expropriated, it becomes necessary to produce a certificate clearing the property from an expropriation before it can be registered. Because of the number of roads in the Province one finds that all major projects such as Township Developments cannot be completed without any of the properties to be developed requiring clearance. These multi-million rand projects always necessitate urgent attention, as any delays caused could result in huge financial losses.

The Real Estate component has identified a project to address the amounts offered as compensation to affected property owners when building a road, and provide a fully updated schedule for valuations. It is felt that the present methodology that is utilized requires review and as it is felt that people are possibly being paid out amounts that are inadequate and unfair which could ultimately impact negatively on the economy. This exercise could be further extended to include the social aspects that require addressing, for example the Department needs to follow up to ensure that the people who are being compensated (particularly for housing) are actually able to secure housing of the same quality that they were compensated for.

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A further new development for which this component is responsible is the creation of housing committees with representation from the relevant field offices. These committees will be responsible for the drafting of fair housing policies and procedures of the department and recommendations concerning the allocation of official housing. These committees will also have close liaison with the Department of Works to ensure consistency within the Province but the main issue will be to have a totally fair and unbiased policy which is totally objective.

The Department continues to build bridges across the frontiers because it believes that its effectiveness cannot be reflected through service delivery only, but also on transparency and through the partnerships that are formed daily with its number one clients, the public.

Internal Control and Training

In order to ensure that there is proper administrative/financial and personnel control measures are in place the officials of I C & TD undertook 57 Administrative and Personnel Inspections throughout the department from April 2002 to March 2003. Further during the 2001/2002 financial year this division conducted an audit of leave records for the entire department (4 491 leave files). The audit included the verification of appointment dates, verifying the correctness of accrual changes, application dates recorded on files, verification on Persal, leave without pay and sick leave.

Ad-hoc investigations are also carried out continuously to detect fraudulent activity and reduce fruitless expenditure.

In the sphere of Human Resource Development this division offered training on the Money Management Programme to all officials within the department and a total of 398 were trained.

Identification tags for departmental staff was under taken during August 2002 and a total of 3 900 tags have been distributed to officials within the department. This is effectively an added security measure for use within the Department and is used in conjunction with any electronic access systems that are implemented.

The component has a programme of continuously liaising with the Office of the Auditor General to align all compliance inspection checklists with those of the Auditor General. This enables the Department to be proactive with its inspections and ensure that as far as possible the Department complies with the latest financial acts, regulations and practice notes. This effort assists with elimination to a large extent of unnecessary and time consuming audit queries as a result of not following proper procedures.

PROVINCIAL MOTOR TRANSPORT

The Directorate: Provincial Motor Transport (PMT) is the component of the KwaZulu-Natal Department of Transport responsible for the facilitation and monitoring of the provincial vehicle fleet. PMT's mission statement is: "To ensure value for money by facilitating the transport needs of government departments in the Province of KwaZulu-Natal by implementing effective control measures, fleet management principles, curbing vehicle fraud and abuse and maintaining an accurate Vehicle Asset Register. "

With the substantial experience that has been gained over the past financial year, it has been established that ultimately fleet management boils down to one word:

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ATTITUDE

This can be analysed into the following PMT's successes in 2002/2003 financial year:

Accountability is the most effective means of achieving control. At every point in facilitating transport needs, it became imperative to identify clearly who is responsible for specific tasks.

- Physical vehicle verification exercise of 4219 vehicle fleet had been conducted, during February 2003 to ensure accurate vehicle details, assess mechanical condition of each vehicle in the fleet, confirm physical location of each vehicle and ensure that each vehicle complies with the transport policies and regulations.
- For effective accountability to take place, it is important that PMT maintain an accurate Provincial Vehicle Asset Register. The maintenance of the asset register involves updating of all vehicle records including new vehicles that have been purchases, transfer of vehicles from one department to another, disposal of vehicles on a Board of Survey. Monthly reconciliations of the Vehicle Asset Register update vehicle records had also been conducted.

As a result of implementation of a vehicle replacement policy and PMT's endeavour to maintain a young fleet whilst at the same time ensuring that vehicles that meet vehicle replacement criteria are disposed of and replaced with new vehicles, PMT has ordered 812 new vehicles during 2002/2003 financial year. As a direct result, of this 50% of the fleet is five years or younger, as compared to the 2001/2002 financial year during which 68% of the fleet was seven years and older.

Training: The development of vehicle fleet management skills at all levels has been essential for success in management of the vehicle fleet. During the 2002/2003 financial year, 13 training and consultation sessions have been conducted with the Transport Officers within the user departments.

Transport handbook: The development and communication of policy has been essential for the operation of the fleet. Policy promotes consistency and serves as a deterrent against abuse. It also serves as a benchmark to evaluate cases of abuse, misuse and fraud. PMT has accordingly developed and communicated transport policies, namely,

Preventative Maintenance of Heavy Duty vehicles, Vehicle Tyre Management, Vehicle Maintenance Systems, Prohibition of smoking in government vehicles, etc. These policies had been communicated through the Transport Handbook.

Information systems: In this age, the importance of relevant information cannot be under-estimated. To this end, reporting in the form of exception on vehicle utilisation reports had been made available, electronically to the user departments, on a regular basis. The detective systems put in place by PMT coupled with vigorous attention to exception reports such as tank overfills and high velocity fills has resulted in an decrease of 8% and 27% in the number of incidents and a decrease of 51% and 20% in value, respectively, during 2002/2003 financial year. A change in the reporting parameters for detecting weekend usage has led to a 50% increase in the number of incidents reported where vehicles were used over weekends.

PMT has also implemented a tracking system for each vehicle order which is accessible to the user departments for all orders placed.

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Transport Officers and PMT Technicians are key players in the process of controlling and managing the Provincial fleet. Technical and Departmental Transport Forum meetings have been conducted to ensure uniformity in implementing fleet management procedures and advices on policy developments and improvements on operational fleet management issues have been provided to the Motor Transport Advisory Committee through these forums. Close monitoring of the First Auto fleet management contract had been conducted by the forums. During 2002/2003 financial year, 24 meetings were held.

Utilisation of the vehicle fleet is the key indicator for effective fleet management. Under-utilised vehicles have been identified and re-allocated to other needy departments to ensure optimal vehicle utilisation. Vehicles that were under-utilised by various departments had been re-allocated to the Department of Health who had a shortage of vehicles.

Discipline in fleet management is essential in the following areas:

- Fiscal discipline to protect the public's money that officials are entrusted with
- Elimination of fraud and ridding government of fraudsters.

The Fraud Awareness Campaigns conducted by PMT together with RTI during 2002/2003 financial year resulted in 289 vehicles being impounded across the Province. The most significant reasons for impounding vehicles was that the drivers were on unauthorized trips or conveying unauthorized passengers and goods.

Emerging, Micro, Small, Medium And Agents (EMSMA) Contractors: The objective of the EMSMA project is to provide opportunities for Previously Disadvantaged Individuals from Emerging vehicle repair merchants through to Agent status. During 2002/2003, efforts had been made to ensure

sustainable development of Previously Disadvantaged Individuals by implementation of the following projects;

- Car wash
- Supply of vehicle hands free kits for government vehicles
- Sealing of vehicle speedometers
- Supply of registration number plate of government vehicles
- Providing preventative maintenance for Provincial Heavy Duty vehicles

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TECHNOLOGY TRANSFER CENTRE (T²)

Because the Technology Transfer Centre is a relatively new directorate, its functions and objectives were re-defined, negotiated and finally approved by the Head of Department at the beginning of the financial year. This gave way to the serious business of delivering on its mandate. Some notable successes are highlighted below:

Administration

- T² implemented a simple project management system that is used to enhance project and financial management as well as reporting.
- The initial identification and cataloguing of all assets belonging to the Technology Transfer Centre was done and a basic electronic register established. This will provide information for the Departmental asset register when it is introduced.
- The T² Documentation Centre was created to source, catalogue and house research papers, reports and related documents, it has been a phenomenal success with over 3 900 reports catalogued to date.
- An issue of the T² Newsletter has been produced every quarter and circulated to external and internal stakeholders. The T² Newsletter updates stakeholders on the activities and successes of the T² centre.

Research & Liaison

- A video explaining the process of construction of roads using labour based method was commissioned and produced. The video would greatly benefit field supervisors involved with stage 1 contracts for road construction.
- All existing technical manuals requiring updating have been identified. Arrangements have been made to convert all those that are not already in electronic format to electronic format to enable easy upgrading.
- Other initiatives with the Research and Liaison component include the development of a labour based construction manual, a transportation statistics and data handbook, and a computerised testing system for the betterment and gravelling course.

Training

- Extensive consultations have taken place between regional staff and the T² centre to identify training needs and review courses. The Process of reviewing courses has to be in line with the training needs identified.
- A course aimed at introducing non-technical managers to road construction matters and terminology was developed. Managers and other personnel who do not have formal training in civil engineering can greatly improve their understanding of the Department's business through this course. The technical training centre continues to run its regular courses.

REPORT OF THE HEAD OF DEPARTMENT

Corporate Services

Infrastructure Management Systems

- For the first time the locations and characteristic of structures in the Bridge Management System are available for visual manipulation in GIS. This will greatly enhance the querying and reporting capabilities of the Bridge Management system.
- The compilation of a structures map book will be completed by the end of the financial year. The structures map book is a fully indexed resource for bridge and culvert information aimed at regional offices.
- The condition report on bridges and culverts inspected during the 2001/2002 financial year has been completed and is available in hard copy and electronically on the intranet. The report takes advantage of the newly acquired GIS capabilities to present more user friendly inspection reports.
- A lot of effort has gone into the re-organisation of the accident data capturing component to improve work flow and general efficiency. Measures have been put in place to ensure that accident forms from SAPS stations reach our offices in Pietermaritzburg within one month.

This measure, as well as the streamlining of capturing operations has reduced the capturing backlog to one month.

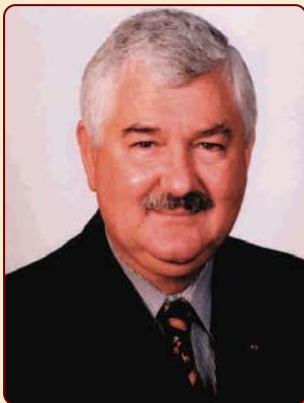
- A review carried out when Technology Transfer Centre took over the management of the Traffic counting system revealed major shortcomings in the system. The most critical of these shortcomings was the existence of duplicate and unnecessary counting stations. A process was put in place to rationalize the system. The process of removing duplicate stations is now complete. Efforts will now be directed to the removal of unnecessary counting stations from the system. Only then will it be possible to produce reasonable traffic count data.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication



**Head: Public Safety &
Communication**
Mr. Thabang Chiloane



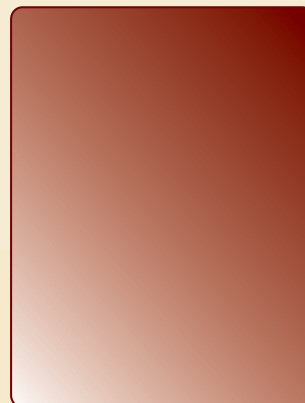
**Director:
Road Traffic**
Mr. John Schnell



**Director:
Road Safety**
Ms. Thoko Mabaso



**Director:
Communication Support
(Vacant)**



**Director:
Media Liaison & Public Relations
(Vacant)**

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Introduction

This chief directorate deals with the safety of the public and then communicates within and outside the department. We strive to save people's lives through road safety education and road traffic enforcement whilst communicating the achievements of the entire department and the MEC.

Chief directorate entails:

- Road Safety - Directorate
- Communication Support - Directorate
- Media Liaison and Public Relations - Directorate
- Road Traffic Inspectorate - Directorate

Communications

The Communications section is the ultimate structure that deals with communication within the Department. Its vision is to implement an efficient and effective communication support service that promotes the open exchange of knowledge, understanding and information about the activities of the Department amongst stakeholders and the wider public in a manner that will assist in promoting the Department's image.

Key Outcomes and Outputs:

Maintenance of effective internal and external communications
Sound public relations
Effective media liaison
Comprehensive marketing
Promotions, advertising, regular publications
On-going research and monitoring
Speech writing
Effective and user friendly internet and intranet system

Internal Communications

Internal Newsletter

Ezethu News (Ezethu means *ours* in isiZulu)



August 2002 edition

This section has established and is successfully maintaining a monthly issue of Ezethu News, which is both in English and isiZulu. It is distributed throughout the head office and regions.

The main aim of this newsletter is to create internal awareness for internal stakeholders to know all the events/functions that occur in all other sections and also it promotes all sections in the department.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Communications

Intranet (<http://kzndoti.kzntl.gov.za>)

The intranet was revived and is now being regularly updated. It aims at informing internal stakeholders and other government departments in an electronic format which is easy to download and is readily available thus making the intranet user-friendly.

Both these systems are informative and serve to create internal awareness about the department's activities, goals and achievements.

External Communications

Igalelo Newsletter (Igalelo means *contribution* in isiZulu)

It is also a monthly issue, which is both in English and isiZulu. It aims at informing the wider public and external stakeholders about the KZN DOT's activities, its goals and its achievements. It is distributed throughout the KZN province via major newspapers i.e. The Daily News and Ilanga to mention a few.

KZN DOT Website (www.kzntransport.gov.za)



November/December 2002 edition

The Communications section has successfully established and is maintaining this website. It is regularly updated and like the Igalelo newsletter, it aims at informing the wider public in KZN about DOT's activities, its goals and its achievements via an electronic format, which is readily available and easy to download.

Transport Ibandla and SABC Filler Flightings

Also a hit in the last financial year, was the birth of our highly successful Transport Ibandla initiative and the flighting of our ARRUP advertisements on TV, both the brainchild of our Chief Director (see page 46). A three-month talk show programme was also hosted on Radio Maritzburg.

Media Liaison

A few media strategic-planning workshops were held and a media strategy has been formulated.

During the last financial year this sub directorate set a target of disseminating 150 media statements/alerts. The actual number of statements that were disseminated was 169. An annual target of 12 media conferences was set but 14 media conferences were hosted and the media was briefed on strategically important departmental activities and plans. Media clippings of the monthly media coverage are normally circulated to management at the monthly MANCO meetings.

We took journalists on a tour of 16 departmental projects. There were also on-going responses and comments to general and specific media queries as well as responses to the "Letters to the Editor" columns. At the end of last year we hosted an end of year function for the media, which was attended by over 120 journalists and was extremely successful.

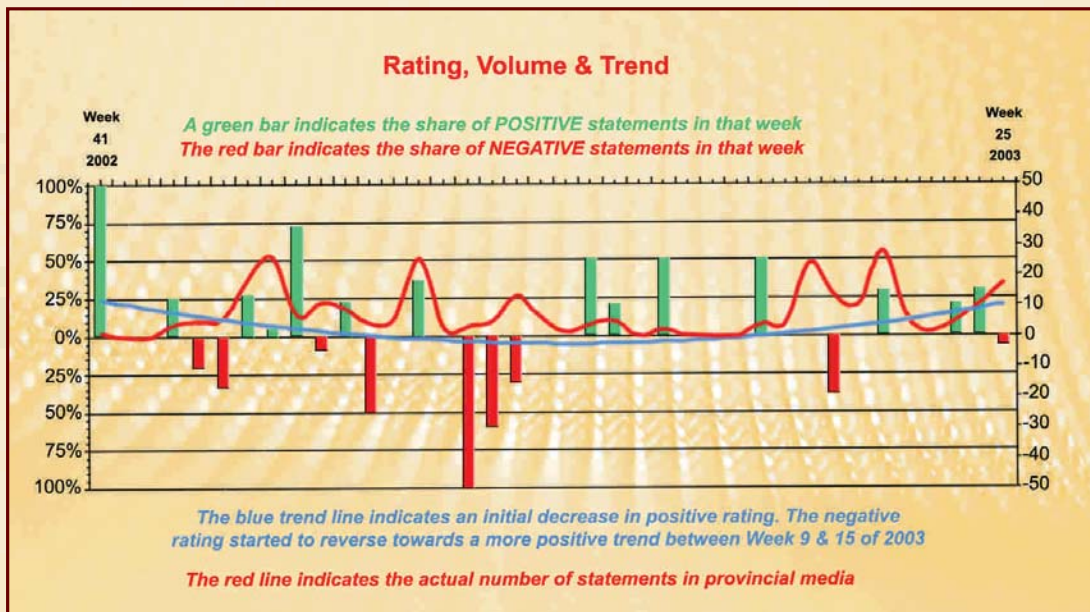
REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

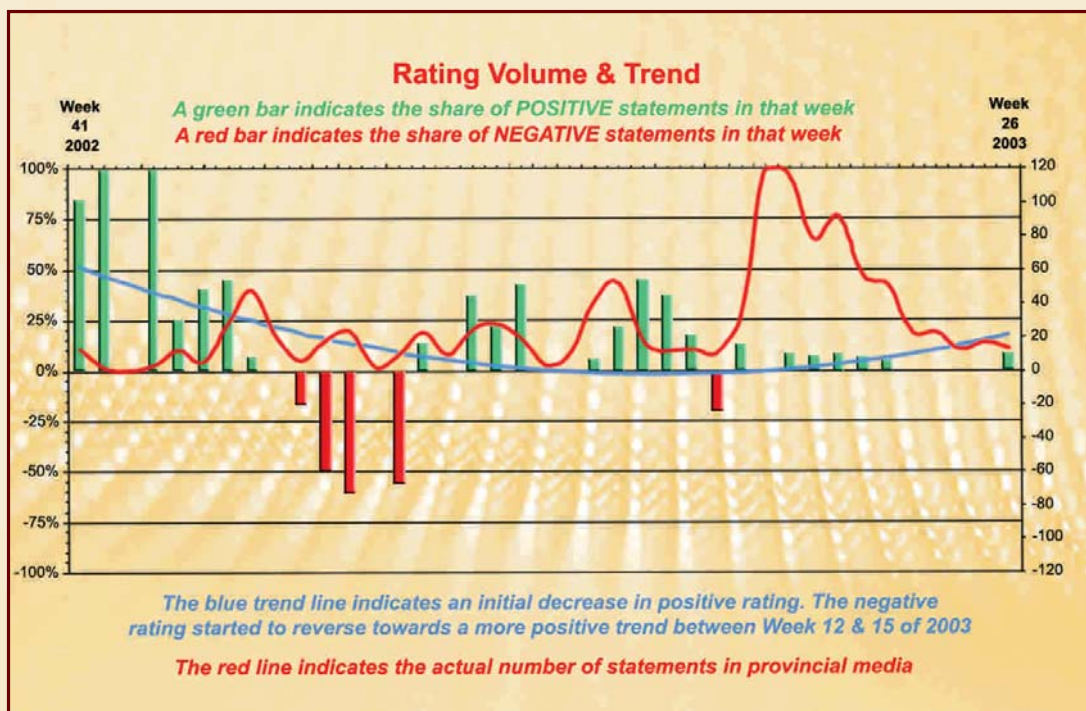
Communications

We have definitely made inroads with respect to establishing media contacts and coverage of events/activities of the KZN Transport Department by both the electronic and print media has generally been excellent. The Media Liaison sub directorate has received several positive comments from numerous journalists regarding its efforts to continuously improve media liaison. However, coverage of our department in the national print media has been poor and this year we plan to rectify this situation.

Provincial Media Analysis



National Media Analysis

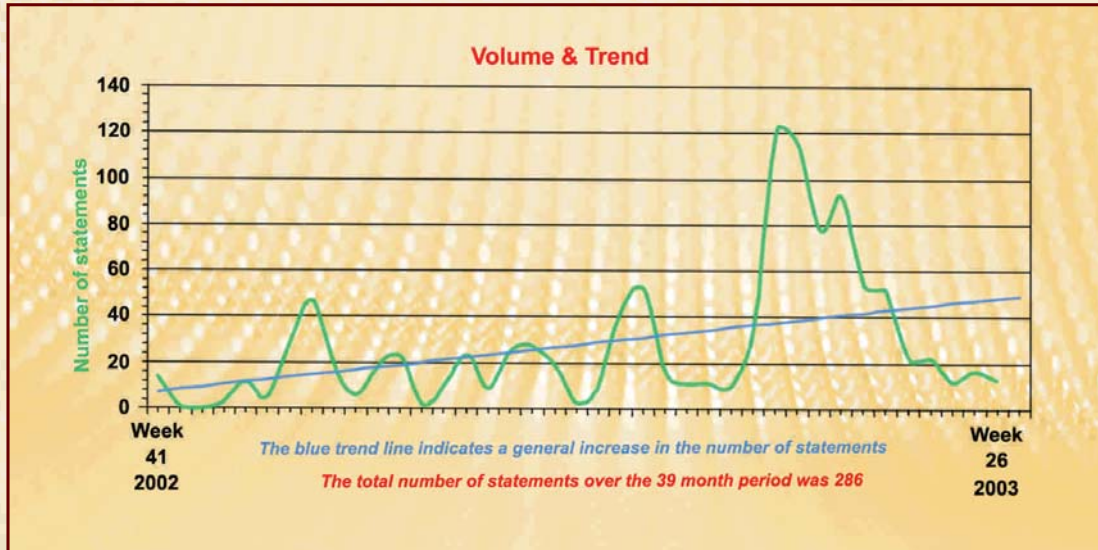


REPORT OF THE HEAD OF DEPARTMENT

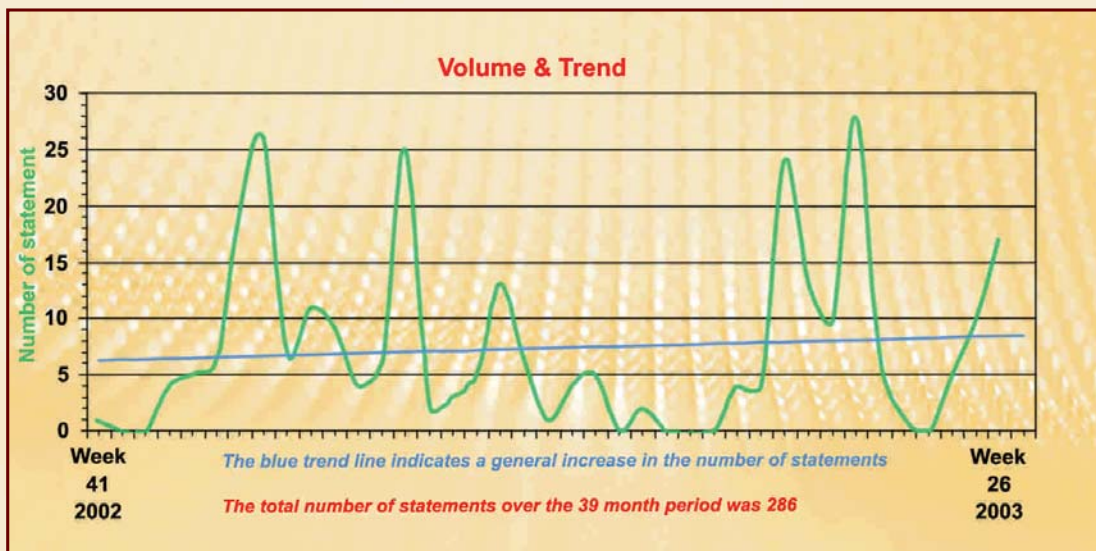
Public Safety & Communication

Communications

Provincial Media Analysis



Provincial Media Analysis



REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Communications

Marketing, Promotions & Advertising

Over the past year, we have continued implementing new ways of talking to the public whom we serve. The department finds it absolutely important to always tell the public what it does with their money.



Billboard in Umlazi



Zimbabwe moving media

This time, we have produced another CD/Cassette on infrastructure, road safety and road traffic inspectorate (RTI) achievements and programmes. This recording is aimed at the rural audience quite often forgotten by markets. We have two comedians, who make it easy for our message to permeate to the intended audience, Makitaza and Vusi Ximba. This cassette is not for sale yet the public demand for it has been excessive.

There is also a special song composed for the "Omela Ngasekhaya" Road Safety Project, which features in one of the video products that we have done. This was done by the world renowned Durban's own Madala Kunene. This was especially produced for this Omela Ngasekhaya Video.



Departmental Programmes' CD/Cassette

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

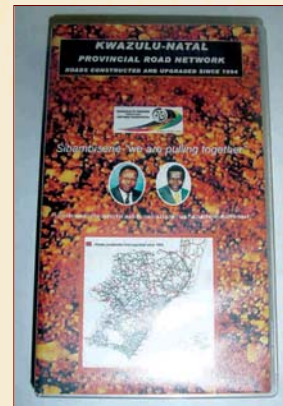
Communications

Video Production

In the course of our work, we have realized that we are witnessing history in the making. Therefore, we need to preserve as much of it as possible. This is the reason behind our video productions to preserve and showcase our history as a department.



ARRUP Fillers



Sibambiseni video

There are three video productions that have been done in 2002/2003

1. The Road Safety's - Omela Ngesekhaya (60 mins)
2. African Renaissance Roads Upgrading Programme (ARRUP)
3. Sibambiseni - A 54 minute-long student video production, which was accompanied by an audio section to be flight on radio.

Publications

In December 2002, a 12 page economic empowerment supplement was produced. It was inserted into the Sunday Tribune and distributed throughout the country.

A total of 38 corporate advertisements were produced and were placed in strategic specific-market publications, including the Washington Post.

Research, Monitoring and Speech Writing

In support of the MEC, the Communications Section has undertaken ongoing research and monitoring of the media. This has resulted in various speeches being written for delivery by the MEC, HOD and other senior managers.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Communications

High television viewership exposure was achieved for the enhancement of the Transport department's image during the November 2002 period as it can be seen below:

| Day | Date | Time | Station | Duration (sec) | Film No ARRUP | Spot |
|-----|----------|----------|---------|----------------|------------------------|-----------|
| Mon | 11/04/02 | 19:26:20 | SABC1 | 120 | Intro | 781 000 |
| Tue | 11/05/02 | 19:26:59 | SABC1 | 120 | Community | 1 016 000 |
| Wed | 11/06/02 | 19:24:33 | SABC1 | 120 | Women | 834 000 |
| Fri | 11/08/02 | 19:26:31 | SABC1 | 120 | Craftsmen | 892 000 |
| Sun | 11/10/02 | 19:24:03 | SABC1 | 120 | Control/ Inspection | 822 000 |
| Mon | 11/11/02 | 19:25:43 | SABC1 | 120 | Nongoma Project | 819 000 |
| Tue | 11/12/02 | 19:26:54 | SABC1 | 120 | Intro | 1 051 000 |
| Wed | 11/13/02 | 19:26:19 | SABC1 | 120 | Community | 936 000 |
| Fri | 11/15/02 | 19:26:34 | SABC1 | 120 | Women | 964 000 |
| Sun | 11/17/02 | 19:22:25 | SABC1 | 120 | Craftsmen | 805 000 |
| Mon | 11/18/02 | 19:25:49 | SABC1 | 120 | Control/ Inspection | 765 000 |
| Tue | 11/19/02 | 19:28:33 | SABC1 | 120 | Nongoma Project | 1 016 000 |
| Wed | 11/20/02 | 19:25:55 | SABC1 | 120 | Intro | 996 000 |
| Fri | 11/22/02 | 19:28:23 | SABC1 | 120 | Community | 934 000 |
| Sun | 11/24/02 | 19:22:14 | SABC1 | 120 | Women | 871 000 |
| Mon | 11/25/02 | 19:26:45 | SABC1 | 120 | Craftsmen | 824 000 |
| Tue | 11/26/02 | 19:27:34 | SABC1 | 120 | Control/ Inspection | 1 007 000 |
| Wed | 11/27/02 | 19:25:50 | SABC1 | 120 | Nongoma Project | 916 000 |
| Fri | 11/29/02 | 19:30:15 | SABC1 | 120 | Intro | 1 025 000 |

Totals **17 274 000**

Margin Of Error **1.6% - 2%**

Viewership exposure over November 2002

SABC 1 flighting

Definitions:

Spot - Spot Audience ratings

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Media Relations

Summary Of Activities Of The Media Liaison Sub Directorate For The 2002/2003 Financial Year

The Communications Directorate was formally established in the 2002/2003 financial year with the appointment of the Chief Director: Public Safety and Communications.

To this end, as of 1 May 2002 a dedicated media liaison sub directorate was created with the appointment of a Deputy Director to head this section. Additional staff are expected to be appointed in the current financial year to bolster the efforts of this section.

A general communications strategy for the Department was formulated in the last financial year. As a result, a few media strategy planning workshops were held and a draft media strategy has been formulated and expected to be implemented soon.

During the last financial year this sub directorate set a target of disseminating 150 media statements/alerts. We actually issued 169 as compared to 62 in 2000/2001 and 129 in 2001/2002. Media-clippings of our monthly media coverage are circulated to senior management at our monthly MANCO meetings.

We also set an annual target of 12 media conferences and managed to host 14 where the media was briefed on strategically important departmental activities and plans.

Also a hit in the last financial year was the birth our highly successfully "Transport Ibandla" initiative and the flighting of our ARRUP advertisements on TV, both the brainchild of our Chief Director. A three month talk show programme was also hosted on Radio Maritzburg.

We took journalists on a tour of 16 departmental projects.

This sub directorate produced a 12 page economic empowerment supplement which was inserted into the Sunday Tribune and distributed throughout the country.

We also produced 38 corporate advertisements which were placed in strategic specific-market publications.

There were also on-going responses and comments to general and specific media queries as well as responses to the "Letters to the Editor" columns.

At the end of last year we hosted an end of year function for the media which was attended by over 120 journalists and was extremely successful. We are presently working around the idea of a "Transport Journalist of the Year" award which is expected to be finalised soon and the winner is expected to be announced at this year's end of year media function.

We have definitely made inroads with respect to establishing media contacts and coverage of events/activities of the KZN Transport Department by both the electronic and print media this has generally been excellent. The Media Liaison sub directorate has received several positive comments from numerous journalists regarding its efforts to continuously improve media liaison.

However, coverage of our department in the national print media has been poor and this year we plan to rectify this situation, especially in the area of writing feature articles.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Road Safety Directorate

Community Road Safety Councils

All the programmes for the Road Safety Directorate are done with Community Road Safety Councils (CRSC's). This has been done to ensure inclusion and buy-in, especially from previously disadvantaged and rural communities. We have 35 CRSC's in operation.

The CRSC's undergo training programmes to ensure that they are familiar with the road safety programmes. The training of CRC's involves capacity building in areas, which are important both inside and outside of road safety eg. good governance, conducting democratic meetings, preparation of business plans and implementation, and identification of hazardous locations.



CRSC training in Empangeni



First Aid Training – Ladysmith

An important module has been included this year which gives two members of each CRSC training in basic First Aid, and this goes with a First Aid kit. Not only will these trained First Aiders be able to assist with injuries arising from motor vehicle collisions, but they can also become involved in assisting with other accidents and trauma in their communities, and have the opportunity of studying further in more advanced techniques, which will improve their positions in the job market. First Aid training in rural communities is especially important because of the delays often experienced in the arrival of emergency services.

The CRSC's implement several public awareness projects including Omela Ngasekhaya (get thirsty near home). This campaign encourages tavern owners and communities to look at the consequences of drinking alcohol and then using the road, and educates people on how much alcohol impairs their senses and leads to dangerous behaviour.

We plan to increase the number of CRSC's by another five in the next year, mainly in urban areas around Durban where there is a high incidence of pedestrian related casualties – Chatsworth, Wentworth, Merebank and Lamontville, as well as in Pietermaritzburg.



Omela Ngasekhaya Campaign

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Education

Education in schools is an important exercise, with long-term results.

The Young Road User

The Young Road User programme reaches more than a million children annually, and works in over 1 000 Primary Schools. This year Child in Traffic, Scholar Patrol and a Road Show in conjunction with P4 Radio have been the primary educational tools.



Scholar Patrol Training

Participatory Education Techniques - (PET)

For High School children, we offer an annual competition – Participatory Education Techniques.

Children are given training in research and implementation of solutions, and are asked to identify a dangerous spot or road in their area. When they have done this a model or drawing is made. Once the children have identified the section, they then recommend remedial measures to be implemented e.g. bridges, pavements, barriers, pedestrian crossings, signage, lighting, taxi lay-buys or other solutions.

Then a further diagram or model is made showing the suggestions to solve the problems. The competition is very popular, and the Department of Education is involved in the judging. The competition was won by Ntwenhle High from Umbumbulu and Swayimana High from Mpumalanga in the Rural category, and St Lewis Betrande from Newcastle in the Urban category.



Presentation of PET trophies at final competition held in Mooi River

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Road Safety Directorate

Public Awareness, Advertising and Communication

We continue to provide public awareness through the media, posters and billboards. This is done in a way that ensures that the public become aware of the consequences of bad road behaviour and this is the fastest way to change attitude and improve road safety.

The highest number of road casualties still comes from pedestrians, a problem throughout the developing world. We have run an intensified Pedestrian Awareness Campaign all over the province over the past year, with 150 trainers being trained, and reaching a further 72,495 people in 89 regions. We have concentrated in Nongoma, Shakaskraal, and Nottingham Road for engineering remediations and education projects over the last year.



Pedestrian Billboard in Pinetown



Driver of the Year Competition in Pinetown

Holiday Planning is run as a project, and each holiday season, rest stops are set up across the province. This facilitates the chance for us to distribute promotional material, the opportunity for travelers to rest or ask for directions. Workshops are also held prior to holiday periods for Taxi Rank Managers, Taxi Drivers and other stakeholders. These workshops are used to encourage thorough checking of vehicles before embarking on long distance trips, and consequence of other road safety issues such as fatigue, drinking and driving and speed.



Taxi Rank Awareness Campaign in progress in Ladysmith

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

The Church Project



Church Leaders Workshop

The Church Project has reached 4 000 people throughout the province, in all of the 4 regions in KwaZulu-Natal. These events included church leadership training, holiday prayer campaigns, Women's Day awareness and other interaction with the churches and religious bodies.

The Road Safety Directorate also supports the community when accidents occur in their area by attending funeral services and memorial services of victims involved in fatal road collisions.



Funeral for 14 schoolchildren killed in a taxi crash at Umzinto

Enforcement



Road Safety Exhibition

Road Safety Display at the National Road to Safety meeting in Johannesburg

Enforcement coordination involves ensuring that efforts by the Road Traffic Inspectorate and Local Authorities, including Durban Metro, clearly understand the Asiphephe strategy and work together to maximise results. The Enforcement Co-ordinator and other road safety staff serve on both regional and provincial forums of the Co-ordinating Traffic Committee structures. The Enforcement Co-ordinator is also responsible for ensuring a co-ordinated display at various events for Departmental activities. The Mpima Hotline pilot project is going on strong in this section and will be launched if it serves to be fruitful.

Research and Evaluation

Evaluation is an integral part of any successful road safety strategy, including Asiphephe, and ensures that projects are data-driven and scientifically based. Through research we justified the building a pedestrian bridge and concrete barriers near Edendale Hospital on Edendale Road. When one uses this sort of scientific basis for projects, one is more certain of pedestrian attitudes, and confident that they will use the facilities provided, because they have been consulted and asked for their opinions and suggestions.

Some of the research which was conducted this year was:

1. Road Safety within Edendale
2. The effectiveness of daytime running lights.
3. The perception of the public on traffic officers.
4. Posttraumatic stress and its effects on traffic officers.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication



Road Traffic Inspectorate Head Office

Introduction

Prosperity through Mobility, Saving Lives by reducing accidents by 5% per annum through zero tolerance co-ordinated enforcement programmes.

The Directorate is a research and policy unit with responsibility for training, liaison and legislative proposals which deal with the driver, the vehicle and; which provides for public safety in the road environment.

The Directorate aims to promote professionalism in the ranks of enforcement personnel, to train and accredit such personnel and to promote ethical conduct in the ranks of uniformed personnel.

The promotion of professionalism is reliant on training programmes and access to international best practice linked to traffic policing and polices administration.

Enforcement programmes and focus areas require co-ordination throughout the Road Traffic Inspectorate and participation by Local Authorities as well as the Security Services. The co-ordination of enforcement means that concentrated resources Province-wide can be focused on a particular cluster of offences with close measurement of results.

Specific Budget Areas

Courses Held At Traffic Training College

The Road Traffic Inspectorate Traffic Training College received R215 791-73 for the 2002/2003 financial year for courses held as follows:

| COURSE | NO. OF RTI & MUNICIPAL OFFICERS | PASSED | FAILED |
|---|---------------------------------|--------|--------|
| Traffic Officer's (4 Withdrawals) | 73 | 50 | 19 |
| Examiner of Vehicles | 16 | 16 | 0 |
| Examiner of Driver's & Learners | 35 | 34 | 1 |
| Drager SAPS | 37 | 34 | 3 |
| Orthorator (Eye Test) | 13 | 13 | 0 |
| Management Review | 38 | 34 | 4 |
| Identification of Unroadworthy Vehicles | 55 | 37 | 18 |
| Fire-arm (CZ759 mm Parabelum) | 58 | 54 | 4 |
| Fire-arm (Winchester 1 2 gauge shotgun) | 58 | 54 | 4 |
| Speedtiming: Laser LT120:20 | 6 | 6 | 0 |
| Speedtiming: Prolaser MK II | 53 | 45 | 8 |
| Speedtiming: Prolaser MK III | 59 | 51 | 8 |
| Speedtiming: Ultralyte | 35 | 32 | 3 |

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Activity Data

Learner & Driver Activities for the period 1 April 2002 to 31 March 2003 with a Gross Income of R 43 787 586.

| TYPE | PASSED | FAILED | FAILED TO ARRIVE | ISSUED / RENEWED |
|---------------------|--------|--------|------------------|------------------|
| Driver's Licences | 23 091 | 18 675 | 1 690 | n/a |
| Learner's Licences | 28 358 | 19 673 | 1 367 | n/a |
| PRDP's | 46 772 | n/a | n/a | n/a |
| Instructors Permits | n/a | n/a | n/a | 164 |

Total Income Received For Road Races And Events On Public Roads (2002/2003 Financial Year)

| NUMBER OF RACES/EVENTS | 94 |
|------------------------|-----------------------|
| • Application Fees | R 9 360 - 00 |
| • Escorted Events | R 98 725 - 00 |
| INCOME | R 108 085 - 00 |

In conclusion the year of 2002 saw many changes, with the limited budget and demand for better service and the RTI as a whole met the challenges and delivered the goods.

Our future plans for 2003 /2004 will be by and large as our deliverables for 2002 / 2003 with improvement in certain focus areas.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Road Traffic Inspectorate

Overloading Of Freight Vehicles

Executive Summary

This report presents a summary of the weighing activities and weigh-in-motion monitoring in KwaZulu-Natal for the year 2002, as well as long-term trends. During 2002, 187 960 vehicles were weighed at KwaZulu-Natal Department of Transport weighbridges of which 47 961 (26%) were overloaded and 10 386 (6%) charged. Of the 187 960 vehicles weighed in KwaZulu-Natal, 147 431 (78%) were weighed on the N3 corridor. Of the vehicles weighed on the N3 corridor 34 467 (23%) were overloaded and 6 364 (4%) charged. The number of vehicles weighed during 2002 represents an increase of 28 per cent compared with 147 113 vehicles weighed during 2001. The number of vehicles overloaded increase by 13 per cent from 42 291 to 47 961. Despite these increases, the number of vehicles charged decreased by 17 per cent from 12 496 during 2001 to 10 386 during 2002. This is primarily due to the increased number of vehicles loaded to within the 5% tolerance limits, which represents 78 per cent of the overloaded vehicles.

A target of 140 000 vehicles to be weighed in the Province was set by the Department for the year 2002. A total of 187 960 were weighed which is 34 per cent more than the target. A target of 92 000 vehicles to be weighed on the N3 corridor was set as a minimum by the Department and the South African National Roads Agency. A total of 147 431 were weighed on the corridor which is 60 per cent more than the target.

One of the companies with the highest percentage of overloaded vehicles (in terms of the number weighed at provincial weighbridges) was Birkenstock Transport. Of the 583 vehicles weighed, 467 (80%) were overloaded of which 116 (20%) were charged. The average overload was 2 012 kg. Of the 351 vehicles that were overloaded to within the 5% tolerance, 333 (95%) were overloaded on axles/axle units. This clearly illustrates the extent to which many operators are utilizing the 5% tolerance to increase their payloads.

The highest overload reflected was by the company Naval Transport with a 22 320 kg overload. The vehicle was transporting stones and was weighed at the Empangeni weighbridge. The highest overload on the N3 corridor was 21 360 kg by a vehicle from Midlands Transport. The vehicle was transporting logs and was weighed at Mkondeni weighbridge.

The most frequent offenders (transport operators) identified during 2002 include Nabfreight, Zululand Carriers, St. Lucia Farm, East Coast Carriers, Timber Logic, Van Eeden Transport, Westmead Logistics, FST Transport, ENF Xozwa and N.C.T. These companies are clearly disregarding the Road Traffic Act with respect to the mass regulations and continue to implement policies of deliberate overloading. It is recommended that the CEOs of the most frequent offenders be approached by the Department with a view to taking serious actions if their overloading practices continue.

There has been a continued decrease in the extent of overloading on the N3 corridor from approximately 16 per cent prior to March 2000 to between 10 and 12 per cent during the past twelve months. This means, for example, that there are about 250 fewer overloaded heavy vehicles per day on the N3 between Durban and Pietermaritzburg.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

There has also been a significant change in the distribution of overloading in the province. During the past 7 years there has been a sharp increase in the percentage of overloaded vehicles that are marginally overloaded (0 to 2 tons) – although the past 12 months have shown a decrease in the 1 to 2 tons category – and an equally sharp decrease in the percentage of overloaded vehicles that are moderately or severely overloaded (more than 3 tons). This trend is also apparent in the increase in the percentage of overloaded vehicles that fall within the 5 per cent tolerance, whereas during 2002 more than 78 per cent of the overloaded vehicles were less than 5 per cent overloaded.

These trends are very positive and are the fruits of a sustained enforcement programme by the Road Traffic Inspectorate. However, the increasing percentage of overloaded vehicles that are overloaded to within the 5% tolerance limits is a matter for concern. These tolerance limits are currently under review by the CSIR as part of the national overload control strategy.

IT IS ESTIMATED THAT AT LEAST 25 PER CENT OF ALL HEAVY VEHICLES TRAVELLING ON SOUTH AFRICAN ROADS ARE OVERLOADED. HOWEVER, WEIGH-IN-MOTION STATISTICS HAVE SHOWN THAT THIS FIGURE IS APPROXIMATELY 12 PER CENT IN KWAZULU-NATAL. THIS IS BECAUSE OF THE PROVINCE'S DEDICATION TO OVERLOADING CONTROL. DURING 2002, 187 961 VEHICLES WERE WEIGHED IN THE PROVINCE COMPARED WITH 147 113 DURING 2001 AND 138 367 DURING 1999.

Research has shown that overloaded heavy vehicles are responsible for approximately 60 percent of the damage to the road network, and in South Africa this represents at least R750 million per annum. During 1998, a strategy for vehicle overloading control was formulated for the KwaZulu-Natal Department of Transport by the CSIR. As part of the study a more detailed estimate was done on the damage caused by the overloaded portion of overloaded vehicles on the N2 and N3 national routes in KwaZulu-Natal. The cost of road damage amounts to approximately R 40 million per annum on these two routes alone (1998 Rands). The cost of accidents involving heavy overloaded vehicles was also considered in the strategy report. It is conservatively estimated that an additional R 30 million per annum can be saved in the province as a result of a reduction in accidents involving heavy vehicles by introducing increased enforcement on the main routes.

The first phase of the strategy has been implemented on the N3 corridor with the Traffic Control Centres at Westmead, Mkondeni and Midway running on a 24 hour basis and Ladysmith, Newcastle and Greytown working either 8 or 6 hour daily shifts. The South African National Roads Agency Limited is contributing to the funding of this project. It should be noted that the introduction of this phase of the overall strategy has had a major impact on weighing activities during the past three years.

This report presents important statistics concerning vehicle weighing activities of the KwaZulu-Natal Department of Transport during 2002 and makes comparisons with weighing in previous years. The weighing data has been computerized since 1988 and therefore, it is possible to evaluate fifteen years of time series data and identify long-term trends.

All analyses of overloading data are done using the CSIR Vehicle Overloading Management System. (VOMS) both on a monthly and an annual basis. The system has been utilized in the Province since 1988 and has been updated on an ongoing basis to meet the growing needs of the Department.

During 2002 the new Windows version of the weighing module was implemented at the remaining weigh stations that were still running the DOS version. The new version has resulted in an improvement in the efficiency of vehicle weighing, particularly in the case of legal vehicles that are sent for static weighing. This improvement has obvious benefits for the transport industry.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Road Traffic Inspectorate

General Weighing Statistics

During 2002 a total of 187 961 vehicles were weighed. This figure represents an INCREASE of 40 848 vehicles (28%) compared with 2001. The number of overloaded vehicles in terms of the legal limit was 47 961 (26%) compared with 42 291 (29%) in 2001. The number of vehicles charged was 10 386 (6%) compared with 12 496 (8%) vehicles charged in 2001. The number of vehicles weighed increased by 28 per cent from 2001 to 2002, the number of vehicles overloaded INCREASED by 13 per cent and the number charged decreased by 17 per cent. The numbers of vehicles weighed, overloaded and charged per month during 2002. The annual statistics from 1988 to 2002 are given in the table hereunder.

THE TERM "CHARGED" REFERS TO VEHICLES THAT EXCEED THE 5 PERCENT TOLERANCE (A PROSECUTION GUIDELINE) APPLIED TO ALL THE MASS LIMITS. IF THE MASS OF AN AXLE/AXLE UNIT/VEHICLE EXCEEDS ONE OF THE LEGAL LIMITS, THE VEHICLE IS OVERLOADED, BUT ONLY IF THE 5 PER CENT TOLERANCE LIMIT IS EXCEEDED, IS THE DRIVER/OPERATOR PROSECUTED

Numbers of vehicles weighed, overloaded and charged in KwaZulu-Natal : 1988 to 2002

| Year | Vehicles Weighed | Vehicles Overloaded (total) | Vehicles charged (total) | Vehicles Overloaded (Reg 240) | Vehicles Overloaded (Reg 241) | Vehicles Overloaded (Reg 237) | Percentage overloaded |
|------|------------------|-----------------------------|--------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------|
| 1988 | 27 284 | 7 323 | 7 139 | 7 071 | 874 | - | 27 |
| 1989 | 15 950 | 8 102 | 6 820 | 7 985 | 976 | - | 51 |
| 1990 | 15 472 | 9 280 | 7 085 | 9 126 | 1 336 | - | 60 |
| 1991 | 31 725 | 16 195 | 11 927 | 15 663 | 3 356 | - | 51 |
| 1992 | 33 108 | 13 897 | 10 057 | 13 722 | 1 309 | - | 42 |
| 1993 | 47 395 | 17 673 | 12 175 | 17 651 | 312 | - | 37 |
| 1994 | 39 230 | 13 643 | 6 803 | 13 579 | 1 620 | - | 35 |
| 1995 | 36 238 | 12 655 | 6 705 | 12 565 | 2 581 | - | 35 |
| 1996 | 50 969 | 14 295 | 9 191 | 12 735 | 415 | 4 507 | 28 |
| 1997 | 46 071 | 13 785 | 8 911 | 11 854 | 438 | 6 167 | 30 |
| 1988 | 33 312 | 14 313 | 8 045 | 11 898 | 240 | 6 435 | 43 |
| 1999 | 72 640 | 25 819 | 10 690 | 20 811 | 409 | 11 394 | 36 |
| 2000 | 138 367 | 46 883 | 18 117 | 36 837 | 709 | 20 958 | 34 |
| 2001 | 147 113 | 42 291 | 12 496 | 30 763 | 177 | 21 311 | 29 |
| 2002 | 187 961 | 47 961 | 10 386 | 33 097 | 85 | 24 292 | 26 |

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Summary Of Percentage Changes In The Vehicle Weighing Statistics From 2000 To 2002

| Comparison of vehicle weighing statistics: 2000 to 2002 | | | | |
|---|---------|---------|---------|--------------------------|
| | 2000 | 2001 | 2002 | % Change 2001 to 2002 |
| No of vehicles weighed | 138 367 | 147 113 | 187 961 | +28 |
| No of vehicles overloaded | 46 883 | 42 291 | 47 961 | +13 |
| Percentage overloaded | 34 | 29 | 26 | -3 |
| No of vehicles charged | 18 117 | 12 496 | 10 386 | -17 |
| Percentage charged | 13 | 8 | 6 | -2 |

This shows a significant trend since 1988 in terms of the number of overloaded vehicles within the 5% tolerance versus those exceeding the 5% tolerance. In 1988, only 2,5% of the 7 323 overloaded vehicles weighed statically at weighbridges fell within the 5% tolerance. This statistic has steadily increased during the past 15 years to 78,3% during 2002. Thus only 21,7% of the overloaded vehicles that were weighed at weighbridges were prosecuted.

Administrative Adjudication of Road Traffic Offences (Aarto) and The Road Traffic Management Corporation

This legislation was first introduced in 1998 and was amended in 1999 and again in April 2000 when draft regulations were published to support the functioning of the Act.

The legislation is in the domain of the National Department of Transport supported by a shareholders committee consisting of the nine provincial Ministers for transport and traffic control.

The elements of the Road Traffic Management Corporation are Administrative Adjudication of Road Traffic Offences and the Infringement Agency as well as a much needed Points Demerit System (PDS) which will involve automatic driving licence suspension periods, or cancellation in serious cases, for chronic repeat traffic offenders.

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Road Traffic Inspectorate

Such suspension or endorsements will be carried out on a regular basis as demerit points are accumulated against a set scale in respect of offences and will be an inescapable consequence even if the accused does not appear before court or make representations or pay any fines or penalties imposed through AARTO.

It is anticipated that this long overdue process will bring about a new appreciation of the privilege of holding a valid unendorsed driving licence and will promote self discipline amongst most drivers, including, professional drivers.

Recently the Chief Executive Officer of the Road Traffic Management Corporation was appointed to steer the rapid implementation of these legislative processes.

In the Australian example from the State of Victoria, as elsewhere in the world, it was the inescapable consequences of sanctions after detection that finally brought the road safety enforcement message home in a powerful and non-negotiable way.

Dedicated Traffic Courts

On 10 January 2002 the Head of the Department Dr. K.B. Mbanjwa met with senior personnel from the Road Traffic Inspectorate the South African Police Services, South African National Defence Force and the Director of Public Prosecutions in KwaZulu-Natal to discuss violence on our roads and security on provincial and national routes.

The question of dedicated traffic courts has been raised on a number of occasions and although such courts do exist in some metropolitan areas they deal mainly with bylaws and are still subject to numerous staff changes which does not lead to the development of professional expertise in traffic related matters, this in turn leads to an indifferent disposal of traffic cases with postponements, remands and plea bargains on overcrowded court rolls.

Further the public is generally disinclined to honour traffic prosecutions and only pay admissions of guilt after reminders or once Warrants of Arrest have been issued by the courts. This process places a huge administrative burden on the court staff and the various traffic authorities.

The move towards dedicated traffic courts with specialised staff from the prosecutor's office will streamline the adjudication of traffic offences. To this end my Department has undertaken to consider funding the establishment of selected traffic courts and to sponsor the training of additional personnel to manage such courts.

The success of specialised traffic courts is already evident in the operation of various roadside courts on major routes in KwaZulu-Natal during peak holiday periods.

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Public Safety & Communication

These courts have been established at the roadside at the following locations:

- N3 Bergville Interchange
- N3 Cato Ridge Interchange

A number of serious offenders have been brought directly to the court within minutes of apprehension at the roadside, where their cases are heard by a Magistrate and are presented by a Prosecutor.

This Easter weekend two mobile courts operated at critical periods and a wide range of cases were heard and disposed of.

The highest speed recorded was 215 kmph on the N2 near Park Rynie where the driver of a BMW 525 motor car was fined R20 000 for speed and R3 000 for failing to stop for a traffic officer in an attempt to evade apprehension.

My Department will continue to liaise with the Department of Justice and Provincial Director of Public Prosecutions on the expansion of roadside courts to other areas as well as the establishment of more specialised traffic courts throughout KwaZulu-Natal.

Mini Booze Bus

On 27th June 2002 the Mini Booze Bus was launched which will be utilised by the Special Operations Group as a support function to breath testing and also to promote conspicuousness at high profile locations, in particular at Regional and Special Operations levels.



Make: IVECO, Booze Bus

Concluding Remarks

Overall the Directorate is able to report a highly successful year:

- The Credit Card Type Drivers Licence process ended on 30th April 2003 after the original cut off date for conversions of 28th February 2003 was extended due to the large number of unconverted licenses.
- On 2nd May 2003 the position for converted licences stood as follows for KwaZulu-Natal.

| | |
|---------------------------------------|---------|
| Records transferred from Home Affairs | 925 814 |
| Conversions completed | 767 245 |
| % Converted | 82.87% |
| Outstanding (Unconverted) | 158 565 |

- The unconverted exclude deaths during the five year period, citizens overseas on extended leave or work opportunities, surrendered licences (about 100 per week) due to infirmity advanced age or other reasons.

Further it is thought that persons who clearly had forged licences, which would not be recognized by the system, simply discarded these and remain unlicensed.

REPORT OF THE HEAD OF DEPARTMENT

Public Safety & Communication

Road Traffic Inspectorate

Public Transport Enforcement Unit (PTEU) “Shanela”

Due to escalating violence in the mini bus taxi industry and general non compliance with the “Be Legal” taxi registration programme as well as difficulties with co-ordinating enforcement through different services the Department established a Special Public Transport Enforcement Unit known as the PTEU to police the mini bus taxi industry as a whole and to give uniform effect to the Road Transportation Act and KwaZulu-Natal Interim Mini Bus Taxi Act.

Specially selected RTI officers were selected through a rigorous selection process and subjected to intensive training in legislation pertaining to the public transportation of passengers.

The successful applicants were appointed on promotion to the PTEU and commenced with high impact province wide enforcement operations which immediately had an impact on violence in the Taxi Industry and which promoted a frenzy of applications for registrations as part of the “Be Legal” campaign to legitimize the Taxi Industry and in so doing promote regulation and the safety of passengers.

The Unit continues to operate with considerable success and is both feared and respected by the mini bus and passenger bus industry in KwaZulu-Natal.

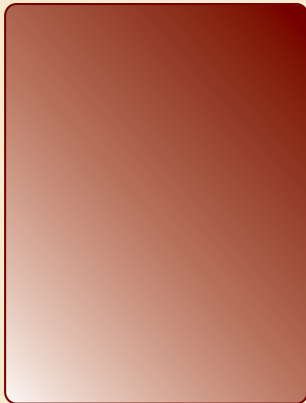
Several other provinces have indicated their intention to emulate the example of our unit and we are offering support to the Durban Metro police to form a similar unit in their area.

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning



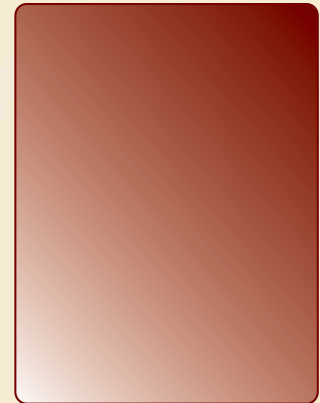
**Head:
Strategic Planning
Mr. James Mlawu**



**Director:
Policy Planning
(Vacant)**



**Director:
Development
Ms. Jabu Bhengu**



**Director:
Monitoring & Evaluation
(Vacant)**

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

Mission Statement

To lead Departmental Programmes, facilitate development and ensure value for money

Executive Summary

The Chief Directorates “role of client” has extended the responsibility to research and develop policy directives that inform integrated development, enhance democratic governance, promote equity and secure the social and Black Economic Empowerment of disadvantaged populations and communities in all aspects of transport planning, through outputs that are set against clear developments goals and outcomes which are consistent with the Provincial Growth and Development Strategy.

Within this Chief Directorate the performance of the department will be monitored and reviewed to ensure efficiency, transparency and compliance to the strategic objectives of the Department.

The activities of the Chief Directorate: Strategic Planning are organised in the following three programmes:

- Development
- Policy and planning
- Monitoring and Evaluation

The Chief Director: Strategic Planning is also responsible for the African Renaissance Roads Upgrading Programme (ARRUP) and the Rural Mobility Programme. He has The Directorate: Development and the Directorate: Monitoring and Evaluation to assist him in his functions.

African Renaissance Roads Upgrading Programme (ARRUP)

The Department of Transport conducted a Road Needs Assessment in 1999 and quantified the extent of the backlog in road infrastructure development. It was revealed that the poor condition of parts of the rural road network results in abnormally high vehicle operating costs amounting to R 1,29 billion per annum above the norm. This reflects a cost to the economy that is largely borne by poor people as 75% of the province’s poor reside in rural communities.

The Road Needs Assessment identified 800 km of gravel roads carrying more than 500 vehicles per day though it is a known fact that it is economically justifiable to surface roads carrying more than 300 vehicles per day.

The Department has identified a number of key roads that serve to link potential development nodes to major economic centres. Most of these roads are well below acceptable standards and unless improved will inhibit economic activity and agricultural potential forever. From this the African Renaissance Upgrading Programme (ARRUP) was developed.

ARRUP concerns the upgrading of critical transport corridors, which link rural communities to the main stream of KZN economy. Seven roads totalling 364 km’s have been identified, to be completed over a 4 to 5 year period at a cost of R 724 million. This investment is possibly the single biggest capital investment ever in rural infrastructure by provincial government.

REPORT OF THE HEAD OF DEPARTMENT

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The ARRUP projects contract opportunities are packaged in a way to ensure cooperation between established and emerging consultants and contractors in the design construction and supervision of the projects.

The Integrated Sustainable Rural Development Strategy (ISRDS) and the municipalities Integrated Development Plan (IDP) will depend on all the role players' meaningful contribution to their implementation. The development of the road infrastructure is critical and the Department will pursue a policy of working with local government to identify critical large road infrastructure projects and to jointly motivate for appropriate budgets to fast track road development investment programmes as undertaken in ARRUP projects.

The department has established seven Project Liaison Committees to assist with the planning and implementation of the projects. These democratically elected structures comprise stakeholders representing traditional authorities, business, the taxi industry, public transport, organised agriculture, health and education professionals, and community-based organisations. These PLC's have allowed the Department to conduct extensive consultation with rural communities and their leadership on a variety of matters ranging from prioritisation and policy formulation to identification of emerging contractors and implementation strategies.

The department decided to carry out a scoping exercise with the intention of achieving the maximum economic benefit for the communities affected by the road upgrading projects. In this regard workshops were held with each of the seven Project Liaison Committees after gathering research data relevant to each of the project areas.

As a measure to advance the developmental initiatives identified through the Development Scoping Exercise it is intended to focus on inter-governmental liaison and in particular to work more closely with the Department of Agriculture & Environmental Affairs.

In order to achieve the transfer of technical skills to recently established firms with PDI status, the Department interviewed consultants and facilitated the establishment of 13 joint ventures with established firms. The Department continues to monitor their progress to ensure transfer of skills to emerging firms.

In order to achieve maximum participation of local suppliers, each project has a database of local suppliers that can be utilised to supply material, vehicles and plants during the construction phase.

Rural Mobility



One of the many functions of the Tricycle.

The Department is responsible for the development, construction and maintenance of transport modes and services to meet Provincial needs. In July 1998 the Department initiated the KwaZulu Natal Rural Mobility Study to identify rural provincial mobility patterns and needs in each of the Province's seven Regional Council areas. The study recommended changes to the existing rural transport services and the promotion and coordination of intermediate modes of transport in the deep rural areas of the province. One of the recommendations made by the study was that bicycles should be one of the modes of transport in the Province.

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Strategic Planning

In May 2002 the Department employed Messrs Afrikbike for a period of 9 months to provide a pilot project on the use of bicycles. The company has made substantial progress in the development and testing of 4 prototypes. It is envisaged that the piloting of the project will commence in 2003/04.

Programme 1: Development

The development Directorate is responsible for researching and developing programmes that inform integrated development, enhance democratic governance, promote equity and secure the social and economic empowerment of disadvantaged communities.

Programmes are initiated and piloted by the Development Directorate. After piloting stage the programmes are rolled out for implementation in the regions.

The Development Directorate has 3 programmes

- Community Liaison
- Contractor Development
- Social Development

Community Liaison

Rural Road Transport Forums (RRTF)

In consultation with rural stakeholders, 31 Rural Roads Transport Forums were established. Each RRTF is democratically elected by the people who live within the boundaries of each RRTF area (see Map). The RRTF is constituted in a manner which is fully representative of all rural stakeholders.

Sectors represented on the RRTF include Amakhosi, business community, district and local municipalities, public transport, farmers and community based organizations inclusive of women and youth.

RRTF's receive ongoing training in a programme that has been specifically designed to build their capacity to engage the KwaZulu-Natal Department of Transport in an informed and orderly way and, at the same time, act as a resource to their communities.



RRTF MTEF Planning Workshop

The training programme is designed in modular form and covers the following topics: Developing Good Governance in communities, Effective and Efficient Meetings & Development Planning. They are therefore in the best position to identify and prioritise needs of their communities, and hence are consulted in the preparation of business plans and prioritisation of projects for the Department.

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

In June 2002 for the first time in the history of the Department, CRSC & RRTF held a joint planning workshop to assist the Department in preparing an MTEF business plans for the next three years.

The municipal Integrated Development Planning (IDP) managers were also invited to participate in these workshops.

RRTF's and CRSC also started having joint planning meetings in July 2003. These planning meetings are being held bi-monthly.

The last financial year saw an increase in the number of RRTF report back meetings to the communities. The communities showed a great interest and participated actively in these meetings.

The Map below indicates the new RRTF Boundaries



REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

Social Development

Social Development manages the Zibambele and Labour Intensive Construction programmes.

Zibambele Programme



Zibambele Supervisors Training Workshop:
28 November 2002

Zibambele is the KwaZulu-Natal Department of Transport's flagship poverty alleviation programme. This is a labour intensive road maintenance programme in which a household is contracted to maintain a specific length of road.

This programme provides sustainable contract opportunities to destitute families particularly women headed households. By the end of 2002/2003 financial year 14 825 Zibambele contractors were appointed.

An independent evaluation of Zibambele by South African Labour and Development Research Unit (SALDRU) (University of Cape Town) found Zibambele to be both a cost efficient road maintenance system and cost effective poverty alleviation programme. The SALDRU found that in 2002/2003, seventy-three cents of every rand spent within the programme accrued to Zibambele contractors, this compares very favourably with other poverty alleviation programmes both in South Africa and internationally.

Amendments have been made to the Zibambele manuals, which were developed to guide the further implementation of the programme and train KwaZulu-Natal Department of Transport staff in their supervision responsibilities. Training of Zibambele managers on the use of the manual commenced in November 2002.

A Zibambele annual conference was held in June 2002. The theme of the conference was "pledging our commitment to the Zibambele Programme". During the second day all the people who attended made their pledge to commit themselves to the programme.



Zibambele Contractors: Drain Cleaning



Zibambele Contractors : Pothole patching

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

In 2002 the Minister of Transport Mr Ndebele announced that Zibambele contractors are to be organised in saving clubs. This clustering of Zibambele will facilitate the cost efficient supervision and training of such a large number of contractors. A Saving Club constitution was prepared in consultation with the contractors.

The savings clubs will enable the Zibambele contractors to save as a collective group, which will in turn give them access to loans, and credit facilities. This will also strengthen their role in rural enterprise development and provide the institutional framework to create wealth amongst the poor. Four pilot projects were carried out in the four areas Vulindlela, Ubuhlebamakhosi, Nseleni, and Umbumbulu. The pilot projects gave the clubs insight into the advantages of saving as a collective group and the dynamics of the banking industry. It also proved that it is possible to inculcate the culture of savings amongst the poor.

Labour Intensive Construction Programme



Belgrade Project: Headwall Construction



Belgrade Project: Employment of Local Labour

There is a strong lobby by the International Labour Organisation (ILO), the World Bank and others, particularly in developing countries, to encourage governments to accept and endorse labour-based technology as an effective means of combating poverty.

The Department has acknowledged the importance of labour-intensive road construction. Many labour-intensive projects have been completed by the Department in recent years, these have generally been tackled on an adhoc basis using a variety of methods. The department wants to formalise the approach adopted and introduce a uniform “best practice method”. This will ensure that departmental job creation objectives, work quality and cost effectiveness are safe guarded, and in particular strengthen programme sustainability.

A project, with a budget allocation of R500 000, was undertaken at Belgrade near Pongola. The work involved upgrading a 4Km road, an existing pipe culvert and the replacement of two road pipe crossings with larger portal culvert structures, 150 jobs were created within the local community and certain skills were imparted.

The programme involves identification and training of dedicated departmental personnel who will develop and drive the programme.

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

Programme 2: Policy and Planning

Policy and Planning is a newly established directorate in terms of our restructuring. We are therefore initiating a process of reviewing existing policies within the department to ensure compliance with legislation as well as ensuring that the developed policies support the strategic objectives, outputs and the overall strategic plan of the Department.

Planning initiatives will address spatial aspects, the determination of appropriate planning frameworks to guide effective implementation, and the alignment of planning with local, provincial and national processes. The Integrated Development Plans, Integrated Transport Plan and Integrated Infrastructure Plan are some of the areas where appropriate alignment is necessary in order to ensure that the services of the Department complement broader initiatives and contribute to value for money, service and delivery at all interface levels.

The Directorate is currently planning to review all policies within the Department, as a large number of these policies are no longer appropriate in light of the strategic direction of the Department.

In preparation for the 2002/2003 financial year, a planning conference was held to align all departmental components Business plans to the strategic objectives of the department. The representation in the conference included Chief Director, Directors, Program managers, field personnel and consultants.

Contractor Development

The Departments contractor development programme called the Vukuzakhe programme is responsible for developing policies, procedures and training programmes to secure a sustainable and viable emerging business sector in KwaZulu-Natal. This is done through a four staged advancement programme for contractors who are registered on the Department's database.

Vukuzakhe Policy

In February 2000 the Head of the Department approved the first Vukuzakhe policy, which was used as the guideline for the Tender Board exemption approval for the development of emerging contractors. That policy had the following limits:

Contract value limitation per stage

| Stage | Max Value | Year of Approval |
|-------|-------------|------------------|
| 1a | R 200,000 | 1998 |
| 1b | R 200,000 | 1998 |
| 2 | R 400,000 | 1998 |
| 3 | R 600,000 | 1998 |
| 4 | R 1,500,000 | 2001 |

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

The new changes in the Procurement Act and the lessons learnt, in the programme necessitated the revision of the policy, which was approved by the Head of the Department and the CPC in October 2002. The revised contract limits are as follows:

Contract value limitation per stage

| Stage | Max Value |
|------------|-------------------|
| Stage 1a | R 50,000 |
| Stage 1b | R 200,000 |
| Stage 2 | R 500,000 |
| Stage 3 | R 1,000,000 |
| Stage 4 | R 5,000,000 |
| Stage 4 JV | above R 5,000,000 |

Vukuzakhe Outputs

The table below indicates the growth in the Vukuzakhe opportunities from 1988 to March 2003

| R' Million | Financial Years | | | | | |
|--|-----------------|------------|---------------|---------------|---------------|--------------|
| | 98/99 | 99/00 | 00/01 | 01/02 | 02/03 | 03/04 |
| Total budget spent (operational budget): | | | | | 520.0 | 736.1 |
| No. of contracts - Stage 1 | 126 | 232 | 295 | 488 | 563 | 512 |
| No. of contracts - Stage 2 | 54 | 142 | 106 | 138 | 232 | 292 |
| No. of contracts - Stage 3 | 8 | 17 | 101 | 82 | 78 | 111 |
| No. of contracts - Stage 4 | 0 | 0 | 0 | 18 | 18 | 40 |
| ALL STAGES | 188 | 391 | 502 | 726 | 891 | 955 |
| Value of contracts - Stage 1 | R12 | R21 | R24.4 | R20.5 | R40.7 | 42.4 |
| Value of contracts - Stage 2 | R9 | R15 | R17.4 | R18.1 | R48.5 | 87.4 |
| Value of contracts - Stage 3 | R6 | R54 | R62.6 | R66.8 | R42.1 | 66.5 |
| Value of contracts - Stage 4 | N/A | | N/A | N/A | R40.0 | 121.5 |
| VALUE OF CONTRACTS: ALL STAGES | R27 | R90 | R104.4 | R105.4 | R171.3 | 317.8 |

- Note
- Total budget (Operational budget): refers to allocation for road construction including professional fees.
 - Percentage of allocation to Vukuzakhe programme compared to Total Budget
 - (i) 2002/03: 33%
 - (ii) 2003/04: 43%

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

Training

The Department has initiated a province-wide training and mentorship programme for the Vukuzakhe contractors. Intensive training programme commenced in July and the following aspects were covered

- Train the trainer programme
- Mentorship
- Organisational training



Do-It-Wise Construction receiving on-site mentorship on P100 ARRUP project



Stage 1 Pre Tender workshop at the Ndwedwe Community Hall

Workshops were held with relevant regional staff to ensure the understanding of the new policy and the standardisation of the training methodologies. The training offered covers Pre-Tender training, Post Award Training and mentorship programme. The mentorship programme covers contract, business, technical and financial skills.



Asphalt sidewalks
constructed by Nombuso Lillian Construction (Stage 1) on P68-2, ST Faiths ARRUP project



Initial Stage 1
Vukuzakhe Contractors carrying out manual road marking



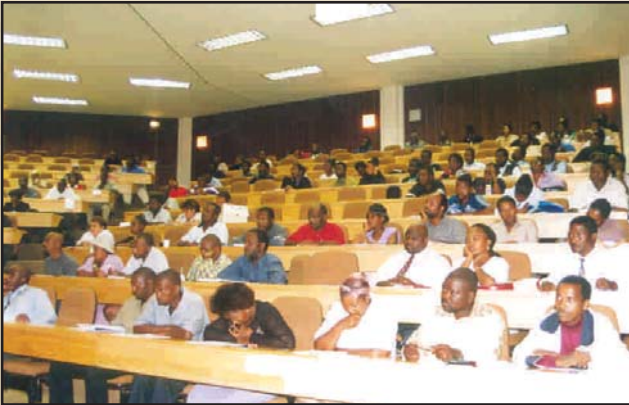
Completed road marking
by emerging contractor in the Ladysmith Region

In terms of organisational development, thirty Vukuzakhe Associations have been established throughout KZN to provide for efficient and effective communication and training for the Vukuzakhe contractors.

Organisational Development training for Vukuzakhe Associations executives was completed in September 2002. The training focused on the Associations' understanding of their roles, responsibilities and their mandate.

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning



Executive Officials of Vukuzakhe Associations :
Discussion on their constitution.

During these workshops the concept of the formation of the Provincial Council was raised and agreed upon to ensure standardisation within the various associations. The creation of the Provincial Council will give the associations a forum to lobby government and other relevant stakeholders for a new dispensation in support of a fully representative construction industry.

Vukuzakhe Database

The KwaZulu-Natal Department of Transport developed a database of emerging contractors in 1997. In September 1999 the registration of the new contractors was closed in order to eliminate duplications. When the database was reopened in January 2001 it consisted of 1 502 contractors. In March 2003 the number of contractors registered on the database had increased to 18 120 contractors.

Based on the changes in the Vukuzakhe Policy the department undertook to upgrade the database. This initiative is to assist in ensuring that the database:

- Can report accurately in the progression of contractors
- Correct placement of contractors within the new boundaries
- To ensure efficiency in the processing of applications
- To eliminate duplications
- To ensure better reporting
- To ensure that the database could be integrated with other departmental systems

At the end of the financial year the database statistics were as follows:

| | |
|--------|--------|
| Stage1 | 17,823 |
| Stage2 | 222 |
| Stage3 | 56 |
| Stage4 | 19 |
| Total | 18,120 |

Progression of contractors on database to end of March 2003 are:

| | |
|---------------|----|
| Stage 1 to 2 | 77 |
| Stage 2 to 3 | 22 |
| Stage 3 to 4 | 19 |
| Stage to Open | 0 |

REPORT OF THE HEAD OF DEPARTMENT

Strategic Planning

Partnerships in Vukuzakhe Programme

In September 2002, the Department of Transport entered into partnership with the Construction SETA (CETA), by launching its first hundred Construction Contractor Learnerships (NQF Level 2) the contractors nominated for the learnerships were nominated from stages 2 to 4, in order to expedite their development ability in the construction industry. The breakdown of the learnerships across the province is as follows:

| | |
|-------------------------|----|
| Empangeni Region | 31 |
| Ladysmith Region | 29 |
| Pietermaritzburg Region | 25 |
| Durban Region | 15 |

The Department also partnered with the South African Revenue Services (SARS) in providing contractors with information on VAT and Tax related issues, through the Vukuzakhe Associations. This initiative has removed a general threat from contractors in dealing with their VAT and Tax problems with SARS.



The Head of Department, Dr KB Mbanjwa & CEO of Construction SETA, Mr Dlamini at the signing of the Construction Contractor Learnership agreement.

Programme 3: Monitoring and Evaluation

Monitoring and Evaluation was established specifically to assist the Department in monitoring performance and to develop appropriate evaluation criteria to measure the impact of various programmes and plans on the target audiences.

The establishment of the Monitoring and Evaluation Directorate will further promote the ethos of good governance in the KwaZulu-Natal Department of Transport.

In order to monitor the output of all components in the Department, a measuring instrument needs to be developed which will allow for the measurements of various diverse outputs.

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Strategic Planning

Monthly service delivery reports are submitted and these are used to monitor performance against the projected outputs in the approved Business Plans. Quarterly reports are also submitted to treasury. Although the monthly reports focus on outputs, overall macro expenditure is also recorded in order to determine unit rates for comparison with private sector agencies.

There is also monitoring required to ensure compliance with the strategic goals of the Department. Annually an evaluation exercise is conducted to advise management regarding the relative performance of the Department in relation to industry norms and standards.

Business plans for all components of the Department are submitted to the Chief Directorate: Strategic Planning prior to commencement of the financial year. These Business plans are scrutinised by the Directorate in order to ensure compliance to the strategic goals of the Department and to extract outputs to be delivered by each component. These outputs are then compiled showing annual targets for reporting within the Department. These annual targets are the programme outputs detailed in the Strategic Plan.

During the evaluation of Business plans duplication of functions and contradictions within policies are identified and eliminated in the approval process of the Business plans.

During field inspections, the staff of this component inspects work procedures to ensure compliance with all Departmental policies.

REPORT OF THE HEAD OF DEPARTMENT

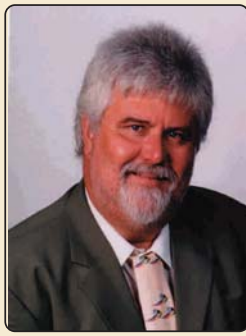
Implementation



**Chief Director:
Implementation
Mr. Chris Hlabisa**



**Director:
Implementation
Mr. Rob Tarboton**



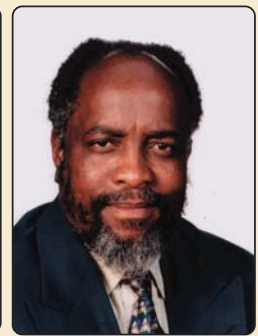
**Regional Director:
PMB Region
Mr. Mossie Mostert**



**Regional Director:
Empangeni Region
Mr. Dumisane Ximba**



**Acting Regional Director:
Ladysmith Region
Mr. Charles van Wyk**



**Regional Director:
Durban Region
Mr. Siphwe Majola**

REPORT OF THE HEAD OF DEPARTMENT

Implementation

Introduction

The Chief Directorate: Implementation's core functions are: -

- Provision of a balanced, equitable provincial road network
- Road traffic law enforcement
- Road traffic safety
- Good governance

Services to the public are provided and co-ordinated by the Regional Director offices in Empangeni, Ladysmith, Pietermaritzburg and Durban and the Regional Directors manage of the various departmental offices within the regions. These offices are responsible for the effective delivery of programmes and projects.

General Review: Roads

Extension of the Provincial Road Network

Dry weather conditions during the 2002-2003 financial year resulted in good progress being achieved with road projects. During the financial year, the regions constructed a further 519 Km of new Local Roads at a cost of R61 million. This means that the department now has more than 3 000 Km of Local Roads (previously termed community access roads) serving communities and facilities in rural areas as part of its Provincial Roads network. These roads are mostly maintained using the Zibambele system.

77 new causeways and 6 pedestrian bridges were completed a cost of R18,1 million to address the urgent need for safer river and stream crossings in rural areas. In addition, 12 new bridges were built by the regions and on the African Renaissance Road Upgrading Programme projects.

Road Network Assessment

The KwaZulu-Natal Provincial Roads Act (Act 4 of 2001) requires the department to review and declare a new provincial road network by end June 2003. Good progress was made towards the attainment of this target and during the 2002/2003 financial year road assessments were undertaken on a high proportion of the road network. This assessment is being used to determine the status of all roads within the provincial road network and the completion of this process will be a major advancement in moving towards a balanced, equitable Provincial Road network.

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Road Outputs

Progress with road construction and maintenance projects is very dependent on weather conditions. The 2002-2003 financial year was a relatively dry year, resulting in actual outputs achieved on several of the activities being higher than the original targets recorded in the department's strategic plan. A perusal of table 1 shows that the outputs for 2002-2003 financial year exceeded the targets set in the department's strategic plan for nearly all activities. These outputs were also higher than those of the previous year.

With the road rehabilitation projects undertaken, an increased amount of light rehabilitation work was done at the expense of the programmed heavy rehabilitation work. In spite of the drier weather, the amount of blacktop patching done was higher than the strategic plan target and this is as a consequence of the general poor condition of blacktop roads resulting from a shortage of funding for rehabilitation work.

With the construction of new bridges, the regions were able to complete 5 bridges in place of the target of 3 in the strategic plan and this is attributable to the dry weather that enable these projects to be completed earlier than anticipated. A total of 7 bridges were constructed on the African Renaissance Road Upgrading Programme projects. Although these had not been recorded under the original strategic plan targets, it has been decided that they should be recorded here to provide a complete record of outputs.

The high outputs for the remaining activities in relation to the strategic plan targets is directly attributable to the relatively dry weather conditions that facilitated good production rates.

In spite of the achievements, considerably more work is required to restore the road network to an acceptable condition and current funding levels are still far short of what is necessary for the road infrastructure.

Table 1: Provincial Road Network- Summary Of Achievements

| ACTIVITIES | UNITS | EMP | LSM | PMB | DBN | ARRUP | 2002/3 TOTAL | 2002/3 STRAT PLAN TARGET |
|-----------------------------|----------------|---------|---------|---------|---------|-------|-----------------|-----------------------------------|
| Construct Surfaced roads | Km | 2,5 | 4,9 | 0 | 3,0 | 25,7 | 36,1 | 36.0 |
| Light Rehabilitation | m ² | 4,800 | 220,000 | 26,950 | 13,317 | 0 | 265,067 | 163,320 |
| Heavy Rehabilitation | m ² | 73,000 | 0 | 100,000 | 111,771 | 0 | 284,771 | 321,136 |
| Reseal tarred roads | m ² | 350,820 | 0 | 251,000 | 25,000 | 0 | 626,820 | 577,900 |
| Blacktop patching | m ² | 19,080 | 26,616 | 23,032 | 13,027 | 0 | 81,755 | 68,000 |
| Construction of Local roads | Km | 207 | 155 | 77 | 80 | 0 | 519 | 410 |
| Blade Roads | Km | 25,518 | 11,403 | 9,978 | 15,502 | 0 | 62,401 | 44,220 |
| Regravelling | Km | 235 | 106 | 319 | 69 | 0 | 614 | 498 |
| Construct Causeways | Number | 35 | 16 | 9 | 17 | 0 | 77 | 68 |
| Construct Bridges | Number | 0 | 1 | 3 | 1 | 7 | 12 | 3 |

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Table 2: Socioeconomic Outputs

| ACTIVITIES | UNITS | EMP | LSM | PMB | DBN | ARRUP | 2002/3 TOTAL | 2003/3 STRAT PLAN TARGET |
|----------------------------------|--------------------|--------|--------|-------|--------|--------|--------------|--------------------------|
| Employment opportunities created | Person days | 35,320 | 32,500 | 8,180 | 13,770 | 25,230 | 115,000 | 110,000 |
| Zimbabwe maintenance programme | No. of contractors | 6,082 | 3,770 | 2,249 | 2,724 | 0 | 14,825 | 14,800 |

Emerging Contractors

As part of the Vukuzakhe emerging contractor development programme, emerging contractors were used over the full spectrum of road construction and maintenance activities undertaken by the regions. There is a general shortage of contractors for road work in South Africa and the Vukuzakhe programme is making an impact through the development of new contractors that are becoming experienced and skilled as road contractors. The numbers of emerging contractors utilised are shown in table 3 and as can be seen, the numbers of emerging contractors utilised has exceeded the targets in the strategic plan:

Table 3: Emerging Contractor Opportunities – Number of contracts by stage

| CONTRACT LEVEL | EMP | LSM | PMB | DBN | ARRUP | 2003/3 TOTAL | 2003/3 STRAT PLAN TARGET |
|----------------|-----|-----|-----|-----|-------|--------------|--------------------------|
| Stage 1 | 252 | 193 | 44 | 77 | 28 | 594 | 480 |
| Stage 2 | 40 | 53 | 42 | 18 | 9 | 162 | 144 |
| Stage 3 | 19 | 28 | 18 | 11 | 9 | 85 | 78 |
| Stage 4 | 2 | 3 | 1 | 1 | 14 | 21 | 15 |

Road Traffic Law Enforcement

In spite of serious shortages of traffic officers, the Road Traffic Inspectorate stations in the regions managed to exceed their strategic plan targets for 50% of the listed activities (see table 4). As a result of the staff shortages and additional effort being put into other key activities, their outputs were below the strategic plan targets under 3 activities. The number of traffic officers in the regions reduced during the year as a result of the formation of other specialist units within the department and the resulting vacancies are to be filled early in the new financial year. During vehicle weighing exercises, checks were carried out on vehicle licenses, resulting in the collection of R 666 154-88 for unpaid license fees.

Remediation work was carried out at a number of hazardous locations to improve the safety of the road network and outputs were considerably higher than the strategic plan targets. This was due to improved co-ordination of efforts and a greater awareness by Regional personnel on the benefit and importance of these projects.

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Table 4: Road Traffic Outputs

| ACTIVITIES | UNITS | EMP | LSM | PMB | DBN | 2002/3 TOTAL | 2002/3 STRAT PLAN TARGET |
|---------------------------------------|--------------|---------|---------|-----------|-----------|--------------|--------------------------|
| Minor hazardous Location improvements | Number | 10 | 1 | 6 | 15 | 32 | 9 |
| Major hazardous Location improvements | Number | 2 | 0 | 6 | 1 | 9 | 1 |
| Roadside Checks | Number | 7,042 | 120,609 | 113,197 | 182,436 | 463,284 | 500,000 |
| Govt vehicle inspections | Number | 450 | 1,850 | 1,204 | 3,940 | 7,444 | 8,000 |
| Breath tests RBT | Number | 33,277 | 91,030 | 14,837 | 147,849 | 286,993 | 300,000 |
| Speed timing | Number | 6,929 | 675,406 | 2,796,862 | 2,727,204 | 6,536,401 | 5,000,000 |
| Vehicles weighed | Number | 8,135 | 770 | 36,308 | 53,865 | 184,078 | 180,000 |
| Visible policing | Km patrolled | 724,011 | 660,000 | 784,670 | 1,884,556 | 4,053,237 | 2,600,000 |

Good Governance

In line with the concept of “one- stop -shop” regional offices, further adjustments were made to the regional infrastructures. As an example, resources that previously constituted the departmental construction units were intergrated with the regional maitanance forces to concentrate on much needed road regravelling and rehabilitation work.

Greater co-ordination of the activities of the maintainance forces and the road traffic inspectorate staff has been achieved through improved communication and reporting processes and this is resulting in improved response times and safer roads.

The mission directed work teams approach that was piloted in the Pietermaritzburg Region, has now been extended and implemented in all four regions. This has had a marked effect on productivity improvement and has developed a culture of teamwork, participation and continuous development of the staff.

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Examples Of Projects

District Road D820: Muzi Pan – Kwajobe – Empangeni Region

The D820 is situated in the Jobe Tribal Authority under the uBombo RRTF in northern KwaZulu Natal. It is 22,7km long and links the town of Jozini to the surrounding towns such as Mngobokazi, Mduku, Makhasa and also Mbazwana in the east. The road provides a vital access link to local schools, clinics, a community center, tribal court, and agricultural land. It also provides an access route for more than 1500 households, and helps to encourage the development of the tourism potential of the area.



D 820 Linking Jozini to several towns on route to Mbazwana

Before construction the road was very slippery when wet, and large potholes had formed in some sections. This made the road uncomfortable and unsafe to use in dry conditions, and impassable to most vehicles in wet conditions resulting in extended travel times, and increased road user costs. Road improvements included drainage improvements, gravel patching and the construction of a black top surface over a 3,1km portion of the road. The result is a road that can be used by vehicles, including buses and heavy vehicles, in most weather conditions.

The project created job opportunity for the community because emerging contractors were used for the construction work. Lake Sibayi community services were used to off-load and spread the road lime. Biyela Construction constructed the gabion protection works, and where possible, construction plant used on the project was hired from local plant hire companies.



Labour intensive work in progress on the KwaGuqa Access Road

The KwaGuqa Access Road – Empangeni Region

His Majesty The King, put his wishes for the development of a historical site on KwaCeza mountain to the Minister of Transport. The mountain has an unusual rock formation where massive blocks have dislodged and formed caverns where King Dinizulu once took refuge. The historical significance is that British soldiers are reported to have attacked Dinizulu at this site and it is where King Dinizulu is known to have first called together his subjects for prayer.

This development has the potential of being a tourist attraction, but the site was inaccessible by vehicle.

A 5m wide gravel road was constructed over a distance of 2,9 km through mountainous terrain. The community-based project was driven by the Hlengumuzi Development Committee and 180 local people were employed during the construction phase. An amount of R715 236-00 was paid directly to the community of Ceza. The construction of the access road was completed in December 2002 at a total cost of R 1,8 million.

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Mfithi Access Road – Empangeni Region



The new Mfithi Access road

The Mfithi access road is situated in the Nyawo Tribal Authority under the Ingwavuma RRTF in northern KwaZulu Natal close to the Swaziland border. This is a new access road that is about 10,5km long that provides an access to more than 600 households, and the local school. Prior to construction there was no vehicular access to the community, only a footpath. The local community had to walk long distances over steep terrain to and from the schools, and to fetch water. Any household supplies had to be carried long distances to the houses.

An amount of R1, 23 million was spent on building an earth road in rocky, mountainous terrain that that can be used by smaller vehicles, providing improved access for the local communities. Households can now transport supplies and other heavy loads closer to their homes.

Nhlesi Road: Ladysmith Region

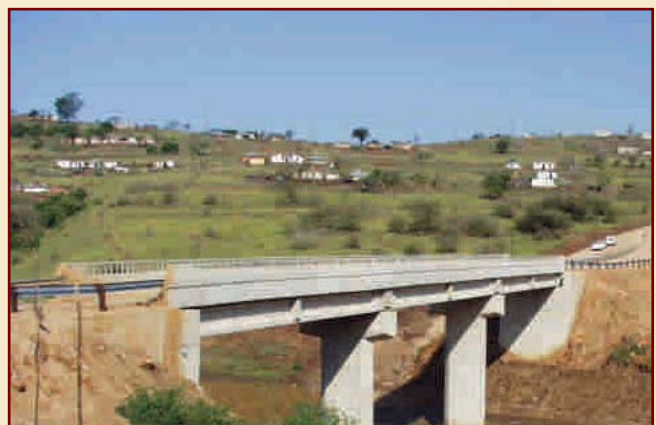
The Nhlesi Valley in the Msinga area is surrounded by steep hills and the only means of access for the community and a large school in the valley is by foot. Departmental forces made good progress with the construction of a 10 Km road through mountainous terrain. This road will be completed during the 2003-2004 financial road.



Nhlesi Road under construction in mountainous terrain

Umsunduzi River Bridge: Goedverwaching – Mboyi (D1000): Pietermaritzburg Region

This bridge was constructed at a cost of R3.3m and was constructed to a high level of end finish and within the estimated time. The Umsunduzi River is known for its flash floods, particularly during the summer months and as a result a low level structure would not have been able to satisfy the need for people to cross at all times.



The new Umsunduzi River Bridge

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Umsunduzi Footbridge At Khobongwaneni (Vulindlela Area): Pietermaritzburg Region

A steel foot bridge was completed during the year to create access across the river for children to attend school and for the commercial needs of the community.



Foot Bridge over Umsunduzi River

Fafaza Road (Vulindlela Area): Pietermaritzburg Region

This 1.4 km length of road was critically in need of upgrading due to its very poor condition and the extensive use made of it by the residents in the area. The road traverses a very steep section and as a result the steepest section of the road was concreted to avoid scouring and alleviate skidding by vehicles using the road. As can be seen in the attached photo extensive stone pitching had to be done to protect the concrete section from being damaged by excessive rain.



Fafaza Road prior to upgrading



Stone pitching of side drains on the Fafaza Road

Mashingeni Staircase: Pietermaritzburg Region



Mashingeni Staircase providing all weather access in the very steep terrain

Due to the very steep nature of the terrain at Mashingeni the footpath which was used by the people in the area became dangerous due to scouring and the slippery surface during periods of rain. The only affordable practical solution was to construct a stairway with lightly reinforced concrete to create an all weather footpath as access. The work was all done by hand including the mixing and transporting of concrete to the site.

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Mpisi River Bridge: Durban Region

New infrastructure funding

The Mpisi River Bridge was built over the Western channel of the Mpisi River on District Road 881 near Maphumulo to replace a low level causeway that was washed away in 2001. There are 5 spans, each 6,5 m long and local skilled and unskilled labour was used in the construction. This project was completed at a cost of R1,3 million and will greatly improve the mobility of the surrounding community in this well populated area.



Low level causeway washed away by heavy floods, January 2001



Mpisi River Bridge in October 2002.



Almost complete new bridge in November 2002, tail end of earthworks remaining.

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Implementation

Rehabilitation On MR82 Pinetown - Queensburgh: Durban Region (Conditional grant funding)

The MR82 is a very heavily loaded section of road carrying more than 30 000 vehicles daily in each direction, many of them heavies between the harbour and the hinterland. The road was built more than 20 years ago, and has reached its design life span. It has heavy rutting, distortion of the surface and severe cracking. Rehabilitation of this road is taking place over several years and phase 2 was undertaken during 2002-2003. Four Kilometres of dual carriageway freeway were rehabilitated at a cost of R9,6 million.

The work done included removing the asphalt layers to various depths and then replacing it with a continuously reinforced concrete layer in the slow lane and an asphalt surface (Stone Mastic Asphalt) in the other lanes.



MR82 – August 2002: Serious rutting that is a major roadsafety hazard, especially in wet weather conditions



Continuously reinforced concrete layer being layed to a depth of concrete of 240mm to provide for a 30 year service life.

Rehabilitation On Main Road 395: Durban Region Conditional grant funding

This project was to rehabilitate the badly distressed sections of the busy main road between Margate and Port Shepstone. Many patches had been done to long sections of road , indicating deeper lying problems. A depth of 40mm was milled out and then replaced with a new asphalt layer. A length of approx. 1,7km, in both directions, was rehabilitated at a cost of R 1 million.



Roller and paver in action on site, after milling operation. October 2002



Road being swept after milling. October 2002

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Implementation

Rehabilitation Of Mzimayi River Bridge: Durban Region (Conditional grant funding)

The Mzimayi River Bridge is on Main Road 3 just North of Hibberdene and crosses the estuary of the Mzimayi river. This bridge is in close proximity to the mouth of the river and the salty air had resulted in extensive corrosion of the steel and spalling of the concrete under the deck. Concrete reconstruction was done on the beams and all the bridge bearings were refurbished or replaced. A protective coating was then applied. The total cost of the work was R1,9 million.



Side view of the Mzimayi River bridge on MR 3 Port Shepstone.



Workmen busy with construction on the underside of the deck



Underside of rehabilitated deck.

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Implementation

Upgrading Of Road Traffic Inspectorate Driver Testing Facility: Durban Region

This project is for the upgrading of the driver's testing facility and relocation of the weigh bridge. The first phase of the project started in August 2002 when the existing drivers plateau and approach road was strengthened to accommodate the overloaded vehicles that would be impounded in this area. The additional parking area and a new K53 drivers test area followed.

Approx. a R1 million was spent on the facility in the last 9 months. It is anticipated that R500 000,00 may still be contributed by the Department of Transport, National Department of Transport and the Department of Public Works for more work.



Additional public parking area and new K53 test area at RTI Pinetown



Vehicle impounding area strengthened to accommodate overloaded vehicles.

License Conversions: All Regions

Much of the all important process of converting the driver's license from the I.D. document into a card type driver's license took place during 2002-2003. Office hours were extended at the major centres to cater for the last minute rush.



Queues, signing in and having eye tests, finger prints, etc. at Rossburgh

REPORT OF THE HEAD OF DEPARTMENT

Transport, Enterprise, Development & Logistics



Head:
Transport Enterprise Development & Logistics
Mr George Mahlalela



Director:
Freight Transport
Mr Sinethemba Mngqibisa



Director:
Policy and Planning
Mr Sibusiso Gumbi



Provincial Taxi Registrar
Mr John Kapueja



Director:
Contract Management
(Vacant)

REPORT OF THE HEAD OF DEPARTMENT

Transport, Enterprise, Development & Logistics

Introduction

The Chief Directorate aims to ensure:

- integrated planning and provision of public transport services and facilities
- the conducting of transportation studies as part of integrated development
- the management and regulation of road transportation industries
- the economic development of the public and freight transport industries and
- the provision of affordable transportation to the people of KwaZulu Natal

Key strategic objectives for the Transport Enterprise Development and Logistics Chief Directorate are:

Strategic Objective 1: To establish a sound and effective institutional framework for the overall management of the transportation system in the province

(a) Devolution of Functions

The Department is devolving public transport functions to the municipal sphere of government where appropriate. The criteria used in devolving functions includes consideration of the sphere at which the function is best handled and the need to avoid fragmentation in transport decision-making. The other consideration is efficiency in undertaking the function and the capacity to handle the function.

The Department sees its prime role in the longer term as:

- developing policy and legislation
- promoting provincial policy
- setting norms and standards
- co-ordinating plans and programmes of the municipal councils in line with provincial policy
- assisting municipalities that lack capacity
- monitoring the attainment of provincial policy.

Municipalities will, over the longer term, assume full responsibility for the execution and implementation of the appropriate transport functions. In the interim, the Department will continue to exercise these functions until they are devolved.

The devolution of transport functions is being done through negotiations between the Department and the relevant municipalities. This is also taking into account applicable local government legislation. Devolution will be phased in and the timing may vary depending on the capacity of District Councils.

In devolving functions, the Department takes into account the financial and capacity implications of undertaking these functions.

It also considers funding arrangements to assist the local government sphere in undertaking these functions.

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Transport, Enterprise, Development & Logistics

(b) Transport Authorities

The Department is strongly supporting the establishment of transport authorities in the more urbanised, diverse and complex areas of the province. These areas include the eThekweni Municipality, the greater Pietermaritzburg area and the greater Richards Bay/ Empangeni area. These transport authorities will be encouraged to undertake the full range of transport functions where appropriate.

(c) Provincial Regulatory Bodies

The Department is refining provincial bodies for the regulation of transport and is redefining the roles of existing regulatory bodies.

This is being done to ensure that the need for services is assessed by a planning entity as part of the transport planning function.

Certain functions of the Public Transport Licensing Board will be assigned to transport authorities. In some cases and where appropriate, these functions will be assigned to planning authorities.

(d) Regional Offices of the Department

The Department is developing capacity in its regional offices, which have already been established, with the aim of decentralising functions that can be handled more appropriately at a regional level. This will assist in streamlining access to the Department's services through a front-line regional presence.

Functions to be decentralised are the administrative interaction with the public and transport operators and conflict resolution in the transport industry.

(e) Consultative Structures

The Department will establish provincial consultative structures involving the municipal councils at both the political and technical levels. This will be in the form of elected representatives and municipal officials. The purpose of these structures will be to consult on provincial policy matters and on the implementation and monitoring of transport policy and programmes.

The Department will also set up a provincial consultative forum of key stakeholders in the province including representative bodies of users.

The Department will assist District Municipalities and the eThekweni Municipality to establish consultative bodies. These bodies will integrate with the municipal integrated development planning process. These consultative bodies will also assist the Chief Directorate to test and refine their policies, plans and implementation strategies.

Strategic Objective 2: To develop and promote an effective and efficient transport system

(a) Priority to Public Transport

Priority is given to public transport over private transport. Plans and programmes developed by planning authorities giving priority to public transport will be strongly supported and given funding priority. The viability of Travel Demand Measures (TDMs) will be investigated in order to promote more efficient private car use and free up resources for the upgrading and promotion of public transport.

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Transport, Enterprise, Development & Logistics

Introduction

Land transport planning and provision must promote the safe and efficient use of non-motorised transport modes such as walking and cycling in support of public transport.

(b) Planning of Transport

The need to bring about an efficient and effective public transport and freight transport system is being addressed through the preparation of transport plans. These transport plans are being prepared in accordance with national and provincial guidelines and requirements.

The planning authorities at the District Municipalities, in co-operation with the Local Municipalities, are responsible for preparing public transport plans. Planning authorities are defined as Transport Authorities, Core Cities (as designated by the Urban Transport Act) and District Councils.

Planning authorities must ensure the participation of key stakeholders and users in the preparation of transport plans. The development of transport plans are based on a proper needs assessment. This should also be in keeping with the policy shift away from a “supplier driven” system to a “demand driven” system.

The Department is assisting planning authorities where necessary by providing technical and financial support for the preparation of the required plans. The Department is assisting with the development of systems and technical capabilities.

(c) Promotion of the Most Economic Transport Service

The mode mix of public transport which offers the best cost / service trade-off is being promoted on a route or corridor basis. This is based on the assessment of modal economics as well as the need to satisfy user needs. The implementation of this policy needs to recognise the constraints posed by the established rights of enfranchised operators, where these exist.

Destructive competition which threatens the viability of public transport services is avoided. Subsidisation of services must be supportive of the viability of different modes on a corridor and subsidies should be structured in order to avoid destructive competition with unsubsidised public transport.

Subsidisation of operators providing parallel services in competition will be avoided where it is found that competition is destructive. Market entry will also be regulated through quality and safety criteria.

Where rail transport is shown to be the most economic mode, typically in high volume corridors, it is strongly supported through interventions to improve the quality and level of service to an acceptable standard.

Similarly for freight transport, the Department facilitates the promotion and development of the mode of transport which is economically the best for the province.

(d) Integration of Modes

Integration and co-ordination of modes is strongly supported. Modal integration is being facilitated by measures such as integrated ticketing systems, co-ordination of timetables and provision of well-located and well-designed modal transfer facilities.

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Transport, Enterprise, Development & Logistics

(e) Quality Charter

A “Quality Charter” for public transport is being developed for the province in consultation with all affected parties. The purpose of the Charter is to establish minimum standards which the province will seek to attain.

Planning authorities will be required to conform to this Charter in the planning of services. However, they will be entitled, within the parameters of the provincial charter, to develop their own charter tailored to their particular circumstances.

(f) Safety and Security

High priority is given to the implementation of strategies and measures to ensure the safety and security of public transport passengers. The Department will ensure that strategies and measures to ensure the safety and security of public transport passengers are included in public transport plans.

(g) Conflict Management

In order to prevent violent and destructive conflict arising between public transport operators and the public, the Department identifies areas of potential conflict. This is done through monitoring and communication structures. Through targeted mediation and enforcement, the Department intends to pre-empt conflict situations and ensure a stable and peaceful industry.

(h) Public Transport Monitoring

The Department continues to streamline and improve the cost-effectiveness of systems of monitoring for compliance with contract specifications where services are rendered in terms of subsidised contracts. Advanced information technology -based systems will be used where appropriate and cost effective. The monitoring of public transport will be expanded to include all public transport. This will be to ensure that up-to-date information is collected on a continuous basis to assist in planning, regulation and enforcement.

(i) Promotion of Public Transport

In order to improve the ease of use of public transport and encourage a service with greater emphasis on user needs, the Department is embarking on a public transport information campaign. This campaign will:

- Assess the information needs and desires of public transport passengers and address them through targeted campaigns and interventions in the system.
- Attempt to improve ease of access to information on routes, fares and timetables or expected frequencies.
- Promote awareness within the public transport industry and the planning and development sectors of the information needs of the public transport user.
- Make the public more aware of available public transport options with the view to improving public transport use.

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Transport, Enterprise, Development & Logistics

The promotion of public transport will also be indirectly effected through directed investment in public transport infrastructure that improves the ease of use for public transport passengers.

Strategic Objective 3:

To establish an effective and enforceable regulatory system

(a) Regulation of Transport

Essential public transport services catering for basic mobility needs of commuters are regulated for market entry. This is done through the use of operating licences. For such services competition on the route is regulated to avoid destructive competition.

On services geared to more discretionary and casual travel, which can be sustained through a more commercial orientation to service provision, direct competition for and on the route is permitted. In these types of services, regulation is limited to quality control aspects.

The planning authorities, through the preparation of transport plans, will determine the demand for additional services and operating licences.

The Department has established a Public Transport Licensing Board. In the transitional phase, its role is to receive and dispose of applications for operating licences and conversion of permits. The Department will redefine its role after the transitional phase. This will pave the way for the issuing of operating licences to be determined by planning authorities based on assessment of need.

(b) Law Enforcement

Public transport and freight transport will be strictly enforced for compliance with operating licences, safety standards and compliance with road traffic laws. The responsibility for enforcement will be a shared function between the Road Traffic Inspectorate (RTI) and the traffic departments of municipalities.

Strategic Objective 4:

To ensure a financially and environmentally sustainable transportation system

(a) Land Use / Transport Integration

The integration of transport planning and land use planning is encouraged. This is to ensure more efficient and sustainable forms of urban and rural development through reducing the cost of transport. This could be achieved by reducing the need to travel and the distance travelled and by balancing the development costs against transport costs. It could also be done by encouraging densification and in-filling and development of corridors. These should be both supportive of and supported by sustainable public transport systems and non-motorised transport networks. Subsidies will be focused on services supportive of sustainable development.

(b) Competitive Provision of Services

Subsidised public transport services are provided using competitive tendering processes. Negotiated contracts are entered into, to achieve specific objectives. Such objectives could be the restructuring of parastatals to underpin empowerment initiatives and to achieve modal integration.

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Transport, Enterprise, Development & Logistics

The Department is reviewing the current procedure for tendered contracts with a view to lowering the costs of subsidised service provision, creating greater opportunities for SMMEs and ensuring effective methods of contract monitoring.

(c) Sustainability and Recapitalisation

The Department is facilitating and supporting projects aimed at recapitalising the transport industry in a sustainable way. This will ensure that all transport operates sustainably in the market.

(d) The Promotion of Non-motorised Transport

The Department facilitates and supports projects aimed at promoting non-motorised transport for personal and small freight transport in a sustainable way. Such projects are aimed at ensuring safety and security in urban areas for non-motorised transport users, namely people walking and cycling.

In rural areas such projects are aimed at making affordable bicycles, parts and servicing more accessible to rural communities.

Strategic Objective 5: To satisfy the requirements of public transport passengers with special needs within affordable limits

(a) Special Needs Passengers

The transport plans prepared by planning authorities include strategies and specific projects to meet the needs of persons with disabilities. The Department supports and considers funding projects put forward by planning authorities, as part of their transport plans, to cater for the needs of persons with disabilities.

Planning authorities are required to assess the transport demands of learners and the financial implications of meeting them. Because of the sub-economic fares normally applicable to this segment of the passenger transport market, the Department is investigating ways to cater for the transport needs of learners. It is doing this through optimisation of existing public transport services, the use of non-motorised transport and the integration of land use and transport planning.

Strategic Objective 6: To promote projects which contribute directly to economic development, job creation, capacity building and skills transfer

(a) Involvement of SMMEs

The Department is promoting and supporting projects which bring about the direct involvement and empowerment of SMMEs in the transport system. Opportunities are being created for SMMEs to enter the arena of subsidised public transport service provision. To this end, smaller operators are provided with the necessary skills and expertise to become serious contenders under the competitive bidding process. This is particularly relevant in the case of minibus-taxi operators and smaller bus operators. These operators are encouraged to participate in the operation of contracted services either on an individual basis or in partnership with larger operators.

(b) Diversification of Taxi Industry Business Interests

The Department is facilitating the involvement of the taxi industry in the provision of public transport in the broader transport sector. The Department also facilitates diversification of the activities of taxi co-operatives. This is with a view to improving the overall operational effectiveness and viability of the taxi industry.

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Transport, Enterprise, Development & Logistics

To achieve this the Department is, amongst other things, promoting the involvement of the taxi industry in the operation of contracted services.



Rural bicycle shop

(c) Establishment of Bicycle Micro-businesses

The Department is facilitate the establishment of micro-business ventures in rural areas that sell affordable bicycles and provide accessible servicing and maintenance in rural communities.

Strategic Objective 7:

To ensure sustainable funding for the development and provision of public transport

(a) Sources of Funding

The Department, with other spheres of government, seeks to secure sustainable funding sources for the development and provision of transport. As far as possible, the funding sources and the power to raise funds should be placed at the level of the authority responsible for executing the function. The allocation of funding aims to achieve an equitable apportionment of funding to direct funds to the areas of greatest need.

The Department may provide funding to planning authorities to assist them in undertaking their functions. This will be more particularly for the development of systems, planning tools and technical capacity. As far as possible the user pays principle will be adopted in the use of transport services and facilities.

Strategic Objective 8:

To develop a transportation system that promotes enhancement of rural development

(a) Rural Transport

The Department gives priority to providing mobility and access to transport in the isolated rural communities. The aim is to provide greater opportunity for access to jobs, education, health and recreational facilities. This is achieved through the continued subsidising of social public transport services in rural areas. This transport should be supportive of sustainable rural development and the promotion and facilitation of the use of non-motorised transport. This program is complemented by the Department's road construction and maintenance divisions providing a road network in a good state of repair.

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The department places emphasis on public transport projects supportive of and supported by the creation of social development centres in rural areas.

Strategic Objective 9: To develop a transport system that ensures the safety of operators and users. The Department ensures that freight and public transport operators comply with provincial road safety objectives. They should also comply with the code of conduct for operators and drivers of transport services. This is done through sustained monitoring and enforcement of traffic and transport regulations.

Achievements of the Chief Directorate in the 2002 / 2003 financial year

Directorate: Transportation Policy and Planning

Introduction

The directorate was formally established in November 2002 with the appointment of the Senior Manager, Sibusiso Gumbi. The first task was the consolidation of transportation policy and planning functions of the Chief Directorate into the Directorate. Work that was being undertaken in public transport policy and planning was brought under the leadership of the Senior Manager. An interim team was also established to manage the projects in the, as yet un-staffed, directorate.

By the end of the financial year the two assistant management positions in the Directorate had been advertised. Despite this lack of formally appointed officials the interim team in the Directorate did admirably on delivering on several of the objectives of the new Directorate.

Public Transport Planning

The Policy and Planning Directorate has established communication channels with District Municipalities Integrated Development Planning sections. Such communication has allowed for negotiations on the devolution of the public transport planning function to the municipal sphere as envisaged in the National Land Transport Transition Act (2000) (NLTTA). Funding of R1.04 million was transferred to municipalities to assist them in starting the preparation of their Current Public Transport Records as required by the NLTTA. A further R2.7 million will be made available to District Municipalities in the 2003/2004 financial year. This will enable them to complete their Current Public Transport Record.

A road-show emphasising the importance of public transport planning was taken to all District Municipalities. It was presented at several municipal Integrated Development Planning forum meetings. This presentation highlighted the important role played by municipalities in ensuring the development of an effective and efficient public transport system. They do this through their integrated development planning and implementation.

From the Uthungulu Municipality's CPTR, the following statistics illustrate passengers attitudes towards public transport and their needs. The Uthungulu Municipality has a very wide diversity of settlements from large urban areas to dispersed rural settlements. It has extensive subsidised public transport services as well as unsubsidised services. Although the results are not indicative of the situation in the whole province, they illustrate some of the useful information emanating from the CPTR.

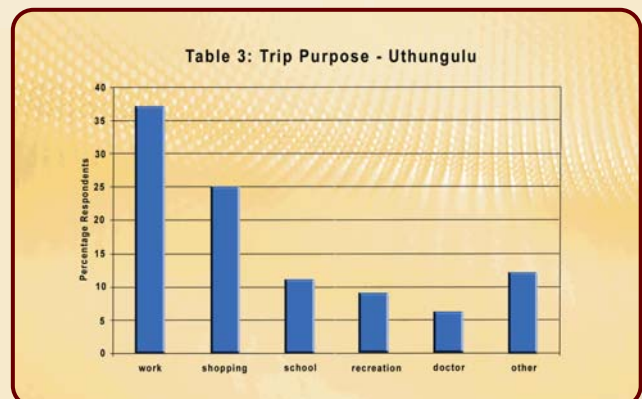
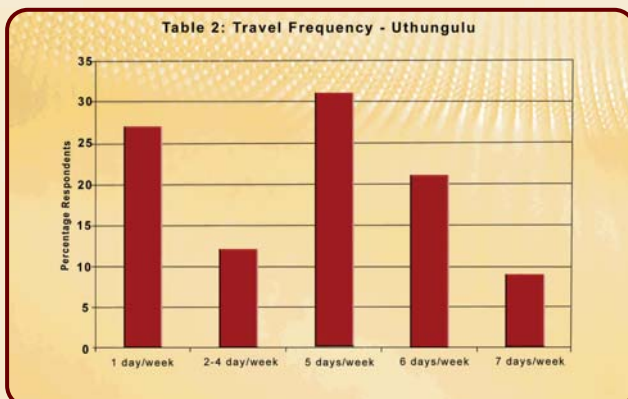
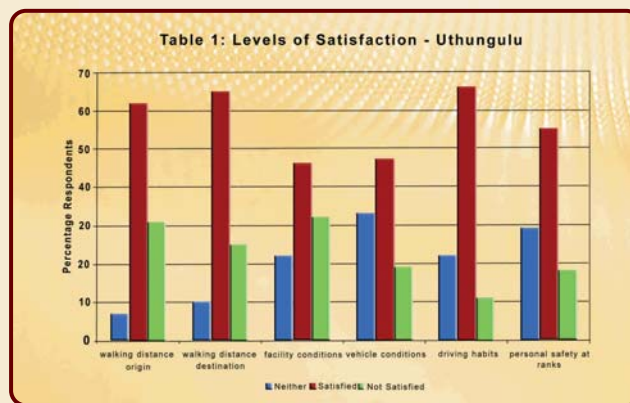
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For public transport to serve the needs of the people it is imperative that transportation planning be done. Currently public transport services are provided without any knowledge of the public's transport needs. The regulation of these services is based largely on the needs of the public transport operators. This results in public transport which does not always comply with the needs of the people. The Directorate is examining the approach to public transport planning as set out in the NLTA. This involves establishing provincial standards, technical guides and planning aids. The aim is to ensure that planning addresses the above and will result in an improvement in public transport for the people of the province.

The Umgungundlovu and Uthungulu Municipalities submitted their Public Transport Records by the end of the financial year. These records provide an insight into the public transport services in the district. It will also assist in policy development and implementation programs of the Department.

The information in tables 1, 2 and 3 were gathered from sample surveys of bus and minibus taxi users. This was gathered over several days and times in various ranks in the Uthungulu Municipality. The representivity of the sample has not been tested but it gives an interesting insight into the passenger perspective of public transport in the district. Although table 1 shows high levels of satisfaction the presence of dissatisfied customers is never good. Table 2 and 3 show the importance of catering for infrequent users of public transport with over 35% of the users surveyed not being daily commuters but using public transport for other purposes.



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Consultative Structures

Consultative structures on the technical level on policy and planning issues have been established. Through these structures more structured consultative structures will be established at the technical level. Political consultative structures are yet to be established and strategies for such structures are being finalised.

Provincial Land Transport Framework

The NLTTA requires that provinces prepare a Provincial Land Transport Framework (PLTF). This should sets out the policies and strategies of the Province with regards to transportation. The framework covers not only the work of the TEDL Chief Directorate but also the work of the Implementation, Public Safety & Communication and Finance Chief Directorates. The TEDL prepared a draft Public Transport Framework in 2001/2002 as their input to the PLTF. Due to the fact that the client chief directorate, namely Strategic Planning, was as yet unstaffed, the TEDL Chief Directorate was requested to co-ordinate the preparation of the whole framework for the Department.

By the end of the financial year, the PLTF was completed and submitted to the Head of Department for approval and submission to the National Department of Transport.

Provincial Land Transport Bill

In 2001, a commission of enquiry into taxi violence was established by the Minister. One of the recommendations of the commission was the need for the KZNDOT to draft a Provincial Land Transport Bill to complement the National Land Transport Transition Act (2000). Such a provincial bill would address the specific issues with regards to land transport that are unique to the province. In 2002, the commission was requested to draft the portion of the Provincial Land Transport Bill that would address the pressing issues of violence in the public transport arena. In early 2003, the Directorate organised a workshop which reviewed this draft Bill and the Directorate is in the process of finalising this Bill.

Skills Development

Skills and education levels in the public transport industry are severely lacking. In order to bring about empowerment in the industry, the Directorate is developing a training program for public transport owners, operators and drivers.

A pilot project was instituted in the Nqutu Municipality to test the curriculum, its acceptance and effect on the industry. Three hundred members, 150 drivers and 150 owners of the local minibuss taxi association were trained in relevant aspects of:

- Business management theory and practice
- Road safety
- Customer care
- Governance and leadership
- Basic transport economics
- Labour relations act
- Rank administration
- Conflict management
- Traffic and land transportation

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Non-Motorised Transport

Prior to the 2002/2003 financial year, the Public Transport Directorate established two pilot projects to test the viability of cycling as a solution to rural mobility problems. The pilot projects established a sustainable bicycle sales and servicing micro-business in the rural community. Ownership and management of the micro-business rests in the local community.

The study proved the effectiveness and popularity of cycling as a mobility solution in rural areas. Funding could not, however, be secured for the 2002/2003 financial year. But the directorate continued in its efforts to promote rural mobility through cycling.

It did this by facilitating partnerships in the private and NGO sector to deliver on governments objectives. In addition to this, the Directorate worked closely with the National Department of Transport in developing a sustainable strategy for the promotion of cycling.

Through the efforts of the Directorate, the two pilot sites remained operational despite receiving no funding. This proved the sustainability of the strategy adopted by the KZNDOT. Similar sites established in other provinces, but using a strategy where ownership and management of the sites rested with government, collapsed as soon as funding dried up.

The pilot site in the Nqabeni area, in the Ugu Municipality, organised a cycle race on 16 June 2002 for the local cyclists. The Directorate arranged that road safety t-shirts and caps were provided as prizes and road safety literature was distributed to all participants and spectators.

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Directorate: Public Transport Regulation

Introduction

The Public Transport Regulation Directorate was formally established in November 2002 with the appointment of the new Provincial Taxi Registrar, Mr John Kapueja. The first task was the consolidation of public transport regulation functions of the Department into the Directorate. To effect this, the Public Transport Licensing Board section of the Contract Management section and the Taxi Registrar section of the Chief Directorate, were moved to the Public Transport Regulation Directorate.

Regulatory Bodies

The Local Road Transportation Board was transformed into the Public Transport Licensing Board (PTLB) in 2002 as required by the NLTTA. This was prior to the establishment of the Directorate. The process of amalgamating the Provincial Taxi Registrar and the PTLB into a single regulatory body commenced with the establishment of the Directorate. This is to be completed on acceptance of the Provincial Land Transport Bill by Parliament in 2003.

Provincial Taxi Registrar

The main functions of the Taxi Registrar's office are clearly set out in the KwaZulu-Natal Interim Minibus Taxi Act, 1998. These functions are to register associations, members, vehicles and their routes.

Registration

In 1999, 310 taxi associations applied for registration. However, this number decreased because some associations formed mergers and others were bakkie associations. Prior to 2002, the registration process had reached the following stage:

- Number of provisionally registered associations 252
- Number of provisionally registered vehicles 21 273
- Number of provisionally registered members 15 003

Where associations disputed the decision of the Registrar they had the right to challenge the decision. A total of 115 challenges/objections were lodged in 1999. The majority of challenges were finalised prior to the 2002/2003 financial year. Three percent of the cases still remain unresolved due to insurmountable complexities. The Registrar and Appeals Tribunal attempted throughout 2002/2003 to resolve these through negotiations and conflict resolution.

Prior to the registered Associations and members being issued public transport operating licenses, it was necessary to verify the accuracy of the applications for operating licenses. Originally applicants for registration claimed they operated over 6,000 vehicles. Vehicle license checks showed that the number of vehicles was inflated and certain of the vehicles claimed to be minibus taxis were in fact other vehicle types.

In 2002/2003, the Public Transport Enforcement Unit (PTEU) assisted with inspecting and verifying the vehicles that the operators applied for through the clean-up process. Statistic of the Clean-up process are as follows:

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- Original no. of vehicles applied for registration +/- 6,000
- No. of vehicles applied for the clean-up process 2,542
- No. of members applied for the clean-up process 2,182

Clearly, this clean-up process did a valuable job in ensuring the accuracy of the vehicle numbers operacy.

Inter-provincial agreements

Conflict between long distance associations have successfully been resolved, thanks to the work of the Registrar. Inter-provincial conflict between KwaZulu-Natal and Gauteng provinces was successfully resolved. This was achieved through the assistance of the KwaZulu-Natal department of transport as well as the Gauteng department of transport.

In order to ensure conflict free operations of cross -border long distance routes, the Registrar facilitated the signing of agreements between associations operating the same routes but based in either end of the route. Inter-provincial agreements have been finalised with both Gauteng and Eastern Cape provinces. These allow associations to use each others ranks in the cities through reciprocity agreements. This reduces conflict and improves service to passengers.

Business Assistance

The office has successfully assisted the following associations to operate as business companies by providing business advice:

- Illovu Adams Taxi Association registered as Bluedale Investment Company t/a Simunye Tours
- Sizwe Taxi Owners Association t/a Nhlosokuhle Transport Company

These companies are operating within the association routes in response to the Minister's call to taxi operators to start operating as business people. They are buying bigger vehicles and there are a number of other taxi associations who also wish to do the same.

Co-operatives

The Umzinyathi taxi co-op has been assisted to sub -contract to TransNet in the Amajuba Municipality. This has created a better working relationship between the taxi operators and the bus company.

The five Durban co-operatives and regional taxi councils are being assisted to be subcontractors in the restructuring of Durban Transport through the facilitation of the directorate. A company, (Taxico) is in the final stages of being formed which would be contracted to operate services as part of the Durban Transport services.

National Land Transport Information System (NLTIS)

In order to improve the value of and access to information, the National Department of Transport developed an integrated public transport administration and information system, the NLTIS. The NLTIS is now available to all users via the Internet Explorer. Training has been undertaken to officials and registration information is now available on the system.

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Public Transport Licensing Board

Over the past financial year, the activities of the Board involved the following:

Conflict Resolution

The following conflicts were addressed between associations with regards to permits. The three conflicts were between:

Stanger/Mandeni Taxi Associations, Imbali 1&2/ Imbali 13&15,
Chesterville-Westville/Clermont-Kwa-Dabeka;

The Chesterville / Clermont conflict was resolved in 2002. The other two conflicts will be finalised very soon.

The Issuing of Permits

In the 2002 / 2003 financial year, the PTLB processed and issued the following permit applications.

| Description | Number |
|---------------------------------------|--------|
| (i) New Applications | 5 271 |
| (ii) Duplicate Permit | 267 |
| (iii) Temporary Permit | 561 |
| (iv) Transfer of Permit | 475 |
| (v) Additional Permit | 55 |
| (vi) Change of Particulars/ Add. Auth | 59 |
| (vii) Replacement of Vehicle | 4 069 |
| (viii) Renewal of Permit | 337 |
| (ix) Be Legal | 9 313 |
| (x) Clean Up | 2 214 |
| (xi) Conversion | 662 |

In August 2002, the Board also received 562 applications for transport of scholars, staff and lift clubs. These types of applications are new to the Board and have been introduced as a result of the NLTTA.

The number of tourist applications has increased vastly this year. The Board also approved many temporary permits to operators during the Cricket World Cup.

The Board also dealt with the first operating Licenses converted from permits to four contract bus companies. A total of 209 permits were converted to operating licenses.

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Directorate: Contract Management

Introduction

This directorate was a central part of the Public Transport Directorate when it was established in 1997. The work of the section has been lauded nationally. Also, the work of the subsidised public transport contract management section, is recognised as an example of best practice in South Africa.

With the restructuring of the Department, the role of the section was expanded and it became the Contract Management Directorate. With the appointment of Mr. Chris Strech as a Director, the Directorate continues in providing excellent and innovative leadership in the public transport contract management field in South Africa.

Transport Authorities

The eThekweni Municipality has approved the establishment of a metropolitan transport authority. The only outstanding issue in the establishment of the transport authority is the finalisation of the funding mechanisms. Once this has been resolved, the eThekweni Municipality would be the first municipality in the country to establish a transport authority.

Subsidised Public Transport

The Contract Management Directorate is recognised nationally as the leader in public transport subsidised contract management. Over the past year, subsidised transport has provided commuters with over 51 million subsidised passenger trips. This covered over 30 million kilometres.

The Subsidy has increased substantially since 1997 when the KZNDOT delegated the subsidy management function to the province. Prior to 1997, the subsidies had increased at below inflation levels for several years resulting in a decline in the industry. The increase occurred as the Directorate facilitated the restructuring of the subsidised bus industry. This was meant to bring about empowerment and the recapitalisation of the bus fleet.

This has improved safety and reliability of the subsidised bus fleet. It has also stopped, and in many cases reversed, the decline in patronage that had been seen in previous years. The Directorate will continue to ensure that KwaZulu Natal receives their equitable share of the national public transport subsidy budget in order to ensure prosperity through mobility in the province.

Table 1: Subsidy Per Annum for Subsidised Road Transport Financial Year Annual

| | Annual Subsidy | Increase |
|---------|----------------|----------|
| 1997/98 | R 166,817,22 | 6% |
| 1998/99 | R 236,568,574 | 42% |
| 1999/00 | R 293,844,664 | 24% |
| 2000/01 | R 326,434,552 | 11% |
| 2001/02 | R 365,836,681 | 12% |
| 2002/03 | R 408,395,730 | 12% |

The Contract Management directorate is very committed to ensuring that we provide first class public transport to the commuters in our province. In saying this, it is a pleasure to mention that a total of 112 new buses were introduced into service. An estimated additional 80 busses are to be introduced this coming year. This reduced the average age of our subsidised bus fleet, to less than seven years, thus ensuring that newer, safer, more comfortable services are delivered to the community.

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This has many benefits, with the commuter being obviously the main benefactor. But there are many other spin offs, such as job creation in the bus manufacturing industry, as well as more environmentally friendly vehicles being introduced.

KwaZulu Transport

In 2001, KwaZulu Transport, a corporatized parastatal bus company owned by the Department of Economic Development and Tourism, went into liquidation and was sold to the private sector. A commission of enquiry was instituted in 2002 to investigate the reasons behind the collapse of KZT. This was done because of allegations being levelled against, amongst others, the KZNDOT of maliciously causing the collapse of the company. The commission of enquiry found no evidence to show any malice on the part of the Department and exonerated the KZNDOT from any blame with regards to the collapse of KZT.

Despite the setback suffered by KwaZulu Transport (KZT), which was under liquidation, the company was sold as a going concern without one days break in service to the community. The main challenge this past year was for operators to reinvest in the fleet they inherited from KZT. The new owners also needed to ensure that the fleet was brought back into a condition which was acceptable to both the communities and the department of transport.

Black Economic Empowerment

Of the 1388 subsidised busses, (excluding Durban Transport), 100 % of busses are owned and operated by Previously Disadvantaged Individuals (PDI). Of the total 160 buses are owned and operated by Black Economic Empowerment businesses consisting solely of members of the Preferential Population Group (PPG). Prior to 2002 , only 32 buses were owned and operated by BEE businesses. Also before 1999, only 10 buses were owned and operated by BEE businesses. Since 2002, through the concerted efforts of the Contract Management Directorate, there has been a 400% increase in BEE participation in the subsidised bus contracts. Over the past four (4) years, the Public Transport Directorate facilitated the increase in black economic empowerment in the subsidised contracts by 1500%.

The year ahead promises to be an exciting one with many empowerment opportunities being created in the bus arena with opportunities being facilitated by the directorate for several BEE entities to enter into the subsidised transport arena.

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Directorate: Freight Transport

Establishment of Directorate

The Freight Directorate was formally established in December 2002 with the appointment of the Senior Manager, Mr Sinethemba Mngqibisa. The first task was the consolidation of freight transport functions of the Department into the Directorate. To effect this, the abnormal loads and weigh-bridge sections of the Road Safety Engineering Directorate were moved to the Freight Directorate.

Introduction

KwaZulu-Natal Province is the main gateway for exports and imports for the country and the Region as a whole. It accounts for more than 75% of all exports and imports. It is for this reason that the Province's freight transport system should be of world standard so as to enhance the competitiveness of the country in terms of exports.

Freight transport directorate

It was especially with this in mind that the above mentioned Directorate was established in December 2002. Mr Sinatamba Mngqibisa was appointed as the Senior Manager. The first task was the consolidation of freight transport functions of the Department into the Directorate. To effect this the abnormal loads and overloading control sections of the Road Safety Engineering Directorate were moved to the Freight Directorate. Much has been achieved in terms of uniting these units with the newly created unit of Policy and Strategic Projects.

Policy and strategic projects unit

This unit has been created and tasked with the following key strategic objectives in mind:

- Development of the provincial white paper in freight transport policy.
Currently, there is no policy framework in the Province to guide the freight transport system. This has resulted in different organisations and Government Departments all attempting to address issues of freight transport operations and management. This has resulted in no unified voice or approach. This could lead to unsustainability and inefficiencies.
- Controlling damage to the road network from freight.
Cargo is predominantly moving by road, and rail is being under-utilised. Most rail branch line are operating sub-optimally while others are no longer functioning at all for example, Kelso-Ixopo line and Gingindlovu-Eshowe line. Harding-Port Shepstone line is no longer carrying any freight. A study in 1998 revealed that if branch lines in the Province were to be closed down, R95 million per year would have to be spent by the government on road maintenance due to excessive destruction attributable to additional road freight. The economic case for the rescue of branch lines will be made in order to ensure optimal economically efficient use of transport infrastructure

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The Freight Transport Directorate is going to embark on strategies aimed at shifting cargo from road to rail where appropriate and in consultation with the industry. Among strategies being considered are further enhancing overloading control, possibly prescribing modes for cargo moving on routes parallel to rail. Also reducing truck sizes on our Provincial roads that were not designed to carry such heavy loads is being considered. South Africa's 56 tons permissible mass load is the highest in the world.

- **Development of SMME's and BEE**

Large companies are currently dominating transport Industry and emerging small operators find it extremely difficult to break through. Even though in the road freight industry there are schemes like the owner-driver scheme, which try to address the situation, dissatisfaction exists as to whether such schemes do train these individuals into independent entrepreneurs.

The primary objective of the directorate in this issue will be to encourage entry of small operators into the freight transport industry. This is in line with Government policies aimed at including small operators, especially those who were previously excluded from the mainstream economy of the country.

- **Rural Freight Transport Development**

Communities in the rural areas work hard at trying to improve their lives by being involved in craft and other activities. They need reliable and affordable access to markets to sell their products. Lack of reliable and affordable freight transport limits their efforts in that they cannot even get their products into local markets. Exports markets are even more difficult to access. It is for this reason that they are always seen along roadsides trying to sell to passing motorists.

The objective of this directorate is to optimise freight transport to support rural development initiatives and vice versa. There is a need to address the logistics of transporting rural agricultural produce and crafts to markets and rural development initiatives. In order to ensure this, the Freight Directorate has already initiated talks with the Department of Agriculture, Economic Development and Tourism and the Cut Flower export council.

Enhancing world class flow of exports and imports through our province.

There are two export harbours in the province. Durban is the busiest container port in the region while Richards Bay is the world-class exporter of bulk coal. Bottlenecks are, however, being experienced especially in the Port of Durban. This becomes more manifest during busy seasons like year-end period. This situation negatively affects competitiveness of the country and needs to be eliminated.

The aim of the Directorate will be to promote the Province as the most attractive freight transport route for exports and imports in the region. This needs to be done through enhancing efficiency in the export corridors and our major ports Durban and Richards Bay.

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What has been achieved In 2002/2003

Freight Transport Policy Process

Before the end of the financial year, we have been able to put in place the Draft Green Paper in the Provincial Freight Transport Policy. This was done in consultation with the Freight Stakeholders in the Province. It is envisaged that its launch by the Provincial Minister of Transport will be on 21 November 2003.

Provincial Freight Database Project

Commencing in December 2002, we have been able to embark on the project of establishing a strategic database on the movement of freight within and through the Province. This exciting project, consisting of a software program and a detailed report, is coming into finalisation by the end of June and will be launched by the Provincial Minister of Transport during August 2003.

Rail Branch Line Study to Identify SMME Opportunities

This project, which is aimed at enhancing the utilisation of rail branch lines in the Province and also exploring the opportunities for SMME's development, was initiated in early 2003 and will be completed by the end of July 2003. The report will give clear recommendations to benefit previously disadvantaged communities in terms of economic development.

Rural Development

We have developed a good working relationship with the Departments of Agriculture and Economic Development and Tourism in terms of rural freight transport needs. We have been able to facilitate a contract with a farmer and an emerging operator to provide transport for one of the large national retailers.

We are working at trying to identify and formalise all the small operators within the freight industry. At the same time, in conjunction with relevant Government Departments, we are identifying projects that will benefit the emerging operators.

Road Infrastructure Preservation

By the end of the current financial year (March 2004), we will be finished with the development of the strategies to shift relevant cargo from road to rail where appropriate. As everyone is aware, rail infrastructure is currently being under-utilised while our roads are unnecessarily being over-utilised. This results in our roads being destroyed at an alarming rate. It needs to be reversed if a world class status in our freight transport system is to be achieved.

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Overloading Control in KwaZulu-Natal

The road network in South Africa is an essential facility for moving goods and services on a daily basis. This network also plays a crucial role in promoting the economic growth of the country. It is estimated that at least 25 per cent of all loaded heavy vehicles travelling on South African roads are overloaded. However, weigh-in-motion statistics have shown that this figure is close to 12 per cent in KwaZulu-Natal. This is as a result of the province's dedication to overloading control. During 2002, 187 961 vehicles were weighed in the province of KwaZulu-Natal, which represents approximately 30 per cent of all vehicles weighed in South Africa.



Abnormal load on route

Cost of Road Damage

Research has shown that overloaded heavy vehicles are responsible for approximately 60 percent of the damage to the road network. In South Africa this represents at least R 750 million per annum. During 1998, a strategy for vehicle overloading control was formulated for the KwaZulu-Natal Department of Transport by the CSIR. As part of the study, a more detailed estimate was done on the damage caused by the overloaded portion of overloaded vehicles on the N2 and N3 national routes in KwaZulu-Natal. The cost of road damage amounts to approximately R 40 million per annum on these two routes alone (1998 Rands). The cost of accidents involving heavy overloaded vehicles is also considered in the strategy report. It is conservatively estimated that R 30 million per annum can be saved in the province by introducing increased enforcement on the main routes.



Weigh bridge in action

Overloading Strategy in KZN (Weighbridges)

The first phase of the strategy has been implemented on the N3 corridor. The Traffic Control Centres at Westmead, Mkondeni and Midway are running on a 24 hour basis and Ladysmith, Newcastle and Greytown working either eight (8) or six (6) hour daily shifts. The South African National Roads Agency Limited are contributing to the funding of this project. It should be noted that the introduction of this phase of the overall strategy has had a major impact on weighing activities from 2000 to date.

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Thus, although the number of vehicles weighed increased by approximately 28 percent from 2001 to 2002, the number of vehicles overloaded increased by 13 per cent and the number charged decreased by 17 per cent. With the increased activities at weighbridges, the general weighbridge maintenance requirements have increased substantially.

The transportation industry in South Africa is at present given an additional 5% tolerance above the permissible load as stated in the Roads Act of 1996. A review of the 5 % tolerance is currently being investigated as many transport operators are utilising the 5 % tolerance on combination mass (2,8 tons in the case of a 56 ton vehicle combination) to increase their payload. This causes additional damage to the road that cannot be controlled.

Abnormal Loads Routes

The Department has an abnormal loads route map that indicates the different routes to be traversed when conveying an abnormal load. The routes vary depending on the abnormality of the load. A National abnormal load super route map is currently being compiled by the CSIR with information received from all Provincial Administrations and Abnormal Load Consultants. This information, when completed will be placed on the Internet.

The number of abnormal load permits issued by the Department's permit office for the year 2002/2003 was 6312.

Part III

Report of Audit Committee



prosperity through mobility

Report of Audit Committee

We are pleased to present our report for the financial year ended 31 March 2003.

Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and met 4 times as per its approved terms of reference.

| Name of Member | Number of Meetings Attended |
|--------------------|-----------------------------|
| J T M Edwards | 4 |
| B P Campbell | 4 |
| B S Khuzwayo | 4 |
| R Morar | 4 |
| D S D Shabalala | 3 |
| R W Green-Thompson | 1 |
| R K Sizani | 1 |

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a) of the PFMA 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.

The effectiveness of internal control

Our review revealed that the department has implemented sound systems of internal control for major areas of its operations. Fundamental weaknesses in such systems of internal control that were identified by Internal Audit have been raised with the Department of Transport.

The committee has only reviewed the design of the systems of internal control as implemented by management. The effective operation of such systems will be the focus of the committee in the 2003/2004 financial period.

The quality of in year management and monthly / quarterly reports submitted in terms of the Act and the Division of Revenue Act

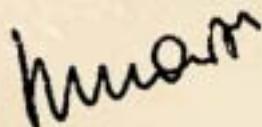
The Committee cannot at this stage comment on the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review.

Evaluation of Financial Statements

The Audit Committee has

- Reviewed the audited annual financial statements to be included in the annual report;
- Taken into consideration the Auditor-General's management letter and management response;
- Reviewed changes in accounting policies and practices;
- Reviewed significant adjustments resulting from the audit.

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



Chairperson of the Audit committee

Date: 05 /08/2003

Part IV

Financial Statements



prosperity through mobility

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

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KwaZulu-Natal Department of Transport

General Review of the State of Financial Affairs

Important Policy Decisions and Strategic Issues Facing the Department

The provincial review of KwaZulu-Natal's Growth and Development Strategy has renewed a focus on the critical role that this province plays as a gateway to the rest of South Africa and our northern neighbours.

The fact that:

- the ports of Durban and Richards Bay handle some 75% of South Africa's cargo tonnage and account for 80% of the value of exports and imports on the current Balance of Payments, and
- 80% of goods and people are transported by roads

draws attention to the fact the state of our provincial and inter-provincial freight routes does significantly impact on the growth prospects of South Africa and our neighbours.

While our international standing as a Gateway Province is not disputed, how to deal with this reality is the subject of critical consideration. Thus, for example, the relatively low productivity rates in loading and offloading containers in the Durban port has led to a review of its management systems.

Our own review of the Provincial Growth and Development Strategy highlights the fact that our provincial economy has not performed to expectations or to its potential. Our economic growth rate is significantly lower than that of several other provinces in South Africa and falls well below our national average economic growth rate. Of particular concern has been the decline in the manufacturing and agricultural sectors. One consequence of this has been a continued loss of jobs in the formal sector.

The KwaZulu-Natal Department of Transport is on record for drawing attention to the critical importance of higher order investments into road networks which would allow our province to maintain its added advantage over all other provinces in South Africa. We have repeatedly drawn attention to the need to develop a more balanced road network which would meet the mobility needs of all our citizens.

Investment levels to secure a more balanced road network must necessarily take into account the fact that:

- Millions of citizens continue to live in relative isolation precisely because they lack adequate road access. This is part of the apartheid legacy of separate development.
- Our role as a Gateway Province has resulted in a disproportionate number of tolls being located within KwaZulu-Natal. This has resulted in high freight traffic volumes on our provincial roads which were never designed to accommodate this development.

Inadequate annual budgets have forced the Department to reprioritise funds between providing communities with new access and maintaining the established road network. In truth this has resulted in a situation where the timeframes to provide isolated communities with appropriate access are unreasonably protracted while the funds allocated to maintenance have been insufficient.

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

General Review of the State of Financial Affairs

We have consistently championed the view that unless higher order budgets are allocated to developing the economic infrastructure of our province, our status as a cost and freight efficient Gateway Province will be jeopardised.

Over the past several years the KwaZulu-Natal Department of Transport has successfully embarked on a two pronged approach to secure higher order investments for road development. We have successfully reduced our overheads while, at the same time, promoting through CARNS, the Road to Wealth and Job Creation Initiative and our other landmark studies, the critical importance of roads and transport systems to sustain economic growth and to realise economic potentials.

The successful implementation of the Road to Wealth and Job Creation Initiative has seen the Department “buck” the provincial trend of increased job losses. Thus our Zibambele programme has created some 14 800 sustainable opportunities for destitute families while our Vukuzakhe programme has indirectly created more than 20 000 jobs. Further, we have continued to refine our regulatory environment to support emerging contractors and merchants and we have been able to achieve significant black economic empowerment targets despite the presence of persistent barriers that constrain the performance of new market entrants within the construction industry in South Africa.

We believe that the Department is on track to secure a more balanced provincial road network that will, in turn, contribute to an improved economic performance for our province. Further, we have established a reputation for developing innovative programmes that, in essence, create new opportunities among the poor and have begun to place our stagnant rural economy on a labour absorptive growth path.

The fact that the minibus taxi industry is 99% owned and managed by black South Africans makes it a critical pillar of our black economic empowerment strategy. The democratisation process within the taxi industry has now been completed and a fully representative Provincial Taxi Council has been elected. This will now enable us to facilitate the growth and development of the minibus taxi industry in KwaZulu-Natal in such a way that it can diversify its investment and income interests. The further empowerment of the minibus taxi industry at a provincial level is necessarily dependent on the nationally driven recapitalisation of the minibus taxi industry in South Africa.

Significant Events

| | |
|--|----------------|
| Presentation of the KwaZulu-Natal Department of Transport Budget | 10 April 2002 |
| KwaZulu-Natal Department of Transport Report Back Summit | 7 May 2002 |
| KwaZulu-Natal Department of Transport Prayer Day | 19 May 2002 |
| Launch of Public Transport Enforcement Unit | August 2002 |
| Launch of CETA Learnerships for Vukuzakhe Contractors | September 2002 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

General Review of the State of Financial Affairs

Registration of KWANATACO (Provincial Taxi Council) as a public entity

African Renaissance Road Upgrading Programme (ARRUP)

| Project | Project Value |
|--|---------------|
| • Nongoma Project – 117 km (Mtubatuba through Hlabisa and Nongoma to Vryheid and Pongola) | R321 million |
| • Ongoye KwaBulawayo Project – 47 km | R124 million |
| • Nkandla Project – 80 km (Kranskop to Eshowe) | R208 million |
| • St Faiths Project – 48 km (Highflats – St Faiths– Port Shepstone) | R141 million |
| • Osizweni Project – 27 km | R64 million |
| • Vulindlela Project – 13 km | R38 million |
| • Ndwedwe Project – 31 km | R87 million |
| • Ulundi Project – 95 km (Ulundi – Richards Bay) | R303 million |
| • New Germany / Inanda Project | R400 million |

Spending Trends

Under / (Over) Expenditure

Programme 1: Administration

Savings R5,532 Million

The purpose of this programme is to conduct the overall management of the department. The aim of this programme is to ensure policy correlation within the business units, and link budget spending to actual delivery and performance standards. There are two sub-programmes contained within this programme:

- Minister – Policy formulation by the minister and the department's management and
- Administration – Organising the department, managing its personnel and financial administration, determining working methods and procedures and exercising control and rendering administrative services.

The savings under this programme are as a result of delays experienced by the department in the commencement in the contract for the alterations to the Head Office Complex. The department has submitted a motivation to the Provincial Treasury for the roll-over of these funds to the 2003/04 financial year.

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Spending Trends

Programme 2: Roads

Savings R168 000

The purpose of this programme is to conduct the overall management and administration of roads in the Province of KwaZulu-Natal. The programme is aimed at determining the need for infrastructure, implementing maintenance and promoting community development and eco-tourism.

This programme consists of six sub-programmes, namely:

- Technical Support Services;
- Construction;
- Community Access Roads;
- Maintenance;
- Subsidies; and
- Mechanical.

The objectives of these six sub-programmes are:

- The planning and designing of provincial roads;
- The departmental/ contractual construction of provincial roads;
- The provision of access roads to rural communities;
- The departmental / contractual maintenance of provincial roads;
- Assistance in respect of the fencing of main roads;
- Assistance to local authorities in respect of the maintenance of main roads, and traffic signals on provincial roads within local authorities; and
- The repair and preventative maintenance of departmental plant and equipment.

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 3: Road Traffic

Savings R101 000

The purpose of this programme is to regulate road traffic. The department's integrated road safety programme is aimed at facilitating road safety campaigns and measures, developing policy in consultation with all relevant authorities charged with the responsibility for road safety structures, and encouraging participation of all in road safety initiatives and awareness programmes. This programme consists of four sub-programmes:

- Transport Engineering;
- Law Enforcement;
- Vehicle Registration and Licensing; and
- Road Safety Education.

The services rendered by these sub-programmes are as follows:

- To render technical services relating to mass measuring bridges, and to conduct analysis and re-engineering of hazardous locations;
- To conduct road traffic law enforcement;

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Spending Trends

- To register and licence vehicles; and
- To develop road safety educational programmes and train educators in traffic safety.

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 4: Public Transport

Savings R39 000

The purpose of this programme is the planning and regulation of public transport, the monitoring of bus subsidy contracts and payments.

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 5: Auxilliary and Associated Service

Savings R13 000

This programme is for the rendering of auxiliary services and services associated with the Department of Transport. The following three sub-programmes are contained therein:

- Radio Communication Services;
- Standard Stock Account; and
- Provincial Motor Transport.

The services rendered by these sub-programmes are the:

- Provision and maintenance of radio communication services;
- Capital augmentation; and
- The purchase of vehicles for departmental use.

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Unauthorised Expenditure for The Finacial Year

The department incurred unauthorised expenditure amounting to R30,831 million during the financial year under review. This unauthorised expenditure relates to debts owed to the department by the National Department of Transport, incurred during the financial years 1994/95 to 1997/98, which were written off in terms of the approved departmental debt write-off policy. This transaction is a book entry and was accounted for as an authorised loss during the financial year under review.

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KwaZulu-Natal Department of Transport

Services Rendered by The Department

2.1 A list of services rendered.

Turning the vision of the Department into a reality can only be achieved by focusing the attention and energy of all employees and relevant stakeholders on the performance of core functions that are to produce results. The core functions are:

- Road construction, reconstruction, maintenance and repair

The construction of new roads, maintenance of existing roads and the repair of damaged roads, remain a permanent responsibility of the provincial department.

- Road Transportation

The planning and provision of urban and rural public transport facilities, conducting transport studies, the control of road transportation, provision of transport planning frameworks and the management of public transport services and public road network.

- Road Traffic

The registration and licensing of vehicles and drivers, the regulation of traffic on public roads, the maintenance and provision of visible road traffic signs and the implementation of road safety campaigns and awareness programmes.

To effectively perform these core functions and to effectively deliver and provide services to the public, the department needs technical and/or professional support in the following areas:

- Human Resource Management and Development;
- Financial Management;
- Communication;
- Monitoring and Evaluation;
- Procurement; and
- Legal Services

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KwaZulu-Natal Department of Transport

Capacity Constraints

Over the past several years the KwaZulu-Natal Department of Transport has systematically embarked on a programme to reduce its own capacity to directly provide public services and, at the same time, to increase the volumes of work and services that are outsourced. The Department has systematically developed an appropriate regulatory environment to guide the transformation of the road construction industry and transport sector of the province. The adoption of affirmative action procurement and other policies has resulted in the unbundling of a wide range of contracts. This, in turn, has created the need to oversee very large numbers of contracts with relatively small contract values.

The Department does not have an inhouse capacity to manage increasing volumes of outsourced work within the context of new policy dispensations. The ongoing transformation of the KwaZulu-Natal Department of Transport, as a public service provider, will for the foreseeable future require it to contract consultants to enhance its capacity to deliver.

The shortage of maintenance plant and equipment is another factor that impacts negatively on service delivery. Years of under investment on new equipment has resulted in an aging fleet of plant that requires large sums of money to maintain but whose availability is generally low. In many districts plant operators do not have plant to operate for a number of months in each year, compromising the effectiveness of maintenance operations.

Outsourcing of maintenance operations and hiring of plant has alleviated some of the department's own lack of plant. However there is a general shortage of plant in KwaZulu-Natal. Plant hire charges levied to emerging contractors, are very high. The Department in conjunction with Provincial Treasury and the private sector are evaluating various options to address the problem.

Utilisation Of Donor Funds

No donor funds were received for the year ending 31 March 2003.

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Public Entities

KwaZulu-Natal Local Roads Transportation Board

During the financial year under review the KwaZulu-Natal Local Roads Transportation Board was delisted from Schedule 3c of the Public Finance Management Act. The results of the activities of this Board for the 2002/03 financial year have been included in the results of operations for the KwaZulu-Natal Department of Transport.

KwaZulu-Natal Taxi Council

The KwaZulu-Natal Taxi Council is listed in Schedule 3c of the Public Finance Management Act as an entity that reports to the KwaZulu-Natal Minister of Transport:

The main objectives of the KwaZulu-Natal Taxi Council are: -

- To shape the taxi industry into an economically viable and reliable public transport;
- To facilitate the diversification of the taxi industry into other business sectors;
- To serve as a consultative structure and a collective voice of the taxi industry in its dealings with government and other institutions; and
- To support the Department of Transport in achieving its goals of formalising and restructuring the taxi industry.

Other Organisations to whom Transfer Payments have been Made

Details of all transfer payments made by the Department can be found on Schedule 3B to the Annual Financial Statements. Transfer payments are made for the following purposes: -

- **Fencing Subsidies:** Payments are made to adjacent landowners on Provincial main roads for the maintenance and upkeep of fencing to prevent livestock from entering the road hereby improving Road Safety.
- **Local Municipalities:** Maintenance of Provincial Roads that traverse built up areas with Local municipalities.
- **Local Roads:** Paid to various organisations and farmers for maintenance of certain local roads.

Public Private Partnership

No Public Private Partnerships have been entered into by the department during the financial year under review.

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KwaZulu-Natal Department of Transport

Corporate Governance Arrangement

The Department is an active partner in our provincial inter-departmental co-ordination forum for IDP's where medium term planning is progressively being linked across departments. The departmental input into the Provincial Growth and Development Strategy review will contribute, in the medium term to synergy in service delivery.

The linkage with National Department of Transport is ongoing through MINCOM (Ministerial Committee of Minister of Transport and MECs) and its Sub-committees, including COTO (Committee of Transport Officials) and this influences the department's activities on an ongoing basis.

The Department's business plans, especially with regard to the provision of road infrastructure and public safety, are linked to local government priorities at a district and regional community level through joint planning workshops with Rural Road Transport Forums and Community Road Safety Councils.

The KwaZulu-Natal Provincial Roads Act (Act 4 of 2001) recognises that the current declared Provincial Road Network and the current allocation of status of roads is a reflection of past government policy directives and priorities and is neither equitable nor just. The Act therefore provides for a two year window in which to review all provincial roads and to declare the Provincial Road Network.

The Department's programme to review the KwaZulu-Natal Provincial Road Network has made considerable progress. It has developed a uniform prioritisation methodology that defines the status of roads. The prioritisation methodology is both scientifically robust and transparent. It allows the Department, as the road authority; to defend its priority lists in circumstances where social need overwhelmingly exceeds financial resources. The Provincial Road Network, which will soon be declared, will enable the Department to finally break with the past and to reflect our future as a province. It will play a critical role in integrating our society, which was so brutally separated by apartheid and separate development, into the global village.

Rural Road Transport Forums, Community Road Safety Councils, Local Government and Traditional leaders are all actively involved in the review process to declare our Provincial Road Network. The identification of the Provincial Road Network will allow the Department to budget for and plan, more holistically, the development of a balanced road network, which accommodates intermodal transport systems and promotes safe and affordable public transport.

The product of these plans is further aligned in the Provincial IDP forum at which the Department participates. Further, in the medium term, the department's contribution to infrastructure planning in the Urban Renewal Programme (upgrading of P577 to link Inanda to eThekweni inner city, upgrading of the M4 North Coast Road, upgrading of John Ross Highway to link Empangeni and Richards Bay) and the Integrated Rural Development Strategy (seven ARRUP road upgrading projects) is anchored by our key involvement in planning with the relevant district councils and the Unicity in the Province.

Discontinued Activities/ Activities to be Discontinued

No activities have been discontinued during the financial year under review.

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Events After the Reporting Date

President Mbeki's announcement in his State of the Nation Address of:

- the relocation of Durban Airport to the King Shaka Airport and the development of the Dube transport node, and
- an accelerated Public Works programme to provide economic and community infrastructure and to create jobs

will undoubtedly impact on the KwaZulu-Natal Department of Transport.

The relocation of the Durban Airport and the development of the Dube transport node will require new financial resources to plan and develop appropriate intermodal transport systems to maximise air, maritime, rail and road freight transport efficiency.

The Road to Wealth and Job Creation Initiative is premised on higher order government investments in Public Works programmes to provide critical economic and community infrastructure and, at the same time, to create jobs and opportunities for wealth accumulation among the poor. The KwaZulu-Natal Department of Transport has an appropriate policy and institutional environment to take advantage of any accelerated Public Works programme.

Progress with Financial Management Improvements

During the year the department continued with the process of implementing financial management improvements, major achievements during the year included:-

- The continuation of the phased implementation of Financial Management requirements in terms of the PFMA and in compliance with the Treasury Regulations;
- The completion of a detailed departmental risk assessment in conjunction with the Provincial Internal Audit Unit;
- The creation of posts for Regional Financial Managers, to assist the Regional Directors with all financial matters;
- The registration of the KwaZulu-Natal Taxi Council as a Public Entity in terms of the PFMA. The Taxi Council is currently in the process of setting up the infrastructure for operation as an entity separate from the department;
- The development of a Fixed Asset Management Framework for the department, in order to optimise the acquisition, maintenance, utilisation and disposal processes in use in the department; and
- Efficient procurement reforms in terms of revised procurement legislation of supporting previously disadvantaged individuals (PDI's) and small medium micro enterprises (SMME's).

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KwaZulu-Natal Department of Transport

Performance Information

The Department has dedicated budgets to conserve the asset value of our current road network and, at the same time, address known backlogs. Thus, for example, CARNS established the extent of need for community access roads and a priority order in which roads needs should be addressed to achieve the maximum social and economic impact on the rural economy. For the past several years the KwaZulu-Natal Department of Transport has allocated considerable budgets to provide rural communities with new road network access. In recent years – since the introduction of the MTEF – the Department has dedicated budgets to the African Renaissance Road Upgrading Programme (ARRUP).

The KwaZulu-Natal Department of Transport's flagship road infrastructure programmes – Roads for Rural Development, the Road to Wealth and Job Creation Initiative, Zibambele and Vukuzakhe – have all been independently evaluated and found to have overwhelming public support and to have considerable impact on the social and economic upliftment of resource poor communities.

We are well known for our Zero Tolerance enforcement programme and have made considerable progress in stamping out corruption in the registration and licensing of vehicles and drivers and reducing the carnage on our roads. This year the KwaZulu-Natal Department of Transport established a Public Transport Enforcement Unit, which is dedicated to ensuring that those of our public who are reliant on public transport can travel safely. Although this unit was only recently launched it has already had a profound and noticeable impact in reducing crime and corruption in public transport related industries and in removing unroadworthy buses and taxis from our roads.

Community buy-in to our Zero Tolerance programme and community education of road safety concerns is addressed through mass campaigns such as Siyabakhumbula and Asiphephe. Asiphephe has established CRSCs throughout KwaZulu-Natal to assist the Department in prioritising budgets and programmes at a community level in accordance with the Road to Safety Strategy 2001 – 2005. More than 60% of our road safety budget (other than enforcement) is now allocated, managed and monitored on a project by project basis. We are committed to introducing “Zibambele like” contracts into those road safety initiatives and programmes which can be most cost efficiently and cost effectively administered by local communities.

It is common cause that the vast majority of KwaZulu-Natal's citizens are dependent on public transport to meet their daily mobility needs. The minibus taxi industry is undoubtedly the most critical pillar of our public transport sector in that it accounts for some 65% of the daily transport needs of the KwaZulu-Natal public. We are all aware that the spatial planning that took place during apartheid as separate development resulted in communities having to travel long distances to workplaces and points of economic production. Such communities are vulnerable to increases in public transport costs. The inherited focus from the past government on bus and rail subsidies results in only some 35% of the commuting public being subsidised

We have now completed the conversion of bus contracts to tendered contracts, with the exception of the Durban area. This has considerably improved the extent of Black ownership and management in the public transport sector.

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KwaZulu-Natal Department of Transport

Performance Information

The KwaZulu-Natal Department of Transport is committed to going beyond issues of regulation in its administration of public transport. The democratisation of the process within the taxi industry has now been completed and a fully representative Provincial Taxi Council has been elected. This will now enable us to facilitate the growth and development of the taxi industry in KwaZulu-Natal in such a way that it can diversify its investment and income interests. The fact that the taxi industry is 99% owned and managed by Black South Africans makes it a critical pillar of any Black Economic Empowerment strategy, especially a strategy directed towards the empowerment of ordinary citizens.

Approval

The annual financial statements set out on pages 129 to 157 have been approved by the Accounting Officer.



Dr K.B.Mbanjwa
Head: Transport
31 May 2003

Report Of The Auditor-General To Members of the KwaZulu-Natal Provincial Legislature on the Financial Statements of Vote 12 - Department of Transport for the year ended 31 March 2003

1. Audit Assignment

The financial statements as set out on pages 129 to 157, for the year ended 31 March 2003 have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. Nature And Scope

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

An audit includes:

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

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

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

3. Audit Opinion

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Department of Transport at 31 March 2003, and the results of its operations and cash flows for the year then ended in accordance with the prescribed accounting practice.

4. Emphasis of Matter

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

4.1 Matters affecting the financial statements

4.1.1 Inventory

Contrary to the Guide for the preparation of Annual Reports, issued by National Treasury, the department has incorrectly accounted for the purchase of inventory.

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KwaZulu-Natal Department of Transport

Inventory purchased and on hand is disclosed in the balance sheet and only expensed, in the income statement and appropriation account, when consumed. This has resulted in the department's expenditure being understated by R1 046 000.

4.2 Matters not affecting the financial statements

4.2.1 Overall control environment

The following is a summary of the more significant audit observations raised during the course of the audit which indicates a lack of control in these areas:-

4.2.1.1 Expenditure

Our review over the control and payment of expenditure revealed various shortcomings. The most significant findings in this regard were as follows:-

- Supporting documents were not always stamped "paid" thereby increasing the risk of duplicate payments being made.
- For the plant and equipment hire transactions, documentation substantiating the delivery of services were not attached to the supporting documentation when payment was authorised. There exists no audit trail to trace these payments to specific contracts/projects.
- Based on the sample selected for testing, three payments amounting to R772 130 were incurred either prior to contracts being finalised or after the respective contracts had expired.
- Various irregular procurement practices, in contravention with the department's procurement policy, were identified at the Stanger District Office. The department has indicated that a full investigation will be undertaken, the results of which and the actions taken will be evaluated once completed.

4.2.1.2 Reconciliation of face value forms

Following our review of the control over face value forms at the Road Traffic Inspectorate (RTI) offices, it was noted that although registers for the face value forms are maintained, a daily reconciliation of the face value forms issued to actual receipts for the day is not performed. This matter was reported in the prior year.

4.2.1.3 Loss control

Delays in the finalisation of cases were again identified this year and based on the sample selected for testing it has resulted in losses amounting to R143 131. The delay in finalising cases should be addressed in an attempt to increase the level of recovery arising from thefts and losses.

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4.2.1.4 Journal adjustments

In certain instances, it was noted that insufficient supporting documentation is attached to journals authorised for processing. I was therefore unable to verify the validity and correctness of those journal adjustments processed. Instances were also noted where alterations made on journals were not adequately authorised.

4.2.1.5 Asset management

The department does not perform an asset reconciliation reconciling purchases and disposals as recorded on the Financial Management System (FMS) to the subsidiary asset registers. I was therefore unable to verify the completeness and accuracy of the asset registers produced.

The annual physical verification of the provincial vehicle fleet took place during the year. At the date of this report, the final asset register and the report following the verification process had not yet been finalised.

4.2.2 Unauthorised expenditure

The total actual expenditure of the department exceeded the total budgeted expenditure by R30 830 450.58. The overspending is due to the department authorising the write off of losses and irrecoverable debts without incurring savings to fund the write offs. This is reported as unauthorised expenditure in Note 12 to the financial statements.

Furthermore, the prior year unauthorised expenditure of R15 283 800.48 had not yet been approved at 31 March 2003.

4.2.3 Computer assisted audit technique exceptions

Computer assisted audit techniques were again applied this year to the data downloaded from the Motor Licensing Bureau's National Traffic Information System (NATIS). The following is a summary of the observations raised in this regard:

- 18739 (2002: 20 144) records were identified with duplicate engine numbers.
- 35 (2002: 43) records were identified where the chassis numbers were considered to be invalid due to the field either not containing any data or containing invalid characters.
- 40 170 (2002: 46 436) records were identified with duplicate chassis numbers.
- 364 (2002: 10 619) records were identified where the engine numbers, chassis numbers and motor vehicle state code were the same, however the registration numbers of the vehicles were different.

The majority of the above errors have resulted when the data was initially transferred to the NATIS system. Some progress in rectifying the errors has taken place during the year. Our major area of concern is the duplicate chassis numbers, which is currently the most important vehicle identifier.

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4.2.4 Follow-up information systems audit of the general controls surrounding the National Traffic Information System (NATIS)

A follow-up information systems audit of the general controls surrounding the NATIS system was completed on 17 April 2003 and the findings were brought to the attention of the accounting officer.

The audit indicated that some progress had been made in addressing the weaknesses previously identified. However, a number of significant control weaknesses still existed in the control environment.

The most significant weaknesses identified were as follows:

- A detailed security policy had not been established, the control over backups were still found to be inadequate, the disaster recovery plan had not yet been tested and a business continuity plan did not exist.
- The off-site backup arrangements were not adequate.
- The accuracy and correctness of invoices received from the National Department of Transport for NATIS maintenance could not be determined as a copy of the contract between the National Department of Transport and the NATIS contractor was not available.

In his comments the accounting officer referred to various corrective measures taken or envisaged. The effectiveness of these measures will be evaluated in due course.

4.2.5 Performance Audit

Considerable progress has been made with a follow up performance audit of the construction and maintenance of roads at the Department. The key findings and effects arising from the follow up performance audit as well as corrective steps implemented or envisaged to be implemented, will be reported on in a separate report of the Auditor-General.

5. APPRECIATION

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



B.R. Wheeler
For Auditor-General
Pietermaritzburg
31/07/2003

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Statement of Accounting Policies and Related Matters for the Year Ended 31 March 2003

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material respects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

1. Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The reporting entity is in transition from reporting on a cash basis of accounting to reporting on an accrual basis of accounting. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. Revenue

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National / Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund.

Interest and dividends received are recognised upon receipt of the funds, and no accrual is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the financial statements of the department and then transferred to the Provincial Revenue Fund.

3. Donor aid

Donor Aid is recognised in the income statement in accordance with the cash basis of accounting.

4. Current expenditure

Current expenditure is recognised in the income statement when the payment is made.

5. Unauthorised, irregular, and fruitless and wasteful expenditure

Unauthorised expenditure means:

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

Unauthorised expenditure is treated as a current asset in the balance sheet until such expenditure is recovered from a third party or funded from future voted funds.

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

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

Irregular expenditure is treated as expenditure in the income statement.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful must be recovered from a responsible official (a debtor account should be raised), or the vote if responsibility cannot be determined.

6. Debts written off

Debts are written off when identified as irrecoverable. No provision is made for irrecoverable amounts.

7. Capital expenditure

Expenditure for physical items on hand, excluding inventories, on 31 March 2003 to be consumed in the following financial year, is written off in full when they are received and are accounted for as expenditure in the income statement. Physical assets (fixed assets and movable assets) acquired are expensed i.e. written off in the income statement when the payment is made.

8. Inventory

Expenditure for inventory on hand on 31 March 2003 to be consumed in the following financial year, is capitalised and is only accounted for as expenditure in the income statement when used in production.

9. Investments

Marketable securities are carried at market value. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date.

Non-current investments excluding marketable securities are shown at cost and adjustments are made only where in the opinion of the directors, the investment is impaired. Where an investment has been impaired, it is recognised as an expense in the period in which the impairment is identified.

Increases in the carrying amount of marketable securities classified as non-current assets are credited to revaluation and other reserves in shareholders' equity. Decreases that offset previous increases of the same marketable security are charged to the income statement. Increases/decreases in the carrying amount of marketable securities classified as current assets are credited/charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement. On disposal of a marketable security classified as a non-current asset, amounts in revaluation and other reserves relating to that marketable security, are transferred to retained earnings.

10. Investments in controlled entities

Investments in controlled entities are those entities where the reporting entity has the ability to exercise any of the following powers to govern the financial and operating policies of the entity in order to obtain benefits from its activities:

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- To appoint or remove all, or the majority of, the members of that entity's board of directors or equivalent governing body;
 - To appoint or remove the entity's chief executive officer;
 - To cast all, or the majority of, the votes at meetings of that board of directors or equivalent governing body; or
 - To control all, or the majority of, the voting rights at a general meeting of that entity.
- Investments in controlled entities are shown at cost.

11. Receivables

Receivables are not normally recognised under the cash basis of accounting. However, receivables included in the balance sheet arise from cash payments that are recoverable from another party.

Receivables for services delivered are not recognised in the balance sheet as a current asset or as income in the income statement, as the financial statements are prepared on a cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

12. Payables

Payables are not normally recognised under the cash basis of accounting. However, payables included in the balance sheet arise from cash receipts that are due to either the Provincial/National Revenue Fund or another party.

13. Provisions

A provision is a liability of uncertain timing or amount. Provisions are not normally recognised under the cash basis of accounting, but are disclosed separately in the notes to enhance the usefulness of the financial statements.

14. Lease commitments

Lease commitments for the period remaining from the accounting date until the end of the lease contract are disclosed as a note to the financial statements. These commitments are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on the cash basis of accounting.

15. Accruals

This amount represents goods/services that have been delivered, but no invoice has been received from the supplier at year end, OR an invoice has been received but remains unpaid at year end. These amounts are not recognised in the balance sheet as a liability or as expenditure in the income statement as the financial statements are prepared on a cash basis of accounting, but are however disclosed.

16. Employee benefits

Short-term employee benefits

The cost of short-term employee benefits is expensed in the income statement in the reporting period that the payment is made. Short-term employee benefits, that give rise to a present legal or constructive obligation, are deferred until they can be reliably measured and then expensed. Details of these benefits and the potential liabilities are disclosed as a note to the financial statements and are not recognised in the income statement.

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Termination benefits

Termination benefits are recognised and expensed only when the payment is made.

Retirement benefits

The department provides retirement benefits for its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National/Provincial Revenue Fund and not in the financial statements of the employer department.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans. These benefits are funded by employer and/or employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for medical benefits in the financial statements of the department.

Post retirement medical benefits for retired civil servants are expensed when the payment is made to the fund.

17. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investments and/or loans capitalised, or deposits paid on behalf of employees of a foreign mission, for the first time in the previous financial year. On disposal, repayment or recovery, such amounts are transferable to the Revenue Fund.

18. Recoverable revenue

Recoverable revenue represents payments made and recognised in the income statement as an expense in previous years, which have now become recoverable from a debtor due to non-performance in accordance with an agreement. Repayments are transferred to the Revenue Fund as and when the repayment is received.

19. Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. The comparative figures shown in these financial statements are limited to the figures shown in the previous year's audited financial statements and such other comparative figures that the department may reasonably have available for reporting.

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INCOME STATEMENT (STATEMENT OF FINANCIAL PERFORMANCE) for the year ended 31 March 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|------|------------------|------------------|
| REVENUE | | | |
| Voted funds | | | |
| Charge to National/Provincial Revenue Fund | 1 | 1,196,632 | 1,113,716 |
| Statutory appropriation | 2 | 1,196,106 | 1,113,190 |
| Appropriation for unauthorised expenditure | | 526 | 526 |
| | | - | - |
| Non voted funds | | | |
| Other revenue to be surrendered to the revenue fund | 3 | 485,856 | 405,539 |
| | | 485,856 | 405,539 |
| TOTAL REVENUE | | 1,682,488 | 1,519,255 |
| EXPENDITURE | | | |
| Current | | | |
| Personnel | 4 | 437,992 | 337,582 |
| Administrative | | 197,062 | 149,057 |
| Inventories | 5 | 55,624 | 41,681 |
| Machinery and Equipment | 6 | 15,164 | 16,071 |
| Land and buildings | 7 | 679 | 3,928 |
| Professional and special services | 8 | 4,557 | 6,246 |
| Transfer payments | 9 | 124,852 | 114,520 |
| Miscellaneous | 10 | 2,497 | 2,830 |
| Special functions: authorised losses | 11 | 773 | 968 |
| | | 36,784 | 2,281 |
| Capital | | | |
| Personn | 4 | 789,471 | 780,050 |
| Administrative | | 121,627 | 140,288 |
| Inventories | 5 | 13,848 | 13,765 |
| Machinery and Equipment | 6 | 59,255 | 51,676 |
| Land and buildings | 7 | 64,223 | 61,779 |
| Professional and special services | 8 | 29,407 | 12,061 |
| Miscellaneous | 10 | 501,111 | 500,480 |
| | | - | 1 |
| TOTAL EXPENDITURE | | 1,227,463 | 1,117,632 |
| NET SURPLUS /(DEFICIT) | | 455,025 | 401,623 |
| Add back unauthorised and fruitless and wasteful expenditure disallowed | 12.1 | 30,831 | 15,283 |
| NET SURPLUS / (DEFICIT) FOR THE YEAR | 13 | 485,856 | 416,906 |

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BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

at 31 March 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Unauthorised and fruitless and wasteful expenditure | 12 | 50,112 | 19,328 |
| Cash and cash equivalents | 14 | 155 | 173 |
| Receivables | 15 | 10,981 | 51,864 |
| Inventories | 16 | 4,178 | 3,132 |
| Amounts owing by controlled entities | 23 | - | - |
| Non-current assets | | | |
| Investments in controlled entities | 17 | - | - |
| TOTAL ASSETS | | 65,426 | 74,497 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Voted funds to be surrendered | 18 | - | - |
| Revenue funds to be surrendered | 19 | - | - |
| Payables | 20 | 10,168 | 2,882 |
| Other Payables | 21 | 55,258 | 71,615 |
| Amounts owing to controlled entities | 22 | - | - |
| TOTAL LIABILITIES | | 65,426 | 74,497 |
| NET ASSETS/LIABILITIES | | - | - |
| EQUITY | | | |
| Capitalisation reserve | | - | - |
| Recoverable revenue | | - | - |
| TOTAL EQUITY | | - | - |

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|--|------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash flow generated by operating activities | 24 | 1,258,447 | 1,179,708 |
| Cash generated (utilised) to (increase) / decrease working capital | 25 | 16,339 | (20,290) |
| Voted funds and Revenue funds surrendered | 26 | (485,856) | (416,906) |
| Unauthorised expenditure approved | | - | - |
| Net cash flow available from operating activities | | 788,930 | 742,512 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditure | | (789,471) | (780,050) |
| Proceeds from sale of equipment | 3 | 14,087 | 12,245 |
| Proceeds from sale of land and buildings | 3 | 7 | 177 |
| Proceeds from sale of inventories | 3 | 2,786 | 4,826 |
| Net cash flows from operating and investing activities | | 16,339 | (20,290) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net increase/(decrease) in cash and cash equivalents | | 16,339 | (20,290) |
| Cash and cash equivalents at beginning of period | | (71,442) | (51,152) |
| Cash and cash equivalents at end of period | 27 | (55,103) | (71,442) |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

1 Charge to the National/Provincial Revenue Fund

1.1 Included in the above are funds specifically and exclusively appropriated for National Departments (Voted funds) and Provincial Departments (Equitable Share):

| Programmes | Total Appropriation 2002/03 | Actual | Variance over/(under) | Total Appropriation 2001/02 |
|-----------------------------------|--------------------------------|------------------|--------------------------|--------------------------------|
| Administration | 102,416 | 96,884 | 5,532 | 88,656 |
| Roads | 877,931 | 877,764 | 167 | 839,258 |
| Road Traffic | 188,131 | 187,893 | 238 | 159,929 |
| Public Transport | 19,778 | 19,739 | 39 | 16,670 |
| Auxillary and Associated Services | 7,850 | 7,837 | 13 | 8,677 |
| TOTAL | 1,196,106 | 1,190,117 | 5,989 | 1,113,190 |

1.2 A roll-over request has been submitted to the Provincial Treasury, for the roll-over of the R5,5 million saving under Programme 1 Administration. This saving resulted from delays experienced in the commencement of the alteration to the head office complex.

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|----------------------------------|--------------|------------------|------------------|
| 1.3 Conditional grants | | | |
| Total grants received | Annexure 1 A | <u>132,449</u> | <u>68,179</u> |
| 2 Statutory appropriation | | | |
| MEC Salary | | <u>526</u> | <u>526</u> |
| | | <u>526</u> | <u>526</u> |

In terms of Provincial Treasury Circular no. PT3 of 2003/04, the statutory allocation for the MEC's Salary was increased through Proclamation no. 8 of 2002 after the publication of the 2002/03 Adjustments Estimate, this has resulted in the department incurring unauthorised expenditure in the amount of R36 000, for the 2002/03 financial year.

3 Other revenue to be surrendered to the revenue fund

| Description | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|------|------------------|------------------|
| Material losses recovered | 3.1 | - | - |
| Gifts donations and sponsorships received | 3.2 | - | - |
| Abnormal load permits | | 3,248 | 2,626 |
| Dividends received | | - | - |
| Fines and forfeitures | | 21,557 | 16,947 |
| Interest received | | 337 | 236 |
| Loss control | | 1,971 | 3,817 |
| Proceeds from sale of equipment | | 14,087 | 12,245 |
| Proceeds from sale of land and buildings | | 7 | 177 |
| Proceeds on sale of inventories | | 2,786 | 4,826 |
| Road Traffic Act | | 438,850 | 361,899 |
| Other | | 3,013 | 2,766 |
| | | <u>485,856</u> | <u>405,539</u> |

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| | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|------|------------------|------------------|
| 4 Personnel | | | |
| 4.1 Current expenditure | | | |
| Appropriation to Executive and Legislature | | 562 | 526 |
| Basic salary costs | | 125,573 | 95,489 |
| Pension contributions | | 18,710 | 14,125 |
| Medical aid contributions | | 11,759 | 9,160 |
| Other salary related costs | | 40,458 | 29,757 |
| | | 197,062 | 149,057 |
| Average number of employees | | 1,684 | 1,489 |
| 4.2 Capital expenditure | | | |
| Basic salary costs | | 90,082 | 103,229 |
| Pension contributions | | 13,302 | 15,339 |
| Medical aid contributions | | 3,701 | 4,923 |
| Other salary related costs | | 14,542 | 16,797 |
| | | 121,627 | 140,288 |
| Average number of employees | | 2,763 | 3,182 |
| Total Personnel Costs | | 318,689 | 289,345 |
| 5 Inventories | | | |
| 5.1 Current expenditure | | | |
| Inventories consumed during the year | | | |
| Fuel | | 360 | 5,789 |
| Printing | | 1,421 | 1,612 |
| Publications | | 2,507 | 663 |
| Stationery | | 4,534 | 3,179 |
| Uniforms and protective clothing | | 1,438 | 1,334 |
| Other | | 4,904 | 3,494 |
| | | 15,164 | 16,071 |
| 5.2 Capital expenditure | | | |
| Inventories consumed during the year | | | |
| Uniforms and protective clothing | | 1,138 | 717 |
| Civil material | | 15,885 | 11,025 |
| Fuel | | 23,826 | 20,228 |
| Oil | | 1,442 | 1,290 |
| Mechanical material | | 14,209 | 14,377 |
| Other | | 2,755 | 4,039 |
| | | 59,255 | 51,676 |
| Total cost of inventories | | 74,419 | 67,747 |
| 5.3 Inventories on hand at year end are disclosed as an asset on the face of the Balance Sheet | | | |
| 6 Machinery and Equipment | | | |
| Current (Rentals, maintenance and sundry net of cash discounts) | | 679 | 3,928 |
| Capital | 6.1 | 64,223 | 61,779 |
| Total current and capital expenditure | | 64,902 | 65,707 |
| 6.1 Capital machinery and equipment analysed as follows: | | | |
| Computer equipment | | 6,703 | 5,733 |
| Furniture and office equipment | | 5,433 | 3,672 |
| Mechanical plant purchased | | 20,030 | 15,008 |
| Mechanical plant hired for use on construction projects | | 18,551 | 22,022 |
| Road traffic equipment | | 3,794 | 4,105 |
| Transport - Official vehicles | | 9,127 | 10,302 |
| Other machinery and equipment | | 585 | 937 |
| | | 64,223 | 61,779 |

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KwaZulu-Natal Department of Transport

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|--------------|------------------|------------------|
| 7 Land and buildings | | | |
| Current expenditure (Net of cash discounts) | | | |
| Maintenance | | 3,718 | 1,237 |
| Rental | | 839 | 5,009 |
| Total current expenditure | | 4,557 | 6,246 |
| Capital expenditure | 7.1 | 29,407 | 12,061 |
| Total current and capital expenditure | | 33,964 | 18,307 |
| 7.1 Capital land and building expenditure analysed as follows: | | | |
| Land | | 1,204 | 755 |
| Non-residential buildings | | 27,097 | 9,948 |
| Other structures (infrastructure assets) | | 1,106 | 1,358 |
| | | 29,407 | 12,061 |
| 8 Professional and special services | | | |
| 8.1 Current expenditure | | | |
| Auditors' remuneration | | 2,126 | 1,238 |
| Contractors | | 33,858 | 24,055 |
| Consultants and advisory services | | 83,006 | 78,810 |
| Commissions and committees | | 880 | 582 |
| Computer services | | 22 | 5,296 |
| Other | | 4,960 | 4,539 |
| | | 124,852 | 114,520 |
| 8.2 Capital expenditure | | | |
| Contractors | | 418,487 | 447,955 |
| Consultants and advisory services | | 65,523 | 37,479 |
| Commissions and committees | | 1,355 | 2,996 |
| Computer services | | 9,991 | 7,681 |
| Other | | 5,755 | 4,369 |
| | | 501,111 | 500,480 |
| Total Professional and special services | | 625,963 | 615,000 |
| 9 Transfer payments | | | |
| Transfers to municipalities | Annexure 1 B | 243 | 334 |
| Fencing subsidies | | 127 | 146 |
| Maintenance subsidies | | 97 | 120 |
| Transfer to KwaZulu-Natal Taxi Council | | 2,030 | 2,230 |
| | | 2,497 | 2,830 |
| 10 Miscellaneous | | | |
| 10.1 Current Expenditure | | | |
| Remissions, refunds and payments made as an act of grace | 10.3 | 1 | 104 |
| Gifts, donations and sponsorships made | 10.4 | - | 109 |
| Claims against the State | | 374 | 348 |
| Levies: Drivers application fees | | 352 | 399 |
| Interest and penalties | | - | - |
| Other (stabilisation fund) | | 46 | 8 |
| | | 773 | 968 |
| 10.2 Capital Expenditure | | | |
| Other (stabilisation fund) | | - | 1 |
| | | - | 1 |
| Total miscellaneous expenditure | | 773 | 969 |

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KwaZulu-Natal Department of Transport

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| | Note | 2002/03 R'000 | 2001/02 R'000 |
|--|------|------------------|------------------|
| 10.3 Remissions, refunds and payments made as an act of grace | | | |
| <i>Nature and purpose</i> | | | |
| Losses incurred by emerging contractor due to unseasonal flooding | | - | 100 |
| Other | | 1 | 4 |
| | | <u>1</u> | <u>104</u> |
| 10.4 Gifts, donations and sponsorships paid in cash and kind by the department (items expensed during the current year) | | | |
| <i>Current</i> | | | |
| <i>Nature and purpose</i> | | | |
| Computers purchased for Bhekizwe HP School resource centre | | - | 81 |
| Kwanaloga sponsorship | | - | 28 |
| | | <u>-</u> | <u>109</u> |
| 11 Special functions: Authorised losses | | | |
| Other material losses written off | 11.1 | 35,925 | 2,106 |
| Debts written off | 11.2 | 859 | 175 |
| | | <u>36,784</u> | <u>2,281</u> |
| 11.1 Other material losses written off in income statement in current period | | | |
| <i>Nature</i> | | | |
| Firearms | | - | 6 |
| Land and Buildings | | - | 1 |
| Removal | | 27 | 38 |
| Supplies and equipment deficits | | 218 | 201 |
| Vehicle collisions and damages | | 1,443 | 1,310 |
| Vehicle theft | | 161 | 509 |
| Claims by the State | | 3,050 | 30 |
| Miscellaneous | | 31,026 | 11 |
| | | <u>35,925</u> | <u>2,106</u> |
| 11.2 Debts written off | | | |
| <i>Nature</i> | | | |
| Breach of contract | | 15 | 9 |
| Salary overpayment | | 614 | 66 |
| Tax debt | | 42 | 25 |
| Other staff related write-off | | 188 | 75 |
| | | <u>859</u> | <u>175</u> |
| 12 Unauthorised and fruitless and wasteful expenditure disallowed | | | |
| Unauthorised expenditure | 12.2 | 46,114 | 15,283 |
| Thefts and losses awaiting approval | 12.3 | 3,998 | 4,045 |
| | | <u>50,112</u> | <u>19,328</u> |
| 12.1 Reconciliation of unauthorised expenditure balance | | | |
| Opening balance | | 19,328 | 2,450 |
| Unauthorised expenditure current year | | 30,831 | 15,283 |
| Transfer to receivables for recovery | | (47) | 1,595 |
| Closing balance | | <u>50,112</u> | <u>19,328</u> |

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| | Note | 2002/03 R'000 | 2001/02 R'000 |
|---|------|------------------|------------------|
| 12.2 Unauthorised expenditure | | | |
| <i>Incident</i> | | | |
| Authorised losses in excess of savings on the Vote | | 30,831 | - |
| Overspending of Programme 2: Roads - 2001/02 | | 11,838 | 11,838 |
| Overspending of Programme 4: Public Transport - 2001/02 | | 3,034 | 3,034 |
| Overspending of Programme 5: Auxiliary and Associated Services - 2001/02 | | 411 | 411 |
| | | <u>46,114</u> | <u>15,283</u> |
| Overexpenditure on programmes during 2001/02 not yet approved by the Provincial Legislature. | | | |
| 12.3 Thefts and losses awaiting approval | | | |
| <i>Case type</i> | | | |
| Vehicle collisions and damage | | 2,183 | 2,036 |
| Vehicle thefts and losses | | 363 | 334 |
| Supplies and equipment losses | | 265 | 256 |
| Claims by the State | | 984 | 1,154 |
| Other | | 203 | 265 |
| | | <u>3,998</u> | <u>4,045</u> |
| 13 Analysis of surplus | | | |
| Voted funds to be surrendered to the National/Provincial Revenue Fund | | 5,953 | (1,635) |
| Unauthorised expenditure | | 30,831 | 15,283 |
| Non voted funds | | 449,072 | 403,258 |
| Other revenue to be surrendered to the Revenue Fund | | 485,856 | 405,539 |
| Authorised losses | | (36,784) | (2,281) |
| Total | | <u>485,856</u> | <u>416,906</u> |
| 14 Cash and cash equivalents | | | |
| Cash on hand | | | |
| - Official imprest and petty cash | | <u>155</u> | <u>173</u> |
| 15 Receivables - current | | | |
| Amounts owing by other departments | | 8,499 | 49,623 |
| Staff debtors | 15.3 | 1,711 | 1,946 |
| Other debtors | 15.4 | 771 | 295 |
| Advances | 15.4 | - | - |
| | | <u>10,981</u> | <u>51,864</u> |
| 15.1 Amounts of R Nil (2002 : R 30,960 million) included above may not be recoverable, but has not been written off in the income statement. | | | |
| 15.2 Age analysis – receivables current | | | |
| Less than one year | | 9,790 | 19,105 |
| One to two years | | 340 | 969 |
| More than two years | | | |
| - Amount due from National Dept of Transport for the maintenance of National Roads | | - | 24,491 |
| - Amount due from National Dept of Transport for national taxi projects implemented | | - | 6,469 |
| - Other - Debtor debt | | 851 | 830 |
| | | <u>10,981</u> | <u>51,864</u> |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|--|------------|------------------|------------------|
| 15.3 Staff debtors | | | |
| Breach of study contract | | 4 | 92 |
| Debt: BOC 100% Housing | | - | 37 |
| Debt control bursary | | - | (11) |
| Debt control persal other | | 83 | 250 |
| Debt control state guarantee | | - | (3) |
| Debt control tax debt | | 40 | 58 |
| Debt control telephone | | - | (8) |
| Debt control vehicle accident | | 4 | (9) |
| Debt: Employee miscellaneous | | (3) | 309 |
| Debt: Personal | | - | 137 |
| Debtor debt (new debtors system) | | 1,542 | 967 |
| Deduction disallowance accounts | | 13 | 28 |
| Housing guarantee payment | | 17 | 291 |
| Pension receipts | | (369) | (756) |
| Persal disallowance control: Current | | 3 | 21 |
| Persal disallowance control: Previous | | - | (27) |
| S&T control account | | 92 | 182 |
| Salary reversal control account | | 285 | 388 |
| | | <u>1,711</u> | <u>1,946</u> |
| 15.4 Other debtors | | | |
| Abnormal load permits | | - | 4 |
| Dishonoured cheques | | 170 | 198 |
| Inter responsibility clearing account | | - | 1 |
| Receipts suspense | | 598 | 89 |
| Subsidised transport insurance | | 2 | 2 |
| Suppliers disallowance control | | 1 | 1 |
| | | <u>771</u> | <u>295</u> |
| 16 Inventories | | | |
| Value of inventories on hand | | 8,080 | 6,993 |
| (Profit) / Loss on stores issues for the year | | - | 41 |
| less: Capital funds | | (3,902) | (3,902) |
| Stock: Transport | | <u>4,178</u> | <u>3,132</u> |
| 17 Investments in controlled entities | | | |
| Total investments in controlled entities | Annexure 2 | - | - |
| 18 Voted funds to be surrendered | | | |
| Opening balance | | - | - |
| Transfer from income statement | | - | 11,367 |
| Paid during the year | | - | (11,367) |
| Closing balance | | - | - |
| 19 Revenue funds to be surrendered | | | |
| Opening balance | | - | - |
| Transfer from income statement for revenue to be surrendered | | 485,856 | 405,539 |
| Paid during the year | | (485,856) | (405,539) |
| Closing balance | | - | - |
| 20 Payables - current | | | |
| Description | | | |
| Amounts owing to other departments | | 599 | 291 |
| Advances received | 20.1 | 9,518 | 2,272 |
| Sundry payables | 20.2 | 51 | 319 |
| | | <u>10,168</u> | <u>2,882</u> |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|--|-----------------------------------|------------------|------------------|
| 20.1 Advances received | | | |
| <i>Received from</i> | <i>Purpose</i> | | |
| National Department of Transport | Arrive Alive | 106 | 524 |
| | Bus subsidies | 7,332 | - |
| | Driver licence testing centers | 1,137 | - |
| | Freight projects | 539 | - |
| | National overloading control fund | 404 | 1,748 |
| | | 9,518 | 2,272 |
| 20.2 Sundry payables | | | |
| <i>Description</i> | | | |
| Abnormal load permit payovers | | 24 | - |
| Abnormal load permit deposits | | 13 | 319 |
| Tax - Committee members and casual labour | | 2 | - |
| Inter responsibility clearing account | | 12 | - |
| | | 51 | 319 |
| 21 Other Payables | | | |
| Department of Transport's portion of the provincial bank account | | 55,258 | 71,615 |
| 22 Amounts owing to controlled entities | | | |
| KwaZulu-Natal Taxi Council | Annexure 2 | - | - |
| 23 Amounts owing by controlled entities | | | |
| KwaZulu-Natal Taxi Council | Annexure 2 | - | - |
| 24 Net cash flow generated by operating activities | | | |
| Net surplus as per Income Statement | | 485,856 | 416,906 |
| Adjusted for items separately disclosed | | 772,591 | 762,802 |
| Proceeds from sale of equipment | | (14,087) | (12,245) |
| Proceeds from sale of land and buildings | | (7) | (177) |
| Proceeds from sale of inventory | | (2,786) | (4,826) |
| Capital expenditure | | 789,471 | 780,050 |
| Net cash flow generated by operating activities | | 1,258,447 | 1,179,708 |
| 25 Cash generated (utilised) to (increase)/decrease working capital | | | |
| (Increase) / decrease in unauthorised and fruitless and wasteful expenditure | | (30,784) | (16,878) |
| (Increase) / decrease in receivables | | 40,883 | 3,803 |
| (Increase) / decrease in inventories | | (1,046) | (601) |
| Increase / (decrease) in payables | | 7,286 | (6,614) |
| | | 16,339 | (20,290) |
| 26 Voted funds and Revenue funds surrendered | | | |
| Voted funds surrendered | | - | 11,367 |
| Revenue funds surrendered | | 485,856 | 405,539 |
| | | 485,856 | 416,906 |
| 27 Cash and cash equivalents at end of period | | | |
| Cash and cash equivalents | | 155 | 173 |
| Other payables - Provincial Treasury | | (55,258) | (71,615) |
| | | (55,103) | (71,442) |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

These amounts are not recognised in the financial statements, and are disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2002.

| | Note | 2002/03 R'000 | 2001/02 R'000 |
|-----------------------------------|---------------|------------------|------------------|
| 28 Contingent liabilities | | | |
| Liable to | Nature | | |
| Motor vehicle guarantees | Employees | - | 192 |
| Housing loan guarantees | Employees | 3,695 | 3,716 |
| Claims | | 4,503 | 5,759 |
| | | 8,198 | 9,667 |
| 29 Commitments | | | |
| Current expenditure | | | |
| Approved and contracted/ordered | | - | - |
| Approved but not yet contracted | | 2,195 | 1,606 |
| | | 2,195 | 1,606 |
| Capital expenditure | | | |
| Approved and contracted/ordered | | 6,569 | 6,462 |
| Approved but not yet contracted | | 8,369 | 22,500 |
| | | 14,938 | 28,962 |
| Total Commitments | | 17,133 | 30,568 |
| 30 Accruals | | | |
| <i>Listed by standard item</i> | | | |
| Personnel | | 27 | 36 |
| Administrative | | 4,378 | 602 |
| Inventories | | 3,198 | 34 |
| Machinery and Equipment | | 2,956 | 498 |
| Land and buildings | | 2,348 | - |
| Professional and special services | | 16,232 | 914 |
| Miscellaneous | | 36 | 1 |
| | | 29,175 | 2,085 |
| <i>Listed by programme</i> | | | |
| Administration | | 3,575 | 374 |
| Roads | | 21,302 | 501 |
| Road Traffic | | 3,501 | 1,122 |
| Public Transport | | 552 | 88 |
| Auxillary and Associated Services | | 245 | - |
| | | 29,175 | 2,085 |
| 31 Employee benefits | | | |
| Leave entitlement | | 66,886 | 65,692 |
| Thirteenth cheque | | 8,241 | 8,967 |
| | | 75,127 | 74,659 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2003

| | 2002/03 R'000 | 2001/02 R'000 |
|---|------------------|------------------|
| 32 Related party transactions | | |
| All transactions entered into by the department are concluded on an arm's length basis on terms and conditions reasonably expected in an open market. | | |
| 33 Key management personnel | | |
| 33.1 Remuneration | | |
| Aggregate remuneration of the key management of the department | 8,264 | 7,171 |
| Number of individuals receiving remuneration within this category | 22 | 19 |
| 33.2 Other remuneration and compensation provided to key management and close members of the family of key management personnel | | |
| The total amount of all other remuneration and compensation provided to key management during the reporting period provided to: - | | |
| • Minister | 111 | 55 |
| • Head: Transport | 59 | - |
| • Other members of key management | 733 | 307 |
| | 903 | 362 |
| 33.3 Loans that are not widely available (and/or widely known) to persons outside the key management | | |
| No loans, which are not widely available, were advanced to key management during the financial year. | | |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

| Programme | 2002/03 | | | | | | 2001/02 | |
|--|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Administration | 102,416 | - | 102,416 | 96,884 | 5,532 | 94.6% | 88,656 | 76,387 |
| Current | 88,252 | - | 88,252 | 86,551 | 1,701 | 98.1% | 2,581 | 2,591 |
| Capital | 14,164 | - | 14,164 | 10,333 | 3,831 | 73.0% | 86,075 | 73,796 |
| 2 Roads | 877,931 | - | 877,931 | 877,764 | 167 | 100.0% | 839,258 | 851,096 |
| Current | 117,537 | - | 117,537 | 121,141 | (3,604) | 103.1% | 116,841 | 106,182 |
| Capital | 760,394 | - | 760,394 | 756,623 | 3,771 | 99.5% | 722,417 | 744,914 |
| 3 Road Traffic | 188,131 | - | 188,131 | 187,893 | 238 | 99.9% | 159,929 | 158,550 |
| Current | 179,510 | - | 179,510 | 181,206 | (1,696) | 100.9% | 149,943 | 152,468 |
| Capital | 8,621 | - | 8,621 | 6,687 | 1,934 | 77.6% | 9,986 | 6,082 |
| 4 Public Transport | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |
| Current | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |
| Capital | - | - | - | - | - | 0.0% | - | - |
| 5 Auxillary and Associated Services | 7,850 | - | 7,850 | 7,837 | 13 | 99.8% | 8,677 | 9,088 |
| Current | - | - | - | - | - | 0.0% | - | - |
| Capital | 7,850 | - | 7,850 | 7,837 | 13 | 99.8% | 8,677 | 9,088 |
| Sub-total | 1,196,106 | - | 1,196,106 | 1,190,117 | 5,989 | 99.5% | 1,113,190 | 1,114,825 |
| Special Functions - Authorised Losses | - | - | - | 36,784 | (36,784) | 100.0% | - | 2,281 |
| Current | - | - | - | 36,784 | (36,784) | 100.0% | - | 2,281 |
| Capital | - | - | - | - | - | 0.0% | - | - |
| Statutory Allocation | 526 | - | 526 | 562 | (36) | 106.8% | 526 | 526 |
| Current | 526 | - | 526 | 562 | (36) | 106.8% | 526 | 526 |
| Capital | - | - | - | - | - | 0.0% | - | - |
| Total | 1,196,632 | - | 1,196,632 | 1,227,463 | (30,831) | 102.6% | 1,113,716 | 1,117,632 |

| Direct charge against the National Revenue Fund | 2002/03 | | | | | | 2001/02 | |
|---|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Provinces Equitable Share | 1,063,657 | - | 1,063,657 | 1,057,668 | 5,989 | 99.4% | 1,045,011 | 1,046,646 |
| Conditional Grant | 132,449 | - | 132,449 | 132,449 | - | 100.0% | 68,179 | 68,179 |
| Sub-total | 1,196,106 | - | 1,196,106 | 1,190,117 | 5,989 | 99.5% | 1,113,190 | 1,114,825 |
| Authorised Losses | - | - | - | 36,784 | (36,784) | 100.0% | - | 2,281 |
| Statutory allocation | 526 | - | 526 | 562 | (36) | 106.8% | 526 | 526 |
| Total | 1,196,632 | - | 1,196,632 | 1,227,463 | (30,831) | 102.6% | 1,113,716 | 1,117,632 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | 405,077 | - | 405,077 | 408,692 | (3,615) | 100.9% | 354,668 | 349,057 |
| Personnel | 199,262 | - | 199,262 | 196,500 | 2,762 | 98.6% | 170,319 | 148,531 |
| Transfer payments | 741 | 3,943 | 4,684 | 2,497 | 2,187 | 53.3% | 641 | 600 |
| Other | 205,074 | (3,943) | 201,131 | 209,695 | (8,564) | 104.3% | 183,708 | 199,926 |
| Capital | 791,029 | - | 791,029 | 781,425 | 9,604 | 98.8% | 758,522 | 765,768 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Acquisition of capital assets | 791,029 | - | 791,029 | 781,425 | 9,604 | 98.8% | 758,522 | 765,768 |
| Sub-total | 1,196,106 | - | 1,196,106 | 1,190,117 | 5,989 | 99.5% | 1,113,190 | 1,114,825 |
| Authorised Losses | - | - | - | 36,784 | (36,784) | 0.0% | - | 2,281 |
| Statutory allocation | 526 | - | 526 | 562 | (36) | 106.8% | 526 | 526 |
| Total | 1,196,632 | - | 1,196,632 | 1,227,463 | (30,831) | 102.6% | 1,113,716 | 1,117,632 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | 327,245 | - | 327,245 | 318,127 | 9,118 | 97.2% | 294,603 | 288,819 |
| Administrative | 74,184 | (600) | 73,584 | 69,471 | 4,113 | 94.4% | 63,133 | 56,099 |
| Inventories | 75,390 | (25) | 75,365 | 74,419 | 946 | 98.7% | 67,313 | 67,748 |
| Equipment | 65,498 | (6) | 65,492 | 64,902 | 590 | 99.1% | 58,034 | 65,707 |
| Land and buildings | 37,206 | - | 37,206 | 33,964 | 3,242 | 91.3% | 32,550 | 18,307 |
| Professional and special services | 614,332 | (3312) | 611,020 | 625,964 | (14,944) | 102.4% | 595,703 | 616,576 |
| Transfer payments | 741 | 3943 | 4,684 | 2,497 | 2,187 | 53.3% | 641 | 600 |
| Miscellaneous | 1,510 | - | 1,510 | 773 | 737 | 51.2% | 1,213 | 969 |
| Sub-total | 1,196,106 | - | 1,196,106 | 1,190,117 | 5,989 | 99.5% | 1,113,190 | 1,114,825 |
| Authorised Losses | - | - | - | 36,784 | (36,784) | 0.0% | - | 2,281 |
| Statutory allocation | 526 | - | 526 | 562 | (36) | 106.8% | 526 | 526 |
| Total | 1,196,632 | - | 1,196,632 | 1,227,463 | (30,831) | 102.6% | 1,113,716 | 1,117,632 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

DETAIL PER PROGRAMME 1: ADMINISTRATION FOR THE YEAR ENDED 31 MARCH 2003

| Programme per subprogramme | 2002/03 | | | | | | 2001/02 | |
|----------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Minister | 2,735 | - | 2,735 | 2,173 | 562 | 79.5% | 2,581 | 2,591 |
| Current | 2,435 | - | 2,435 | 2,173 | 262 | 89.2% | 2,581 | 2,591 |
| Capital | 300 | - | 300 | - | 300 | 100.0% | - | - |
| 2 Management | 99,681 | - | 99,681 | 94,711 | 4,970 | 95.0% | 86,075 | 73,796 |
| Current | 85,817 | - | 85,817 | 84,378 | 1,439 | 98.3% | 68,633 | 68,113 |
| Capital | 13,864 | - | 13,864 | 10,333 | 3,531 | 74.5% | 17,442 | 5,683 |
| Total | 102,416 | - | 102,416 | 96,884 | 5,532 | 94.6% | 88,656 | 76,387 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | 88,252 | - | 88,252 | 86,551 | 1,701 | 98.1% | 71,214 | 70,704 |
| Personnel | 40,088 | - | 40,088 | 40,533 | (445) | 101.1% | 35,798 | 32,502 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Other | 48,164 | - | 48,164 | 46,018 | 2,146 | 95.5% | 35,416 | 38,202 |
| Capital | 14,164 | - | 14,164 | 10,333 | 3,831 | 73.0% | 17,442 | 5,683 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Acquisition of capital assets | 14,164 | - | 14,164 | 10,333 | 3,831 | 73.0% | 17,442 | 5,683 |
| Total | 102,416 | - | 102,416 | 96,884 | 5,532 | 0.0% | 88,656 | 76,387 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | 40,088 | - | 40,088 | 40,533 | (445) | 101.1% | 35,798 | 31,976 |
| Administration | 20,555 | - | 20,555 | 13,547 | 7,008 | 65.9% | 15,422 | 10,465 |
| Inventories | 3,606 | - | 3,606 | 2,510 | 1,096 | 69.6% | 2,290 | 1,906 |
| Equipment | 5,033 | - | 5,033 | 5,946 | (913) | 118.1% | 3,395 | 3,151 |
| Land and buildings | 14,244 | - | 14,244 | 9,235 | 5,009 | 64.8% | 16,744 | 8,016 |
| Professional and special services | 17,833 | - | 17,833 | 24,692 | (6,859) | 138.5% | 14,853 | 20,305 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Miscellaneous | 1,057 | - | 1,057 | 421 | 636 | 39.8% | 154 | 568 |
| Total | 102,416 | - | 102,416 | 96,884 | 5,532 | 94.6% | 88,656 | 76,387 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

DETAIL PER PROGRAMME 2: ROADS FOR THE YEAR ENDED 31 MARCH 2003

| Programme per subprogramme | 2002/03 | | | | | | 2001/02 | |
|-------------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Technical Support Services | 37,378 | - | 37,378 | 34,928 | 2,450 | 93.4% | 28,812 | 27,156 |
| Current | 23,900 | - | 23,900 | 20,385 | 3,515 | 85.3% | 28,812 | 27,156 |
| Capital | 13,478 | - | 13,478 | 14,543 | (1,065) | 107.9% | - | - |
| 2 Construction | 122,391 | - | 122,391 | 134,213 | (11,822) | 109.7% | 88,325 | 95,640 |
| Current | - | - | - | 2,934 | (2,934) | 100.0% | 18,375 | 20,992 |
| Capital | 122,391 | - | 122,391 | 131,279 | (8,888) | 107.3% | 69,950 | 74,648 |
| 3 Community Access Roads | 210,502 | - | 210,502 | 207,054 | 3,448 | 98.4% | 224,927 | 182,539 |
| Current | - | - | - | 839 | (839) | 100.0% | - | 366 |
| Capital | 210,502 | - | 210,502 | 206,215 | 4,287 | 98.0% | 224,927 | 182,173 |
| 4 Maintenance | 422,050 | - | 422,050 | 416,365 | 5,685 | 98.7% | 413,653 | 462,631 |
| Current | 62,035 | - | 62,035 | 61,457 | 578 | 99.1% | 69,014 | 57,068 |
| Capital | 360,015 | - | 360,015 | 354,908 | 5,107 | 98.6% | 344,639 | 405,563 |
| 5 Subsidies | 740 | - | 740 | 467 | 273 | 63.1% | 640 | 600 |
| Current | 740 | - | 740 | 467 | 273 | 63.1% | 640 | 600 |
| Capital | - | - | - | - | - | 100.0% | - | - |
| 6 Mechanical | 84,870 | - | 84,870 | 84,736 | 134 | 99.8% | 82,901 | 82,530 |
| Current | 30,862 | - | 30,862 | 35,058 | (4,196) | 113.6% | - | - |
| Capital | 54,008 | - | 54,008 | 49,678 | 4,330 | 92.0% | 82,901 | 82,530 |
| Total | 877,931 | - | 877,931 | 877,763 | 168 | 100.0% | 839,258 | 851,096 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | 117,537 | - | 117,537 | 121,141 | (3,604) | 103.1% | 116,841 | 106,182 |
| Personnel | 64,094 | - | 64,094 | 63,393 | 701 | 98.9% | 53,140 | 36,927 |
| Transfer payments | 740 | - | 740 | 467 | 273 | 63.1% | 640 | 600 |
| Other | 52,703 | - | 52,703 | 57,281 | (4,578) | 108.7% | 63,061 | 68,655 |
| Capital | 760,394 | - | 760,394 | 756,623 | 3,771 | 99.5% | 722,417 | 744,914 |
| Transfer payments | - | - | - | - | - | 100.0% | - | - |
| Acquisition of capital assets | 760,394 | - | 760,394 | 756,623 | 3,771 | 99.5% | 722,417 | 744,914 |
| Total | 877,931 | - | 877,931 | 877,764 | 167 | 100.0% | 839,258 | 851,096 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | 192,077 | - | 192,077 | 185,021 | 7,056 | 96.3% | 177,424 | 177,214 |
| Administrative | 28,412 | - | 28,412 | 31,697 | (3,285) | 111.6% | 28,407 | 25,120 |
| Inventories | 66,008 | - | 66,008 | 64,022 | 1,986 | 97.0% | 60,263 | 60,883 |
| Equipment | 43,036 | - | 43,036 | 43,925 | (889) | 102.1% | 39,688 | 46,673 |
| Land and buildings | 22,502 | - | 22,502 | 22,842 | (340) | 101.5% | 12,130 | 9,134 |
| Professional and special services | 525,155 | - | 525,155 | 529,790 | (4,635) | 100.9% | 519,806 | 531,471 |
| Transfer payments | 741 | - | 741 | 467 | 274 | 63.0% | 640 | 600 |
| Miscellaneous | - | - | - | - | - | 100.0% | 900 | 1 |
| Total | 877,931 | - | 877,931 | 877,764 | 167 | 100.0% | 839,258 | 851,096 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

DETAIL PER PROGRAMME 3: ROAD TRAFFIC FOR THE YEAR ENDED 31 MARCH 2003

| Programme per subprogramme | 2002/03 | | | | | | 2001/02 | |
|------------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Transport Engineering | 7,248 | - | 7,248 | 10,078 | (2,830) | 139.0% | 11,424 | 6,240 |
| Current | - | - | - | - | - | 0.0% | 4,938 | - |
| Capital | 7,248 | - | 7,248 | 10,078 | (2,830) | 139.0% | 6,486 | 6,240 |
| 2 Law Enforcement | 97,955 | - | 97,955 | 101,612 | (3,657) | 103.7% | 99,698 | 82,467 |
| Current | 97,112 | - | 97,112 | 95,048 | 2,064 | 97.9% | 96,198 | 76,294 |
| Capital | 843 | - | 843 | 6,564 | (5,721) | 778.6% | 3,500 | 6,173 |
| 3 Vehicle Registration & Licensing | 45,126 | - | 45,126 | 44,706 | 420 | 99.1% | 39,641 | 42,238 |
| Current | 44,596 | - | 44,596 | 44,584 | 12 | 100.0% | 39,641 | 42,238 |
| Capital | 530 | - | 530 | 122 | 408 | 23.0% | - | - |
| 4 Road Safety Education | 37,802 | - | 37,802 | 31,497 | 6,305 | 83.3% | 9,166 | 27,605 |
| Current | 37,802 | - | 37,802 | 31,497 | 6,305 | 83.3% | 9,166 | 27,605 |
| Capital | - | - | - | - | - | 100.0% | - | - |
| Total | 188,131 | - | 188,131 | 187,893 | 238 | 99.9% | 159,929 | 158,550 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | 179,510 | - | 179,510 | 181,206 | (1,696) | 100.9% | 149,943 | 152,468 |
| Personnel | 91,724 | - | 91,724 | 89,838 | 1,886 | 97.9% | 79,031 | 76,888 |
| Transfer payments | 1 | - | 1 | - | 1 | 0.0% | 1 | - |
| Other | 87,785 | - | 87,785 | 91,368 | (3,583) | 104.1% | 70,911 | 75,580 |
| Capital | 8,621 | - | 8,621 | 6,687 | 1,934 | 77.6% | 9,986 | 6,082 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Acquisition of capital assets | 8,621 | - | 8,621 | 6,687 | 1,934 | 77.6% | 9,986 | 6,082 |
| Total | 188,131 | - | 188,131 | 187,893 | 238 | 99.9% | 159,929 | 158,550 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | 91,724 | - | 91,724 | 89,838 | 1,886 | 97.9% | 79,031 | 76,889 |
| Administrative | 23,256 | - | 23,256 | 22,004 | 1,252 | 94.6% | 18,705 | 18,127 |
| Inventories | 5,455 | - | 5,455 | 7,595 | (2,140) | 139.2% | 4,606 | 4,799 |
| Equipment | 10,801 | - | 10,801 | 8,350 | 2,451 | 77.3% | 7,383 | 8,277 |
| Land and buildings | 460 | - | 460 | 1,887 | (1,427) | 410.2% | 3,676 | 1,157 |
| Professional and special services | 55,982 | - | 55,982 | 57,867 | (1,885) | 103.4% | 46,368 | 48,901 |
| Transfer payments | - | - | - | - | - | 0.0% | 1 | - |
| Miscellaneous | 453 | - | 453 | 352 | 101 | 77.7% | 159 | 400 |
| Total | 188,131 | - | 188,131 | 187,893 | 238 | 99.9% | 159,929 | 158,550 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

DETAIL PER PROGRAMME 4: PUBLIC TRANSPORT FOR THE YEAR ENDED 31 MARCH 2003

| Programme per subprogramme | 2002/03 | | | | | | 2001/02 | |
|----------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Public Transport | | | | | | | | |
| Current | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |
| Capital | - | - | - | - | - | 0.0% | - | - |
| Total | 19,778 | - | 19,778 | 19,739 | 39 | 0.0% | 16,670 | 19,704 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |
| Personnel | 3,356 | - | 3,356 | 2,735 | 621 | 81.5% | 2,350 | 2,739 |
| Transfer payments | - | 3,943 | 3,943 | 2,030 | 1,913 | 51.5% | - | 2,230 |
| Other | 16,422 | (3,943) | 12,479 | 14,974 | (2,495) | 120.0% | 14,320 | 14,735 |
| Capital | - | - | - | - | - | 0.0% | - | - |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Acquisition of capital assets | - | - | - | - | - | 0.0% | - | - |
| Total | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | 3,356 | - | 3,356 | 2,735 | 621 | 81.5% | 2,350 | 2,739 |
| Administrative | 1,961 | (600) | 1,361 | 2,223 | (862) | 163.3% | 599 | 1,734 |
| Inventories | 308 | (25) | 283 | 292 | (9) | 103.2% | 142 | 159 |
| Equipment | 218 | (6) | 212 | 271 | (59) | 127.8% | 69 | 278 |
| Land and buildings | - | - | - | - | - | 0.0% | - | - |
| Professional and special services | 13,935 | (3,312) | 10,623 | 12,188 | (1,565) | 114.7% | 13,510 | 12,564 |
| Transfer payments | - | 3,943 | 3,943 | 2,030 | 1,913 | 51.5% | - | 2,230 |
| Miscellaneous | - | - | - | - | - | 0.0% | - | - |
| Total | 19,778 | - | 19,778 | 19,739 | 39 | 99.8% | 16,670 | 19,704 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

DETAIL PER PROGRAMME 5: AUXILLARY AND ASSOCIATED SERVICES FOR THE YEAR ENDED 31 MARCH 2003

| Programme per subprogramme | 2002/03 | | | | | | 2001/02 | |
|--------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| 1 Radio Communication Services | 1,427 | - | 1,427 | 1,427 | - | 100.0% | 1,166 | 1,759 |
| Current | - | - | - | - | - | 0.0% | - | - |
| Capital | 1,427 | - | 1,427 | 1,427 | - | 100.0% | 1,166 | 1,759 |
| 2 Standard Stock Account | 13 | - | 13 | - | 13 | 0.0% | 12 | - |
| Current | - | - | - | - | - | 0.0% | - | - |
| Capital | 13 | - | 13 | - | 13 | 0.0% | 12 | - |
| 3 Provincial Motor Transport | 6,410 | - | 6,410 | 6,410 | - | 100.0% | 7,499 | 7,329 |
| Current | - | - | - | - | - | 0.0% | - | - |
| Capital | 6,410 | - | 6,410 | 6,410 | - | 100.0% | 7,499 | 7,329 |
| Total | 7,850 | - | 7,850 | 7,837 | 13 | 99.8% | 8,677 | 9,088 |

| Economic classification | 2002/03 | | | | | | 2001/02 | |
|-------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Current | - | - | - | - | - | 0.0% | - | - |
| Personnel | - | - | - | - | - | 0.0% | - | - |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Other | - | - | - | - | - | 0.0% | - | - |
| Capital | 7,850 | - | 7,850 | 7,837 | 13 | 0.0% | 8,677 | 9,088 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Acquisition of capital assets | 7,850 | - | 7,850 | 7,837 | 13 | 99.8% | 8,677 | 9,088 |
| Total | 7,850 | - | 7,850 | 7,837 | 13 | 0.0% | 8,677 | 9,088 |

| Standard item classification | 2002/03 | | | | | | 2001/02 | |
|-----------------------------------|------------------------------|----------------|--------------------------|--------------------------|------------------------|--|--------------------------|--------------------------|
| | Adjusted Appropriation R'000 | Virement R'000 | Revised Allocation R'000 | Actual Expenditure R'000 | Savings (Excess) R'000 | Expenditure as % of revised allocation | Revised Allocation R'000 | Actual Expenditure R'000 |
| Personnel | - | - | - | - | - | 0.0% | - | - |
| Administrative | - | - | - | - | - | 0.0% | - | - |
| Inventories | 13 | - | 13 | - | 13 | 0.0% | 12 | - |
| Equipment | 6,410 | - | 6,410 | 6,410 | - | 100.0% | 7,499 | 7,329 |
| Land and buildings | - | - | - | - | - | 0.0% | - | - |
| Professional and special services | 1,427 | - | 1,427 | 1,427 | - | 100.0% | 1,166 | 1,759 |
| Transfer payments | - | - | - | - | - | 0.0% | - | - |
| Miscellaneous | - | - | - | - | - | 0.0% | - | - |
| Total | 7,850 | - | 7,850 | 7,837 | 13 | 99.8% | 8,677 | 9,088 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Notes to the Appropriation Statement for the year ended 31 March 2003

1. Detail of current and capital transfers as per Appropriation Act (after Virement):

The department transfers funds to municipalities during the year for the maintenance of Provincial roads running through the Municipal boundary. Detail of these transactions can be viewed in note 11 (Transfer payments) 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 (Charge to National/Provincial Revenue Fund) to the annual financial statements.

3. Detail of special functions (theft and losses)

Detail of these transactions per programme can be viewed in note 12.5 (Details of special functions) to the annual financial statements.

4. Explanations of material variances from Amount Voted (after virement):

4.1 Per programme:

Programme 1: Administration

The savings under this programme are as a result of delays experienced by the department in the commencement in the contract for the alterations to the Head Office Complex. The department has submitted a motivation to the Provincial Treasury for the roll-over of these funds to the 2003/04 financial year.

Programme 2: Roads

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 3: Road Traffic

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 4: Public Transport

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

Programme 5: Auxillary and Associated Services

The expenditure in this programme was in line with the adjusted budget and the department's expectations.

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

Notes to the Appropriation Statement for the year ended 31 March 2003

4.2 Per standard item:

Personnel and Administrative:

The underexpenditure in this standard item is as a result of problems being experienced, by the department, in the appointment of staff as a result of Resolution 7 imposed upon the department by the Department of Public Service and Administration, and the lack of suitably qualified technical staff in the Engineering field.

Inventories:

The expenditure in this standard item is in line with the budget and the department's expectations.

Equipment:

The expenditure in this standard item is in line with the budget and the department's expectations.

Land and buildings:

The savings under this standard item are as a result of delays experienced by the department in the commencement in the contract for the alterations to the Head Office Complex.

Professional and special services:

The increased expenditure in this standard item is as a result of the adverse price of fuel and plant hire costs during the year. It should also be noted that the inflation rate in the construction industry was higher than the CPIX which is used as an inflation benchmark.

5 Reconciliation of appropriation statement to income statement:

| | 2002/03 R'000 | 2001/02 R'000 |
|--|------------------|------------------|
| Total expenditure per Appropriation Statement | 1,227,463 | 1,117,632 |
| Less: Investments acquired and capitalised during the current financial year - expensed for appropriation purposes | - | - |
| Add: Local and foreign aid assistance (including RDP funds) | - | - |
| Actual Expenditure per Income Statement | 1,227,463 | 1,117,632 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

ANNEXURE 1A STATEMENT OF CONDITIONAL GRANTS RECEIVED BY PROVINCIAL DEPARTMENTS AS AT 31 MARCH 2003

| NAME OF DEPARTMENT (List each Grant per department) | GRANT ALLOCATION | | | EXPENDITURE | | | ANALYSIS | | |
|--|-------------------------------------|----------------------------------|---------------------|---------------------------------|-----------------|------------------|----------------------------------|------------------|------------------|
| | Division of Revenue Act R'000 | Adjustments Estimate R'000 | Roll Overs R'000 | Total Available (1) R'000 | Actual R'000 | Unspent R'000 | % of Available Spent R'000 | Capital R'000 | Current R'000 |
| National Treasury - Infrastructure Grant | 132,449 | 132,449 | - | 132,449 | 132,449 | - | 100% | 132,449 | - |
| Total | 132,449 | 132,449 | - | 132,449 | 132,449 | - | 100% | 132,449 | - |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

ANNEXURE 1B STATEMENT OF TRANSFERS TO MUNICIPALITIES BY PROVINCIAL DEPARTMENTS AS AT 31 MARCH 2003

| NAME OF MUNICIPALITY (List each Grant per Municipality) | GRANT ALLOCATION | | | EXPENDITURE | | | SPENT | | | Analysis | | |
|---|----------------------------------|-------------------------------|---------------------|------------------------------|--------------------------|---------------------------------|-------------------------------------|--|-------------------------|---------------------------------|------------------|------------------|
| | Division of Revenue Act R'000 | Adjustments Estimate R'000 | Roll Overs R'000 | Total Available (1) R'000 | Actual Transfer R'000 | Amount not Transferred R'000 | % of Available Transferred R'000 | Actual amount spent by Municipality R'000 | Amount Unspent R'000 | % of Transferred Spent R'000 | Capital R'000 | Current R'000 |
| Utrecht Municipality | 45 | - | - | 45 | 45 | - | 100% | 45 | - | 100% | - | 45 |
| Umvoti Municipality | 21 | - | - | 21 | 21 | - | 100% | 21 | - | 100% | - | 21 |
| Umlomene Municipality | 49 | - | - | 49 | 49 | - | 100% | 49 | - | 100% | - | 49 |
| Ethekezi Municipality | 40 | - | - | 40 | 35 | 5 | 88% | 35 | 5 | 88% | - | 35 |
| Danhauser Municipality | 8 | - | - | 8 | 8 | - | 100% | 8 | - | 100% | - | 8 |
| Kokstad Municipality | 19 | - | - | 19 | 39 | (20) | 205% | 39 | (20) | 205% | - | 39 |
| Edumbe Municipality | 6 | - | - | 6 | 6 | - | 100% | 6 | - | 100% | - | 6 |
| Abaqulusi Municipality | 48 | - | - | 48 | - | 48 | 0% | - | 48 | 0% | - | - |
| Umlalazi Municipality | 24 | - | - | 24 | 24 | - | 100% | 24 | - | 100% | - | 24 |
| Hlabiscus Coast | 6 | - | - | 6 | - | 6 | 0% | - | 6 | 0% | - | - |
| Matatiela Municipality | 10 | - | - | 10 | 10 | - | 100% | 10 | - | 100% | - | 10 |
| Mtonjaneni (Mtonzini) | 6 | - | - | 6 | 6 | - | 100% | 6 | - | 100% | - | 6 |
| Mndenj Municipality | 1 | - | - | 1 | - | 1 | 0% | - | 1 | 0% | - | - |
| To be determined | 11 | - | - | 11 | - | 11 | 0% | - | 11 | 0% | - | - |
| Total | 294 | - | - | 294 | 243 | 51 | 83% | 243 | 51 | 11 | - | 243 |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

ANNEXURE 2 STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO CONTROLLED/PUBLIC ENTITIES AS AT 31 MARCH 2003

| Name of public Entity | Nature of public entities business | Relevant Act | Entity's PFMA Schedule type | % Held | Number of shares held | | Cost of investment | | Profit / Loss for the year | | Are the losses guaranteed | Amt of losses guaranteed | Amounts owing to | | Amounts owing by | | AO Value of Investments | Audit Report Status | | |
|----------------------------|---|--|-----------------------------|--------|-----------------------|---------|--------------------|---------|----------------------------|---------|---------------------------|--------------------------|------------------|---------|------------------|---|-------------------------|---------------------|-------------|--|
| | | | | | 2002/03 | 2001/02 | 2002/03 | 2001/02 | 2002/03 | 2001/02 | | | 2002/03 | 2001/02 | | | | | | |
| KwaZulu-Natal Taxi Council | Provincial democratically elected taxi representative body to regulate and monitor the affairs of the taxi industry | Interim Minibus Taxi Act - Act 4 of 1998 | 3C | 0% | - | - | - | - | - | - | No | - | - | - | - | - | R000's | U/Q/A/D | Unqualified | |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

ANNEXURE 3

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2003

DOMESTIC/ FOREIGN (provide separate returns for Domestic and Foreign)

| Guaranteed institution | Original Guaranteed capital amount | Opening balance as at 01/04/2002 | Guarantees issued during the year | | Guarantees Paid/ Cancelled/ Reduced during the year | Closing Balance 31/03/2003 | Realised losses i.r.o. claims paid out |
|--|--|--|---|--------------|---|----------------------------------|--|
| | | | New | Paid | | | |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 | |
| Motor Vehicle Guarantees | | | | | | | |
| Stannic | 223 | 192 | - | (192) | - | - | |
| Housing Guarantees | | | | | | | |
| ABSA Bank Limited | 6,120 | 1,046 | 179 | (170) | 1,095 | 5 | |
| BOE Bank Limited | 1,164 | 551 | - | (95) | 205 | - | |
| Cash Bank | - | 16 | - | - | - | - | |
| Peoples Bank FBC Fidelity Bank Limited | 150 | 30 | - | (12) | 30 | - | |
| FNB a division of Firststrand Bank Limited | 4,959 | 518 | 13 | (66) | 907 | - | |
| Ithala Bank Limited | 37 | 7 | - | - | 7 | - | |
| Nedbank Limited | 730 | 85 | 183 | (20) | 141 | - | |
| Permanent Bank a division of Nedcor Bank Limited | 3,186 | 611 | - | (78) | 598 | - | |
| Saambou Bank Limited | 1,204 | 381 | - | (44) | 216 | - | |
| Standard Bank of Southern Africa Limited | 2,705 | 471 | 177 | (147) | 496 | - | |
| | 20,255 | 3,716 | 552 | (632) | 3,695 | 5 | |
| Total | 20,478 | 3,908 | 552 | (824) | 3,695 | 5 | |

FINANCIAL STATEMENTS

KwaZulu-Natal Department of Transport

ANNEXURE 4

PHYSICAL ASSET MOVEMENT SCHEDULE (NOT INCLUDING INVENTORIES)

| PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2002/03 | Opening Balance | Additions | Disposals | Transfers In | Transfers Out | Closing Balance |
|---|------------------------|------------------|------------------|---------------------|----------------------|------------------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| LAND AND BUILDINGS | - | 743,799 | - | - | - | 742,595 |
| Land | - | 1,204 | - | - | - | 1,204 |
| Dwellings | - | - | - | - | - | - |
| Non-Residential Buildings | - | 27,097 | - | - | - | 27,097 |
| Investment Properties | - | - | - | - | - | - |
| Other structures (Infrastructure Assets) | - | 715,498 | - | - | - | 715,498 |
| Mineral & Similar Non Regenerative Resources | - | - | - | - | - | - |
| Capital work in Progress | - | - | - | - | - | - |
| Heritage Assets | - | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | - | 45,672 | - | - | - | 45,672 |
| Computer equipment | - | 6,703 | - | - | - | 6,703 |
| Furniture and office equipment | - | 5,433 | - | - | - | 5,433 |
| Other machinery and equipment | - | 24,409 | - | - | - | 24,409 |
| Specialised military assets | - | - | - | - | - | - |
| Transport assets | - | 9,127 | - | - | - | 9,127 |
| | - | 789,471 | - | - | - | 788,267 |
| PHYSICAL ASSETS ACQUIRED DURING FINANCIAL YEAR 2001/02 | Opening Balance | Additions | Disposals | Transfers In | Transfers Out | Closing Balance |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| LAND AND BUILDINGS | - | 740,292 | - | - | - | 739,537 |
| Land | - | 755 | - | - | - | 755 |
| Dwellings | - | - | - | - | - | - |
| Non-Residential Buildings | - | 9,948 | - | - | - | 9,948 |
| Investment Properties | - | - | - | - | - | - |
| Other structures (Infrastructure Assets) | - | 729,589 | - | - | - | 729,589 |
| Mineral & Similar Non Regenerative Resources | - | - | - | - | - | - |
| Capital work in Progress | - | - | - | - | - | - |
| Heritage Assets | - | - | - | - | - | - |
| MACHINERY AND EQUIPMENT | - | 39,758 | - | - | - | 39,758 |
| Computer equipment | - | 5,733 | - | - | - | 5,733 |
| Furniture and office equipment | - | 3,672 | - | - | - | 3,672 |
| Other machinery and equipment | - | 20,051 | - | - | - | 20,051 |
| Specialised military assets | - | - | - | - | - | - |
| Transport assets | - | 10,302 | - | - | - | 10,302 |
| | - | 780,050 | - | - | - | 779,295 |

FINANCIAL STATEMENTS

KwaZulu-Natal Taxi Council

| | | |
|-----------|--|--|
| COMMITTEE | MJ Lekokotla SG Manyathi LT Mtumi T Ndabana BC Ngiba (Chairman) VL Gumede SO Kubheka AM Mzelemu M E Mkhize | MJ Mthiyane A Sangweni BB Zondi MC Cele (Deceased June 2002) HR Majola PE Gumede (contract terminated) BV Molefe MJ Mabika (appointed 1/12/2002) M Mvelase (appointed 1/09/2002) |
|-----------|--|--|

NATURE OF BUSINESS Control and monitor the affairs of the taxi industry

AUDITORS Auditor-General

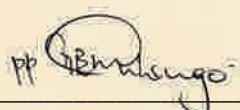
REGISTERED OFFICE 8 Arbuckle Road
DURBAN
4000

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| Balance Sheet | 161 |
| Cash Flow Statement | 162 |
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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been approved by the committee on 31 May 2003.

Signed on behalf of the committee by:



B C Ngiba (Chairman)

Report of the Auditor-General to the members of the KwaZulu-Natal Provincial Legislature on the Financial Statements of the KwaZulu-Natal Taxi Council for the year ended 31 March 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 160 to 164 for the year ended 31 March 2003 have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No.12 of 1995). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting authority. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

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

An audit includes:

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

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

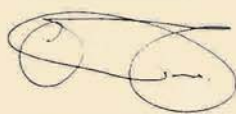
I believe that the audit provides a reasonable basis for my opinion.

3. UNQUALIFIED AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the KwaZulu-Natal Taxi Council at 31 March 2003, and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting practice and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended.

4. APPRECIATION

The assistance rendered by the officials of the KwaZulu-Natal Taxi Council during the audit is sincerely appreciated.



for AUDITOR-GENERAL
PIETERMARITZBURG
31/07/2003

FINANCIAL STATEMENTS

KwaZulu-Natal Taxi Council

INCOME STATEMENT for the year ended 31 March 2003 (Statement of Financial Performance)

| | NOTE | 2003 R | 2002 R |
|---|------|------------------|------------------|
| INCOME | | 2,194,049 | 2,384,725 |
| Funds received from the Department of Transport | | 2,194,049 | 2,384,725 |
| EXPENSES | | 2,194,049 | 2,384,725 |
| Administrative expenditure | 2 | 558,088 | 656,519 |
| Inventory | 3 | 2,187 | 1,729 |
| Equipment | 4 | - | 222 |
| Professional and special services | 5 | 1,633,774 | 1,726,255 |
| NET SURPLUS / (DEFICIT) FOR THE YEAR | | - | - |

FINANCIAL STATEMENTS

KwaZulu-Natal Taxi Council

BALANCE SHEET at 31 March 2003 (Statement of Financial Position)

| | NOTE | 2003 R | 2002 R |
|----------------------------|------|----------------|----------------|
| ASSETS | | | |
| Current assets | | | |
| Accounts receivable | 6 | 344,307 | 180,563 |
| Total assets | | <u>344,307</u> | <u>180,563</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable | 7 | 344,307 | 180,563 |
| Total liabilities | | <u>344,307</u> | <u>180,563</u> |

FINANCIAL STATEMENTS

KwaZulu-Natal Taxi Council

CASH FLOW STATEMENT for the year ended 31 March 2003

| | 2003 R | 2002 R |
|---|-------------|-------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | - | - |
| Cash paid to suppliers and employees | (2,194,049) | (2,384,725) |
| Funds received from the Department of Transport | 2,194,049 | 2,384,725 |
| Movement on receivables and payables | - | - |
| Net increase/(decrease) in cash and cash equivalents | - | - |
| Cash and cash equivalents at beginning of period | - | - |
| Cash and cash equivalents at end of period | - | - |

FINANCIAL STATEMENTS

KwaZulu-Natal Taxi Council

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2003

1. Basis of accounting

The financial statements have been, unless otherwise indicated, prepared on the historical cost basis in accordance with the under mentioned policies which have been applied consistently in all material respects.

1.1. Underlying assumptions

The financial statements have been prepared on the accrual basis of accounting except where stated otherwise. Under the accrual basis of accounting transactions and other events are recognised as and when they occur.

However, where appropriate and meaningful, additional information has been disclosed to enhance Finance Management Act, Act 1 of 1999 , as amended by the Act.

The financial statements have been prepared on the historical cost basis and reliance is placed upon the fact that the entity is a going concern.

1.2. Revenue

Revenue comprises transfer payments received from the Department of Transport and is recognised in the period in which the transaction giving rise to the revenue occurs.

1.3. Expenditure

Expenditure includes both current and capital expenditure and these are recognised when incurred.

| | 2003 R | 2002 R |
|--------------------------------------|----------------|----------------|
| 2. Administrative expenditure | | |
| Subsistence and Transport | 495,130 | 509,440 |
| Telephone repairs | - | - |
| Private motor transport | - | 4,850 |
| Departmental entertainment | | 9,130 |
| RSC Levies | 2,663 | 2,491 |
| Training courses/ seminars | 60,296 | 130,608 |
| | <u>558,088</u> | <u>656,519</u> |
| 3. Inventory | | |
| Stationery | <u>2,187</u> | <u>1,729</u> |

FINANCIAL STATEMENTS

KwaZulu-Natal Tax Council

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2003 (continued)

| | 2003 R | 2002 R |
|---|------------------|------------------|
| 4 Equipment | | |
| Hire: Other Equipment | <u>-</u> | <u>222</u> |
| 5. Professional and special services | | |
| Consultants and advisory services | 743,791 | 898,830 |
| Other - Security | 59,350 | - |
| State Attorney Costs | 63,343 | - |
| Board and committee members | 767,290 | 827,425 |
| | <u>1,633,774</u> | <u>1,726,255</u> |
| 6. Accounts receivable | | |
| Department of Transport | <u>344,307</u> | <u>180,563</u> |
| 7. Accounts payable | | |
| Various suppliers | <u>344,307</u> | <u>180,563</u> |

Part V

Human Resource Management



prosperity through mobility

Human Resources

1. EXPENDITURE

TABLE 1.1 – Personnel costs by programme, 2002/ 03

| Programme | Total Expenditure (R'000) | Personnel Expenditure (R'000) | Training Expenditure (R'000) | Professional and Special Services (R'000) | Personnel cost as a percent of total expenditure | Average personnel cost per employee (R'000) |
|-------------------------------|---------------------------|-------------------------------|------------------------------|---|--|---|
| Administration (transport) | 96 884 | 40 533 | 0 | 24 692 | 41.8 | 103 |
| Roads | 877 764 | 185 021 | 0 | 529 790 | 21.1 | 61 |
| Road traffic | 187 893 | 89 838 | 0 | 57 867 | 47.8 | 104 |
| Public transport | 19 739 | 2 735 | 0 | 12 188 | 13.9 | 109 |
| Auxiliary and associated serv | 7 837 | 0 | 0 | 1 427 | 0 | 0 |
| Total | 1 190 117 | 318 127 | 0 | 625 964 | 26.7 | 73 |

TABLE 1.2 – Personnel costs by salary bands, 2002/ 03

| Salary Bands | Personnel Expenditure (R'000) | % of total personnel cost | Average personnel cost per employee (R'000) |
|--|-------------------------------|---------------------------|---|
| Lower skilled (Levels 1-2) | 80 694 | 25 | 43 |
| Skilled (Levels 3-5) | 86 152 | 27 | 66 |
| Highly skilled production (Levels 6-8) | 117 336 | 36 | 116 |
| Highly skilled supervision (Levels 9-12) | 25 681 | 8 | 265 |
| Senior management (Levels 13-16) | 8 264 | 4 | 376 |
| Total | 318 127 | | 73 |

TABLE 1.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2002/03

| Programme | Salaries | | Overtime | | Home Owners Allowance | | Medical Assistance | |
|------------------|----------------|-----------------------------------|----------------|-----------------------------------|-----------------------|------------------------------|--------------------|---|
| | Amount (R'000) | Salaries as a % of personnel cost | Amount (R'000) | Overtime as a % of personnel cost | Amount (R'000) | HOA as a % of personnel cost | Amount (R'000) | Medical Assistance as a % of personnel cost |
| Administration | 27294 | 60 | 2529 | 5.6 | 903 | 2 | 2637 | 5.8 |
| Roads | 134510 | 68.8 | 1954 | 1 | 2477 | 1.3 | 7552 | 3.9 |
| Road Traffic | 53264 | 54.6 | 13636 | 14 | 1830 | 1.9 | 6935 | 7.1 |
| Public Transport | 1887 | 66.7 | 0 | 0 | 78 | 2.8 | 193 | 6.8 |
| Total | 217343 | 63.5 | 18119 | 5.3 | 5290 | 1.5 | 17339 | 5.1 |

Human Resources

TABLE 1.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2002/ 03

| Salary Bands | Salaries | | Overtime | | Home Owners Allowance | | Medical Assistance | |
|--|----------------|-----------------------------------|----------------|-----------------------------------|-----------------------|------------------------------|--------------------|---|
| | Amount (R'000) | Salaries as a % of personnel cost | Amount (R'000) | Overtime as a % of personnel cost | Amount (R'000) | HOA as a % of personnel cost | Amount (R'000) | Medical Assistance as a % of personnel cost |
| Lower skilled (Levels 1-2) | 60 115 | 72.7 | 1 282 | 1.6 | 637 | 0.8 | 1 979 | 2.4 |
| Skilled (Levels 3-5) | 58 907 | 65.1 | 6 470 | 7.2 | 1 309 | 1.4 | 5 076 | 5.6 |
| Highly skilled production (Levels 6-8) | 77 812 | 58.8 | 9 680 | 7.3 | 2 874 | 2.2 | 8 963 | 6.8 |
| Highly skilled supervision (Levels 9-12) | 15 391 | 59.9 | 687 | 2.7 | 459 | 1.8 | 1 088 | 4.2 |
| Senior management (Levels 13-16) | 5 118 | 54.3 | 0 | 0 | 11 | 0.1 | 233 | 2.5 |
| Total | 217 343 | 63.5 | 18 119 | 5.3 | 5 290 | 1.5 | 17 339 | 5.1 |

2. EMPLOYMENT AND VACANCIES

TABLE 2.1 – Employment and vacancies by programme, 31 March 2003

| Programme | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|------------------|-----------------|------------------------|--------------|--|
| Administration | 648 | 394 | 39.20% | 0 |
| Roads | 5 688 | 3 051 | 46.36% | 35 |
| Road Traffic | 1 043 | 863 | 17.26% | 0 |
| Public Transport | 29 | 25 | 13.79% | 0 |
| Total | 7 408 | 4 333 | | 35 |

TABLE 2.2 – Employment and vacancies by salary bands, 31 March 2003

| Salary band | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|--|-----------------|------------------------|--------------|--|
| Lower skilled (Levels 1-2) | 3938 | 1886 | 52.11% | 0 |
| Skilled (Levels 3-5) | 2011 | 1314 | 34.66% | 31 |
| Highly skilled production (Levels 6-8) | 1269 | 1014 | 20.09% | 1 |
| Highly skilled supervision (Levels 9-12) | 158 | 97 | 38.61% | 1 |
| Senior management (Levels 13-16) | 32 | 22 | 31.25% | 2 |
| Total | 7408 | 4333 | | 35 |

Human Resources

TABLE 2.3 – Employment and vacancies by critical occupation, 31 March 2003

| Critical occupations | Number of posts | Number of posts filled | Vacancy Rate | Number of posts filled additional to the establishment |
|-----------------------------------|-----------------|------------------------|---------------|--|
| Senior Management (Levels 13- 16) | 32 | 22 | 31.25% | 2 |
| Total | 32 | 22 | 31.25% | 2 |

3.JOB EVALUATION

TABLE 3.1 – Job Evaluation, 1 April 2002 to 31 March 2003

| Salary band | Number of posts | Number of Jobs Evaluated | % of posts evaluated by salary bands | Posts Upgraded | | Posts downgraded | |
|--|-----------------|--------------------------|--------------------------------------|----------------|----------------------|------------------|----------------------|
| | | | | Number | % of posts evaluated | Number | % of posts evaluated |
| Lower skilled (Levels 1-2) | 3938 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| Skilled (Levels 3-5) | 2011 | 9 | 0.45% | 2 | 22.22% | 1 | 11.11% |
| Highly skilled production (Levels 6-8) | 1269 | 21 | 1.65% | 8 | 38.10% | 0 | 0.00% |
| Highly skilled supervision (Levels 9-12) | 158 | 47 | 29.75% | 1 | 2.13% | 0 | 0.00% |
| Senior Management Service Band A | 24 | 19 | 79.17% | 0 | 0.00% | 1 | 5.26% |
| Senior Management Service Band B | 5 | 4 | 80.00% | 1 | 25.00% | 0 | 0.00% |
| Senior Management Service Band C | 2 | 1 | 50.00% | 1 | 100.00% | 0 | 0.00% |
| Senior Management Service Band D | 1 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| Total | 7408 | 101 | | 13 | 0.18% | 2 | 0.03% |

TABLE 3.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2002 to 31 March 2003

| Beneficiaries | African | Asian | Coloured | White | Total |
|---------------|----------|----------|----------|----------|-----------|
| Female | 4 | 4 | 0 | 1 | 9 |
| Male | 0 | 2 | 0 | 1 | 3 |
| Total | 4 | 6 | 0 | 2 | 12 |

| | |
|-----------------------------|-----|
| Employees with a disability | NIL |
|-----------------------------|-----|

Human Resources

TABLE 3.3 – Employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

| | |
|--|-------------|
| Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2002/ 03 | None |
|--|-------------|

TABLE 3.4 – Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

| Beneficiaries | African | Asian | Coloured | White | Total |
|----------------------|----------------|--------------|-----------------|--------------|--------------|
| Female | N/A | N/A | N/A | N/A | N/A |
| Male | N/A | N/A | N/A | N/A | N/A |
| Total | N/A | N/A | N/A | N/A | N/A |

| | |
|-----------------------------|-----|
| Employees with a disability | NIL |
|-----------------------------|-----|

4. - EMPLOYMENT CHANGES

TABLE 4.1 – Annual turnover rates by salary band for the period 1 April 2002 to 31 March 2003

| Salary Band | Number of employees per band as on 1 April 2002 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|--|--|---|---|----------------------|
| Lower skilled (Levels 1-2) | 2020 | 3 | 126 | 6.24% |
| Skilled (Levels 3-5) | 1455 | 99 | 121 | 8.32% |
| Highly skilled production (Levels 6-8) | 989 | 13 | 60 | 6.07% |
| Highly skilled supervision (Levels 9-12) | 93 | 6 | 6 | 6.45% |
| Senior Management Service Band A | 11 | 3 | 1 | 9.09% |
| Senior Management Service Band B | 5 | 0 | 0 | 0.00% |
| Senior Management Service Band C | 2 | 0 | 0 | 0.00% |
| Senior Management Service Band D | 1 | 0 | 0 | 0.00% |
| Total | 4576 | 124 | 314 | 6.86% |

TABLE 4.2 – Annual turnover rates by critical occupation for the period 1 April 2002 to 31 March 2003

| Occupation: | Number of employees per occupation as on 1 April 2002 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate |
|--------------------|--|---|---|----------------------|
| NIL | | | | |
| | | | | |
| | | | | |
| Total | | | | |

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Table 4.3 – Reasons why staff are leaving the department

| Termination Type | Number | % of total |
|---|------------|------------|
| Death | 92 | 29.30% |
| Resignation | 61 | 19.43% |
| Expiry of contract | 43 | 13.69% |
| Dismissal – operational changes | 0 | 0.00% |
| Dismissal – misconduct | 10 | 3.18% |
| Dismissal – inefficiency | 0 | 0.00% |
| Discharged due to ill-health | 31 | 9.87% |
| Retirement | 56 | 17.83% |
| Transfers to other Public Service Departments | 15 | 4.78% |
| Other | 6 | 1.91% |
| Total | 314 | |

| | |
|--|--------------|
| Total number of employees who left as a % of the total employment | 7.25% |
|--|--------------|

Table 4.4 – Promotions by critical occupation

| Occupation: | Employees as at 1 April 2002 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progressions as a % of employees by occupation |
|---------------------------|------------------------------|------------------------------------|---|---|--|
| Senior Managers (Level A) | 17 | 1 | 5.88% | | 0.00% |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | 17 | 1 | 5.88% | | 0.00% |

Table 4.5 – Promotions by salary band

| Salary Band | Employees as at 1 April 2002 | Promotion to another salary level | Salary bands promotion as a % of employees by salary level | Prog. to another notch within a salary level | Notch Prog. as a % of employees by salary band |
|--|------------------------------|-----------------------------------|--|--|--|
| Lower skilled (Levels 1-2) | 2020 | 2 | 0.10% | 80 | 3.96% |
| Skilled (Levels 3-5) | 1455 | 39 | 2.68% | 102 | 7.01% |
| Highly skilled production (Levels 6-8) | 989 | 62 | 6.27% | 141 | 14.26% |
| Highly skilled supervision (Levels 9-12) | 93 | 17 | 18.28% | 15 | 16.13% |
| Senior management (Levels 13-16) | 19 | 0 | 0.00% | 0 | 0.00% |
| Total | 4576 | 120 | 2.62% | 338 | 7.39% |

Human Resources

5. EMPLOYMENT EQUITY

5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2003

| Occupational categories (SASCO) | Male | | | | Female | | | | Total |
|--|-------------|-----------|------------|------------|------------|-----------|------------|------------|-------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators, senior officials and manager | 12 | 0 | 1 | 5 | 2 | 0 | 0 | 1 | 21 |
| Professionals | 7 | 0 | 13 | 48 | 5 | 2 | 4 | 3 | 82 |
| Technicians and associate professionals | 250 | 37 | 123 | 136 | 72 | 8 | 3 | 51 | 710 |
| Clerks | 89 | 19 | 36 | 30 | 212 | 39 | 126 | 221 | 772 |
| Service and sales workers | 97 | 3 | 3 | 3 | 5 | 0 | 0 | 0 | 111 |
| Skilled agriculture and fishery workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | 144 | 15 | 38 | 85 | 1 | 0 | 0 | 0 | 283 |
| Plant and machine operators and assemblers | 420 | 1 | 2 | 0 | 1 | 0 | 0 | 0 | 424 |
| Elementary occupations | 1748 | 3 | 8 | 12 | 158 | 0 | 1 | 0 | 1930 |
| Total | 2767 | 78 | 224 | 319 | 456 | 49 | 164 | 276 | 4333 |
| Employees with disabilities | 3 | 0 | 0 | 1 | 1 | 0 | 2 | 0 | 7 |

5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2003

| Occupational Bands | Male | | | | Female | | | | Total |
|---|-------------|-----------|------------|------------|------------|-----------|------------|------------|-------------|
| | African | Coloured | India | White | African | Coloured | India | White | |
| Top Management | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 3 |
| Senior Management | 11 | 0 | 0 | 5 | 2 | 0 | 0 | 0 | 18 |
| Professionally qualified and experienced specialists and mid-management | 18 | 2 | 13 | 49 | 8 | 0 | 4 | 5 | 99 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 220 | 32 | 125 | 205 | 113 | 19 | 82 | 223 | 1019 |
| Semi-skilled and discretionary decision making | 844 | 43 | 76 | 50 | 167 | 29 | 77 | 44 | 1330 |
| Unskilled and defined decision making | 1676 | 3 | 7 | 8 | 167 | 0 | 1 | 2 | 1864 |
| Total | 2770 | 80 | 222 | 317 | 457 | 48 | 164 | 275 | 4333 |

Human Resources

5.3 Recruitment for the period 1 April 2002 to 31 March 2003

| Occupational Bands | Male | | | | Female | | | | Total |
|---|-----------|----------|----------|----------|-----------|----------|----------|----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 2 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 3 |
| Professionally qualified and experienced specialists and mid-management | 2 | 0 | 1 | 0 | 2 | 0 | 0 | 1 | 6 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 4 | 0 | 1 | 0 | 4 | 1 | 3 | 0 | 13 |
| Semi-skilled and discretionary decision making | 53 | 7 | 5 | 3 | 22 | 4 | 4 | 1 | 99 |
| Unskilled and defined decision making | 1 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 3 |
| Total | 62 | 7 | 7 | 3 | 31 | 5 | 7 | 2 | 124 |
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Human Resources

5.4 Promotions for the period 1 April 2002 to 31 March 2003

| Occupational Bands | Male | | | | Female | | | | Total |
|---|-----------|----------|-----------|----------|-----------|----------|----------|----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professionally qualified and experienced specialists and mid-management | 3 | 0 | 3 | 2 | 1 | 0 | 0 | 1 | 10 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 37 | 3 | 8 | 7 | 6 | 0 | 3 | 5 | 69 |
| Semi-skilled and discretionary decision making | 25 | 0 | 3 | 0 | 6 | 2 | 0 | 3 | 39 |
| Unskilled and defined decision making | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Total | 66 | 4 | 14 | 9 | 13 | 2 | 3 | 9 | 120 |

| | | | | | | | | | |
|------------------------------------|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|------------------------------------|---|---|---|---|---|---|---|---|---|

Human Resources

5.5 Terminations for the period 1 April 2002 to 31 March 2003

| Occupational Bands | Male | | | | Female | | | | Total |
|---|------------|----------|----------|-----------|-----------|----------|----------|-----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Professionally qualified and experienced specialists and mid-management | 1 | 0 | 0 | 3 | 0 | 0 | 0 | 2 | 6 |
| Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents | 17 | 4 | 3 | 16 | 7 | 0 | 1 | 12 | 60 |
| Semi-skilled and discretionary decision making | 75 | 2 | 4 | 13 | 13 | 2 | 6 | 6 | 121 |
| Unskilled and defined decision making | 123 | 0 | 1 | 0 | 2 | 0 | 0 | 0 | 126 |
| Total | 217 | 6 | 8 | 32 | 22 | 2 | 7 | 20 | 314 |

| | | | | | | | | | |
|-----------------------------|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|-----------------------------|---|---|---|---|---|---|---|---|---|

5.6 Disciplinary action for the period 1 April 2002 to 31 March 2003

| | Male | | | | Female | | | | Total |
|---------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Disciplinary action | 48 | 5 | 12 | 7 | 5 | 1 | 3 | 5 | 86 |

Human Resources

5.7 Skills development for the period 1 April 2002 to 31 March 2003

| Occupational Categories | Male | | | | Female | | | | Total |
|--|------------|----------|-----------|-----------|-----------|----------|-----------|-----------|------------|
| | African | Coloured | Indian | White | African | Coloured | Indian | White | |
| Legislators senior officials and managers | 1 | 0 | 2 | 2 | 0 | 0 | 1 | 1 | 7 |
| Professionals | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Technicians and associate professionals | 14 | 0 | 1 | 2 | 3 | 0 | 0 | 0 | 20 |
| Clerks | 7 | 0 | 4 | 2 | 16 | 2 | 6 | 17 | 54 |
| Service and sales workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | 0 | 4 | 3 | 16 | 0 | 0 | 0 | 0 | 0 |
| Craft and related traders workers | 0 | 2 | 4 | 13 | 13 | 2 | 6 | 6 | 0 |
| Plant and machine operators and assemblers | 146 | 3 | 8 | 26 | 7 | 0 | 0 | 0 | 190 |
| Elementary occupations | 55 | 3 | 7 | 5 | 4 | 1 | 3 | 1 | 79 |
| Total | 223 | 6 | 22 | 38 | 30 | 3 | 10 | 19 | 351 |

| | | | | | | | | | |
|-----------------------------|---|---|---|---|---|---|---|---|---|
| Employees with disabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|-----------------------------|---|---|---|---|---|---|---|---|---|

6. PERFORMANCE REWARDS

TABLE 6.1 – Performance Rewards by race, gender, and disability, 1 April 2002 to 31 March 2003

| | Beneficiary Profile | | | Cost | |
|------------------------------------|-------------------------|------------------------------------|-------------------------|----------------|---------------------------|
| | Number of beneficiaries | Total number of employees in group | % of total within group | Cost (R'000) | Average cost per employee |
| African Male | 5 | 2766 | 0.18% | R 32 | R 6 |
| Female | 13 | 459 | 2.83% | R 106 | R 8 |
| Asian Male | 3 | 222 | 1.35% | R 41 | R 14 |
| Female | 26 | 162 | 16.05% | R 258 | R 10 |
| Coloured Male | 2 | 80 | 2.50% | R 39 | R 19 |
| Female | 2 | 46 | 4.35% | R 23 | R 12 |
| White Male | 12 | 316 | 3.80% | R 155 | R 13 |
| Female | 32 | 275 | 11.64% | R 393 | R 12 |
| Employees with a disability | | 7 | | | |
| Total | 95 | 4333 | 2.19% | R 1,048 | R 11 |

Human Resources

TABLE 6.2 – Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2002 to 31 March 2003

| Salary Bands | 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) | 1 | 1886 | 0.05 | 5 | 5 | 0% |
| Skilled (Levels 3-5) | 19 | 1314 | 1.45 | 132 | 7 | 0% |
| Highly skilled production (Levels 6-8) | 72 | 1014 | 7.10 | 837 | 12 | 1% |
| Highly skilled supervision (Levels 9-12) | 3 | 97 | 3.09 | 73 | 24 | 0% |
| Total | 95 | 4311 | 2.20 | 1,047 | 11 | 11% |

TABLE 6.3 – Performance Rewards by critical occupations, 1 April 2002 to 31 March 2003

| Critical Occupations | Beneficiary Profile | | | Cost | |
|--------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
| | Number of beneficiaries | Number of employees | % of total within occupation | Total Cost (R'000) | Average cost per employee |
| SMS (Salary Bands A – D) | 13 | 21 | 62% | 283 | 21.77 |
| | | | | | |
| | | | | | |
| Total | 13 | 21 | 62% | 283 | 21.77 |

TABLE 6.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service

| Salary Band | Beneficiary Profile | | | Total Cost (R'000) | Average cost per employee (R) | % of SMS Wage Bill |
|--------------|-------------------------|---------------------|------------------------|--------------------|-------------------------------|--------------------|
| | Number of beneficiaries | Number of employees | % of total within band | | | |
| Band A | 7 | 13 | 54 | 96 | 1.371 | 2 |
| Band B | 3 | 5 | 60 | 60 | 2.000 | 2.5 |
| Band C | 2 | 2 | 100 | 68 | 3.400 | 5.6 |
| Band D | 1 | 1 | 100 | 59 | 5.900 | 6.7 |
| TOTAL | 13 | 21 | 62 | 283 | 2176.9 | 3 |

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7. FOREIGN WORKERS

TABLE 7.1 – Foreign Workers, 1 April 2002 to 31 March 2003, by salary band

| Salary Band | 1 April 2002 | | 31 March 2003 | | Change | |
|--|--------------|----------------|---------------|----------------|----------|--------------|
| | Number | % of total | Number | % of total | Number | % change |
| Lower skilled (Levels 1-2) | 0 | 0.00% | | 0.00% | 0 | 0.00% |
| Skilled (Levels 3-5) | 2 | 33.33% | 1 | 16.67% | -1 | -50% |
| Highly skilled production (Levels 6-8) | 2 | 33.33% | 2 | 33.33% | 0 | 0.00% |
| Highly skilled supervision (Levels 9-12) | 1 | 16.67% | 2 | 33.33% | 1 | 50% |
| Senior management (Levels 13-16) | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Total | 6 | 100.00% | 6 | 100.00% | 0 | 0.00% |

TABLE 7.2 – Foreign Worker, 1 April 2002 to 31 March 2003, by major occupation

| Major Occupation | 1 April 2002 | | 31 March 2003 | | Change | |
|---------------------------------|--------------|------------|---------------|------------|----------|--------------|
| | Number | % of total | Number | % of total | Number | % change |
| Director | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Deputy Chief Engineer | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Assistant Engineer | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Manager: Information Technology | 0 | 0.00% | 1 | 16.67% | 1 | 50,00% |
| Senior Administration Clerk II | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Student Industrial Technician | 1 | 16.67% | 0 | 0.00% | -1 | -50,00% |
| Driver Grade II | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Director | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Deputy Chief Engineer | 1 | 16.67% | 1 | 16.67% | 0 | 0.00% |
| Total | 6 | | 6 | | 0 | 0.00% |

8. LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2002 TO 31 DECEMBER 2002

TABLE 8.1 – Sick leave, 1 January 2002 to 31 December 2002

| Salary Band | Total days | % days with medical certification | Number of Employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated Cost (R'000) |
|--|--------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 6784 | 23.30% | 852 | 30.15% | 7.96 | R 797 |
| Skilled (Levels 3-5) | 6832 | 21.80% | 985 | 34.85% | 6.94 | R 1,083 |
| Highly skilled production (Levels 6-8) | 6261 | 18.90% | 918 | 32.48% | 6.82 | R 1,739 |
| Highly skilled supervision (Levels 9-12) | 432 | 16.70% | 66 | 2.34% | 6.55 | R 237 |
| Senior management (Levels 13-16) | 46 | 24.10% | 5 | 0.18% | 9.20 | R 55 |
| Total | 20355 | 21.20% | 2826 | 1 | 7.20 | R 3,911 |

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TABLE 8.2 – Disability leave (temporary and permanent), 1 January 2002 to 31 December 2002

| Salary Band | Total days taken | % days with medical certification | Number of Employees using disability leave | % of total employees using disability leave | Average days per employee | Estimated Cost (R'000) |
|--|------------------|-----------------------------------|--|---|---------------------------|------------------------|
| Lower skilled (Levels 1-2) | 1079 | 8.60% | 42 | 24.71% | 25.69 | 129 |
| Skilled (Levels 3-5) | 1198 | 15.60% | 60 | 35.29% | 19.97 | 200 |
| Highly skilled production (Levels 6-8) | 1404 | 12.30% | 67 | 39.41% | 20.96 | 400 |
| Highly skilled supervision (Levels 9-12) | 29 | 3.40% | 1 | 0.59% | 29.00 | 13 |
| Senior management (Levels 13-16) | 0 | 0.00% | 0 | 0.00% | 0.00 | 0 |
| Total | 3710 | | 170 | 100.00% | 21.82 | 742 |

TABLE 8.3 – Annual Leave, 1 January 2002 to 31 December 2002

| Salary Bands | Total days taken | Average per employee |
|---|------------------|----------------------|
| Lower skilled (Levels 1-2) | 39580 | 20.99 |
| Skilled Levels 3-5) | 26111 | 19.87 |
| Highly skilled production (Levels 6-8) | 23242 | 22.92 |
| Highly skilled supervision(Levels 9-12) | 2288 | 23.59 |
| Senior management (Levels 13-16) | 243 | 11.05 |
| Total | 91464 | 21.11 |

TABLE 8.4 – Capped leave, 1 January 2002 to 31 December 2002

| Salary Bands | Total days of capped leave taken | Average number of days taken per employee | Average capped leave per employee as at 31 December 2002 |
|---|----------------------------------|---|--|
| Lower skilled (Levels 1-2) | 9170 | 11 | 75.94 |
| Skilled Levels 3-5) | 3486 | 4 | 66.19 |
| Highly skilled production (Levels 6-8) | 3349 | 4 | 76.65 |
| Highly skilled supervision(Levels 9-12) | 643 | 1 | 97.02 |
| Senior management (Levels 13-16) | 0 | 0 | 80.74 |
| Total | 16648 | 19 | 73.65 |

TABLE 8.5 – Leave payouts for the period 1 April 2002 to 31 March 2003

| REASON | Total Amount (R'000) | Number of Employees | Average payment per employee (R) |
|---|----------------------|---------------------|----------------------------------|
| Leave payout for 2002/03 due to non-utilisation of leave for the previous cycle | 265 | 55 | 4818 |
| Capped leave payouts on termination of service for 2002/03 | 2402 | 169 | 14213 |
| Current leave payout on termination of service for 2003/03 | 94 | 48 | 1958 |
| Total | 2761 | 272 | 10151 |

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9. HIV/AIDS & HEALTH PROMOTION PROGRAMMES

TABLE 9.1 – 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 |
|--|---|
| Provincial Inspectors | Protective clothing such as gloves etc have been provided for use at accident scenes etc. |
| | |
| | |

TABLE 9.2 – 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. | Yes | | Miss V Cunliffe: Head Corporate Services |
| 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. | Yes | | R6million |
| 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. | Yes | | Assists employees with alcohol, drug dependence, HIV/Aids, Counselling etc |
| 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. | Yes | | M Ferreira, M Both, P Govender, R Burns, D Mthembu, S Afrika, J Mabanga, M Thomas |
| 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. | Yes | | All policies were reviewed e.g. recruitment and selection, leave etc |
| 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. | Yes | | Any employee who discriminates against a HIV positive person will be dealt with in terms of the disciplinary procedures |
| 7. Does the department encourage its employees to undergo Voluntary Counseling and Testing? If so, list the results that you have achieved. | Yes | | As it is voluntary we have been unable to determine its effectiveness as yet |
| 8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators. | Yes | | Absenteeism is monitored |

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10. LABOUR RELATIONS

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

TABLE 10.1 – Collective agreements, 1 April 2002 to 31 March 2003

| Total collective agreements | None |
|-----------------------------|------|
|-----------------------------|------|

TABLE 10.2 – Misconduct and disciplinary hearings finalised, 1 April 2002 to 31 March 2003

| Outcomes of disciplinary hearings | Number | % of total |
|-----------------------------------|------------|------------|
| Correctional counselling | 55 | 21.74% |
| Verbal warning | 29 | 11.46% |
| Written warning | 115 | 45.45% |
| Final written warning | 38 | 15.02% |
| Suspended without pay | 4 | 1.58% |
| Fine | 0 | 0.00% |
| Demotion | 3 | 1.19% |
| Dismissal | 9 | 3.56% |
| Not guilty | 0 | 0.00% |
| Case withdrawn | 0 | 0.00% |
| Total | 253 | |

If there were no disciplinary hearings, then use the following table

| Disciplinary hearings – 2002/ 03 | None |
|----------------------------------|------|
|----------------------------------|------|

TABLE 10.3 – Types of misconduct addressed at disciplinary hearings

| Type of misconduct | Number | % of total |
|---------------------------------|-----------|------------|
| Disobeying a lawful instruction | 8 | 44.44% |
| Fraud | 5 | 27.78% |
| Discharge of firearm | 1 | 5.56% |
| Under the influence of Alcohol | 2 | 11.11% |
| Absent without authority | 2 | 11.11% |
| Total | 18 | |

TABLE 10.4 – Grievances lodged for the period 1 April 2002 to 31 March 2003

| | Number | % of Total |
|-----------------------------------|------------|------------|
| Number of grievances resolved | 10 | 6.94% |
| Number of grievances not resolved | 134 | 93.06% |
| Total number of grievances lodged | 144 | |

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TABLE 10.5 – Disputes lodged with Councils for the period 1 April 2002 to 31 March 2003

| | Number | % of Total |
|---|-----------|------------|
| Number of disputes upheld | 10 | 16.13% |
| Number of disputes dismissed | 10 | 16.13% |
| Number of disputes settled | 8 | 12.90% |
| Number of disputes withdrawn | 4 | 6.45% |
| Number of disputes outstanding ⁰ | 30 | 48.39% |
| Total number of disputes lodged | 62 | |

TABLE 10.6 – Strike actions for the period 1 April 2002 to 31 March 2003

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

TABLE 10.7 – Precautionary suspensions for the period 1 April 2002 to 31 March 2003

| | |
|--|---------------------|
| Number of people suspended | 5 |
| Number of people whose suspension exceeded 30 days | 4 |
| Average number of days suspended | 120 |
| Cost (R'000) of suspensions | R 287,278.50 |

11. SKILLS DEVELOPMENT

11.1 Training needs identified 1 April 2002 to 31 March 2003

| Occupational Categories | Gender | Number of employees as at 1 April 2003 | Training provided within the reporting period | | | |
|---|---------------|--|---|---|-------------------------|------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | Total |
| Legislators, senior officials and manager | Female | 3 | 0 | 13 | 0 | 13 |
| | Male | 18 | 0 | 43 | 0 | 43 |
| Professionals | Female | 10 | 0 | 0 | 0 | 0 |
| | Male | 73 | 0 | 1 | 0 | 1 |
| Technicians and associat professionals | Female | 173 | 0 | 17 | 0 | 17 |
| | Male | 562 | 0 | 45 | 0 | 45 |
| Clerks | Female | 592 | 0 | 27 | 0 | 27 |
| | Male | 170 | 0 | 13 | 0 | 13 |
| Service and sales workers | Female | 5 | 0 | 0 | 0 | 0 |
| | Male | 105 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 281 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assembler | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 421 | 0 | 26 | 0 | 26 |
| Elementary occupations | Female | 159 | 0 | 1 | 0 | 1 |
| | Male | 1759 | 0 | 177 | 0 | 177 |
| Sub Total | Female | 944 | 0 | 58 | 0 | 58 |
| | Male | 3389 | 0 | 305 | 0 | 305 |
| Total | | 4333 | 0 | 363 | 0 | 363 |

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11.2 Training provided 1 April 2002 to 31 March 2003

| Occupational Categories | Gender | Number of employees as at 1 April 2003 | Training provided within the reporting period | | | Total |
|--|---------------|--|---|---|-------------------------|------------|
| | | | Learnerships | Skills Programmes & other short courses | Other forms of training | |
| Legislators, senior officials and managers | Female | 3 | 0 | 2 | 0 | 2 |
| | Male | 18 | 0 | 5 | 0 | 5 |
| Professionals | Female | 10 | 0 | 0 | 0 | 0 |
| | Male | 73 | 0 | 1 | 0 | 1 |
| Technicians and associate professionals | Female | 173 | 0 | 3 | 0 | 3 |
| | Male | 562 | 0 | 17 | 0 | 17 |
| Clerks | Female | 592 | 0 | 41 | 0 | 41 |
| | Male | 170 | 0 | 13 | 0 | 13 |
| Service and sales workers | Female | 5 | 0 | 0 | 0 | 0 |
| | Male | 105 | 0 | 0 | 0 | 0 |
| Skilled agriculture and fishery workers | Female | 0 | 0 | 0 | 0 | 0 |
| | Male | 0 | 0 | 0 | 0 | 0 |
| Craft and related trades workers | Female | 1 | 0 | 0 | 0 | 0 |
| | Male | 281 | 0 | 0 | 0 | 0 |
| Plant and machine operators and assemblers | Female | 1 | 0 | 7 | 0 | 7 |
| | Male | 421 | 0 | 183 | 0 | 183 |
| Elementary occupations | Female | 159 | 0 | 9 | 0 | 9 |
| | Male | 1759 | 0 | 70 | 0 | 70 |
| Sub Total | Female | 944 | 0 | 62 | 0 | 62 |
| | Male | 3389 | 0 | 289 | 0 | 289 |
| | | 4333 | 0 | 351 | 0 | 351 |

12. INJURY ON DUTY

TABLE 12.1 – Injury on duty, 1 April 2002 to 31 March 2003

| Nature of injury on duty | Number | % of total |
|--|------------|------------|
| Required basic medical attention only | 105 | 91.30% |
| Temporary Total Disablement | 6 | 5.22% |
| Permanent Disablement | 1 | 0.87% |
| Fatal | 3 | 2.61% |
| Total | 115 | |

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13. UTILISATION OF CONSULTANTS

Table 13. 1: Report on consultant appointments using appropriated funds

| Project Title | Total Number of Consultants that worked on the projects | Duration | Contract Value R'000 |
|---|---|-----------------|----------------------|
| General office administration, data captures, issue summons | 45 | Annual Contract | 1 460 |
| District Consult providing support to Regional Director | 60 | Annual Contract | 5 727 |
| Vehicle Test Centre and Regulation | 1 | Annual Contract | 1 380 |
| Community Organisation, Research & Development | 4 | Annual Contract | 2 982 |
| ABET | 5 | Annual Contract | 769 |
| Legal Service Labour Relations | 4 | Annual Contract | 439 |
| Good Governance/Mission Directed Work Teams | 6 | Annual Contract | 2 645 |
| Management Support | 2 | Annual Contract | 950 |
| Judicial Commission-Attorney/Chairman fees, LRTB | 2 | Annual Contract | 693 |
| Capturing of accident information | 5 | Annual Contract | 455 |
| Establish/Training of Community Rd Safety Council, implement Omela Ngasakhaya Program | 10 | Annual Contract | 3 058 |

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Table 13.2: Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that worked on the project |
|---|------------------------------------|-------------------------------------|--|
| General office administration, data captures, issue summons | 60% | 60% | 80% |
| District Consult providing support to Regional Director | 50% | 60% | 80% |
| Vehicle Test Centre and Regulation | 20% | 30% | 0% |
| Community Organisation, Research & Development | 60% | 60% | 100% |
| ABET | 50% | 50% | 75% |
| Legal Service Labour Relations | 100% | 100% | 100% |
| Good Governance/Mission Directed Work Teams | 100% | 100% | 100% |
| Management Support | 15% | 30% | 100% |
| Judicial Commission Attorney/Chairman fees, LRTB | 50% | 50% | 50% |
| Capturing of accident information | 100% | 100% | 100% |
| Establish/Training of Community Rd Safety Council, implement Omela Ngasakhaya Program | 60% | 60% | 80% |

Table 13.3: Report on consultant appointments using Donor funds

| Project Title | Total Number of consultants that worked on the project | Duration: Work days | Donor and Contract value in Rand |
|---------------------------------|--|----------------------------------|-------------------------------------|
| NIL | | | |
| | | | |
| | | | |
| Total number of projects | Total individual consultants | Total duration: Work days | Total contract value in Rand |
| NIL | | | |

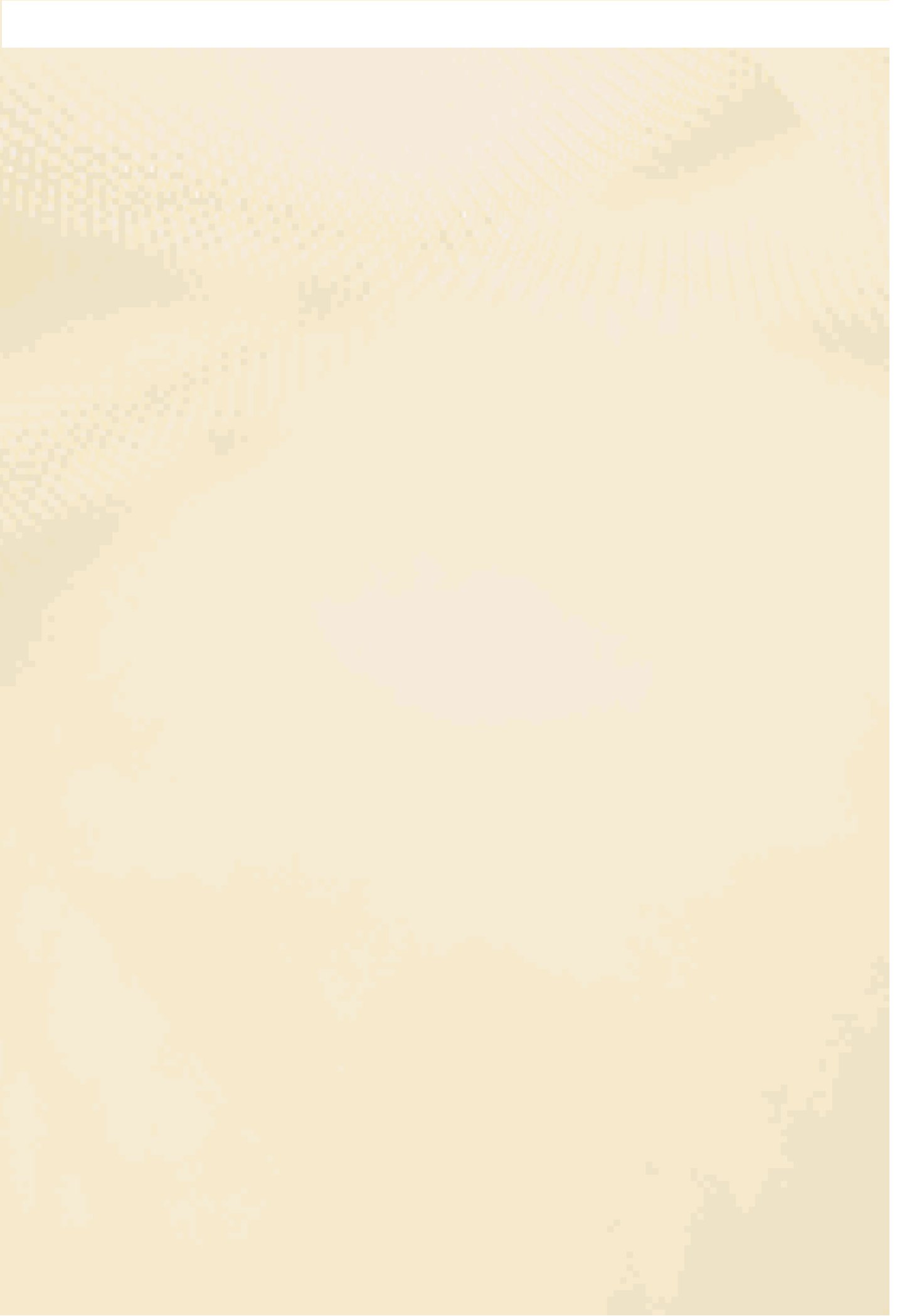
Table 13.4: Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

| Project Title | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of Consultants from HDI groups that work on the project |
|---------------|------------------------------------|-------------------------------------|--|
| NIL | | | |
| | | | |
| | | | |

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