



transport

Department:
Transport

PROVINCE OF KWAZULU-NATAL



P R O S P E R I T Y T H R O U G H M O B I L I T Y .



Annual Report 2016 - 2017

ROAD SAFETY IS OUR COLLECTIVE RESPONSIBILITY.



KwaZulu-Natal
Department of Transport

Life and legacy of
OR TAMBO, CENTENARY



**KwaZulu-Natal Department of Transport
Annual Report 2016/17**

Mr. T. M. Kaunda, MEC for Transport and Community Safety and Liaison

I have the honour of submitting the Annual Report of the Department of Transport for the period of 1 April 2016 to 31 March 2017.

A handwritten signature in black ink, appearing to read "B.S. Gumbi", written over a horizontal line.

**Mr B.S. Gumbi
Head: Transport**



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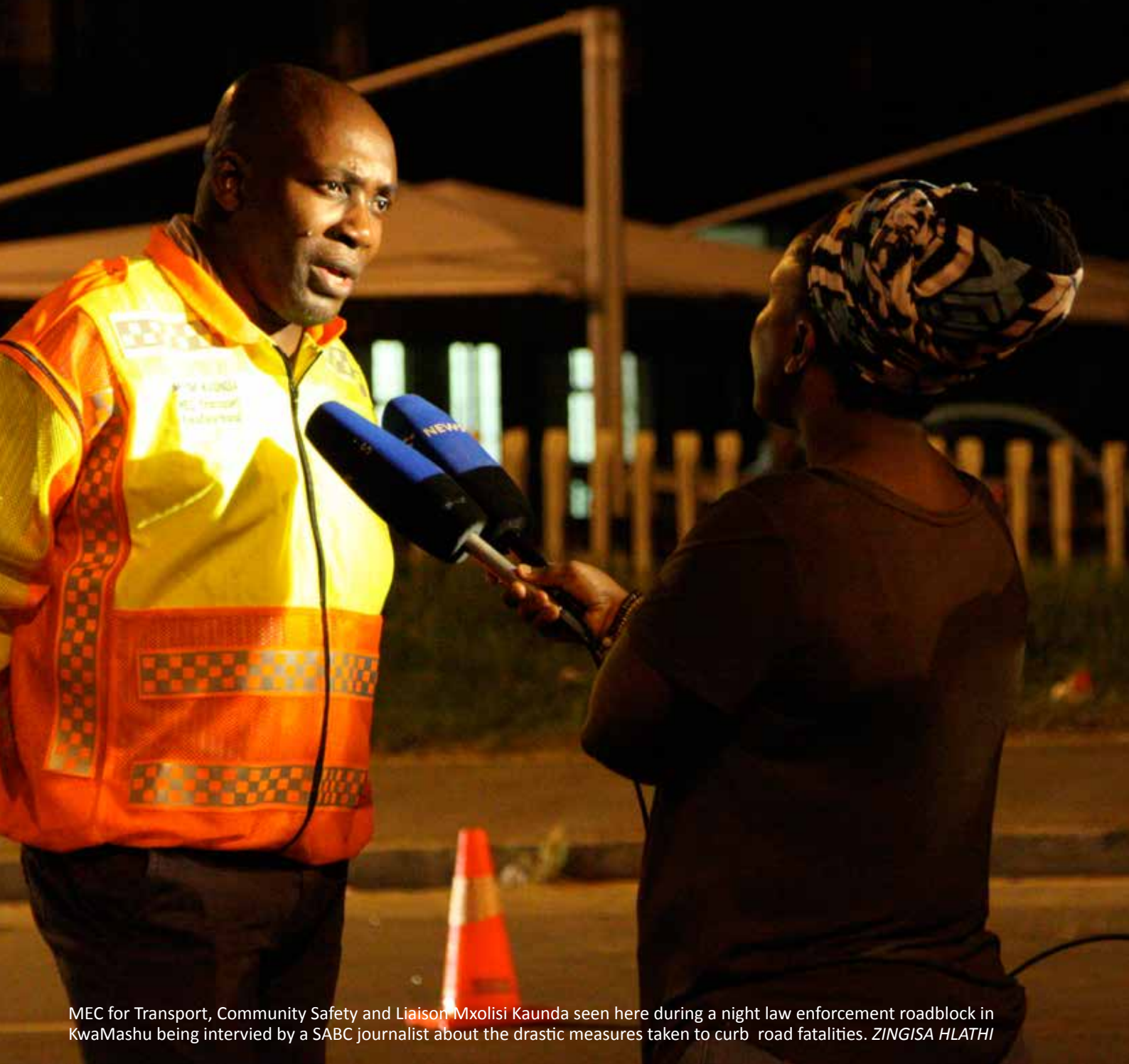
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MEC for Transport, Community Safety and Liaison Mxolisi Kaunda seen here during a night law enforcement roadblock in KwaMashu being interviewed by a SABC journalist about the drastic measures taken to curb road fatalities. *ZINGISA HLATHI*

PART A

General Information





transport

Department:
Transport

PROVINCE OF KWAZULU-NATAL

Physical Address

172 Burger Street
Pietermaritzburg
3201

Postal Address

Private Bag X9043
Pietermaritzburg
3200

Contact Telephone Numbers

033- 3558600

Website Address:

www.kzntransport.gov.za

PR 203/2017

ISBN: 978-0-621-45605-9

LIST OF ABBREVIATIONS/ ACRONYMS

DPSA	Department of Public Service and Administration
eNaTIS	Electronic National Administration Traffic Information System
EHW	Employee Health and Wellness
EPMDS	Employee Performance Management and Development System
ERM	Enterprise Risk Management
EPWP	Expanded Public Works Programme
GPSSBC	General Public Service Sectorial Bargaining Council
GIAMA	Government Immovable Asset Management Act
GWEA	Government Wide Enterprise Architecture Project
HOD	Head of Department
HEI(s)	Higher Education Institutions
HIV	Human Immunodeficiency virus
HR	Human Resource
KZN	KwaZulu-Natal
LSD	Legal Services Directorate
MAS	Management Advisory Services
MTEF	Medium Term Expenditure Framework
MEC	Member of Executive Committee
NEHAWU	National Education and Allied Workers Union
OSD	Occupational Specific Dispensation
PRASA	Passenger Rail Agency of South Africa
PMDS	Performance Management and Development System
PALAMA	Public Administration Leadership and Management Academy
PSC	Public Service Commission
PSCBC	Public Service Coordinating Bargaining Council
PSI	Public Service Induction
PGDP	Provincial Growth and Development Plan
PGDPS	Provincial Growth and Development Strategy
PTOG	Public Transport Operations Grant
POPCRU	Police and Prisons Civil Rights Union
RRD	Roads for Rural Development
RNI	Roads of National Importance
RRTF	Rural Road Transport Forum
SACCO	Savings Clubs and Savings & Credit Cooperatives
SACCO	Savings and Credit Co-operatives
SETA	Sector Education and Training Authority
SMS	Senior Management Service
SARS	South African Revenue Services
SCM	Supply Chain Management
SITA	State Information Technology Agency
SIP2	Strategic Infrastructure Projects 2
TB	Tuberculosis
VECA	Vukuzakhe Emerging Contractor's Association



Transport, Community Safety and Liaison MEC Mxolisi Kaunda addressing members of the Burford community, outside of Ladysmith, during a public protest over public transport access in July 2016. PHOTO: THAMI MKHULISA

Strategic Overview

Vision

The department's vision is: Prosperity through mobility.

Mission statement

The Department's mission is: We will strive to provide the public with mobility through an affordable transportation system that is safe, integrated, regulated and accessible, to meet the developmental needs of our province.

Values

The values of the department emanate from the Batho Pele principles. The department's values are:

- Teamwork
- Integrity
- Commitment to serve
- Leadership
- Value for Money

Strategic outcome oriented goals

The department's strategic goals are summarised as follows:

- **Provide mobility and accessibility within the province to achieve 32,890 kilometres of maintained road infrastructure by 2020**

The department seeks, through co-operative governance, to plan, design and construct access roads and bridges (including pedestrian bridges) to communities, with the aim of improving the quality of people's lives thereby striving to achieve an equitable, balanced and well maintained road network in a manner that stimulates economic growth and development.

- **Promote an integrated transportation system through developing 3 IPTN Operational Plans.**

The department seeks to provide, promote and develop a well-managed, integrated land transportation system and infrastructure, optimising all modes of transport and to ensure accessibility for people and goods in 3 municipalities i.e. Hibiscus Coast Municipality, KwaDukuza Municipality and UMkhanyakude District Municipality. Create and promote a safe road environment by decreasing road fatalities by 30% (545/1,819) in 2020.

- **Provide and promote a safe road environment by decreasing road fatalities by 30% (545/1,819) by 2020.**

The Department seeks to provide a safe, regulated road environment for all road users (motorised and non-motorised) through Education, Enforcement, Engineering and Evaluation.

- **Promote sustainable economic transformation through developing 2 empowerment programmes.**

The department will promote and support sustainable economic transformation through empowerment programmes and policies.

Legislative and other Mandates

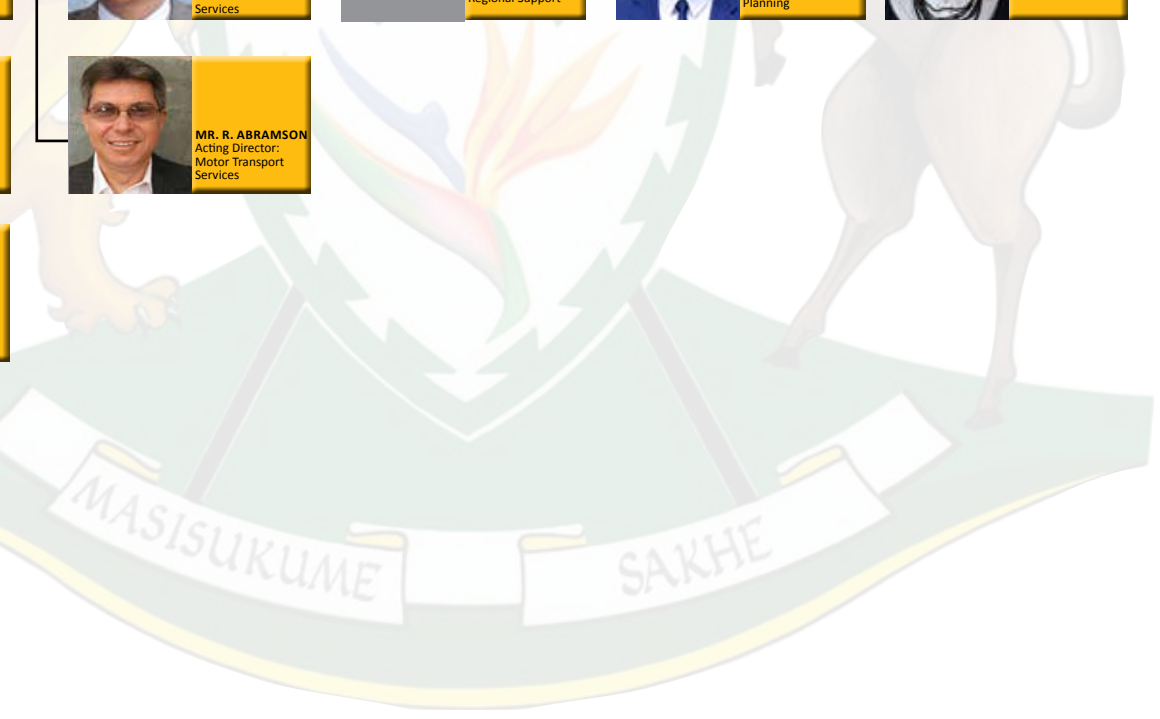
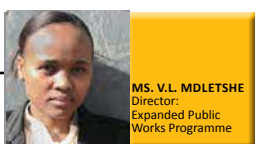
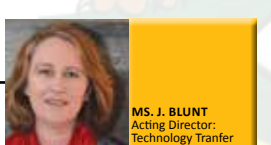
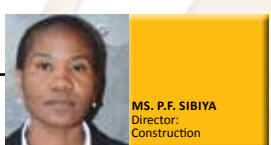
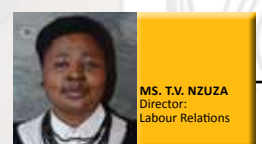
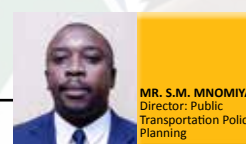
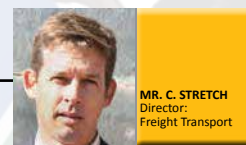
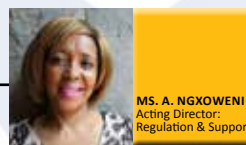
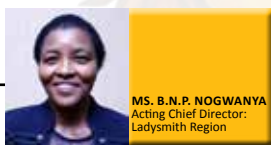
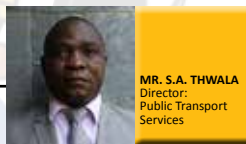
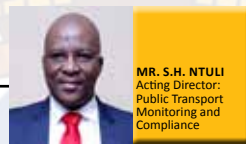
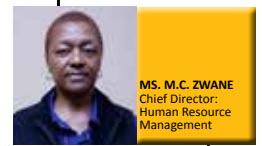
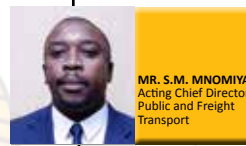
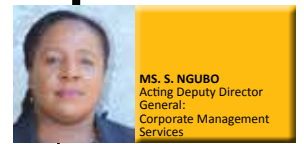
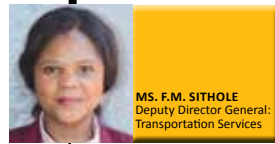
The key legislative mandates of the department are derived mainly from the following legislation:

- Administrative Adjudication of Road Traffic Offences Act (Act No. 46 of 1998)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Cross-border Act (Act No. 4 of 1998)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- KZN Provincial Minibus Taxi Act (Act No. 4 of 1998)
- KZN Provincial Roads Act (Act No. 4 of 2001)
- KZN Provincial Supply Chain Management Policy Framework (2006)
- KZN Public Transport Act (Act No. 3 of 2005)
- KZN Road Traffic Act (Act No. 7 of 1997)
- National Land Transport Transition Act (Act No. 22 of 2000)
- National Roads Act (Act No. 54 of 1971)
- National Road Traffic Act (Act No. 93 of 1996)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- Public Service Act (Act No. 103 of 1994) and Regulations
- Road Traffic Act (Act No. 29 of 1989)
- Road Traffic Management Corporation Act (Act No. 20 of 1999)
- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Urban Transport Act (Act No. 78 of 1977)



ORGANOGRAM

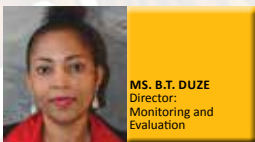
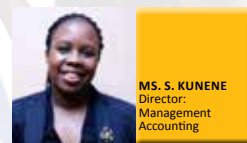
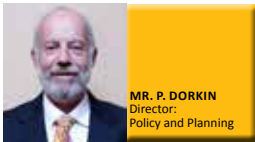
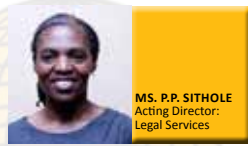
ORGANISATIONAL STRUCTRE





transport

Department:
Transport
PROVINCE OF KWAZULU-NATAL





President Jacob Zuma welcomed by KwaZulu-Natal Premier Willies Mchunu and Transport, Community Safety and Liaison MEC Mxolisi Kaunda at the offices of uMhlabuyalingana Local Municipality ahead of community engagement held in February 2017 on border security issues. *THAMI MKHULISA*





The Dr. Chota Motala Interchange in Pietermaritzburg during the night. *PHOTO SUPPLIED.*



FOREWORD BY THE MEC

Mr T.M. Kaunda

MEC: Transport, Community Safety and Liaison

We have entered an era of intensified focus on achieving the strategic objectives of the Radical Socio-Economic Transformation agenda of our government. As the KwaZulu-Natal Department of Transport, in the last financial year we began expressing our renewed focus on delivering our core mandate, and especially the strategic objective of implementing radical socio-economic transformation.

This transformation will lead to a drastic change in the spending patterns of our departmental budget to one that is reflective of the demographics of the province, in line with the Provincial Procurement Indaba resolutions. It will also lead to a shift in the manner we attend to the economic needs of our province. It will also find expression in the ways we involve the participation of targeted sectors of Women, Youth, People with Disabilities and Military Veterans.

Fundamentally, it should mean the broader and meaningful involvement of Africans in particular and Blacks in general, in the entire value chain of the transport industry – and the country's economy at large. Furthermore, it should escalate the pace with which we address the triple challenges of unemployment, poverty and inequality, confronting our society.

In this regard, going forward we will approach transformation with steadfastness across all angles, both internally but also externally, guided by the Transport Sector Charter. Internally, we will be working to capacitate the department to speed up the review and alignment of policies, processes and systems to implement transformation.

It is very critical that we continue to intensify the delivery of roads and transportation infrastructure and services, building on the progress made in the previous years. This means effecting changes immediately in certain programmes of the department, while planning for the medium and long terms' interventions.

It is also important that we are effective and efficient in the manner we engage and interact with citizens to successfully deliver services to their communities. We are a government elected by the people, and exist to serve the people. It is even more urgent that we improve our speed of response to the needs of citizens, especially when they come to our service points and when we go to their communities. I am quite aware that all of these changes cannot simply happen; coming as they do to alter the way things have been done up to this far.

To this end, the department is very concerned with the poor audit performance recorded in the last few years. We will address this by implementing change management interventions, which are aimed at improving attitudes, mindsets and conduct of the members of staff to be transformative and developmental in approach. Change management will also serve to create a department-wide education and awareness about what radical socio-economic transformation really means for all of us.

Beyond the internal focus, we will engage with all our partners and stakeholders in government and outside government. We believe that for us to be successful, our programmes must be anchored on good and sustainable working relationships with the people we serve.



They include first and foremost the citizens; but also the rest of our government partners and stakeholders across sub-sectors of the transport industry.

This Annual Report narrates our strides in development, acknowledges our strategic weaknesses, yet it also explains our interventions towards a clean, accountable and prudential administrative governance. It is but a start of a journey towards implementing the change we desire. We emphasise that this change should be meaningful in the way we build new roads and bridges to connect communities.

Importantly, the services we provide ultimately add lasting value to citizens. These include extending access to public transport services, creating a safe road environment, and serving the people of KwaZulu-Natal specifically and South Africa at large with utmost humility.

Our work will be attained through hard work and commitment underpinned by the continued inspiration drawn from the Freedom Charter, which declares in one of the critical clauses that “the people shall share in the country’s wealth!” Indeed, in the same vein, we remain guided by the words of the late President of the African National Congress, Oliver Tambo, who described the Freedom Charter as “the sum total of our aspirations...the uniting creed of all the people struggling for democracy and for their rights; the mirror of the future of South Africa”.



Mr. T.M. Kaunda
MEC: Transport, Community Safety and Liaison





REPORT OF THE ACCOUNTING OFFICER

The KwaZulu-Natal Department of Transport has in the last financial year (2016/17) continued to focus on delivering roads and transportation infrastructure and services to citizens as per our mandate. This entailed building roads and bridges, providing increased access to safe and affordable public transport services, and ensuring that there is law enforcement and compliance in line with Transport related legislation.

Furthermore, we remained seized with the issue of road safety, which continues to be an area of grave concern. It is for us absolutely critical that we save the lives of all road users, because this is key to our continued socio-economic development and growth.

Going forward, we will continue to deliver services effectively by progressively improving our departmental processes and systems. We will also deliver services guided by the national and strategic objectives of government as captured in the National Development Plan as well as our Provincial Growth and Development Plan. Importantly, we will also strongly focus on implementing our Departmental Strategic Plan, which already integrates the radical socio-economic transformation policy thrust across all our departmental programmes.

In the financial year 2017/18, and going forward, we will also be reviewing our departmental policies, especially Supply Chain processes, as well as systems to close capacity and service delivery gaps. We are working on a departmental turn-around strategy, which will be the foundation upon which we build our roadmap for radical socio-economic transformation.

Moreover, these changes are and will be implemented to have the tangible effect of improving our management of government resources, which is ultimately measured through the improvement of our audit outcomes. We are also mindful of the budgetary constraints our entire government is confronted with; and that is why we are focusing on financial prudence.

A critical part of this transformation will also focus on information and communications technologies, ensuring that we automate our processes to improve reporting and monitoring of our service delivery programmes.

We approach this era of intensified and escalated socio-economic transformation emboldened by the executive support and able leadership of our Political Authority, MEC Mxolisi Kaunda, and the entire government leadership. On our part, we will do all in our power to involve all stakeholders, as we should, and critically engage citizens in the communities we serve.

Mr. B.S. Gumbi
Head: Transport



STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor-General.

The annual report is complete and is free from any omissions. It has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

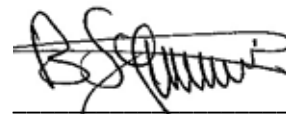
The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks as well as guidelines issued by the National Treasury.

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

The Accounting Officer is also responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance with regard to

the integrity and reliability of the performance and human resources (HR) information as well as the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements. In my opinion, the annual report fairly reflects the operations, performance and HR information as well as the financial affairs of the department for the financial year ended 31 March 2016. .



Mr. B.S. Gumbi
Head: Transport



Transport, Community Safety and Liaison MEC Mxolisi Kaunda receiving a briefing from Ms. Lorraine Mqadi, Chief Provincial Inspector in the Durban Region, during an overnight roadblock operation. PHOTO: THAMI MKHULISA



Transport, Community Safety MEC Mxolisi Kaunda interacting with a motorist at a roadblock during Easter Road Safety campaign launch held in Empangeni in April 2017. PHOTO: ZINGISA HLATHI

PART B

Performance Information

PROGRAMME 1: ADMINISTRATION

Enhanced service delivery to citizens depends upon a clean, accountable, efficient and effective administration system. In line with the Provincial Executive's instruction to all departments to reprioritise critical posts because of cost-cutting measures; the department made progress in filling approximately 176 vacant, critical posts. It is important to fill these posts in light of natural attrition of approximately 180 employees per annum due to employees pursuing opportunities elsewhere, retirement and natural causes.

During the year under review, the department's women's representation across races in Senior Management hovered around 49% and 50%, and 47% in the entire workforce. Representation of people with disabilities constituted 1.16% up from 0.71%. This is acknowledged to be work in progress, and the department aims to redouble our efforts to ensure the prioritisation of the appointment of women when filling vacant, critical posts across all levels. Maintaining a healthy relationship with Organised Labour is critical for continued unity and team work, both which are crucial for effective service delivery. As such, the department launched the General Public Service Sector Bargaining Council (GPSSBC), to ensure regular interaction with Organised Labour, in June 2016.

Commitment to clean governance remains paramount, albeit the department is currently in an undesirable position where it has received qualified audit opinions for three consecutive years. In light of this poor audit outcome, the department, led by MEC Kaunda, has focused on turning around its management operations to root out long existing practices, which are now inconsistent with the expected Supply Chain Management (SCM) practices, especially with respect to expenditure in its key Transport Infrastructure and Transportation Services programmes. This turnaround project will, going forward, also entail implementing SCM and Treasury reforms that integrate progressive changes brought about by the Preferential Procurement Policy Framework Act amendment announced in 2016.

PROGRAMME 1: ADMINISTRATION

Programme/ Sub Programmes/ Performance Measures	Actual output for 2015/16 as per Annual Report	Target for 2016/17 as per Annual Performance Plan (APP)	Variance	Final outputs for 2016/17	Comments
% of KPA 1 MPAT standards that are at level 3 or 4 from the previous cycle	71	100	-20	80	The Department did not comply with the standard on Planning of Implementation Programmes.
% of KPA 2 MPAT standards that are at level 3 or 4 from the previous cycle	40	63	7	70	The Department beefed up its capacity on governance issues leading to the over achievement.
% of KPA 3 MPAT standards that are at level 3 or 4 from the previous cycle	27	81	-45	36	2012/03/02 Concurrence letter from DPSA. Department approved the organisational structure based on the positive outcome of the consultation meeting with the DPSA but before receiving the confirmation letter from DPSA. Secondly, the Department used an old template in reporting on the Management of Diversity standard. 3. The delegations were not in the format approved in the directive supplied by DPSA. 4. No attachment indicating that Annual assessments for previous cycle were finalized by due date (2015-16) and captured on the Persal system whilst 52% of Performance Agreements levels 1-12 were captured on PERSAL. 5. In respect of EPMDS for SMS members, reviews were not completed with all SMS members as required by the standard.
% of KPA 4 MPAT standards that are at level 3 or 4 from the previous cycle	78	90	-1	89	Within target

PROGRAMME 2: TRANSPORT INFRASTRUCTURE OVERVIEW

One of the core functions of KwaZulu-Natal Department of Transport (KZNDOT) is to construct and maintain a balanced road network that complies with the Provincial Growth and Development Strategy.

Programme 2: Transport Infrastructure executes the implementation of various programmes, which includes the construction, maintenance and repair of the Provincial Network. This programme's functions are aligned to achieve the Department's Strategic Goal 1, which is to ***"Provide mobility and accessibility within the province to achieve 32, 890 kilometres of maintained road infrastructure by 2020"***. The Department's goal is to seek, through co-operative governance, to plan, design and construct access roads and bridges (including pedestrian bridges) to communities. This is underpinned by the imperative of improving the quality of people's lives and striving to achieve an equitable, balanced and well maintained road network in a manner that stimulates economic growth and development. In order to achieve the Department's overall Strategic Goal 1, Programme 2 therefore has the following two strategic objectives:

- ***To construct 1 090 kilometres of new gravel roads and 65 bridges to provide an affordable, balanced and equitable transport network by the 2019/2020 financial year, and;***
- ***To intensively maintain the road network so that poor to very poor condition of the road network is reduced to 30% by the 2019/2020 financial year.***

The need for road infrastructure arises from basic necessity for accessibility by communities to connect to each other, reach amenities such as schools, clinics, hospitals, areas of work and shopping centres. In addition, infrastructure becomes useful in facilitating the smooth movement of goods and services, including agricultural products especially from the farms to markets in urban centres.

TRANSPORT INFRASTRUCTURE PROGRAMMES

Road infrastructure is critical for socio economic advancement of rural and urban areas as it improves the quality of life of the people in line with the department's vision of ***"Prosperity Through Mobility"***. It also plays an important, dual role in the economy, both as a direct provider of services and as a catalyst for economic integration, redistribution and development.

With this vision in mind, the department has implemented various programmes towards these strategic goals where all programmes have a direct impact towards development in the province. Whilst fulfilling its core obligations, the department ensures that its programmes entail construction and maintenance of all-weather arterial routes which unlock economic potential of several, surrounding areas. They also ensure the stimulation of local industries such as tourism and agriculture. More fundamentally, roads infrastructure provides much needed access for the distribution of goods and services, and helps in the creation of job opportunities.

Contractor Development Programme

The Zibambele Roads Maintenance Programme is a poverty alleviation programme initiated by the department based on the Kenyan Lengthman model, which contracts a household rather than an individual to maintain a length of road. The Zibambele programme helps stabilise destitute families to break the poverty cycle. In addition to the existing regulatory framework that supports emerging contractors, through the Vukuzakhe Emerging Contractor Programme, Transport Infrastructure is going to play a critical role in the implementation of the department's *Radical Socio-Economic Transformation Programme*.

This is a strategic initiative (CDP) that aims to eradicate the inequality of the distribution of work in the Province, by the implementation of the following 3 sub-programmes; a Contractor Development Programme (CDP), a Contractor Participant Goal (CPG) Programme, and a Biennial (Term) Contract, all commenced in the 2016/17 financial year.

The CDP Programme is a developmental programme, which is aimed at enhancing the skills of Historically Disadvantaged Individuals (HDI) contractors in grades 1-7 Civil Engineering Sector within each of the KZNDoT Provincial Regions. The contractors that qualify for the programme database, will be expected to tender and execute road infrastructure projects over a certain period, whilst benefitting from the support services provided by the programme. The CDP will consist of Business Development Support Services, Technical and Business mentorship.

The CPG Programme will dictate that a minimum of 35% of a contract value, for contracts awarded to contractors from 8CE to 9CE, must be sub-contracted to HDI contractors within the province. The department will commence with this process of ensuring that contractors comply with the CPG Programme for contracts were awarded in the first quarter of the 2016/17 financial year. These contracts will be closely monitored by the department to ensure that the main contractor and relevant sub-contractors are adhering to the requirements and objectives of the CPG Programme.

During the year under review, the Transport Infrastructure component has reviewed the current Annual/Biennial Contracts within the department. A propose, singular Biennial or Term Contract will consolidate all the annual and biennial contracts currently in use by the department. This is aimed at:

- Eradicating serious time delays currently being experienced in the renewal of the various annual contracts, which impacts on service delivery;
- Fast-tracking and executing projects to ensure that the road network is maintained as safely as possible, such as ensuring pothole patching within a 48-hour turnaround time; and
- Distributing work to as many suitably experienced and qualifying emerging contractors as possible fairly.

REGIONAL SERVICES

The department has four regions - Empangeni, Durban, Ladysmith and Pietermaritzburg - which are responsible for line function activities in the Transport Infrastructure and the Public Transport and Traffic Management duties. In the Transport Infrastructure Component, their functions are Roads Management Support, Construction of Access Roads, and Vukuzakhe Management. The Maintenance section of this component comprises of activities such as Preventative Maintenance, Routine Maintenance, Safety Maintenance, Special Maintenance and management of the Zibambeke Poverty Alleviation Programme.

The functions of the Traffic Management and Public Transport Components are to ensure Traffic Law Enforcement and Road Safety Education sections are efficiently and effectively co-ordinated and managed.

RURAL DEVELOPMENT AND JOB CREATION

The department is committed to constructing and maintaining rural roads thereby creating employment opportunities for rural people. It also has to ensure the transfer of skills as a benefit to communities and strengthen commitment to provide access to communities most in need. Continuous and evident progress has been made with the provision of agricultural link roads in rural areas, serving nodes of agricultural activity and potential. Roads were surfaced and tracks have been upgraded to departmental gravel road status. Under this programme; vehicle and pedestrian bridges as well as causeways are constructed across districts, and help create jobs, develop skills of young people who participate through learnerships.

The much-acclaimed Vukuzakhe and Zibambeke programmes have brought about the massification of development initiatives and an integrated approach to poverty alleviation and empowerment. For the implementation of these programmes to be meaningful; have since 1996 involved communities through community structures such as Rural Roads and Transformation Forums (RRTFs), Community Road Safety Councils (CRSCs) and Public Transport Passengers Association (PTPA), including traditional and social leadership structures such represented by Amakhosi, iZinduna, Abefundisi, etc. Going forward, the department will collapse these structures, in consultation with them, to execute the Provincial Executive's decision to amalgamate all similar, community based structures into Ward Committees.



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SUB PROGRAMME: PROGRAMME SUPPORT OFFICE

Transport Infrastructure Management System

The department finalised a Transport Infrastructure Management System (TIMS) which will be implemented in the new financial year, to capture all projects to contract level. This system will give an indication of time frames, priorities and budget allocations and will be an effective tool to monitor the progress of projects in terms of outputs as well expenditure. It will also enable users to comment and flag issues, risks, deviations and quality, to ensure that the relevant managers and decision makers are aware and resolve any problems that will hamper and impact on the successful completion of a contract.

Assistance Programme:

Skills transfer, mentorship and on-going training is provided to technicians and trainee engineers to increase the level of competence in their field, as well as knowledge and understanding in other civil engineering fields. Individuals are assisted on a one-on-one basis, as well as through training courses. An intense mentorship programme is currently underway to deal with the skills transfer and making sure the young graduates are involved in the relevant work, which allows them to qualify as professionals and equip them for continuous professional development thereafter.

Technical Support

Assistance is provided on an ongoing basis to technical staff in the field. The department with the assistance of appointed District Consultants manage the maintenance activities and the construction of access roads and causeways. In this regard, due to limited capacity and lack of professional mentors in the department, the current consultants are utilised to mentor departmental staff. The intention is to capacitate cost centres to eventually operate independently of any assistance from consultants. District Consultants provide the necessary skills base, in-house, and the knowledge and experience gained can be shared for the benefit of the department. To meet the mandate of the department, staff are trained over a two, four or five year period, depending on the professional registration requirements.

Training

The department's Technology Transfer (T²) centre continued to provide training during the 2016/17 financial year. Over the last five years, 296 people were trained for the International Computer Driving Licence (ICDL) certification, 25 Mechanical Apprentices on an Apprentice programme, 18 University of Technology Students doing in-service training for their National Diplomas Civil Engineering, 1 BSc University Mechanical Engineering student and 8 BSc University Civil Engineering students were afforded the vacation work experience and T².

SUB-PROGRAMME: INFRASTRUCTURE PLANNING

Infrastructure Management Systems

Bridge Management System

The Web2Project system was utilised to manage the progress the construction and designs of bridges, causeways and other smaller structures.

Pavement Management Systems

The department utilises leading world-class network survey technology to assess the provincial road network. During the assessments of the of the surfaced and gravel roads, it was observed that the network maintained

post 1994 by the department has since deteriorated to an extent where a high degree of rehabilitation is required. In initiating the Pavement Management System (PMS), the various asset management equipment was utilised to obtain scientific data in order to validate the condition of the road network by inputting this data into the RosyCam, which is a pavement management system that optimises the network and produces a report on prioritisation of repair. These outputs are then modeled around budget constraints and repair strategies. The department's priority is thus focused on conserving the road network by utilising the available funding for maintenance and upkeep. The following are some of the equipment utilised to carry out the assessments of the road network.

SUB-PROGRAMME: INFRASTRUCTURE DESIGN

The department takes steps to ensure that designs are complete at least six (6) months before the commencement of the new financial year. As part of the planning and design process, standards for road construction are evaluated and tested to ensure value for money.

Survey and Road Information

This sub-programme provides support to the planning, design, construction and maintenance components with regard to survey and road information. Technical road related documents and plans are managed and supplied to the department, consultants and the public. Roads are declared and Public Rights of Ways are registered in terms of the Roads Act.

Survey

The planning, design, construction and maintenance processes have been supported by the Survey Section in the following way:

- Consultants have been supported with Survey Contract specifications, adjudications, appointments, checking and archiving.
- The survey contracts section has appointed Land Surveyors to survey expropriated land and to lodge the diagrams at the Surveyor-Generals Office, in order for the Province to take title to the land under the road and dispose of unused land.
- Engineering Software packages have evolved during the past year and the Surveyors have made themselves familiar with these changes. They have supported the regional staff and trainee Engineers and Technicians through training in the new techniques. They have also assisted the Trainee Technicians with design and CAD using engineering software.
- A Road Logging service has been supplied to the Regional offices to assist them capture assets and train their staff. The assets have been included in the departmental GIS system.

Road Information

In terms of the legislation the Road Information Services has supplied the following services.

- Maintenance and updates have taken place of the Geographical Information System (GIS) for which many of these updates were due to new Provincial road alignments (new Provincial road numbers) – mainly new Gravel roads.
- Further Road Network update project was under way (checking Provincial road alignments against latest imagery and re-GPS'ing and updating alignments accordingly) for which the following areas were completed during 2015/15: DC21, DC22, DC43, DM.
- Road Declaration project was underway during 2015/16 for which 190 Declaration descriptions have been compiled in English and isiZulu and are ready for publishing which will take place during 2016/17.
- The Expropriation Notice Plans spatial capture project had been completed. Therefore all available Expropriation Notice Plans are now available in a version whereby their spatial localities can be seen in the GIS (Geographic Information System) and can be viewed in relation to other GIS datasets i.e. the Provincial road network, etc.
- The C-Plans spatial capture project commenced and after approximately 11 500 C-Plans were captured, this project was halted due to financial constraints.



(C-Plans include Geometric Design Plans, "As-Built" plans, Drainage plans, Layout plans, Survey plans, Long sections, Cross-sections, Expropriation plans, etc.).

- Two ATE's obtained their Professional Registration with PLATO. Training programs for other ATE's continue at RIS.
- The component continues to maintain the scanned Document and Plans library of Structural, Road and Expropriation Plans which are available to users on the network.
- All RISFSA data for Provincial Roads has been updated to the new RCAM classification system with reference to both systems.

Transportation Engineering

Road Control

This sub-section of the Traffic Engineering Sub-directorate deals with all applications pertaining to the subdivision of and development of land applications, access to Provincial main roads, Mining, environmental and any matter pertaining to sections 10, 12, 13, 19, 20 and 21 of the Kwazulu-Natal Provincial Roads Act No. 4 of 2001.

Section 10	Access
Section 12	Stormwater
Section 13	Structures adjacent to Provincial Roads (Building Line restrictions)
Section 18	Trading on or adjacent to Provincial roads
Section 19	Development Plan i.e. Town planning etc.
Section 20	Subdivision of land applications
Section 21	Land Use changes and development proposals
Section 22	Amend, Rescission or lapsing of development proposals
Section 28	Acquisition of Land & expropriation of land

With the implementation of **SPATIAL PLANNING AND LAND USE MANAGEMENT ACT NO. 16 OF 2013(SPLUMA)**, all applications for development, change of use, etc. submitted to all Municipalities in Kwazulu-Natal seeking approval which are within a radius of 500meters of a provincial road must first obtain the Department of Transport's comments before being assessed or approved by the Municipality. This has increased the volume of work carried out by this component which consists of one permanent staff member and is under severe pressure to respond timeously to the applications. With the implementation of the National Environmental Act No. 107 of 1998, (NEMA) the Department also responds to various environmental applications, as mentioned above, such as mining, developments, Municipal road upgrades, or any other report that seeks environmental approval. The Section also gives restrictive conditions to the Land and Legal Section with matters pertaining to the disposal of land and where land is to be transferred to the Department of Public Works. The component has an Appian data base software package to register and keep track of all applications and correspondence submitted for comment. The package is in the process of being test driven.

Road Control have processed more than 772 applications in the 2015/16 financial year.

Structural Design

Designs of a total of 6 pedestrian bridges, and 6 vehicle bridges have been completed. Construction of a further thirteen (13) pedestrian bridges and fourteen (14) vehicle bridges are currently underway. The department is evaluating all requests for pedestrian bridge facilities and providing road bridge crossings where economically viable and local development, terrain and road access conditions are considered suitable.

Geometric Design

The Department has completed 181 infrastructure project designs for construction, and have 38 projects under review, and approximately 136 design projects for which amendments are being carried out. There is an ongoing training program in place to train Candidate Technicians, which will enable candidates to be eligible for the Engineering Council of South Africa registration. Three (3) road upgrade projects totalling 30 kilometres are being designed in-house.

Traffic Engineering Design

Traffic Signals

Traffic surveys for seven (7) of the nine (9) traffic signal applications received, have been conducted. The design for four (4) traffic signals have been completed and approved. Furthermore, numerous requests for various traffic calming measures have been dealt with.

Traffic Signs

A Total of 108 applications for signposting designs were received from internal and external clients.

Mechanical Support

Mechanical Support has facilitated the acquisition of 52 Graders, 3 Tow Tractors, 7 LDV's and 26 Trucks (Tippers, Roll backs, Flat Trucks, & Water Tankers).

SUB-PROGRAMME: CONSTRUCTION

Improved road networks result in a reduction in transaction costs, which catalyses investments and the establishment of new business enterprises. By upgrading gravel roads to blacktop standards and corridor development, the department plays a key role in facilitating and promoting integrated rural development planning. The department continues its efforts to address the backlog in the provision of roads of an appropriate standard, to access rural areas with high development potential.

Upgrade from Gravel to Blacktop Standards.

The following photographs present visual evidence of gravel roads that were upgraded to blacktop standards in the 2016/2017 financial year.

P368 is located between Mpofana and Bellevue, in the Umzinyathi District, in the Ladysmith region. It falls under the Msinga Local Municipality and the Mchunu Traditional Council and iNkosi N. E. Mchunu. It serves the Msinga community by providing access to Tugela Ferry. This road also provides access to the Mahlahlamela, Nomahaye, Dlabesuthe, Mathinta, Ngongolo, Mabizela, Mashunka and Emtateni Schools and the Mhlangana Provincial Clinic. The communities which surround P368 are highly impoverished and lack basic infrastructure services such as water, sanitation and electricity. It is anticipated that the entire 23 kilometre upgrade will be complete in the 2018/2019 financial year.

District Road D1880 is located from Haasfontein to Nsingane River, and intersects with P271 at km 10.3. It provides a necessary link between the local communities in the Ophuzane Area as well as provides access to the Mthingani High School, AmaHloni Primary School, Vukuzame Primary School, Ophuzane Primary School, Umnyayiza High School, Imbuthuma Primary School, Zicabangele Primary School, Kwasa High School, Khanyiselizulu High School, Kanyekanye High School, Ophuzane Clinic and the Tholakele Clinic.

Main road P281 Main Road P281 is located between Cwaka and Tugela Estates under the jurisdiction of the Mthembu Traditional Councils under the Msinga and Indaka Local Municipalities within the Uthukela District. Main Road P281 serves the surrounding communities by providing access to the Nyandu Primary, Dlenyane Primary, Mpungane Primary, Celimfundo Primary, Mqamu Primary, Nsimbini Primary, Velaphi Primary, Mnyanda Primary, Bhekabathembu Secondary, Mandlakhe Secondary, Oqangweni Primary and Fundani Primary. It also provides access to the Cwaka, Gunjana, Gcinalishona and the Sahlumbe Clinics. The department has prioritised the upgrading of 53 kilometres of P281 from the intersection of P349 to link to P280. The terrain is gently rolling to rolling with a generally medium gradient, traversing through neighbouring rural towns where the above mentioned schools and clinics are located.



The upgrade of 8 kilometres from kilometre 46 to kilometre 53 has been completed in the 2016/2017 financial year. From kilometre 38.4 to kilometre 46.4 will be carried out in the 2018/2019 financial year.

Main Road P68 is located from Highflats to St. Faiths. It falls under the Ubuhlebezwe Local Municipality, under the Hlangwini Traditional Council and iNkosi's Msomi and Dlamini. The road serves the surrounding communities by providing access to the Kwadeyi High School, Kwasanti Primary School and Sinamuva School, as well as the Phungashe Clinic, St. Faiths Police Station and other government departments and agricultural sites. It is a major development corridor that links the interior of Highflats to the coastal town of Port Shepstone.

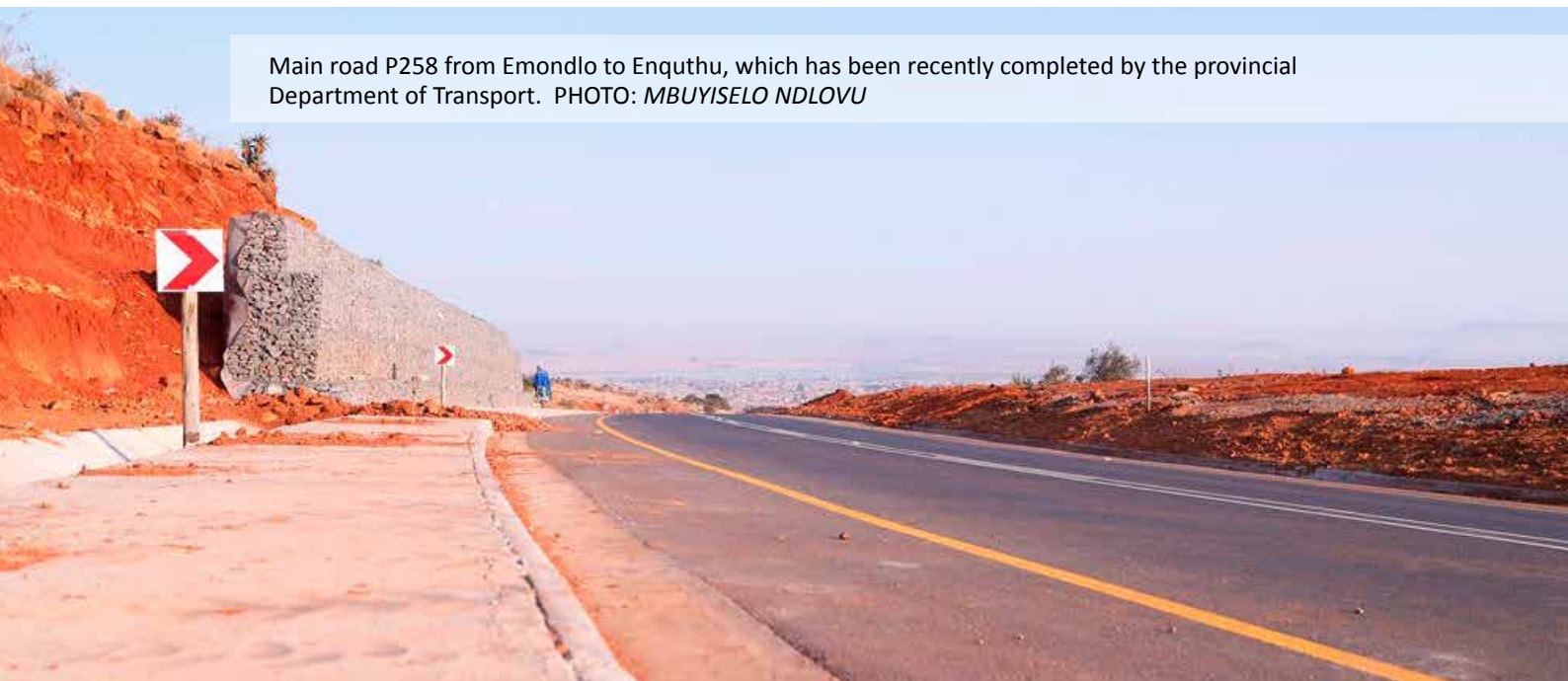
The upgrade of P68-1 has enabled the local communities to have easier access to schools and health facilities. The road development will promote growth within the area by assisting in reducing the unemployment rate and increasing job creation. Additionally, a surfaced road will elevate the communities' quality of life through the addition of sidewalks, the inclusion of public transport facilities and ease of commuting local residents to their place of employment. The entire upgrade of 25.34 kilometres was completed in the 2016/2017 financial year.

Main Road P58 is located between Deemount and Izingolweni, in the Ugu District, Durban region, under the Umuziwabantu Local Municipality and falls within the jurisdiction of the Machi Traditional Council and iNkosi Xolo. It serves the communities of both Deemount and Izingolweni by providing them access to Inkanyezi Yamachi Junior Primary School, Phumza Combined Primary School, Mbusi High School, Mbonwa Junior Secondary School, Sbonisweni Senior Secondary School, Ebomvini Combined Primary School, the Elim Provincial Clinic, Xhamini Provincial Clinic and other various public amenities. Located between Deemount and Izingolweni, in the Ugu District, Durban region, under the Umuziwabantu Local Municipality and falls within the jurisdiction of the Machi Traditional Council and iNkosi Xolo. It serves the communities of both Deemount and Izingolweni. The entire upgrade of 25.34 kilometres was completed in the 2016/2017 financial year.

District Road D1867 is located from Nsiligwane (Belgrade) off the the N2, some 50 kilometres from Pongola town towards Piet Retief (Mpumalanga) to Orangedaal towards eDumbe (Paulpietersburg), under the Zululand District Municipality. It will connect the uPhongolo Local Municipality and the eDumbe Local Municipality.

The road D1867 will be used by communities under the traditional authorities straddling Amakhosi Ndlangamandla, Sibiya, Dlamini, and Msibi, and providing access to schools including the Langa Junior School, Lalela Junior Primary School, Siyeza Primary School, Bambanani High School and the Tobolsk Clinic. The road development will promote growth within the area by assisting in reducing the unemployment rate and increasing job creation. The department prioritised seven (7) kilometres for completion in the 2016/17 financial year, however the entire upgrade of 17 kilometres is anticipated for completion in the 2019/2020 financial year.

Main road P258 from Emondlo to Enquthu, which has been recently completed by the provincial Department of Transport. PHOTO: MBUYISELO NDLOVU





Transport, Community Safety and Liaison MEC Mxolisi Kaunda receiving a briefing from Ms. Khumbu Sibiya, the department's Director of Construction, at a Pomeroy Bridge construction site. PHOTO: ZINGISA HLATHI

Main Road P253 forms Part of P700 upgrade between Empangeni/Hluhluwe/uMfolozi Game Park and provides an important economic mobility route connecting these centres. Together with other roads, P253 also serves as the mobility route from the large commercial and industrial centre of Richards Bay through to Ulundi and beyond.

Main Road P218/P710 is located from Ntumeni to Sundumbili in the Umlalazi Local Municipality, Uthungulu District in the Empangeni region. This road serves the Ntumeni, Mbonolwane and Sundumbili communities will also offer a substantial distance saving between Nkandla/ Eshowe and Mandini, and improve the agricultural potential of the area.

Main Road P230 is located from Empangeni to Eshowe under the Umlalazi Local Municipality, in the King Cetshwayo District falling under the Zulu Traditional Council and iNkosi Zulu. This road serves the Mkhuphula Ngwenya, Ncekwane, Nqoleni, Maqwakazi and Gawozi communities.

Main Road P232 is located in the uMfolozi Local Municipality in the King Cethswayo District under the KwaSokhulu Traditional Council. The department has prioritised the upgrading of P232 to provide easier and improved access to the schools and clinics within the area, encourage economic development within the various communities.



Construction of Ntinini Bridge underway in Nquthu, Umzinyathi District. PHOTOS: MBUYISELO NDLOVU



PROGRAMME 3: TRANSPORT OPERATIONS

Programme 3 (Transport Operations) involves the planning, regulation and provision of integrated land transport services, as well as road safety education.

Learner Transport and Safety

Learner Transport, which we administer together with the Department of Education (DOE), has assisted in providing support to 47 700 learners attending more than 315 schools. This, however, falls way short of the demand for learner transport support, with at least 3 000 areas needing urgent attention across the province. Learner transport is provided mainly to learners in rural areas who travel more than three (3) kilometres to the nearest school. In addition to public transport support, the department has distributed approximately 10 000 bicycles to learners over the years. already enjoyed by learners who cycle to school daily.

The department remains extremely concerned by the continued loss of lives of learners in avoidable road crashes. The Ntuzuma minibus and bus head-on collision that took place in January of 2017 and claimed the lives of five (5) learners and injured 17 more, and other similar crashes, should never be repeated. To address this challenge we have launched a sustained law enforcement drive that focuses on learner transport operators. Furthermore, the amendment in the National Land Transport Act, effective from 11 May 2017, unambiguously outlaws transportation of persons in bakkies for profit. Notably, this amendment does not absolve parents and guardians from exercising their responsibility of ensuring that their children are transported in roadworthy and legally operating transport modes.

Transforming Subsidised Public Transport Services

In the last financial year; the department facilitated the negotiated participation of African-owned bus operators in the Subsidised Bus Services, which culminated in the signing of nine (9) empowerment contracts last October. These contracts amount to R158 million out of a total Provincial Transport Grant of R1.16 billion. There is room for improvement, hence the department will be proceeding with the transformation of the subsidised bus services within the ambit of the Radical Socio-Economic Transformation programme, IGULA, and guided by the Bus Commuter and Coach Sub-sector code.

Transforming the Taxi Industry for growth

Obtaining peace and stability in the KZN taxi industry remains a priority. The department's engagement with the sector - led by MEC Kaunda - continued during the past year, to consolidate gains already made to secure lasting peace and stability. These included the Taxi Indaba attended by Premier Willies Mchunu, the entire taxi industry leadership from across the province held at the end of June 2016, precisely served the critical purpose of attaining peace and stability. Working with the industry, through the South African National Taxi Council (SANTACO), the department agreed to lift the moratorium on the issuance of new operating licences. This process is well underway and guided. It does not mean a free-for-all; however, it about working to resolve long-standing issues around licenses, to finally arrive at a point where every taxi on the road is operating legally.

Beyond this, we have put measures to sustain peace and stability, including:

- Strengthening the capacities of municipalities to oversee public transport;
- Implementing rank management systems that return control of ranks to municipalities;
- The department is currently undertaking an economic viability study of the industry, from which findings will inform transport plans of municipalities;
- Opening of regional Provincial Regulatory Entity's licensing offices. In addition to Pietermaritzburg head office; the department now has offices in Empangeni, Ladysmith, Port Shepstone; and will soon launch the latest office in kwaMhlabuyalingana; and
- We are currently finalising the Public Transport regulations, which will further create clarity on resolving industry issues while helping consolidate the gains already made in attaining peace and stability.

The department has also partnered with SANTACO to provide training to leadership at regions and associations. This includes participation in the training of 160 women who are taxi operators.



A further 218 taxi operators will benefit from this training and development in the new financial year.

In addition, the department's partnership with SANTACO, through the organisation's Hlokomela campaign, which aims to promote good customer service and taxi driver behavior, amongst others, is continuing to bear results. While on this point, the province has correctly expressed its disgust at the so-called "taxi rapes", which were reported in the Gauteng province. Working with the industry, community safety structures and other stakeholders, as well as the police, the department will deal harshly with such emerging ills in our society.

Industry growth through economic transformation

The taxi industry is expected to play a critical part in the department's Radical Socio-Economic Transformation programme, as interested parties but also as key sub-sector in the transportation industry. The taxi industry should grow, and this entails operators participating across the value chain. Beyond operating minibus taxis, operators should be involved in areas including vehicle warehousing, distribution, sales and maintenance. In their own right, they should become manufacturers of parts such as tyres, electronic management systems, scrapping administration agents, produce diesel, as well as access other opportunities in the value chain. Finally, they should also be seeking to advance in technology to keep up with the digital revolution, as evidenced by the "disruption" caused by already global services such as ride hailing applications. Working as part of the national transport family, the department will contribute to the amendments of laws to appropriately respond to these new services by ensuring that fair competition and adherence to operating regulations.

Improving Road Safety

South Africa is a signatory of the UN Decade of Action for Road Safety (2011-2020), which aims to reduce road crashes and fatalities by 50% come 2020. The department has refocused its Road Safety education and awareness campaigns and beefing up effective law enforcement and traffic police visibility across the province. Working with municipal authorities, the department increased traffic law enforcement in high road crash zones, including in municipal roads, where a substantial number of cases are reported, during the past financial year.

The department's "Operation Valingozi" campaign, launched in 2010 has helped galvanise the KZN public, but falls short of expectations as shown by statistics, including high rates of non-compliance with road traffic rules including driving un-roadworthy vehicles; drinking and driving; and excessive speeding cases. National statistics show that African youth and pedestrians are the worst affected by the road carnage. This calls for our road safety education and law enforcement to pay special attention to these segments of our road user population, without neglecting the rest of the other road users. We should be concerned by this trend, which is threatening the future of our country.

The "Road Safety is Our Collective Responsibility" theme, adopted in 2014 continues to be our rallying call for coordinated and joint effort with all stakeholders and sectors of society. This will entail putting steam in this joint effort, ensuring that as government we lead from the front. Broad societal engagement is the only way to create national consciousness on road safety. There has also been progress in working collaboratively with the Justice system, which has already yielded massive sentences meted against traffic law transgressors, including those involved in fraud and corruption at the Driver and Learner Testing Centres.

There is also progress in the implementation of the demerit system as part of Administrative Adjudication of Road Traffic Offences (AARTO), with the launch of AARTO mobile offices already taking place across provinces since last month. The implementation of the demerit system will greatly assist in deterring irresponsible road user behavior, critically among drivers. The province successfully hosted two important events in relation to road safety. One was the National Road Safety Summit, which took place in November 2016. The other was the National Traffic Indaba held in December 2016. The department's strategy moving forward will incorporate resolutions emanating from these engagements.



Transport, Community Safety and Liaison MEC Mxolisi Kaunda interacting with the commuters during a community and road safety awareness campaign in a train from Durban to oThongathi. PHOTO: THAMI MKHULISA



Transport, Community Safety and Liaison MEC Mxolisi Kaunda with Mr. Boy Zondi, the National Second Deputy President and Provincial Chairperson of the South African National Taxi Council handing over an operating licence to Ms. Winnie Msimang, an operator from the Thuthukani Harding Taxi Association, during the official opening of the regional Provincial Regulatory Entity office in Nyandezulu, Port Shepstone, in October 2016. PHOTO: ZINGISA HLATHI

PROGRAMME 3:

PROVINCIAL REGULATOR ENTITY (PRE)

Pursuant to its mandate to ensure regulation of public transport, the PRE has made strides in ensuring that the public transport industry is stable and it provides safe and reliable services to the community. This has not been without challenges, however. One of the pervasive challenges that continue to plague the industry is conflict, which is often violent in nature and the existence of a large number of illegal operators (Operators who operate without the necessary Operating Licences or Carrier Permits). To deal with the latter challenge, the Premier of KwaZulu-Natal and the MEC for Transport, Community safety and Liaison announced in June 2016 that the PRE will start processing applications for new Operating Licences. This follows a long period of a moratorium which was imposed at the behest of the industry after an observation of over-saturation of the routes traded by the associations was made.

The process agreed upon involves a special consideration for operators who are already legal operators, but due to necessity to grow their businesses and the need identified by individual association increased their fleets in the period of the moratorium. This is a concession which was greatly applauded by the industry and continues to be generally supported by operators. To this end the PRE has processed no less than 710 applications that have been lodged for such consideration. This process shall be followed by a general opening of the application process.

- 5 048 Operating Licences have been issued during the financial year.
- 505 open hearings have been conducted to consider applications including the new decentralised PRE offices in the regions.
- 201 carrier permits were converted into operating licences.
- R13.6 million has been spent as part of the effort to assist the taxi industry.

The PRE also started to conduct an economic viability study which is essential for the determination of the current profitability or otherwise of the industry. The conclusion of the study assists municipalities to ensure that their input into the processes of issuing new Operating Licences and Permits is properly informed. In the year under review the study was conducted and concluded in the Amajuba and Uthukela districts. In dealing with conflict, the department managed to facilitate an end to the violent conflict between the KwaZulu-Natal registered Bergville and District Taxi Association and the Gauteng registered Vulindlela Bergville Taxi association which has claimed a number of people in a period spanning more than 10 years. The signing of an operational between the two associations, which included Sizwe Transport, also registered in Gauteng, hails the beginning of safe operations for the passengers travelling between Bergville and Johannesburg.

This followed in the steps of another landmark agreement between two families of taxi operators in Ladysmith which had also claimed countless lives and rendered taxi operations in Ladysmith highly unsafe. The agreement was facilitated in collaboration with the Department of Community Safety and Liaison and a period of peaceful co-existence and operations has since been ushered in with the operators taking proactive steps to ensure that peace is maintained through ongoing dialogue and regular interventions.

The once highly unstable ILembe district also saw the easing of the tensions between Stanger and Maphumulo Taxi Associations although sporadic acts violence were noted to have occurred nonetheless. Both associations are now part of formal processes to have their Permits converted and Operating Licences issued. This followed deliberate and dedicated efforts to conduct a district specific economic viability study which has since served as the basis for processing applications from the district.

The department continues to monitor developments in other areas and interventions are currently ongoing in areas like Pomeroy in Umsinga. To ensure that the existing legislative shortcomings are dealt with, Provincial Regulations to the National Land Transport Act were drafted. These will be further processed and finalised in the new financial year.



PROGRAMME 4:

TRANSPORT REGULATION

Sub Programme: Road Traffic Inspectorate (RTI):

The Directorate is a research and policy unit with the responsibility for training, liaison and legislative proposals which deals with the driver, the vehicle and; which also provides for public safety within the road environment. The Directorate aims to provide 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 such professionalism is reliant on training programmes and access to international best practice linked to traffic policing and police administration.

The Directorate aims to engender prosperity through mobility, saving lives by reducing fatal crashes by 50% in the year 2020 through its zero tolerance integrated law enforcement programmes. 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 thereby ensuring public safety by providing law enforcement on, un-roadworthy vehicles, overloaded vehicles, learner transport operations and speedsters.

The functions of the RTI Directorate are:

To research, promote and formulate policy for traffic enforcement by means of:

- Researching international best practise, formulating policy and providing guidelines.
- Law enforcement co-ordination and operational support.
- Investigating fraud and corruption and promoting ethical standards.

To promote training and logistical support by means of:

- Providing courses/ seminars to build confidence and skills.
- Providing training and certification courses for traffic officials both Provincial and Local Authorities.
- Provision of traffic equipment, uniforms and protective clothing.

To provide law enforcement functions at a regional level such as:

- To conduct drunk driving operations.
- To provide learner and driving licence functions.
- To co-ordinate integrated law enforcement activities and operations with SAPS, Metro Police and local traffic departments.
- To conduct overload control activities.

To undertake special projects such as:

- Expansion of the speed calming project provincially (ASD).
- Targeting specific offences and offenders.
- To co-ordinate law enforcement activities and joint operation activities with provincial counterparts.

SUB-PROGRAMME:

TRAFFIC LAW ENFORCEMENT

Flagship Projects

1. Commissioning of vehicles

During the period 2016/17 the directorate has commissioned 8 accident reconstruction were deployed to the regions to assist in satisfying that operational law enforcement requirements were being met. Further to this, in September 2016 the Road Traffic Management Corporation (RTMC) sponsored two Mobile Vehicle Testing Unit (MTVU) to the province which greatly assist in identifying un-roadworthy vehicles during roadside operations. One vehicle was deployed to Pietermaritzburg region and the other to the Durban region.

SUB-PROGRAMME: MOTOR TRANSPORT SERVICES

Motor Vehicle Revenue Collection

The Motor Transport Services (MTS), in the performance of its mandated function namely, the registration and licensing of all motor vehicles in the province during 2016/ 2017 financial year collected R 1.6 billion. The revenue generated from the sale of personalised licence numbers amounted to R9.1 million for the 2016/2017 financial year. *It should be noted that with effect from 3 February 2016, a moratorium was placed on selling of Specific Licence Numbers.*

Pay-overs of levies collected on behalf of the Road Traffic Management Corporation (RTMC) as mandated legislatively; amounted to R60.8 million for the 2016/ 2017 financial year, bringing the total paid over since July 2007 to R500.6 million. During the 2016/2017 financial year, approximately R103.5 million was retained by the appointed agents in the performance of motor vehicle registration and licensing functions, resulting in the generation of revenue in these areas province-wide.

SERVICE DELIVERY ENVIRONMENT

Implementation of National Service Delivery Standards

The drafting of the Minimum Service Delivery Standards prescribed by a Quality Management System (QMS) remained ongoing. MTS initiated the process by sensitising and aligning sites to the new minimum service delivery standards. These standards are to be implemented at all Registering Authorities (RAs), Driving Licence Testing Centres (DLTCs) and Vehicle Testing Stations (VTS) as a nationally driven initiative to achieve a higher standard of service delivery for all citizens. This is also aimed at achieving standardised operational practices across all customer serving centres with those aspects common to all customer-based centres such as, inter alia:

- Location and Accessibility;
- Visibility and Signage;
- Opening and Closing Times;
- Access, Safety and Security;
- Queue Management;
- Adequate parking including provision for people with disabilities;
- Forms Control and Safekeeping, as well as recording of licensing documents in terms of the Archives Act;
- Customer feedback and management of complaints;
- Staffing requirements;
- Ergonomics in terms of counter facilities;
- Banking Halls and Public Facilities; and
- Safekeeping and handling of State monies.

In addition, regarding the agency outlets performing the motor vehicle registration and licensing function have concluded Agency Agreements. The department has contributed to job creation at the existing seven (7) provincial registering authorities and seventy one (71) agency offices appointed.

A total of 384 officials are employed in these agencies and registering authorities, with ongoing skills development to perform motor vehicle registration and licensing functions at these offices, which also comply with employment equity requirements.



Furthermore, during the financial year 2016/2017, in line with the mandate to provide access to services in respect of Motor Vehicle Registration and Licencing, an additional Registering Authority in the amalgamated Big Five-Hlabisa Municipality, increasing the number of registering authorities from 77 to 78 in the province.

SERVICE DELIVERY BY THE MOTOR TRANSPORT SERVICES DIRECTORATE PROVINCIAL VEHICLE PROCUREMENT

- The MTS has continued to provide fleet management support services to the 17 User Departments in the province and in this regard, also facilitated the procurement of official vehicles for all such departments. The directorate purchased 604 official vehicles to the value of R169.1 million directly from manufacturers on behalf of these User Departments.
- In addition, the payments related to these vehicles were also managed by the directorate as well as the subsequent ordering of fleet management cards and hand-over of vehicles to the respective departments throughout the province. Accordingly, there are presently nearly 7, 147 official vehicles recorded on the Provincial Asset Register.

VEHICLE TECHNICAL COMPLIANCE

The Vehicle Technical Compliance Component of the MTS directorate which ensure regulatory compliance, has conducted routine and dedicated technical audits in respect of the following:

- Applications for tare weight reductions (**145**) and Special Classifications (**215**) of tractors, combined harvesters and mining vehicles, ensuring that these vehicles comply with legislation. There were **40** premises investigated in respect of applications for Motor Trade Numbers (garage plates).
- **305** dealerships were inspected to ensure that correct procedures are in place in respect of dealer stocking of vehicles as well as the correct use of Temporary/ Special Permits (TSPs) and Motor Trade Numbers (MTNs).
- **349** premises inspected in respect of Manufacturers, Importers and Builders (MIBs).
- **47** weighbridge inspections were conducted to ensure compliance of the weighbridges in the province that are used to determine the tare mass of vehicles.
- **3** plants were inspected to verify the correctness of the registration and licensing of their fleet of vehicles.
- **18** Vehicle Test Stations were inspected to ensure compliance with legislation.
- **NIL** CRW investigations, and criminal dockets opened in certain cases.

Other instances where physical technical inspections have been undertaken are as follows:

Physical Verification of the official vehicle fleet for the province was successfully completed and **6 642** vehicles were inspected. A total of **1 331** Administrative CRW (178) transactions were dealt with at Technical Compliance Section. The Vehicle Technical Compliance Component of the MTS directorate conducted routine and dedicated technical audits in respect of the following:

Vehicle Test Station Administration

The MTS directorate facilitates the establishment, administration and monitoring of the **75** Vehicle Test Stations in the province. To this end, the statistics for the **2016/2017** reporting period are as follows:

- **Five** (5) applications in respect of the registration of vehicle testing stations were assessed by the directorate which resulted in four (4) being approved in principle, one (1) is still outstanding, and the required prerequisites for assessment and the one (1) pending a council resolution from 2014/2015 has lodged an Appeal with the National Minister of Transport.
- The directorate has been instrumental in assessing and successfully opening one, new vehicle testing station.
- Relocation of one vehicle testing station was assessed in terms of the applicable legislation and was approved and has since been finalised.
- **One** Vehicle Test Station was suspended due to the relocation of the vehicle test station.
- There was no Vehicle Test Station deregistered due to the change of ownership and relocation of the vehicle test station.

Due to non-compliance with the requirements for the registration of a Vehicle Testing Station, **nine (9)** vehicle test stations were issued with notices of intention to suspend and/ or cancel the registration of the vehicle test station.

- **The nine (9)** vehicle test stations were issued with notices of intention to suspend and, or cancel the registration of a vehicle test station for failure to comply with the applicable legislation resulting, in the station submitting representation which has been submitted to the Inspectorate of Testing Stations (SABS) and a response is awaited.
- There were no vehicle test stations issued with notices of intention to suspend and, or cancel the registration of a vehicle test station due to fraudulent certificates of roadworthiness (CRW) being issued by the vehicle test station resulting in the station submitting representation, which has been assessed by the department and the station subsequently cleared.
- There were no examiners of vehicles who were issued with notices of intention to suspend and, or cancel for failure to comply with the applicable legislation resulting, in nil (00) examiner of vehicles being cancelled
- There were three (3) Vehicle Test Station Agreements concluded in terms of Regulation 137C of the National Road Traffic Act, 1996 (Act No.93 of 1996).

Manufacturers, Importers and Builders (MIBs)

The MTS directorate, through the mandate of ensuring control over all manufacturers, importers and builders of motor vehicles in the province, audited all MIB files during 2016/2017 and as at 31 March 2017, a total of 509 MIBs are active and the following MIB's statistics are recorded:

- **Number of MIBs registered in 2016/17:** 22
- **Number of MIBs cancelled/closed in 2016/17:** 33
- **New MIB applications pending approval:** 81

ORGANISATIONAL ENVIRONMENT

The MTS directorate challenges, which negatively impacted service delivery include the following:

- Staff shortages, given the directorate's **28.8%** vacancy level.
- On 9 November 2016, the Constitutional Court ruled that the NaTIS be handed to the RTMC. A directive dated 10 January 2017 from the Acting Deputy Director-General in the National Department of Transport instructed all provinces to immediately stop all communication with the national contractor, Tasima. The year ended with provinces awaiting further assistance from the RTMC to proceed with the opening of new sites and upgrades or relocation of NaTIS equipment.
- There are numerous NaTIS software changes and developments, which are long outstanding and which hamper effective service delivery. The latter was exacerbated by the protracted court battle between the NaTIS contractor (Tasima) and the National Department of Transport. With the handover of NaTIS to the RTMC, provinces await the reconvening of the various forums to finalise software changes and development.

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

- The **proposed National Number Plate** will see the introduction of the South African Flag, which will appear on the top left and the name of the province below as well as the total number of characters for a licence number limited to six characters. The new number plate will have inherent security features, which will promote a uniform, secure and enforceable number plate throughout the Republic of South Africa. The new numbering plan is also expected to positively contribute to Road Safety improvements in the country. The introduction of the National Number Plate system by the National Department of Transport is pending promulgation into legislation.



- The **24th amendment to the National Road Traffic Act** came into effect on 11 May 2016. With the amendment promulgated, no person shall on a public road convey school children or any other persons in the goods compartment of a motor vehicle for reward.

RISK MANAGEMENT

NaTIS functionalities relating to the performance of high-risk transactions have been centralised within MTS; components such as the Provincial Help Desk, Vehicle Technical Compliance, Record Verification and Debt Control who all receive applications from the seventy eight (78) Registering Authorities. This initiative has not only assisted in curbing incidence of fraud and corruption at all Registering Authorities throughout the Province but has also reduced the illegal changing of tare weights or vehicle seating capacities on NaTIS to either reduce licence fees or qualify for larger operating permits. Furthermore, the prevention of the following illegal activities, engenders a safe and regulated transportation system in line with the strategic objectives of the department:

- The illegal issue of duplicate registration certificates which increases the incidence of cloned vehicles;
- The illegal introduction of imported or built-up vehicles; and
- The illegal removal of outstanding motor vehicle registration and licensing fees.

FRAUD AND CORRUPTION

Motor Transport Services Directorate Mechanisms in place to combat fraud

An integral part of revenue collection, remains the undertaking of initiatives to combat fraud and corruption related to such collections and in this regard, the MTS directorate, consistently undertook the following:

- Investigation of outstanding NaTIS debt and vehicle ownership disputes to determine accountability to facilitate the recovery of outstanding revenue in respect of motor vehicle registration and licensing fees;
- The centralisation of selected NaTIS functionalities related to revenue collection, more specifically those pertaining to the adding and removal of prescribed fees;
- Stringent monitoring and control of the level of access of the approximately 2 200 NaTIS users in KZN, albeit operational or supervisory staff; and
- Dedicated auditing of all Registering Authorities dealing with motor vehicle registration and licensing functions including financial, procedural, and legislative and eNaTIS functionality.

Further to this, the directorate also ensured compliance with prescribed legislation and statutory standards by Titleholders, Finance Houses, Motor Dealers (approximately 3 000) as well as Manufacturers, Importers and Builders (509) (inclusive of body modifiers) in the province. This was achieved by means of monitoring and controlling all administrative processes as well as regular and stringent inspections of more especially the Registering Authorities and Motor Industry such as Manufacturers, Importers and Builders. In this way, the technical compliance of vehicles prior to such being registered and licensed to travel on public roads in the Province was guaranteed.

To mitigate possible risk of fraud and corruption in respect of the National Traffic Information System (NaTIS) at the 250 NaTIS sites and roughly 2 200 users throughout the province at all Registering Authorities, Learner and Driving Licence Testing Centres, Vehicle Testing Stations (both municipal and private), Road Traffic Inspectorate offices, Municipal Traffic Departments, Weighbridges and Head Office Freight Transport: Abnormal Loads Section and Motor Transport Services Directorate, NaTIS user access and transaction access is vetted and audited on an annual basis.

FRAUD INVESTIGATIONS

During this reporting period, the staff of the Motor Transport Services Directorate:

- Conducted 173 scheduled inspections at the Registering Authorities.
- 77 Special Tasks were conducted, concentrating on permits and other specific numbers being issued, specifically

whether the correct procedures for the allocation of specific numbers were followed and the correct revenue was collected, dumping of fees, financial irregularities, under banking, reconciliation of revenue, cancellations, C93/94/141/1A6/122/173/14F transactions, cheque fraud and face value document fraud (free discs), as well as a burglary where face value documents and revenue was stolen.

- Dealt with the fraudulent activity known as the “dumping of fees” whereby cashiers assist members of public and companies to bypass the payment of license fees, penalties and arrears on the NaTIS. Several methods have been identified, viz. registering the vehicle onto a fictitious entity and dumping the fees on this entity, dealer stocking the vehicle to wipe out the fees, exporting the vehicle to an unknown entity, etc. This practice of dumping fees has been identified at a number of offices.

FRAUD INVESTIGATIONS OUTCOMES

The MTS directorate also identified a fraudulent activity known as the “dumping of fees” whereby cashiers assist members of public or companies to bypass the payment of outstanding license fees, penalties and arrears accumulated on NaTIS records and accounts. Several methods have been identified, viz. registering a vehicle onto a fictitious entity and transferring the outstanding licence fees and penalties to the fraudulently created entity, back dating and dealer stocking the vehicle to wipe out the fees, exporting the vehicle to an unknown entity, by means of false affidavits and paper trails, among others. The practice of removing outstanding licence fees has been identified at a number of Registering Authority offices throughout the province.

Whilst the department enjoyed the success of the project to identify and recover revenue lost through debt dumping, it was further identified that the magnitude of the illegal practice of debt dumping was significantly high. During preliminary investigations at the NDOT, it was established that the illegal practice was not unique to KZN and is in fact, an illegal practice happening in all provinces throughout the country.

The NDOT together with the assistance of the SIU and this department, and a proclamation subsequently issued by the President for the investigation of the debt dumping. It must be noted that the SIU has, per proclamation, been appointed to investigate the fraud holistically. Having been the province to first discover - or highlight - this fraudulent activity, the KwaZulu-Natal province is currently being used as a pilot project whilst preparation for a further proclamation is being drafted by NDOT for SIU investigations in all other provinces.

SUBPOENAS/ COURT CASES

- **Fifty three** (53) 212 statements were provided to the SAPS, NPA and SARS during the period 1 April 2016 to 31 March 2017.
- **Four** (4) court cases were attended during this reporting period.
- **One** (1) arbitration hearings was attended by the Departmental official within this office during this reporting period.

REVENUE RECOVERED:

An amount of **R183, 652.84** was recovered during this reporting period, as follows:

UMDONI MUNICIPALITY (SCOTTBURGH REGISTERING AUTHORITY):

A special task, in respect of permits issued by the Umdoni Municipality (Scottburgh Registering Authority) during the period 17/8/2012-31/12/2014. The amount of R60, 960.00 was paid to the Department of Transport on 15/04/2016.

RICHMOND REGISTERING AUTHORITY:

A special task was conducted in respect of a break in at the Richmond Registering Authority during the period 14, 15 and 17 June 2016. The audit followed a break in that happened on 07 June 2016. An amount of R58, 285.80 was deposited, with deposit slip number 21160124 and an amount of R64, 457.04 was still outstanding. On 16 September 2016, an amount of R64, 407.04 was deposited settling the outstanding amount that was owed by the Richmond Registering Authority.





MEC for Transport, Community Safety and Liaison Mxolisi Kaunda opening a road project in Nquthu. On his left is Ms. Bathandwa Nogwanya, Acting Chief Director: Ladysmith Region. PHOTO: THAMI MKHULISA

PROGRAMME 5: COMMUNITY BASED PROGRAMME

Programme 5 on Community Based Programmes implements strategies that lead to the development and empowerment of communities through job creation and poverty alleviation, and emerging contractors.

In this financial year, the programme receives **R35 million** budget.

Sub-Programme: Community Development

Within this sub-programme, the department has to support and promote economic transformation through the awarding of R2 billion's worth of contracts over the Medium Term Strategic Framework (five-year) period between 2014 and 2019, to emerging contractors, especially in the Vukuzakhe Emerging Contractor Development Programme (CIDB Grades 1-3). In the last financial year, the department created 41 000 job opportunities through the Zimbabwe Roads Maintenance programme, which is helping alleviate poverty.

Sub-Programme: Innovation and Empowerment

Within this sub-programme, the department made progress towards the implementation of its pothole patching programme, which is targeting the youth sector, especially active in the construction industry. As well, the department has started to realign its organisational structure and working to set up a dedicated Youth Directorate to focus on youth empowerment programmes. This realignment is aimed at creating programmes for all the targeted sectors:

- Women, Youth, People with Disabilities and Military Veterans; and
- Widows in the Public Transport sub-sector.

In line with the Provincial Procurement Indaba 2015 Resolutions, the department has started to review its Supply Chain Management practices to ensure their effective implementation and the increased participation of the targeted sectors.



MEC for Transport, Community Safety and Liaison Mxolisi Kaunda with Ugu District Mayor, Cllr. Mondli Chiliza, and Umuziwabantu Local Municipality Mayor, Cllr. Dixie Nciki, handing over bicycles and helmets to learners.
PHOTO: THAMI MKHULISA

Programme / Subprogramme / Performance Measures	Actual output for 2015/16 as per Annual Report	Target for 2016/17 as per Annual Performance Plan (APP)	Final outputs for 2016/17	Variance	Comments
QUARTERLY OUTPUTS					
Programme 2: Transport Infrastructure					
Construction					
Kilometres of gravel roads upgraded to surfaced roads	101	74	109	35	Projects (Main roads P68/2, P388, P710, P451 and district road D1880) that were meant to be completed in the 2015/16 financial year were carried over into the 2016/17 financial year therefore the over achievement
Number of m ² of surfaced roads rehabilitated	1 991 651	1 827 540	2 472 209	644 669	Numerous contracts were appointed in the 2015/16 financial year but had to be carried over into the 2016/17 financial year in quarter for quarters 1 and 2. This coupled with the extent of light rehabilitation undertaken led to the over achievement
Number of lane-km of new surfaced roads constructed	12	16	-	-16	Main Road P577 has been surfaced however the line marking around the BRT project has been delayed due to public protest hence this could not be reported as complete for the 2016/17 financial year
Number of square metres of non-motorised transport facility constructed	48 585	25 000	84 592	59 592	Due to safety concerns on several roads (D9, P451, P435) and to mitigate the risk of accidents more walkways were constructed than targeted therefore the over achievement
Design of Integrated Public Transport Networks	-	1	-	-1	The development of the Harry Gwala IPTN commenced in February 2017. It is envisaged that this will now be completed in the last quarter of 2017/18 financial year
Number of Public Transport Infrastructure projects implemented	1	-	-	0	Target achieved
Maintenance					
Number of square metres of surfaced roads resealed	1 737 985	2 532 690	2 944 842	412 152	Numerous contracts were appointed in the 2015/16 financial year but had to be carried over into the 2016/17 financial year for quarter 1. This coupled with surface enrichment projects undertaken led to the over achievement
Number of kilometres of gravel road re-gravelled	1 725	2 700	2 330	-370	Availability of the quarry is a challenge as well contractors experiencing problems obtaining plant led to the under performance
Number of square metres of blacktop patching (including pothole repairs)	321 843	240 000	353 780	113 780	Due to the age of the roads coupled with the wet season pothole patching had to be done more extensively therefore the over achievement
Number of kilometres of gravel roads bladed	53 206	120 000	76 518	-43 482	The under achievement was due to drought conditions, grader operators in training, shortage of watercarts and grader breakdowns during the financial year
Kilometres maintained by Zibambele Contractors	28 933	26 650	27 044	394	Target achieved

**Programme 3: Transport Operations
Public Transport Services**

Number of vehicle kilometres subsidised	42 071 471	41 888 710	41 599 563	-289 147	The variance from the km subsidised is due to trips not having been operated, drivers strikes and standing km due to rain
Number of trips subsidised	1 197 322	1 198 870	1 189 452	-9 418	The variance from the trips subsidised is due to trips not having been operated, driver strikes and standing kilometres due to rain.
Number of Provincial Regulating Entity (PRE) hearings conducted	371	70	501	431	More hearings were conducted due to backlog of postponed late renewal applications and deceased transfers therefore the over achievement
Number of routes subsidised	1 740	1 710	1 709	-1	The DoT subsidy is fixed every month. The total subsidy for Durban Transport is split with the Ethekwini Transport Authority (ETA) so the routes for Durban will vary from month to month depending on what the ETA subsidy portion is. A pro rata factor is then calculated which is applied to the number of Durban Transport routes.
Number of vehicles subsidised	1 351	1 320	1 314	-6	The DoT subsidy is fixed every month. The total subsidy for Durban Transport is split with the Ethekwini Transport Authority (ETA) so the routes for Durban will vary from month to month depending on what the ETA subsidy portion is. A pro rata factor is then calculated which is applied to the number of Durban Transport routes.
Kilometres operated per vehicle	31 166	31 730	31 651	-79	With the new negotiated contracts km's that were not previously subsidised are now subsidised
Passengers per vehicle	4 020	4 340	3 797	-543	The department is not in control of passengers who board the busses.
Passengers per trip operated	58	59	51	-8	The department is not in control of passengers who board the busses.
Staff per vehicle	2,2	2,2	2,2	0	Target achieved
Number of subsidised passengers	135 436	148 440	116 032	-32 408	The department is not in control of passengers who board the busses.
Number of unsubsidised passengers	20 584	23 740	19 777	-3 963	The department is not in control of passengers who board the busses.
Number of trips monitored	889 025	839 210	841 522	2 312	The minimum percentage of trips that have to be monitored is 70%, however the Monitoring Company monitored a higher percentage. There was no financial implication for the Department.
Percentage of trips monitored	74	70	71	1	The minimum percentage of trips that have to be monitored is 70%, however the Monitoring Company monitored a higher percentage. There was no financial implication for the Department.
Subsidy per passenger	13,24	13,80	17,47	4	With the new negotiated contracts the rate/km have increased, hence an increase in subsidy per passenger. The problem with correct passenger statistics must also be born in mind.
Number of subsidised passenger trips	69 884 981	67 879 790	59 872 276	-8 007 514	The department is not in control of passengers who board the busses.
Transport Safety and Compliance					
Number of road safety awareness programmes conducted	5	9	9	0	Target achieved
Number of schools involved in road safety education programmes	1 124	1 110	1 119	9	Additional schools were reached through partnerships with Soul Buddies, RTMC, SAPS and new scholar patrol registration
Number of school children reached that participate in road safety education programmes	461 211	270 000	277 811	7 811	Additional school children were reached through partnerships with Soul Buddies, RTMC, SAPS, new scholar patrol registration and requests from Principals to address Grade R's and Grade 1's.
Number of adults reached that participate in road safety education programmes	108 329	73 000	73 032	32	Additional congregants were reached during faith based conferences and ceremonies.





Number of crossing patrols provided	143	143	0	Target achieved
Number of decentralised PRE offices established	2	1	-1	The Mbazwana office is still pending. The municipality and the Department of Public Works are finalising the lease agreement
Number of public transport routes that have been evaluated for economic viability	-	443	343	The Department requested the service provider survey the Amajuba and Uthukela districts urgently due to conflict within these areas therefore the overachievement
Programme 4: Transport Regulation Transport Administration and Licensing				
Number of license compliance inspections conducted	974	1 393	130	The over performance was a result of more Registering Authority inspections being performed on the sale of permits, an increase in applications for entity inspections as well as DLTC inspections
Operator Licence and Permits				
Number of operator permits converted to licences	107	201	101	More operators than anticipated turned up for conversions due to expired permits
Traffic law enforcement				
Number of speed operations conducted	19 443	17 359	-891	Under performance due to increased roadworks and the non-availability of some speed machines due to being sent for repairs and calibration. Approval has been granted for the repairs of 23 machines and a 2 year contract is in place to ensure the availability of machines throughout the year. In the 2nd quarter the decrease in number of operations within the Durban region and the number of public protests were a contributing factor however improvement plans were developed
Number of vehicles weighed	157 124	180 758	25 758	Increase in operations at the weighbridges resulted in an increase in the number of vehicles weighed
Number of drunken driving operations conducted	124	399	199	Target achieved
Number of vehicles stopped and checked	1 678 166	1 264 674	-335 326	The under performance was due to high volumes of traffic in the province over the period, coupled with an increase in the number of accidents and incidents that officers had to attend to.
Number of hours weighbridges operated	15 212	15 311	311	Increase in the number of operations at the weighbridges
Number of kilometres patrolled	7 153 796	7 077 362	987 362	Increased patrols resulting in increased visibility especially during the festive period and Transport month
Number of law enforcement officers trained: Diploma courses	-	36	36	The department did not plan to have any intake for training during the year. However, there were subsequent intakes from municipalities.
Number of law enforcement officers employed	830	799	-36	During the year the number of officers employed decreased due to resignations, retirements and death. The delay of filling critical posts created a challenge. Currently a total of 16 posts which are 11 CPI and 5 PPI have been advertised and should be filled during the 2017/18 financial year
Number of heavy vehicles screened	3 517 364	4 632 530	1 432 530	Increase in volumes of heavy motor vehicles travelling resulted in increased number of vehicles screened
Undertake goal directed enforcement of public transport (Operation Shanela)	879	881	1	Target achieved

**Programme 5: Community-Based Programme
EPWP Coordination and Monitoring**

Number of jobs created	58 459	67 200	63 626	-3 574	This is linked to underperformance in maintenance measures in programme 2 in particular.
Number of employment days created	4 744 107	5 665 200	4 977 811	-687 389	Person-days under-achieved due to short duration of projects
Number of Full-Time Equivalents (FTEs)	20 626	24 631	21 630	-3 001	FTEs under-achieved due to short duration of projects
Number of youth (18-35) employed	14 783	28 000	17 594	-10 406	Under-achievement of target shows that youth needs to be more specifically targeted in the new Financial Year
Number of women employed	45 105	45 000	46 552	1 552	Emphasis on the employment of women
Number of Persons With Disabilities employed	44	350	35	-315	The Department is currently focusing on people with disabilities as part of its turnaround strategy. It is envisaged that the targets will be realistic and attainable going forward
Community Development					
% of HDI operators providing learner transport services	51%	100%	100%	0%	Target achieved
Number of Zibamele contractors employed	44 513	43 360	44 002	642	Target achieved
Small contractors trained through the Vukuzakhe Emerging Contractor Development Programme	519	500	397	-103	The Department is currently focusing on empowerment programmes as part of its turn around strategy. It is envisaged that the targets will be realistic and attainable going forward
Number of training opportunities created for women	399	250	122	-128	The Department is currently focusing on empowering women as part of its turn around strategy. It is envisaged that the targets will be realistic and attainable going forward
Number of training opportunities created for youth	162	250	193	-57	The Department is currently focusing on empowering the youth as part of its turn around strategy. It is envisaged that the targets will be realistic and attainable going forward
Number of training opportunities created for people with disabilities	3	8	-	-8	The Department is currently focusing on people with disabilities as part of its turn around strategy. It is envisaged that the targets will be realistic and attainable going forward
ANNUAL OUTPUTS					
Programme 1: Administration Management of the Department					
% of KPA 1 MPAT standards that are at level 3 or 4 from the previous cycle	71	100	80	-20	The Department did not comply with the standard on Planning of Implementation Programmes.
% of KPA 2 MPAT standards that are at level 3 or 4 from the previous cycle	40	63	70	7	The Department beefed up its capacity on governance issues leading to the over achievement.
% of KPA 3 MPAT standards that are at level 3 or 4 from the previous cycle	27	81	36	-45	2012/03/02 Concurrence letter from DPSA. Department approved the organisational structure based on the positive outcome of the consultation meeting with the DPSA but before receiving the confirmation letter from DPSA. Secondly, the Department used an old template in reporting on the Management of Diversity standard. 3. The delegations were not in the format approved in the directive supplied by DPSA. 4. No attachment indicating that Annual assessments for previous cycle were finalized by due date (2015-16) and captured on the PERSAL system whilst 52% of Performance Agreements levels 1-12 were captured on PERSAL. 5. In respect of EPMDS for SMS members, reviews were not completed with all SMS members as required by the standard.



% of KPA 4 MPAT standards that are at level 3 or 4 from the previous cycle	78	90	89	-1	The over achievement is attributed to a number of factors. The Department strengthened its demand, acquisition and logistics management. The management of cash flow expenditure against budget was good, including the management of unauthorised, fruitless and wasteful expenditure.
Programme 2: Transport Infrastructure Construction					
Kilometres of new gravel access roads constructed	124	230	179	-51	Challenges with sourcing of quarry wherein some traditional leaders demand payment for quarry
New pedestrian bridges constructed	12	13	4	-9	The requests from communities to build vehicular bridges rather than pedestrian bridges resulted in the underperformance as resources were channelled to vehicular bridges.
New major vehicle bridges constructed	9	7	13	6	Due to communities requesting vehicular bridges rather than pedestrian bridges thus leading to the over achievement
Infrastructure Planning					
Number of kilometres of surfaced roads visually assessed as per the applicable TMH manual	3 750	3 750	3 751	1	Target achieved
Number of kilometres of gravel roads visually assessed as per the applicable TMH manual	8 550	8 445	7 510	-935	The variance was due to the roads that were found to be blacktop and could not be assessed as gravel roads. These will be included in the next round of assessment
Number of kilometres of declared road that provide access to communities	32 040	32 270	32 609	339	Some of the roads were constructed by the municipality and handed over to the department, further there was a backlog of roads from the previous financial year which had to be declared in the current financial year
Percentage of provincial road network in poor to very poor condition	35	35	36	1	Target achieved
Report on the % of fixed capital investment in relation to provincial GDP		2	2	0	Target achieved
Report on the provincial average lead/lag time difference between development application submission and approval		2	2	0	Target achieved
Report on Ports Capacity measured in million TEU's		2	2	0	Target achieved
Report on Ports Capacity measured in Dry Bulk volumes		2	2	0	Target achieved

Report on Ports Capacity measured in containers (Crane handling moves crane hour)	2	2	0	Target achieved
Report on Ports Capacity measured by number of Cruise Liner visits	2	2	0	Target achieved
Report on volume of passengers through KZN airports	2	2	0	Target achieved
Report on Tonnage throughput from DTP cargo terminal (international)	2	2	0	Target achieved
Report on Tonnage throughput from DTP cargo terminal (domestic)	2	2	0	Target achieved
Report on the total number of TEU's on Matcor rail line	2	2	0	Target achieved
Report on road to rail ratio out of Port of Durban	2	2	0	Target achieved
Reports on the percentage of national road network in poor to very poor condition	2	2	0	Target achieved
Report on % Modal Split in Commuter transport	2	2	0	Target achieved
Report on % Tonnage to Capacity Utilisation (Demand Installed)	2	2	0	Target achieved
Programme 3: Transport Operations Public Transport Services				
Number of schools receiving transport services	316	320	4	Additional schools were included as per list from Department of Education
Programme 5: Community-Based Programme				
Value of contracts awarded to Vukuzakhe contractors on Grades 1 to 3 (in R millions)	350	530	180	The Departmental emphasis was on empowering emerging contractors, hence the over achievement
Value of public transport transformation contracts (in R millions)	40	98,6	29	The finalization of the negotiations on transformation contracts coupled with the detailed Viability costing led to the Department exceeding the projected value.

PART B: PERFORMANCE INFORMATION

Linking performance with budgets

PROGRAMME 1

Programme/ Sub Programme	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration						
Office of the MEC	13 510	13 510	-	11 891	11 891	-
Management	14 690	14 690	-	14 188	14 188	-
Corporate Support	264 993	264 993	-	262 800	262 800	-
Departmental Strategy	21 117	21 117	-	17 142	17 142	-
Total	314 310	314 310	-	306 021	306 021	-

PROGRAMME 2

Programme/ Sub Programme	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Transport Infrastructure						
Programme Support Infrastructure	259 670	257 670	2 000	246 787	246 787	-
Infrastructure Planning	21 118	21 118	-	24 429	24 429	-
Infrastructure Design	37 140	37 140	-	35 295	35 295	-
Construction	3 556 655	3 530 726	25 929	4 019 742	4 032 842	(13 100)
Maintenance	3 207 708	3 207 708	-	2 667 911	2 637 670	30 241
Total	7 082 291	7 054 362	27 929	6 994 164	6 977 023	17 141

PROGRAMME 3

Programme/ Sub Programme	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Transport Operations						
Programme Support Operations	29 271	29 271	-	19 911	19 911	-
Public Transport Services	1 268 034	1 268 034	-	1 204 917	1 204 917	-
Transport Safety and Compliance	73 155	73 155	-	63 241	63 241	-
Total	1 370 460	1 370 460	-	1 288 069	1 288 069	-

PROGRAMME 4

Programme/ Sub Programme	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Transport Regulations						
Programme Support Regulation	2 371	2 371	-	623	623	-
Transport Admin and Licensing	119 822	119 822	-	118 156	118 156	-
Operator Licence Permit	57 196	57 196	-	61 119	61 119	-
Law Enforcement	598 673	598 673	-	557 892	557 892	-
Total	778 062	778 062	-	737 790	737 790	-

PROGRAMME 5

Programme/ Sub Programme	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Community Based Programme						
Programme Support Community Based	6 638	6 638	-	6 675	6 675	-
Community Development	3 646	3 646	-	6 966	3 702	3 264
Innovation and Empowerment	16 739	16 739	-	15 744	8 681	7 063
EPWP Co-Ordination and Monitoring	5 474	5 474	-	11 131	10 531	600
Total	32 497	32 497	-	40 516	29 589	10 927





MEC for Transport, Community Safety and Liaison Mxolisi Kaunda being taken through the operations of the Durban Metro Surveillance Station in Westville by a Metro Police Officer. PHOTO: THAMI MKHULISA

Departmental Receipts

Departmental Receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	(Over) Under Collection	Estimate	Actual Amount Collected	(Over) Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
- Motor vehicle licences	1 535 734	1 599 531	(63 797)	1 481 000	1 490 173	(9 173)
Sale of goods and services other than capital assets	136 756	107 078	29 678	129 450	119 355	10 095
Fines, penalties and forfeits	38 341	47 257	(8 916)	38 088	45 671	(7 583)
Interest, dividends and rent on land	304	230	74	266	202	64
Sale of capital assets	4 805	27 205	(22 400)	2 650	6 221	(3 571)
Financial transactions in assets and liabilities	2 038	2 928	(890)	2 053	3 358	(1 305)
Total	1 717 978	1 784 229	(66 251)	1 653 507	1 664 980	(11 473)

The department collected revenue totalling R1.784 billion against a budget of R1.718 billion, which is higher than the budget R66.252 million, slightly higher than the preliminary over-collection of R64.155 million. The over-collection can be explained as follows:

- *Motor vehicle licences* collected R1.600 billion, which is higher than the budget of R1.536 billion. The over-collection is due to higher than anticipated applications for new and renewals of motor vehicle licences, which is dependent on the vehicle population registered in the province.
- *Fines, penalties and forfeits* collected R47.257 million for the year, which was higher than the budget by 23.3 per cent. This was due to higher than anticipated collections made in respect of traffic fines, where motorists that transgress the stipulated rules and regulations in the Road Traffic Act.
- *Sale of capital assets* collected R27.205 million against a budget of R4.805 million, relating to higher than anticipated performance from an auction of redundant motor vehicles. Revenue from auction sales is difficult to accurately estimate, as it depends on, among others, the condition of the assets on auction, the number of assets being placed on auction, bid prices, as well as the demand on the day.
- *Transactions in financial assets and liabilities* collected R2.928 million against a budget of R2.038 million. The over-collection of R890 000 was due to higher than anticipated recoveries of previous years staff debts.

This over-collection was offset to some extent by under-collection in the following areas:

- *Sale of goods and services other than capital assets* collected R107.078 million against the budget of R136.756 million. Fees collected in respect of this category include, *inter alia*, house rentals, drivers' and learners' application fees, drivers' licence issuance and renewal fees, commission from payroll deductions, sale of tender documents, etc. The under-collection can be attributed to lower than anticipated applications for learners' and drivers' licences, drivers' licence issuance and renewal, and conversion of drivers' licences.
- *Interest, dividends and rent on land* was under-collected by R74 000 as a result of interest on staff debts being lower than anticipated. This category is difficult to accurately project, due to the uncertainty of recovering monies owed by staff.

Programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	314 310	314 310	-	258 972	258 972	-
Transport Infrastructure	7 082 291	7 054 362	27 929	6 820 455	6 821 519	(1 064)
Transport Operations	1 370 460	1 370 460	-	1 227 597	1 227 597	-
Transport Regulation	778 062	778 062	-	702 150	702 150	-
Community Based Programme	32 497	32 497	-	41 711	41 711	-
Total	9 577 620	9 549 691	27 929	9 050 885	9 051 949	(1 064)

Programme Expenditure

The department under-spent its 2016/17 budget by R27.929 million, spending 99.7 per cent of the budget. The under-expenditure is reflected under Programme 2, against *Goods and services* (R2 million) and *Buildings and other fixed structures* (R25.929 million).

R2 million against *Goods and services* was specifically and exclusively appropriated towards the planning of the cross-boarder crime fighting structure between the boarder of South Africa and Mozambique. The planning was undertaken by the service provider, but the invoice had not been submitted to the department by year-end. The department has requested a roll-over in this regard, as the funds are already committed.

R25.246 million against *Buildings and other fixed structures* for the construction of bus lanes on Main Road P577 in the eThekweni Metro. The Metro which is co-funding the project made a payment of R25.246 million towards the construction of bus lanes at the end of the financial year, which resulted in under-spending. As the project is ongoing, the department has requested a roll-over of this amount for the continuation of the project in 2017/18.

Spending against Programmes 1, 3, 4 and 5 was on target at 100% of the budget allocation after undertaking post adjustment virements.

Name of transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with S38(1)(j) of the PFMA	Amount transferred R'000	Amount Spent by the Entity	Reasons for the funds unspent by the entity
Province	Department	Motor Vehicle Licences	Yes	5 093	5 093	-
Construction and Engineering SETA's	Departmental Agency	Skills Development Levy	Yes	3 986	3 986	-
Bus Corporations	Private Enterprise	Bus Subsidies	Yes	1 011 085	1 011 085	-
Households	Individuals	Claims Against the State, Expropriation of Land, Leave Gratuities and Injury on Duty	Yes	13 229	13 229	-

Transfer Payments to all organisations other than public entities

Conditional Grants and Earmarked Funds Paid

Conditional Grants

The Department receives a Provincial allocation in the form of an equitable share and National conditional grant allocations for the maintenance and construction of road infrastructure, subsidising of bus transport in the Province and creating job opportunities through EPWP projects. Included under conditional grants is the Provincial Roads Maintenance Grant, Public Transport Operations Grant and the EPWP Incentive Grant.

A. Provincial Roads Maintenance Grant

The Provincial Roads Maintenance Grant is for the maintenance and construction of road infrastructure in KZN. The purpose of the grant is to supplement provincial roads investments and support preventative, routine and emergency maintenance on provincial road networks.

Department whom the grant has been transferred.	KZN Transport
Purpose of Grant	Provincial Roads Maintenance Grant
Expected outputs on grant	Refer to Performance Information
Actual outputs achieved	Refer to Performance Information
Amount per amended DORA	R1 925 378 000
Amount transferred	R1 925 378 000
Reasons if amount as per DORA not transferred	Funds Withheld by National Department of Transport
Amount spent by department	R1 925 378 000
Reasons for funds unspent	N/A
Monitoring mechanism by the transferring department	Monthly reporting

B. Public Transport Operations Grant

The purpose of this sub programme is to manage and monitor the provision of subsidised public transport services, The functions include ensuring that funds allocated to subsidise public transport service yield maximum outcome in reducing the burden of affordability, improving the standard and reliability of public transport, ensuring achievement of performance standards, ensuring economic transformation of the subsidised public transport sector and providing education and capacity building.

The Department provides subsidised public transport services which are funded through the Public Transport Operations Grant. The purpose of the Public Transport Operations grant is to provide supplementary funding for the provision of public transport services by contracts which are kilometre based that are affordable and supportive of the intermodal efficiencies to users of public transport. The aim is to ensure that user, especially the poor enjoy affordable public transportation. In many respects performance in the provision of the service has been above average.

Department whom the grant has been transferred.	KZN Transport
Purpose of Grant	Provincial Roads Maintenance Grant
Expected outputs on grant	Refer to Performance Information
Actual outputs achieved	Refer to Performance Information
Amount per amended DORA	R1 011 046
Amount transferred	R1 011 046
Reasons if amount as per DORA not transferred	-
Amount spent by department	R1 011 046
Reasons for funds unspent	-
Monitoring mechanism by the transferring department	Monthly reporting

C. Expanded Public Works integrated Grant for Provinces

The purpose of the EPWP Integrated Grant is to incentivise Provincial Departments to expand their work creation efforts through the use of labour intensive delivery methods to improve the quality of life of the poor people and increase social stability through employing previously unemployed people to perform the infrastructure construction and maintenance activities. The employment of previously unemployed people contributes to the reduction of the levels of poverty and increases the levels of employment, skills development through work experience and sustainable work opportunities.

Department whom the grant has been transferred.	KZN Transport
Purpose of Grant	EPWP Integrated Grant for Provinces
Expected outputs on grant	Refer to Performance Information
Actual outputs achieved	Refer to Performance Information
Amount per amended DORA	R56 055 000
Amount transferred	R56 055 000
Reasons if amount as per DORA not transferred	-
Amount spent by department	R56 055 000
Reasons for funds unspent	-
Monitoring mechanism by the transferring department	Monthly reporting

Earmarked Funds

a) Learner Transport

To purpose of Learner Transport is to:

- provide equitable access to quality education for the people of KwaZulu-Natal
- Improve access to quality education by providing safe, decent, effective, and integrated sustainable learner transport.

Department whom the grant has been transferred.	KZN Transport
Purpose of Allocation	Learner Transport
Expected outputs on allocation	Refer to Performance Information
Actual outputs achieved	Refer to Performance Information
Amount per amended DORA	R186 000 000
Amount transferred	R186 000 000
Reasons if amount as per DORA not transferred	-
Amount spent by department	R186 000 000
Reasons for funds unspent	-
Monitoring mechanism by the transferring department	Monthly reporting

Donor Funding

No donor funding was received by the Department.

Capital Investment

Table: Capital Investment

Infrastructure Projects	2016/17			2015/16		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and Replacement Assets	473 415	473 415	-	442 226	442 226	-
Existing Infrastructure Assets						
Upgrades and Additions	2 118 601	2 092 672	25 929	2 331 775	2 344 875	(13 100)
Rehabilitation, Renovations and Refurbishments	964 639	964 639	-	1 245 741	1 245 741	-
Maintenance and Repairs	3 207 708	3 207 708	-	2 667 911	2 637 670	30 241
Infrastructure Transfer						
Capital	3 556 655	3 530 726	25 929	4 019 742	4 032 842	(13 100)
Current	3 207 708	3 207 708	-	2 667 911	2 637 670	30 241
Total	6 764 363	6 738 434	25 929	6 687 653	6 670 512	17 141



Transport, Community Safety and Liaison MEC Mxolisi Kaunda interacting with commuters during a Nquthu taxi rank road safety awareness campaign. PHOTO: MBUYISELO NDLOVU

PART C

Governance

RISK MANAGEMENT

The department conducted a risk assessment workshop and developed the Risk Profile for the financial year 2016/17. The Risk Profile of the department comprised of 34 risks with a total of 56 mitigation plans identified to manage such risks. The department considered the Strategic, Operational, Information Technology, Projects as well as Fraud/ Ethics risks that may affect the department to achieve its objectives.

The Risk Management Directorate monitored the Risk Profile on regular basis and produced reports for the department's Risk Management, Fraud Prevention & Anti-Corruption (RMFPACC) Committee, and the Cluster Audit and Risk (CARC) Committee on a quarterly basis. The table below depicts the whole risk profile into the various levels of risks and provides a high level statistical view of how the department made progress in terms of implementing risk mitigation plans.

No	Risk Magnitude	No. of Identified Risks	No. of Agreed Action Plans	Progress 30 Jun 2016	Progress 30 Sep 2016	Progress 31 Dec 2016	Progress 31 Mar 2017	Due Action Plans-31 Mar 2017
1.	Critical	8	16	5	2	1	3	5
2.	Major	5	13	6	0	2	1	4
3.	Moderate	11	17	5	5	4	0	3
4.	Minor	4	4	3	0	0	1	0
5.	Insignificant	6	6	2	1	0	1	2
Total		34	56	21	8	7	6	14

There are 42 mitigation plans that were successfully completed during the financial year 2016/17 and 14 were outstanding. Within the 14 outstanding mitigation plans, there are 10 mitigations that subsequently included long term undertakings and there are four (4) mitigations that could not be completed due to circumstances beyond the department's control. These include vetting of employees by the State Security Agency; e-Procurement system of the Provincial Treasury; the National Road Safety Strategy, which is led by the national Department of Transport through the Road Traffic Management Corporation. These risks are included in the revised Risk Profile for the financial year 2017/18.

FRAUD PREVENTION AND ANTI-CORRUPTION

The department revised the Fraud Prevention Policy and subsequently developed a Fraud Prevention Strategy, which was also sustained by the implementation Plans to provide formal techniques to manage fraud and corruption risks which the department is exposed to. The execution of the Fraud Prevention Implementation Plan continued, including awareness workshops on fraud and corruption to promote good ethics in the department.

The culture of zero tolerance to fraud and corruption was maintained. Consequently, the department has ensured that all cases emerging from the application of the Whistle Blowing Policy are being investigated. The department has therefore outsourced all forensic investigations to the Forensic Unit within the Provincial Internal Audit Services. The department received cases from the National Anti-Corruption Hotline, Office of the Premier, from within the department and externally. There were 18 cases that arose from the financial year 2015/16 due to investigations and recommendations not completed or implemented. An additional two (2) cases were received resulting to a total of 30 cases recorded in the Fraud Register.

Investigations were conducted and 14 investigation reports were issued with corrective actions sanctioned for the department to implement. All the recommendations are being considered through Labour Relations and Responsibility Managers. The total number of 16 cases which are not finalised during the 2016/17 financial year will be completed during 2017/18 financial year. The table below illustrates a summary status of the cases in the department as explained above:

Total Cases

Financial Year	No of Cases received	No of Cases Investigated	No of Cases pending
2016/17	30	14	16



A break-tester machine in action during a roadblock at Mariannhill Toll Plaza.
 PHOTO: MBUYISELO NDLOVU

INTERNAL COMPLIANCE UNIT

A programme of inspections, based on areas of perceived higher risk as per the table below, was drafted for the 2016/2017 financial year. The Stores, Asset, Zibambele and SCM inspections were all successfully completed. Due to a number of challenges including capacity issues and unplanned, ad hoc projects allocated to the unit, the vehicle inspection was not executed.

Inspections Conducted	Number of Offices To Be Inspected	Time Frames
Stores	19	April – May 2016
Asset Inspection	74	June – August 2016
Zibambele Inspection	12	August – September 2017
SCM Inspection	24	October 2016 – January 2016
Vehicles	74	February – March 2017

During 2016/2017 financial year, there were 11 officials from the Internal Compliance Unit who completed an Internal Audit Learnership through the Institute of Internal Auditors. This qualification resulted in the officials being deemed competent for the designation Internal Audit Technician.

The administration of the Audit Improvement Strategy was dealt with by the unit, which included capturing and following up on all Auditor General and Provincial Treasury Internal Audit Unit findings, as well as ensuring action plans are timeously implemented. This is aimed at mitigating risk areas and addressing issues of non-compliance with legislation, policies and procedures. The coordination and administration of annual Auditor General's audit process, was also performed effectively by the unit.

FINANCE PORTFOLIO COMMITTEE

Finance Portfolio Committee Meetings were held on the following dates:

- 22 March 2016
- 24 March 2017

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
34/2016	Transport: Budget Cuts of more than R1 billion.	The Accounting Officer must give a report to the Committee by 30 June 2016 with a list of projects that will be affected as a result of the budget cuts.	<p>The budget cuts were effected over the MTEF planning framework resulting in:</p> <p>The reduction in construction has had an impact of delaying road upgrades and rehabilitation budgets.</p> <ul style="list-style-type: none"> – This has led to all the projects being delayed and pushed out such that all the current commitments will only be completed in 2020. – This also impacts on the department not being able to start any further projects until the previous commitments are completed. <p>The reduction of maintenance projects will have a serious effect on the department to preserve the existing road network.</p> <ul style="list-style-type: none"> – As the department only receives approximately 40% of the required budget for maintenance; these reductions will further deteriorate the road conditions within the province. This increases the operating cost of transport along road corridors, which impacts on the road user and communities in the province. This means that the department is not in a position to perform adequate, proactive, and preventative maintenance; and as a result the condition of the 	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
37/2016	Transversal: Budget for Drought Relief by all Government Departments.	Accounting Officer must give a report to the Committee by 30 June 2016 on the following: a) Reprioritisation from within their departments' baselines to allocate funds for drought relief measures. b) Putting in place robust financial monitoring tools to ensure that drought relief funds are spent solely for that purpose. c) How much money have their departments allocated for drought relief? d) Plans on how funds allocated for drought relief will be spent.	road network is in a poor condition and the cost of backlog maintenance increases. Main Road P451 is an upgrade project from gravel to blacktop surface which link Hlabisa and Hluhluwe areas, which were affected during 2015/16 financial year due to water shortage in the region. Drilling of boreholes was identified as a possible option to supply water, and the contractor would construct a storage dam near the borehole where water would be pumped into the dam to supply water for the project and also for the community. In order to start with the process the approval for Environmental Impact Assessment (EIA) and Water Use Licence Assessment (WULA) will have to be in place. The department will be funding the boreholes through project budget.	
38/2016	Transversal: Departments with more than one Head Office/Provincial Office/Ministerial Office	Accounting Officers must give a report to the Committee by 30 June 2016 on the following: a) Whether their departments have more than one Head Office or Provincial Office or Ministerial Office? b) Where a department has more than one Head Office or Provincial Office or Ministerial Office, reasons must be given. c) Where a department has more than one Head Office or Provincial Office or Ministerial Office, a report must be given on cost implications.	a) The department has only one Head Office situated in Pietermaritzburg. There is, however, an office of the MEC in both our Pietermaritzburg Head office and at Truro House in Durban. b) The offices of the MEC are both in government-owned buildings and as a result no rental is payable for either of the offices.	
39/2016	Transversal: Review of	Accounting Officers of departments must give	The department has been experiencing under-	



Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
	Performance of Programmes.	<p>a report to the Committee by 30 June 2016 on the following:</p> <p>a) Conduct a review and identify underperforming programmes or programmes that are failing to achieve the desired outcomes.</p> <p>b) Accounting Officers must indicate steps taken to close down underperforming programmes or programmes that are failing to achieve desired outcomes in line with the call from the Provincial Executive Council. And by when?</p>	<p>performance against the Rehabilitation and Maintenance programmes within the department. However, as these are key functions of the department they cannot be closed down or reduced. The department is putting in place strategies to improve the performance on these two key programmes within the department's infrastructure portfolio and expects the performance to improve to the expected levels over the next two financial years as the improved planning process are implemented.</p>	
40/2016	Transversal: Review of the Performance of all State Owned Entities (SOES).	<p>The Accounting Officers must give a report to the Committee by 30 June 2016 on the following:</p> <p>a) All departments that transfer funds to State-owned Entities conduct performance reviews of their entities.</p> <p>b) Where entities are found to be performing poorly or duplicating the work of departments, the Accounting Officers should consider closing down them down or amalgamating them with their departments.</p>	<p>The department does not transfer funds to state owned entities.</p>	
41/2016	Transversal: Allocation of Infrastructure Projects to Department Of Public Works as per the cabinet resolution to make Department Of Public Works the implementing	<p>a) All departments make use of the Department of Public Works as the implementing agent of choice in all their major infrastructure projects.</p> <p>b) Accounting Officers of all departments provide a list of projects where the</p>	<p>1. The majority of infrastructure projects (Capital and Planned Maintenance) are currently being undertaken by the Department of Public Works (excluding all road infrastructure projects, which are managed in-house).</p>	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
	agent of choice.	Department of Public Works is not used as an implementing agent and provide reasons for this and the costs of the external implementing agents.	<p>2. There are, however, two major projects where the department appointed its own Implementing Agent. These projects include the rehabilitation and renovations of the old Orthopaedic Workshop in Prince Alfred Street in Pietermaritzburg and the installation of a lift at the Regional Chief Director's Office in Empangeni.</p> <p>3. Motivation received from the respective offices for not utilising the Department of Public Works as the preferred Implementing Agent are as follows:</p> <p>REHABILITATION AND RENOVATIONS OF THE OLD ORTHOPAEDIC WORKSHOP IN PRINCE ALFRED STREET IN PIETERMARITZBURG</p> <p>Motor Transport Services made use of the services of CK Architects to oversee the project of the refurbishment and rehabilitation of the old Orthopaedic Workshop in Prince Alfred St, Pietermaritzburg, however, the Department of Public Works, was advised accordingly, and informed of all developments in this regard.</p> <p>The reason for such was due to the urgency of the project as the building was required to house those Motor Transport Services' members of staff utilising the 3rd floor of the Museum Services building, when the Department of Transport was given notice to vacate the building. At the time, the Architects had already been appointed to deal with the replacement of the roof of the MTS "B" Block and; could therefore proceed with the project immediately, once the necessary addendum had been approved by BAC.</p>	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
42/2016	Transversal: Budgets for Infrastructure and Assets Maintenance.	<p>The Accounting Officers must take note of the following and ensure that this is implemented:</p> <p>a) Maintenance budgets in all departments must increase with infrastructure development.</p> <p>b) In line with the Government Immovable Assets Management Act (GIAMA), Accounting Officers must produce an immovable asset management plan that will form part of the strategic planning and budgeting processes of government and to provide for routine maintenance of state owned buildings in their budgets in future.</p>	<p>Since the inception of the project which is now at its final stages, the costs for the utilisation of an external implementing agent amount to R2, 085, 747.13.</p> <p>1. In terms of the Government Immovable Asset Management Act, 2007 (No. 19 of 2007), the Department of Transport annually compiles its User Asset Management Plan (U-AMP) and submits such to Provincial Treasury and the Department of Public Works as Custodian. The department's 2016/2017 U-AMP was completed and submitted to Treasury and Public Works on the 25th of June 2015.</p> <p>2. Also attached was Annexure A, which reflected budget requirements, for the 2016/2017 financial year as well as for the next 3 financial years in respect of the U-AMP to cope with backlog maintenance of facilities.</p>	
43/2016	Transversal: Low spending on Conditional Grants	Departments are implored to spend their conditional grant allocations in full at year end.	<p>The department fully spent all conditional grants at year end, except for an amount of R30 million relating to the Provincial Road Maintenance Grant where the funds were specifically allocated to specific flood damage projects. These flood damage projects were either not departmental roads or the roads were never flood damaged, as a result the National Department instructed us to not spend the funds.</p>	
105/2016	Transversal: Shifts and Virements.	a) Accounting Officers must ensure that Portfolio Committee are consulted thoroughly on proposed shift and virements before submitting them to	The Department of Transport has noted the above.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/ No)
106/2016	Transversal: Specifically and Exclusively Appropriated Funds.	<p>Provincial Treasury for approval.</p> <p>b) Portfolio Committees must take resolutions approving or declining the proposed shifts or virements</p> <p>c) Provincial Treasury must request a Portfolio Committee on all requests for shifts and virements by departments.</p> <p>a) Accounting Officers must ensure that specifically and exclusively appropriated funds are spent in full.</p> <p>b) Specifically and exclusively appropriated funds must be spent solely for the purpose which they are appropriated for.</p>	The Department of Transport has noted the above.	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			<p>2017 with Provincial and National Treasury to discuss the challenges related to the immovable asset register and the reporting thereof on the Annual Financial Statements.</p> <p>Irregular Expenditure</p> <ul style="list-style-type: none"> A complete review of all expenditure incurred was performed to identify irregular expenditure. The review of expenditure was performed for the 2014/2015, 2015/2016 and 2016/2017 financial years. This exercise involved each respective directorate scrutinising the BAS downloads and reviewing the SCM process that was followed. The irregular expenditure checklist that was developed provided a guideline in identifying the transgressions which were reported as discovered. The irregular expenditure checklist is currently being utilised on current payments to proactively identify possible irregular expenditure for subsequent disclosure. The irregular expenditure identified to date is being analysed and categorised for correct financial statement disclosure. This information will be provided to the Auditor General for review prior to the commencement of the 2016/17 Audit. 	

SCOPA RESOLUTIONS

SCOPA Meetings were held on the following dates:

- 25 October 2016
- 17 November 2016

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
146/2016	Audit Improvement Strategy	<ol style="list-style-type: none"> 1. That the Accounting Officer ensures that the plan is implemented by the Department and a progress report is submitted to the Committee by 31 January 2017. 2. That the Committee will invite the Department to present its progress report to the follow-up hearings in February 2017. 	<p>Commitments</p> <p>Limitation of scope (spreadsheet attached)</p> <ul style="list-style-type: none"> • The Auditor-General indicated that SCM documents relating to 31 orders were not submitted for audit. • All information relating to the above have been obtained and reviewed. All requested documentation is now available for audit. <p>Retention Monies on Construction Contracts</p> <ul style="list-style-type: none"> • The department has developed a Retentions' Spreadsheet, which is being updated on a monthly basis. Updating of December retentions withheld is in progress. • Validation and completeness checks are being done on an ongoing basis to ensure the accuracy and completeness of the schedule. 	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			<p>SCM Centralisation at Head Office</p> <ul style="list-style-type: none"> Centralisation of the SCM function at the Head Office precinct is currently being implemented. The centralisation process has been supported by the CFO and approved by the HOD. The review and confirmation of BAS commitments is still in progress. Out of 5 600 transactions identified 2 500 or 45% of the transactions were reviewed from mid-November up to the end of December 2016. The review process is still in progress. Contract management issues are currently being addressed with SCM collecting documentation relating to major contracts, adjudication reports and orders issued (commitments). <p>Expenditure for tangible capital assets</p> <ul style="list-style-type: none"> There are 24 orders amounting to R272 million that were identified with payments for materials on site. These payments were for Rehabilitation and Upgrade projects on the department's roads network. The Auditor-General has agreed that in order to clear this qualification the department would need to provide evidence of the utilisation of the materials in the construction or rehabilitation of the road network. 	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			<ul style="list-style-type: none"> • Nineteen orders have been verified as complete with certification from the engineers. These are also supported with pictures and Transfers of Rights certificates for the materials utilised. • The evidence relating to the five outstanding are currently being obtained from the contractors and the relevant engineers. <p>Immovable Assets</p> <ul style="list-style-type: none"> • The department has, in consultation with the Provincial Treasury specialist immovable asset consultant, developed a discussion document detailing the concerns with the immovable asset data of the department. • This discussion document was prepared to allow the discussion of the issues faced by the department and the possible solutions the department could implement to resolve this qualification. • In order to resolve this qualification, the department requires the National Treasury to either approve a deviation from certain requirements of the accounting policy or for the accounting policy to be amended to accommodate the specific challenges being faced by the department. • A meeting has been scheduled on 7 February 	



MEC for Transport, Community Safety and Liaison Mxolisi Kaunda interacting with patrons at a tavern during a road safety activation campaign in Empangeni taxi rank. PHOTO: THAMI MKHULISA

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			An exercise to collate and verify irregular expenditure has been undertaken by the department with the assistance of the Internal Compliance Directorate.	



Main road P16 from Slutshana to Qhudeni in Nquthu. PHOTO: *MBUYISELO NDLOVU*





Transport, Community Safety and Liaison MEC Mxolisi Kaunda, accompanied by Acting Provincial Commissioner of Police, Major-General Bheki Langa, and Mr. Sifundiswa Lunga, Acting Chief Director of Traffic Management, with traffic officers, during a demonstration of a new speed laser camera. PHOTO: THAMI MKHULISA





Transport, Community Safety and Liaison MEC Mxolisi Kaunda, accompanied by Acting Provincial Commissioner of Police, Major-General Bheki Langa and Head of the provincial Department of Transport, Mr. Sibusiso Gumbi, during an inspection of traffic officers.
PHOTO: THAMI MKHULISA

PART D

Human Resources

Part D: Human Resources Management

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

INTRODUCTION

• The status of Human Resources in the department

The Human Resource Management Chief Directorate is responsible for the provision of efficient human resource management practices and administration services. It is also responsible for the development of human resource strategies, human resources development, provision of harmonious employer-employee relations and ensuring the effective utilisation of resources. Beyond this, the unit has to monitor and advocate for employment equity. In terms of the latter, women at Senior Management Service (SMS) level made up 48% compared to men, who accounted for 52% of the total 35. The number of people with disabilities was 47 or 1.17%, up from last year's figure of 27 or 0.71%.

• Human Resource Priorities for the year

The filling of identified critical and funded vacancies remained a key priority, because it is critical to improving service delivery.

• Workforce Planning and Strategies to Attract a Skilled Workforce

The department continues to implement the Occupational Specific Dispensation (OSD) for engineers and related professionals to assist in managing career paths of existing employees in these occupations. This is also manifested through the provision for grade and accelerated grade progression, such as automatic promotion to a higher grade after serving the required number of years.

• Employee Performance Management

Employee Performance Management is aimed at planning, managing and improving employee performance. The aim of performance management is to optimise every employee's output in terms of quality and quantity, thereby improving the department's overall performance and service delivery. The primary orientation of performance management is to be developmental while allowing for effective response to consistently inadequate performance and for recognising outstanding performance. Chapter 4 of the Senior Management Service (SMS) Handbook provides a framework for the management of performance for employees on remuneration band A to D (salary levels 13 to 16).

The departmental EPMDS Policy provides a standardised framework for employee performance management on salary levels 1 to 12, which is inclusive of employees covered by an OSD and employees in elementary occupations in the department. It shares similarities and must be linked with the SMS PMDS, as is a distinct policy framework and system. Employee performance management is not applicable to departmental, component or team performance management or assessment but is linked to individual performance, thus promoting individual growth and development, as well as impacting on career-pathing.

• Challenges

The department faces a challenge of a relatively high number of employees accessing incapacity leave, which is sitting at 136 (3.65%) out of 3 918 employees in the year under review.



• Future Human Resource Plans

The department will focus on the challenge of filling critical, vacant and funded posts in the new performance year, as well as to achieve the employee equity targets. It will also focus on improving the time taken to fill vacant and funded posts. The filling of vacant, critical and funded posts remains a priority.

HUMAN RESOURCE DEVELOPMENT

1. GENERAL

Achievements

The National Skills Authority Conference was held in Pretoria from 23 – 24 March 2017. The department's HRD Directorate was proud to receive two national awards. One award was for the Best Artisan Development Programme implemented for which it won Silver; and other was for the Best Public Sector Programme, which obtained Bronze.

The department's HRD Strategy (2016–2020) was developed and approved by the Head of Department on 8 November 2016, and subsequently circulated to all SMS members for implementation.

2. LEARNERSHIP PROGRAMME

- The department implemented an Internal Audit Technician Learnership in May 2013 for a duration of two (2) years, which targeted 21 officials from Internal Compliance and Motor Transport Services.
- There were 18 officials who were assessed in September 2016, and have successfully completed the Internal Audit Technician Learnership (NQF Level 7 qualification), and were to receive certificates at a ceremony to be held in May 2017.

3. ADULT EDUCATION AND TRAINING PROGRAMME (AET)

The AET Programme is being implemented in the department to provide an opportunity for employees who were previously disadvantaged and are semi-literate or illiterate to be able to access education and improve their economic status.

Achievements

The AET Strategy (2016 – 2018) was approved by the Head of Department on 8 November 2016. There were 194 AET learners in the Programme from all Regions (AET Levels 1 – 4). Examinations were written in October/November 2016. Overall results are as follows:

Region	No. of learners registered	No. of learners wrote	No. of learners passed	No. of learners failed	No. of learners absent	No. completed the GETC
LADYSMITH	19	16	9	7	3	7
DURBAN	15	13	6	7	2	2
EMPANGENI	41	37	23	14	4	2
PMB	0	0	0	0	0	0
	75	66	38	28	9	11

In 2016/17, 11 learners have successfully completed AET Level 4 and qualify for the General Education and Training Certificate (GETC) / NQF Level 1 qualification. The Provincial AET Literacy Day Celebrations took place on 22 September 2016 in Ugu District. The event aimed to promote a culture of life-long learning and to encourage AET learners to complete the programme as well as to award learners who successfully completed.

Constraints

There is still a delay by the Department of Education with the generation of the certificates resulting in learners not being able to pursue further qualifications.

4. WORKPLACE SKILLS PLAN

In terms of the Skills Development Act No. 97 of 1998, as amended, all departments are required to submit an Annual Training Report (ATR) and Workplace Skills Plan (WSP) on an annual basis to the relevant SETAs affiliated with the respective departments. The department is mandated to submit to Public Services Sector Education and Training Authority (PSETA) and the line function SETA i.e. Construction Education and Training Authority (CETA). The WSP is a plan, which reflects the training needs of the department in order to improve performance, enhance service delivery and to meet the objectives and goals of the department.

Achievements

The Workplace Skills Plan 2016/17 and Annual Training Report 2015/16 was compiled and submitted timeously to PSETA. An amount of R194.77 million was expended on all programmes (short courses, skills programmes, conferences, seminars, apprenticeships, internships, AET, bursaries for employees and prospective employees) during the financial year 2016.17. The PSETA Quarterly Monitoring Reports for all four (4) quarters of the 2016/17 financial year was compiled and submitted to PSETA timeously for onward reporting to Department of Higher Education and Training.

Constraints

The Workplace Skills Plan for 2016/17 financial year was compiled, however, it was not approved by PSETA due to the Labour Representatives not signing the document, which is a requirement for being approved.

In 2016/17 the implementation of cost-cutting measures still continued resulting in a great variance between the planned and achieved training. Most training conducted was through the Office of the Premier (Public Services Training Academy), internal training through the Traffic Training College and Technology Transfer Directorate and specialised technical training was implemented through external training providers.

5. APPRENTICESHIP PROGRAMME

The Heavy Earthmoving Mechanical Apprenticeship Programme was implemented in the department due to the scarcity of skills required to maintain and repair earthmoving equipment.

Achievements

The Heavy Earthmoving Mechanical Apprenticeship Programme commenced in April and July 2015. A total of 25 apprentices are currently on the programme, which is progressing successfully. Apprentices attend institutional learning through Bell Equipment and on-the-job training through Bell Equipment, Babcock and departmental workshops.

Apprentices have also been attending TVET Colleges to complete the N courses in the mechanical field. Transport Education and Training Authority (TETA) is partially funding the programme and payments have been received by the department.

• WORK INTEGRATED LEARNING PROGRAMME (WIL)

Work Integrated Learning (WIL) is a structured programme for students who require practical work experience in areas relevant to their qualification for a specified duration in order to complete their qualifications.

Achievements

The department received funding from PSETA for 25 WIL learners who are currently on the programme since April 2016 for a period of 18 months. The department has also placed 18 WIL learners through a partnership with the UMgungundlovu District Municipality. The municipality was given a grant from Transport Education and Training Authority (TETA), as so was the department which also obtained funding for the WIL Programme from TETA for 20 learners. The learners commenced their programme at the beginning of 2017 calendar year.

Constraints

Among the constraints we continue to deal with are the failure of some of the mentors to discharge of their roles and responsibilities to make the programme truly beneficial; lack of learner cooperation as well as high levels of absenteeism by learners.

• GRADUATE INTERNSHIP PROGRAMME (GIP)

The Graduate Internship Programme is a structured programme that runs for 12 months in which graduates receive skills training in relevant areas as per their qualifications in order to become employable in the industry and broader economy and across sectors.

Achievements

There were 81 graduate interns who were appointed in 2016/17. Of these, 33 interns commenced the programme in April 2016 and exited at the end of March 2017. Interns appointed have also exited the programme to take up employment in the private and public sectors. All interns appointed in 2016/17 underwent the induction programme in the department.

Constraints

The following constraints were noted in the programme, and the department is continually seeking to address them:

- Components request interns as an alternative for employment (filling of vacant positions).
- Delays in the verification of the qualifications and security screening processes in 2016 resulted in prospective interns declining as they acquired other opportunities.
- Some mentors do not understand their roles (need mentorship training programmes).
- The department is not meeting the target as per DPSA guidelines of 5% of the total staff establishment.
- The focus is on administrative interns and not technical interns.
- The stipend varies across departments resulting in prospective interns taking opportunities in higher paying departments such as Provincial Treasury and Economic Development, Tourism and Environmental Affairs departments.
- Interns are not being exposed to training especially Persal and BAS, which are systems used in government.
- There are sections in the department that are not willing to rotate the interns and expose them to various aspects related to the qualification obtained.

• ARTISAN DEVELOPMENT PROGRAMME

Achievements

There were three employees who were granted approval to attend courses in plumbing, welding and carpentry at Majuba College in December 2016. This training was set to commence in February 2017. The two employees who attended training relayed positive feedback.

Constraints

One of the employees did not attend the training, because his accommodation fees were not catered for by his component.

• BURSARY PROGRAMME (EMPLOYEES)

The objective of the department's Bursary Programme for Employees is to build capacity and competence, enhance the employees' performance, improve service delivery and assist in career progression.

Achievements

The following achievements were obtained:

- 39 bursaries were awarded in January 2017 for the 2017 academic year and the budget is R1.12 million.
- 8 employees completed their qualifications - and they include 3 National Diploma: Public Management; 1 National Diploma: Public Relations; 1 National Diploma: Road Transport Management; 1 BTech: Public Management; 1 BTech: Management; and 1 BA in Accounting.

There are employees who are envisaged to complete their studies between 2018 and 2019. We currently have 98 students in various academic fields who are continuing with their studies as listed in the below table:

Field of study	Number of students in the field
Bachelor of Law	3
ND: Human Resource Management	8
Degree Bachelor of Art Environmental Management	1
Degree Bachelor of Accounting Science	2
Degree of Bachelor of Business Administration	1
ND: Metropolitan and Traffic Policing	9
ND: Public Management	43
ND: Public Administration	1
ND: Financial Management	3
Btech: Construction Management	8
Btech: Management	1
ND: Office Management Technology	1
ND: Real Estate	1
ND: Safety Management	1
ND: Municipal and Traffic Policing	1
ND: Road Transport Management	2
Post Grad Diploma: GIS	1
Post Grad Diploma: Project Management	1
ND: Civil Engineering	1
ND: Business Management	1
Degree in Economics	1
ND: Public Administration and Management	2
Bcom : Human Resource Management	2
Bachelor of Administration	1
ND: Fleet Management	1
Bachelor of Commerce	1

• BURSARY PROGRAMME (EXTERNAL)

The department has identified skills that are scarce, hence bursaries are provided in order to create a pool of technical skills in order to meet the skills demand.

Achievements

- 13 Applicants were awarded bursaries comprising 2 National Diploma: Transportation Management and 11 B.Sc Civil Engineering; 6 students completed their studies including 5 B.Sc Civil Engineering and 1 LLB graduates.

Constraints

- Poor applications for the National Diploma: Transportation Economics.
- B.Sc applicants are withdrawing their offers from the department, because they are accepting offers from other departments. The reason they provide is that the department does not pay a monthly stipend like other departments such as the Office of the Premier and the Department of Co-operative Governance and Traditional Affairs.

• COMPULSORY INDUCTION PROGRAMME (CIP)

The CIP Programme is a DPSA initiative for newly appointed officials in the Public Service to be capacitated on various facets of government and its operations, and upon completion of the programme the officials probationary appointments will be confirmed.

Achievements

- 81 officials attended the CIP Programme during the 2016/17 financial year resulting in the confirmation of their probation.

Constraints

- The centralisation of SCM processes affected the process to purchase learning materials.
- Supervisors are not willing to release the officials when nominated to attend.

• HUMAN RESOURCE DEVELOPMENT STRATEGY

The HRDS Strategic Framework Vision 2015 is an initiative by the DPSA aimed at developing and enhancing Human Resource Development practices to respond to the growing demands on the Public Service for efficient and effective service delivery. Public institutions, therefore, have to adopt strategies that respond to skills development and the transfer of knowledge, skills and experience which ultimately improves performance and enhances service delivery.

Achievements

- HRD compiled and submitted the Annual HRDS Implementation Plan for 2016/17 financial year to DPSA timeously (before 31 May 2016).
- The Monitoring Tool for 2015/16 was submitted to DPSA timeously (before 31 May 2016).
- Implementation of HRD related programmes planned for 2016/17 as per related objectives set out in the HRD Strategy have been implemented and are ongoing.

Constraints

Lack of feedback from DPSA on Plans and Reports submitted resulting in this being more of a compliance issue.

• BREAKING THE BARRIERS TO ENTRY INTO THE PUBLIC SERVICE INDUCTION PROGRAMME (BB2E)

The BB2E Programme is a DPSA initiative for interns in the Public Service to be capacitated on various facets of government and its operations.

Achievements

- 80 Graduate Interns attended Breaking the Barriers to Entry into the Public Service Induction Programme (BB2E) in 2016/17. The Office of the Premier assisted the department with the training materials for the programme.

• LABOUR RELATIONS

The Directorate: Labour Relations has established a forum, the General Public Service Sector Bargaining Council (GPSSBC), where Management and Unions representing employees, engage on mutual interest related matters. The forum is fully operational and reports in progress, and challenges to the Provincial and National GPSSBC.

Grievances

The financial year 2016/2017 has seen new nomination processes of designated employees, the provision of training to them, as well as the changes in the process that had been utilised to attend to grievances. This has resulted in the number of grievances resolved in this financial year sitting at 54%, up from 35% previously; and a decline by 3% from the previous two years from 57%. This could be attributed to the changes instituted to the processes.

Disciplinary Matters

There is a 17,2% reduction on the total number of disciplinary matters received and resolved in this particular year, from the total figure of 29 to 24.

Disputes Lodged

The financial year 2016/2017 saw a 39% increase in disputes lodged from the previous year's figure of 11 to 18.

Suspensions

Suspensions have fluctuated over the four quarters due to the 60 day time line, only remaining with one suspension due to the appeal matter that ended up at the Labour Court for litigation on procedural reasons.

Collective Bargaining

The directorate continues to participate meaningfully at both Provincial Chambers, namely PSCBC and GPSSBC as well as the Provincial Labour Relations Forum.

HUMAN RESOURCES OVERSIGHT STATISTICS

The department must provide the following key information on its human resources, and all the financial amounts must agree with the amounts disclosed in the annual financial statements. It must also provide reasons for any variances.

3.1 Personnel Related Expenditure

The following tables summarise the final, audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the amount spent on personnel, salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2016 and 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and Special Services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	287 995	106 528	0.00	0.00	37	2
Community Based Programme	17 939	10 805	0.00	0.00	60	
Transport Infrastructure	5 710 051	726 397	0.00	0.00	13	14
Transport Operations	1 105 701	30 504	0.00	0.00	3	1
Transport Regulation	648 494	461 711	0.00	0.00	71	9
Z=Total as on Financial Systems (BAS)	7 770 180	1 335 944	0.00	0.00	17	26

Table 3.1.2 Personnel costs by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	46 701	2.84	360	129 725
Skilled (Levels 3-5)	327 711	19.93	1 568	208 999
Highly skilled production (Levels 6-8)	568 005	34.54	1 477	384 566
Highly skilled supervision (Levels 9-12)	170 203	10.35	254	670 089
Senior management (Levels 13-16)	49 855	3.03	47	1 060 735
Contract (Levels 1-2)	499	0.03		
Contract (Levels 13-16)	3 061	0.19		
Contract (Levels 3-5)	6 871	0.42	41	167 592
Contract (Levels 6-8)	63 425	3.86	196	323 596
Contract (Levels 9-12)	9 038	0.55	17	531 633
Contract Other	5 262	0.32	104	50 594
Periodical Remunerations	20 914	1.27	1 149	18 202
Abnormal Appointment	339 742	20.66	46 703	7 275
TOTAL	1 611 286	97.99	51 918	31 035

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2016 and 31 March 2017

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	93 422	69	1 017	0.8	3 461	2.6	6 268	4.6
Community Based Programme	11 902	68.4			239	2	533	4.4
Transport Infrastructure	711 815	81.4	8 276	0.9	23 543	2.7	28 626	3.3
Transport Operations	305 644	53.8	102 834	18.1	19 175	3.4	38 002	6.7
Transport Regulation	25 445	53.3	3		725	1.5	1 700	3.6
TOTAL	1 148 229	69.8	112 129	6.8	47 143	2.9	75 129	4.6

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	30 907	65.9	307	.7	4 029	8.6	4 098	8.7
Skilled (Levels 3-5)	213 128	64.7	9 424	2.9	20 649	6.3	26 816	8.1
Highly skilled production (Levels 6-8)	324 673	56.3	91 491	15.9	19 610	3.4	37 004	6.4
Highly skilled supervision (Levels 9-12)	114 974	62.9	9 805	5.4	2 459	1.3	6 082	3.3
Senior management (Levels 13-16)	39 658	73	8		357	.7	929	1.7
Contract (Levels 1-2)	485	97.2			1	.2	3	.6
Contract (Levels 3-5)	6 644	95.9	9	.1	14	.2	33	.5
Contract (Levels 6-8)	61 844	94.9	975	1.5	24		59	.1
Contract (Levels 9-12)	8 455	88.4	1				64	.7
Contract (Levels 13-16)	2 580	75.9					42	1.2
Contract Other	5 151	97.5	110	2.1				
Periodical Remunerations								
Abnormal Appointment	339 729	100						
TOTAL	1 148 229	69.8	112 129	6.8	47 143	2.9	75 129	4.6

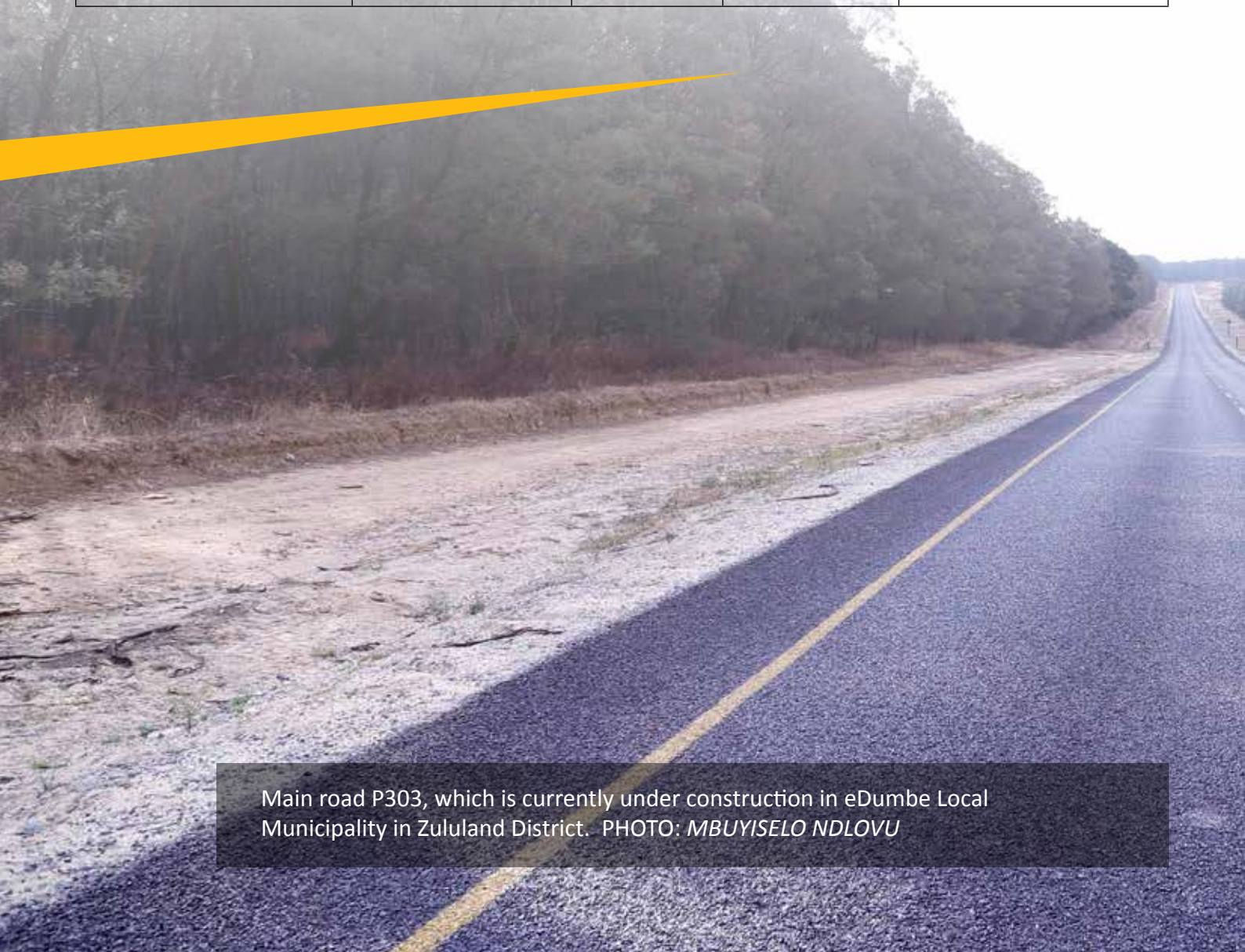
Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies. They also summarise the number of posts in the establishment, the number of employees, the vacancy rate, and whether there are any staff that are “additional to the establishment” or ATE. This information is presented in terms of three key variables: programme, salary band and critical occupations (see definition in notes below).

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	477	406	15	110
Community Based Programme	28	21	29	0
Transport Infrastructure	2 278	2 103	8	211
Transport Operations	1 552	1 458	6	0
Transport Regulation	86	78	9	11
TOTAL	4 421	4 066	8	332



Main road P303, which is currently under construction in eDumbe Local Municipality in Zululand District. PHOTO: MBUYISELO NDLOVU

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (Levels 1-2), Permanent	375	360	4	0
Skilled (Levels 3-5), Permanent	1694	1568	7.44	0
Highly skilled production (Levels 6-8), Permanent	1604	1477	7.92	0
Highly skilled supervision (Levels 9-12), Permanent	327	254	22.32	0
Senior management (Levels 13-16), Permanent	61	47	22.95	0
Contract Other Permanent	104	104	0	104
Contract (Levels 3-5), Permanent	41	41	0	18
Contract (Levels 6-8), Permanent	196	196	0	195
Contract (Levels 9-12), Permanent	17	17	0	15
Contract (Levels 13-16), Permanent	2	2	0	0
TOTAL	4421	4066	8	332



Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
ADMINISTRATIVE RELATED, Permanent	180	137	23.89	5
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC., Permanent	120	96	20	3
ARTISAN PROJECT AND RELATED SUPERINTENDENTS, Permanent	22	14	36.36	0
AUXILIARY AND RELATED WORKERS, Permanent	34	32	5.88	0
BUILDING AND OTHER PROPERTY CARETAKERS, Permanent	11	10	9.09	0
BUS AND HEAVY VEHICLE DRIVERS, Permanent	9	8	11.11	1
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS, Permanent	7	5	28.57	4
CIVIL ENGINEERING TECHNICIANS, Permanent	293	260	11.26	201
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC., Permanent	121	121	0	0
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS), Permanent	28	26	7.14	0
COMMUNICATION AND INFORMATION RELATED, Permanent	4	3	25	0
ENGINEERING SCIENCES RELATED, Permanent	22	18	18.18	0
ENGINEERS AND RELATED PROFESSIONALS, Permanent	55	40	27.27	0
FINANCE AND ECONOMICS RELATED, Permanent	5	3	40	0
FINANCIAL AND RELATED PROFESSIONALS, Permanent	14	9	35.71	1
FINANCIAL CLERKS AND CREDIT CONTROLLERS, Permanent	11	11	0	0
FOOD SERVICES AIDS AND WAITERS, Permanent	18	18	0	0
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS, Permanent	1	1	0	1
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER, Permanent	1	1	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF, Permanent	26	22	15.38	0
HUMAN RESOURCES CLERKS, Permanent	83	78	6.02	0
HUMAN RESOURCES RELATED, Permanent	15	12	20	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN, Permanent	10	9	10	1

LEGAL RELATED, Permanent	3	2	33.33	0
LIBRARIANS AND RELATED PROFESSIONALS, Permanent	1	1	0	0
LIBRARY MAIL AND RELATED CLERKS, Permanent	2	2	0	0
LIGHT VEHICLE DRIVERS, Permanent	9	8	11.11	0
LOGISTICAL SUPPORT PERSONNEL, Permanent	1	1	0	0
MECHANICAL ENGINEERING THECHNICIANS, Permanent	1	1	0	1
MESSENGERS PORTERS AND DELIVERERS, Permanent	61	58	4.92	0
MOTOR VEHICLE DRIVERS, Permanent	378	344	8.99	0
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS, Permanent	995	943	5.23	112
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS, Permanent	223	183	17.94	2
OTHER INFORMATION TECHNOLOGY PERSONNEL., Permanent	2	2	0	0
OTHER OCCUPATIONS, Permanent	1	1	0	0
REGULATORY INSPECTORS, Permanent	772	755	2.2	0
ROAD SUPERINTENDENTS, Permanent	13	13	0	0
ROAD TRADE WORKERS., Permanent	149	145	2.68	0
ROAD WORKERS, Permanent	502	481	4.18	0
SAFETY HEALTH AND QUALITY INSPECTORS, Permanent	2	2	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS, Permanent	35	31	11.43	0
SECURITY GUARDS, Permanent	32	31	3.13	0
SECURITY OFFICERS, Permanent	5	5	0	0
SENIOR MANAGERS, Permanent	47	33	29.79	0
TRADE LABOURERS, Permanent	95	89	6.32	0
TRADE TRAINERS, Permanent	2	1	50	0
TOTAL	4421	4066	8	332

NOTES

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria; for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction; where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Filling of SMS Posts

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

Table 3.3.1 SMS post information as on 31 March 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	1	100	0	0
Salary Level 15	4	3	75	1	25
Salary Level 14	11	8	72	3	28
Salary Level 13	32	23	72	9	28
Total	48	35	73	13	27

Table 3.3.2 SMS post information as on 30 September 2016

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	1	100	0	0
Salary Level 15	4	3	75	1	25
Salary Level 14	11	8	72	3	28
Salary Level 13	32	23	72	9	28
Total	48	36	73	13	27

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 and 31 March 2017

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	1	0	0
Salary Level 13	1	0	0
Total	2	0	0

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS posts i.e. those advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2016 and 31 March 2017

Reasons for vacancies not advertised within six months
Deputy Director-General: Corporate Services: The functions needed to be aligned to the structure and the benchmarking process had to be finalised and submitted to the Premier for authorisation, which took more than two months to be authorised. The post had to be re-advertised on three (3) occasions due to changes in the requirements.
Director: Supply Chain Management: No suitable candidate found during the selection process.
Reasons for vacancies not filled within twelve months
As per above

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.3, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2016 and 31 March 2017

Disciplinary steps taken
None

Notes

In terms of the Public Service Regulations Chapter 1, Part VII C.1A.2, departments must indicate good cause or reason for not having complied with the filling of SMS posts within the prescribed timeframes. In the event of non-compliance with this regulation, the relevant executive authority or head of department must take appropriate disciplinary steps in terms of section 16A(1) or (2) of the Public Service Act.



JOB EVALUATION

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

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
01 Lower Skilled (Levels 1-2)	375	274	73.07	32	11.68	12	4.38
02 Skilled (Levels 3-5)	1694	1258	74.26	691	54.93	34	2.7
03 Highly Skilled Production (Levels 6-8)	1604	1256	78.3	665	52.95	7	0.56
04 Highly Skilled Supervision (Levels 9-12)	327	207	63.3	87	42.03	5	2.42
05 Senior Management Service Band A	43	23	53.49	1	4.35	0	0
06 Senior Management Service Band B	13	9	69.23	0	0	0	0
07 Senior Management Service Band C	4	2	50	0	0	0	0
08 Senior Management Service Band D	1	0	0	0	0	0	0
09 Other	104	0	0	0	0	0	0
11 Contract (Levels 3-5)	41	31	75.61	1	3.23	0	0
12 Contract (Levels 6-8)	196	1	0.51	0	0	0	0
13 Contract (Levels 9-12)	17	2	11.76	0	0	0	0
14 Contract Band A	1	1	100	0	0	0	0
17 Contract Band D	1	1	100	0	0	0	0
TOTAL	4421	3065	69.33	1477	48.19	58	1.89

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 and 31 March 2017

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0

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

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2016 and 31 March 2017

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
NONE				
Total number of employees whose salaries exceeded the level determined by job evaluation				
Percentage of total employed				

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2016 and 31 March 2017

Gender	African	Asian	Coloured	White	Total
NONE					

Employees with a disability	
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NOTES

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

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

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2016 and 31 March 2017

Salary band	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01 Lower Skilled (Levels 1-2) Permanent	417	30	3	0.72
02 Skilled (Levels 3-5) Permanent	1676	39	115	6.86
03 Highly Skilled Production (Levels 6-8) Permanent	1442	9	58	4.02
04 Highly Skilled Supervision (Levels 9-12) Permanent	225	4	10	4.44
05 Senior Management Service Band A Permanent	26	0	3	11.54
06 Senior Management Service Band B Permanent	8	0	0	0
07 Senior Management Service Band C Permanent	3	0	0	0
08 Senior Management Service Band D Permanent	1	1	0	0
09 Other Permanent	33	109	73	221.21
10 Contract (Levels 1-2) Permanent	45	0	0	0
11 Contract (Levels 3-5) Permanent	11	9	23	209.09
12 Contract (Levels 6-8) Permanent	195	1	9	4.62
13 Contract (Levels 9-12) Permanent	12	4	0	0
14 Contract Band A Permanent	1	0	0	0
17 Contract Band D Permanent	1	0	0	0
TOTAL	4096	206	294	7.18

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 and 31 March 2017

Critical occupation	Number of employees at beginning of period-April 2015	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
ADMINISTRATIVE RELATED Permanent	140	4	6	4.29
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC. Permanent	91	4	0	0
ARTISAN PROJECT AND RELATED SUPERINTENDENTS Permanent	14	0	0	0
AUXILIARY AND RELATED WORKERS Permanent	33	2	2	6.06
BUILDING AND OTHER PROPERTY CARETAKERS Permanent	12	0	3	25
BUS AND HEAVY VEHICLE DRIVERS Permanent	9	0	1	11.11
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS Permanent	5	0	2	40
CIVIL ENGINEERING TECHNICIANS Permanent	272	10	26	9.56
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC. Permanent	127	3	7	5.51
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS) Permanent	28	0	0	0
COMMUNICATION AND INFORMATION RELATED Permanent	2	1	0	0
ENGINEERING SCIENCES RELATED Permanent	19	0	3	15.79

ENGINEERS AND RELATED PROFESSIONALS Permanent	39	2	2	5.13
FINANCE AND ECONOMICS RELATED Permanent	4	0	1	25
FINANCIAL AND RELATED PROFESSIONALS Permanent	9	0	0	0
FINANCIAL CLERKS AND CREDIT CONTROLLERS Permanent	10	1	1	10
FOOD SERVICES AIDERS AND WAITERS Permanent	18	1	1	5.56
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS Permanent	2	0	1	50
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER Permanent	1	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF Permanent	21	1	0	0
HUMAN RESOURCES CLERKS Permanent	77	2	1	1.3
HUMAN RESOURCES RELATED Permanent	12	0	0	0
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN Permanent	10	0	2	20
LEGAL RELATED Permanent	3	0	0	0
LIBRARIANS AND RELATED PROFESSIONALS Permanent	1	0	0	0
LIBRARY MAIL AND RELATED CLERKS Permanent	2	0	0	0
LIGHT VEHICLE DRIVERS Permanent	11	0	2	18.18
LOGISTICAL SUPPORT PERSONNEL Permanent	1	0	0	0
MECHANICAL ENGINEERING THECHNICIANS Permanent	1	0	0	0
MESSENGERS PORTERS AND DELIVERERS Permanent	62	2	7	11.29
MOTOR VEHICLE DRIVERS Permanent	364	4	32	8.79
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS Permanent	871	133	102	11.71
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS Permanent	185	3	8	4.32
OTHER INFORMATION TECHNOLOGY PERSONNEL. Permanent	2	0	0	0
OTHER OCCUPATIONS Permanent	1	1	0	0
REGULATORY INSPECTORS Permanent	778	0	23	2.96
ROAD SUPERINTENDENTS Permanent	15	0	2	13.33
ROAD TRADE WORKERS. Permanent	144	6	7	4.86
ROAD WORKERS Permanent	495	25	39	7.88
SAFETY HEALTH AND QUALITY INSPECTORS Permanent	2	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS Permanent	31	1	1	3.23
SECURITY GUARDS Permanent	36	0	4	11.11
SECURITY OFFICERS Permanent	5	0	0	0
SENIOR MANAGERS Permanent	34	0	2	5.88
TRADE LABOURERS Permanent	96	0	6	6.25
TRADE TRAINERS Permanent	1	0	0	0
TOTAL	4096	206	294	7.18

NOTES

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria; or which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction; where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.



The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2016 and 31 March 2017

Termination Type	Number	% of Total Resignations
Death, Permanent	39	13.27
Resignation, Permanent	61	20.75
Expiry of contract, Permanent	93	31.63
Discharged due to ill health, Permanent	3	1.02
Dismissal-misconduct, Permanent	4	1.36
Retirement, Permanent	94	31.97
TOTAL	294	100.00
Total number of employees who left as a % of total employment(4066)	7.23%	

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 and 31 March 2017

Occupation	Employment at Beginning of Period (April 2016)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
ADMINISTRATIVE RELATED	140	2	1.43	97	69.29
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	91	0	0	50	54.95
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	14	2	14.29	11	78.57
AUXILIARY AND RELATED WORKERS	33	0	0	23	69.7
BUILDING AND OTHER PROPERTY CARETAKERS	12	0	0	10	83.33
BUS AND HEAVY VEHICLE DRIVERS	9	0	0	6	66.67
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	5	0	0	2	40
CIVIL ENGINEERING TECHNICIANS	272	0	0	166	61.03
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	127	0	0	88	69.29
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	28	0	0	25	89.29
COMMUNICATION AND INFORMATION RELATED	2	0	0	1	50
ENGINEERING SCIENCES RELATED	19	0	0	13	68.42
ENGINEERS AND RELATED PROFESSIONALS	39	1	2.56	25	64.1
FINANCE AND ECONOMICS RELATED	4	0	0	3	75
FINANCIAL AND RELATED PROFESSIONALS	9	0	0	7	77.78
FINANCIAL CLERKS AND CREDIT CONTROLLERS	10	0	0	5	50
FOOD SERVICES AIDS AND WAITERS	18	0	0	10	55.56
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	2	0	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	1	0	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	21	1	4.76	12	57.14
HUMAN RESOURCES CLERKS	77	0	0	60	77.92
HUMAN RESOURCES RELATED	12	0	0	8	66.67
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	10	0	0	8	80
LEGAL RELATED	3	0	0	1	33.33
LIBRARIANS AND RELATED PROFESSIONALS	1	0	0	0	0
LIBRARY MAIL AND RELATED CLERKS	2	0	0	1	50
LIGHT VEHICLE DRIVERS	11	0	0	6	54.55

LOGISTICAL SUPPORT PERSONNEL	1	0	0	1	100
MECHANICAL ENGINEERING THECHNICIANS	1	0	0	1	100
MESSENGERS PORTERS AND DELIVERERS	62	0	0	44	70.97
MOTOR VEHICLE DRIVERS	364	7	1.92	184	50.55
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	871	7	0.8	608	69.8
OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	185	3	1.62	134	72.43
OTHER INFORMATION TECHNOLOGY PERSONNEL.	2	0	0	2	100
OTHER OCCUPATIONS	1	0	0	0	0
REGULATORY INSPECTORS	778	0	0	548	70.44
ROAD SUPERINTENDENTS	15	0	0	6	40
ROAD TRADE WORKERS.	144	3	2.08	104	72.22
ROAD WORKERS	495	0	0	266	53.74
SAFETY HEALTH AND QUALITY INSPECTORS	2	0	0	2	100
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	31	0	0	9	29.03
SECURITY GUARDS	36	0	0	29	80.56
SECURITY OFFICERS	5	0	0	1	20
SENIOR MANAGERS	34	1	2.94	25	73.53
TRADE LABOURERS	96	0	0	71	73.96
TRADE TRAINERS	1	0	0	1	100
TOTAL	4096	27	0.66	2674	65.28

Table 3.5.5 Promotions by salary band for the period 1 April 2016 and 31 March 2017

Salary Band	Employees 1 April 2015	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
01 Lower Skilled (Levels 1-2), Permanent	417	0	0.00	71	17.03
02 Skilled (Levels 3-5), Permanent	1676	14	0.84	1267	75.60
03 Highly Skilled Production (Levels 6-8), Permanent	1442	9	0.62	982	68.10
04 Highly Skilled Supervision (Levels 9-12), Permanent	225	3	1.33	180	80.00
05 Senior Management (Levels 13-16), Permanent	38	1	2.63	33	86.84
09 Other, Permanent	33	0	0.00	0	0.00
10 Contract (Levels 1-2), Permanent	45	0	0.00	0	0.00
11 Contract (Levels 3-5), Permanent	11	0	0.00	3	27.27
12 Contract (Levels 6-8), Permanent	195	0	0.00	131	67.18
13 Contract (Levels 9-12), Permanent	12	0	0.00	6	50.00
14 Contract (Levels 13-16), Permanent	2	0	0.00	1	50.00
TOTAL	4096	27	0.66	2674	65.28

EMPLOYMENT EQUITY

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 - SENIOR OFFICIALS AND MANAGERS	15	0	1	3	15	0	1	0	35
02 - PROFESSIONALS	34	0	11	14	50	2	4	7	122
03 - TECHNICIANS AND ASSOCIATE PROFESSIONALS	247	11	31	23	244	6	33	26	621
04 - CLERKS	169	10	41	9	667	27	94	74	1091
05 - SERVICE SHOP AND MARKET SALES WORKERS	364	27	94	38	215	11	29	13	791
07 - CRAFT AND RELATED TRADE WORKERS	160	3	21	23	62	0	0	0	269
08 - PLANT AND MACHINE OPERATORS AND ASSEMBLERS	331	0	0	2	27	0	0	0	360
09 - LABOURERS AND RELATED WORKERS	459	1	4	2	303	1	2	0	772
UNKNOWN	2	0	0	0	3	0	0	0	5
TOTAL	1781	52	203	114	1586	47	163	120	4066

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	2	0	0	1	1	0	0	0	4
02 Senior Management, Permanent	11	0	3	6	21	0	1	1	43
03 Professionally qualified and experienced specialists and mid-management, Permanent	90	9	24	26	83	2	13	7	254
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	539	32	133	73	482	27	85	106	1477
05 Semi-skilled and discretionary decision making, Permanent	833	10	35	6	602	17	59	6	1568
06 Unskilled and defined decision making, Permanent	114	0	2	1	240	1	2	0	360
07 Not Available, Permanent	34	0	0	0	70	0	0	0	104
08 Contract (Top Management), Permanent		1	0	0	0	0	0	0	1
09 Contract (Senior Management), Permanent		1	0	0	0	0	0	0	1
10 Contract (Professionally Qualified), Permanent		9	0	2	4	0	2	0	17
11 Contract (Skilled Technical), Permanent		124	0	4	67	0	0	0	196

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
12 Contract (Semi-Skilled), Permanent	23	1	0	0	16	0	1	0	41
TOTAL	1781	52	203	114	1586	47	163	120	4066

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
03 Professionally qualified and experienced specialists and mid-management, Permanent	4	0	0	0	0	0	0	0	4
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2	0	0	0	7	0	0	0	9
05 Semi-skilled and discretionary decision making, Permanent	23	0	0	0	16	0	0	0	39
06 Unskilled and defined decision making, Permanent	16	0	0	0	14	0	0	0	30
07 Not Available, Permanent	36	0	1	0	72	0	0	0	109
10 Contract (Professionally qualified), Permanent	3	0	0	0	1	0	0	0	4
11 Contract (Skilled technical), Permanent	1	0	0	0	0	0	0	0	1
12 Contract (Semi-skilled), Permanent	6	0	0	0	2	0	1	0	9
TOTAL	92	0	1	0	112	0	1	0	206
Employees with disabilities	8	0	0	0	9	0	0	0	17

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1	0	0	0	0	0	0	0	1
02 Senior Management, Permanent	9	0	1	5	17	0	1	0	33
03 Professionally qualified and experienced specialists and mid-management, Permanent	52	7	23	19	62	2	9	9	183

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	393	18	72	35	364	16	51	42	991
05 Semi-skilled and discretionary decision making, Permanent	639	10	30	4	521	17	54	6	1281
06 Unskilled and defined decision making, Permanent	10	0	1	0	59	1	0	0	71
09 Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
10 Contract (Professionally qualified), Permanent	4	0	2	0	0	0	0	0	6
11 Contract (Skilled technical), Permanent	81	0	1	1	48	0	0	0	131
12 Contract (Semi-skilled), Permanent	0	0	0	0	3	0	0	0	3
TOTAL	1190	35	130	64	1074	36	115	57	2701
Employees with disabilities	5	0	2	4	5	0	2	2	20

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
02 Senior Management, Permanent	0	0	0	2	0	0	0	1	3
03 Professionally qualified and experienced specialists and mid-management, Permanent	3	0	1	2	3	0	0	1	10
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	20	0	5	3	20	0	0	10	58
05 Semi-skilled and discretionary decision making, Permanent	92	0	2	0	18	1	1	1	115
06 Unskilled and defined decision making, Permanent	2	0	0	0	1	0	0	0	3
07 Not Available, Permanent	23	0	1	0	49	0	0	0	73
11 Contract (Skilled technical), Permanent	5	0	0	0	4	0	0	0	9
12 Contract (Semi-skilled), Permanent	14	0	0	0	5	0	4	0	23
TOTAL	159	0	9	7	100	1	5	13	294
Employees with disabilities	0	0	0	0	1	0	0	0	1

Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written Warning	15				4	1	1	1	22
Dismissal				1					1
Case Withdrawn			1						1
GRAND TOTAL	15		1	1	4	1	1	1	24
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	1	0	2	0	3	0	2	0	8
Professionals	31	3	4	12	47	1	8	9	115
Technicians and Associate Professionals	208	1	11	9	200	0	20	7	456
Clerks	93	6	21	4	369	7	42	27	569
Service and Sales Workers	154	17	63	13	116	5	18	8	394
Craft and related trades workers	56	0	25	11	8	0	0	0	100
Plant and Machine Operators and Assemblers	216	0	0	0	24	0	0	0	240
Elementary Occupations	238	1	8	4	241	0	0	0	492
TOTAL	997	28	134	53	1 008	13	90	51	2 374
Employees with disabilities	5	0	2	0	9	0	0	1	17

Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2016

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Head of Department	1	1	1	100
Salary Level 15	4	3	3	100
Salary Level 14	11	8	8	100
Salary Level 13	32	23	23	100
Total	48	35	35	100

NOTES

In the event of a National or Provincial election occurring within the first three months of a financial year all members of the SMS must conclude and sign their performance agreements for that financial year within three months following the month in which the elections took place. For example if elections took place in April, the reporting date in the heading of the table above should change to 31 July 20ZZ.

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 May 2016

Reasons
NONE

NOTES

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.



Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 May 2016

Reasons
NONE

NOTES

The reporting date in the heading of this table should be aligned with that of Table 3.7.1.

Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Female	350	1567	22.34	5,466.17	15,617.63
African, Male	240	1765	13.6	3,192.62	13,302.59
Asian, Female	74	159	46.53	1,453.47	19,646.75
Asian, Male	58	201	28.86	1,314.98	22,671.99
Coloured, Female	18	47	38.3	247.3	13,738.90
Coloured, Male	13	52	25	267.08	20,544.88
White, Female	54	118	45.76	1,191.24	22,059.92
White, Male	40	110	36.36	1,080.92	27,022.91
Employees with a disability	11	47	23.4	343.93	31,266.79
TOTAL	858	4066	21.1	14,557.70	16,967.42

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
01 Lower Skilled (Levels 1-2)	48	360	13.33	333.83	6,954.89
02 Skilled (Levels 3-5)	323	1568	20.6	3,161.04	9,786.49
03 Highly Skilled Production (Levels 6-8)	340	1477	23.02	6,018.71	17,703.13
04 Highly Skilled Supervision (Levels 9-12)	111	254	43.7	3,958.34	35,660.72
09 Other	0	104	0	0	0
11 Contract (Levels 3-5)	5	41	12.2	54.28	10,856.72
12 Contract (Levels 6-8)	20	196	10.2	256.2	12,809.98
13 Contract (Levels 9-12)	1	17	5.88	33.32	33,324.48
TOTAL	848	4017	21.11	13,815.73	16,292.52

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile		Cost		
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
ADMINISTRATIVE RELATED	66	137	48.18	2,380.19	36,063.41
ALL ARTISANS IN THE BUILDING METAL MACHINERY ETC.	17	96	17.71	274.83	16,166.41
ARTISAN PROJECT AND RELATED SUPERINTENDENTS	4	14	28.57	86.53	21,632.65
AUXILIARY AND RELATED WORKERS	10	32	31.25	154.33	15,432.52
BUILDING AND OTHER PROPERTY CARETAKERS	3	10	30	29.87	9,957.92
BUS AND HEAVY VEHICLE DRIVERS	1	8	12.5	8.07	8,068.80
CARTOGRAPHIC SURVEYING AND RELATED TECHNICIANS	3	5	60	65.25	21,748.40
CIVIL ENGINEERING TECHNICIANS	35	260	13.46	650.02	18,572.07
CLEANERS IN OFFICES WORKSHOPS HOSPITALS ETC.	31	121	25.62	209.4	6,754.78
CLIENT INFORM CLERKS(SWITCHB RECEIPT INFORM CLERKS)	20	26	76.92	343.14	17,157.16
COMMUNICATION AND INFORMATION RELATED	2	3	66.67	60.21	30,106.02
ENGINEERING SCIENCES RELATED	6	18	33.33	272.18	45,362.89
ENGINEERS AND RELATED PROFESSIONALS	16	40	40	491.39	30,712.06
FINANCE AND ECONOMICS RELATED	2	3	66.67	121.55	60,773.60
FINANCIAL AND RELATED PROFESSIONALS	4	9	44.44	169.23	42,307.20
FINANCIAL CLERKS AND CREDIT CONTROLLERS	3	11	27.27	58.5	19,499.81
FOOD SERVICES AIDERS AND WAITERS	11	18	61.11	82	7,454.47
GENERAL LEGAL ADMINISTRATION & REL. PROFESSIONALS	0	1	0	0	0
HEAD OF DEPARTMENT/CHIEF EXECUTIVE OFFICER	0	1	0	0	0
HUMAN RESOURCES & ORGANISAT DEVELOPM & RELATE PROF	3	22	13.64	60.2	20,067.81
HUMAN RESOURCES CLERKS	21	78	26.92	218.34	10,397.02
HUMAN RESOURCES RELATED	3	12	25	115.01	38,337.59
LANGUAGE PRACTITIONERS INTERPRETERS & OTHER COMMUN	6	9	66.67	85.1	14,182.95
LEGAL RELATED	0	2	0	0	0
LIBRARIANS AND RELATED PROFESSIONALS	1	1	100	30.06	30,057.30
LIBRARY MAIL AND RELATED CLERKS	1	2	50	16.36	16,360.38
LIGHT VEHICLE DRIVERS	3	8	37.5	24.53	8,176.18
LOGISTICAL SUPPORT PERSONNEL	1	1	100	28.74	28,743.78
MECHANICAL ENGINEERING THECHNICIANS	0	1	0	0	0
MESSENGERS PORTERS AND DELIVERERS	21	58	36.21	153.18	7,294.16
MOTOR VEHICLE DRIVERS	30	344	8.72	295.5	9,849.89
OTHER ADMINISTRAT & RELATED CLERKS AND ORGANISERS	272	943	28.84	3,283.48	12,072.50

OTHER ADMINISTRATIVE POLICY AND RELATED OFFICERS	64	183	34.97	1,323.29	20,676.38
OTHER INFORMATION TECHNOLOGY PERSONNEL.	2	2	100	27.46	13,729.35
OTHER OCCUPATIONS	0	1	0	0	0
REGULATORY INSPECTORS	88	755	11.66	1,759.34	19,992.47
ROAD SUPERINTENDENTS	1	13	7.69	9.81	9,813.90
ROAD TRADE WORKERS.	22	145	15.17	214.8	9,763.44
ROAD WORKERS	36	481	7.48	264.66	7,351.57
SAFETY HEALTH AND QUALITY INSPECTORS	0	2	0	0	0
SECRETARIES & OTHER KEYBOARD OPERATING CLERKS	16	31	51.61	334.49	20,905.53
SECURITY GUARDS	5	31	16.13	25.04	5,007.21
SECURITY OFFICERS	5	5	100	53.18	10,636.00
SENIOR MANAGERS	9	33	27.27	682.69	75,853.97
TRADE LABOURERS	13	89	14.61	86.84	6,679.68
TRADE TRAINERS	1	1	100	8.95	8,954.55
TOTAL	858	4066	21.1	14,557.70	16,967.42

NOTES

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Critical occupations are defined as occupations or sub-categories within an occupation in which there is a scarcity of qualified and experienced persons currently or anticipated in the future, either because such skilled persons are not available or they are available but do not meet the applicable employment criteria; for which persons require advanced knowledge in a specified subject area or science or learning field and such knowledge is acquired by a prolonged course or study and/or specialised instruction; where the inherent nature of the occupation requires consistent exercise of discretion and is predominantly intellectual in nature; and in respect of which a department experiences a high degree of difficulty to recruit or retain the services of employees.

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost		% of SMS Wage Bill
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	8	23	34.78	626.81	78,350.95	0.02
Band B	2	8	25	115.17	57,583.50	0.01
Band C	0	3	0	0	0	0
Band D	0	1	0	0	0	0
TOTAL	10	35	28.57	741.97	74,197.46	0.01

FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2016 and 31 March 2017

Salary band	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	1	20	2	25	1	33.33
Highly skilled supervision (Levels 9-12)	1	20	2	25	1	33.33
Other	2	40	2	25	0	0
Skilled (Levels 3-5)	1	20	2	25	1	33.33
TOTAL	5	100	8	100	3	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 and 31 March 2017

Major Occupation	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative office workers	1	20	2	25	1	33.33
Other occupations	2	40	2	25	0	0
Professionals and managers	2	40	4	50	2	66.67
TOTAL	5	100	8	100	3	100

LEAVE UTILISATION

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

Table 3.10.1 Sick leave for the period 1 January 2016 to 31 December 2016

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)
Contract (Levels 1-2)	3	33.33	1	0.03	3	2
Contract (Levels 13-16)	4	100	1	0.03	4	15
Contract (Levels 3-5)	104	52.88	30	0.98	3.47	66
Contract (Levels 6-8)	740	42.03	111	3.63	6.67	872
Contract (Levels 9-12)	67	52.24	10	0.33	6.7	156
Contract Other	245	25.31	81	2.65	3.02	66
Highly skilled production (Levels 6-8)	12626	52.12	1241	40.57	10.17	14183
Highly skilled supervision (Levels 9-12)	1398	53.58	190	6.21	7.36	3039
Lower skilled (Levels 1-2)	1980	56.73	253	8.27	7.82	916
Senior management (Levels 13-16)	175	56.57	32	1.05	5.47	653
Skilled (Levels 3-5)	11159	56.5	1109	36.25	10.06	7973
TOTAL	28501	53.77	3059	100	9.32	27941

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 6-8)	54	100	3	6.52	18	69
Highly skilled production (Levels 6-8)	767	100	15	32.61	51.13	827
Highly skilled supervision (Levels 9-12)	209	100	3	6.52	69.67	96
Lower skilled (Levels 1-2)	11	100	2	4.35	5.5	5
Skilled (Levels 3-5)	1073	98.79	23	50	46.65	758
TOTAL	2114	99.39	46	100	45.96	1755

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

Table 3.10.3 Annual Leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	12	6	2
Contract (Levels 13-16)	29	2	14.5
Contract (Levels 3-5)	643	62	10.37
Contract (Levels 6-8)	3174	195	16.28
Contract (Levels 9-12)	253	14	18.07
Contract Other	850	125	6.8
Highly skilled production (Levels 6-8)	34493	1473	23.42
Highly skilled supervision (Levels 9-12)	5913	259	22.83
Lower skilled (Levels 1-2)	6399	354	18.08
Senior management (Levels 13-16)	931	48	19.4
Skilled (Levels 3-5)	36651	1651	22.2
TOTAL	89347	4189	21.33

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2016
Highly skilled production (Levels 6-8)	188	38	4.95	59.81
Highly skilled supervision (Levels 9-12)	55	8	6.88	75.15
Lower skilled (Levels 1-2)				21.36
Senior management (Levels 13-16)				96.04
Skilled (Levels 3-5)	118	21	5.62	64.1
TOTAL	361	67	5.39	63.25

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

Table 3.10.5 Leave payouts for the period 1 April 2016 and 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service for current financial year	8 526	150	56 838
Current leave payout on termination of service for current financial year	258	19	13 577
TOTAL	8 784	169	51 974

HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
All Employees	All employees have been exposed to educational campaigns such as HCT Campaign on importance of testing and knowing their status as well as on the risks of contracting HIV/AIDS. HIV and TB training has been conducted to employees and it is an ongoing.
All Employees	Condom container shave been purchased and put up in strategic points in all Regions within the Department. Office services maintain the filling of these containers with condoms on a regular basis and the EAP Component monitors this.
All Employees	The Employee Health and Wellness Committee members were trained on HIV/AIDS and TB management training within the department by the Employee Health and Wellness Component.



Transport, Community Safety and Liasion MEC Mxolisi Kaunda receiving a briefing from members of staff of the department's Pietermaritzburg Region. PHOTO: MBUYISELO NDLOVU

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

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	YES		DDG for Corporate Services: Ms S Ngubo and Chief Director: HRM : Ms C Zwane
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		"The EHWP Component was initiated in 2005 and is headed by an Assistant Director, Senior Employee Practitioner are assisting the Component. The budget is R4,706.976 for this financial year."
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		Professional Counselling, Assessment, Debriefing, Crisis intervention, Referral and Consultation to key staff.
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		The Department has formed the EHWP committee members in all Regions and it comprises of two or three members within each Region. The function of the Committee members is to assist with the coordination of various projects and programs and referrals of employees to EAP Component for assistance.
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 four Strategic Frameworks for EH&W have been approved by Head of the Department and all were adopted as department policies.
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		All services offered are treated as strictly confidential and any discrimination whatsoever will be dealt with via the disciplinary process. Employees within the EHWP Component sign a confidentiality form informing them of what is expected of them and why.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	YES		The Department has initiated the Wellness clinic whereby the Voluntary Testing is encouraged, there is an increased number of officials wanting to know their status. With the help of our in house Doctor a number of employees are being treated for Chronic Diseases at work. All type of counselling (Pre- counselling and Post counselling) are done to our employees when they are coming for HIV test. All staff counselled before agreeing to any tests. Should the employee test positive then they are given Immune Boosters, as well monitoring of their CD 4 count by the Departments in house Doctor.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	YES		Evaluating clinic attendance by employees, changes are noticeable by supervisors with regards to absenteeism, since the in- house clinics are operational within the department.

LABOUR RELATIONS

Table 3.12.1 Collective agreements for the period 1 April 2016 and 31 March 2017

Subject matter	Date
NONE	

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2017

Outcomes of disciplinary hearings	Number	% of total
Final Written Warning	22	92
Dismissal	1	4
Case Withdrawn	1	4
TOTAL	24	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2016 and 31 March 2017

Type of misconduct	Number	% of total
Fraud/Theft	20	84
Social Grant Misconduct	0	
Low Income Housing	0	
Insubordination	0	
Misuse of State property	1	4
Under the influence of alcohol	0	
Absenteeism	1	4
Assault	1	4
Other	1	4
TOTAL	24	100

Table 3.12.4 Grievances logged for the period 1 April 2016 and 31 March 2017

Grievances	Number	% of Total
Number of grievances resolved	93	46.26
Number of grievances not resolved	108	53.74
Total number of grievances lodged	201	100

Table 3.12.5 Disputes logged with Councils for the period 1 April 2016 and 31 March 2017

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	18	100

Table 3.12.6 Strike actions for the period 1 April 2016 and 31 March 2017

Total number of persons working days lost	NONE
Total costs working days lost	NONE
Amount recovered as a result of no work no pay (R'000)	NONE

Table 3.12.7 Precautionary suspensions for the period 1 April 2016 and 31 March 2017

Number of people suspended	3
Number of people who's suspension exceeded 30 days	1
Average number of days suspended	30
Cost of suspension (R'000)	R83 4293

Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 20YY	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	28	0	28
	Male		0	17	0	17
Professionals	Female		0	95	0	95
	Male		0	35	0	35
Technicians and associate professionals	Female		0	794	0	794
	Male		0	415	0	415
Clerks	Female		0	1130	0	1130
	Male		0	173	0	173
Service and sales workers	Female		0	422	0	422
	Male		0	1197	0	1197
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	11	0	11
	Male		0	97	0	97
Plant and machine operators and assemblers	Female		0	50	0	50
	Male		0	853	0	853
Elementary occupations	Female		0	279	0	279
	Male		0	370	0	370
Sub Total	Female		0	2809	0	2809
	Male		0	3157	0	3157
Total			0	5966	0	5966

Table 3.13.2 Training provided for the period 1 April 2016 and 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 20YY	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female		0	5	0	5
	Male		0	3	0	3
Professionals	Female		0	65	0	65
	Male		0	50	0	50
Technicians and associate professionals	Female		0	227	0	227
	Male		0	229	0	229
Clerks	Female		0	445	0	445
	Male		0	124	0	124
Service and sales workers	Female		0	147	0	147
	Male		0	247	0	247
Skilled agriculture and fishery workers	Female		0	0	0	0
	Male		0	0	0	0
Craft and related trades workers	Female		0	8	0	8
	Male		0	92	0	92
Plant and machine operators and assemblers	Female		0	24	0	24
	Male		0	216	0	216
Elementary occupations	Female		0	241	0	241
	Male		0	251	0	251
Sub Total	Female		0	1162	0	1162
	Male		0	1212	0	1212
Total			0	2374	0	2374

INJURY ON DUTY

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2016 and 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	44	91.66%
Temporary Total Disablement	4	8.33%
Permanent Disablement	0	0%
Fatal	0	0%
Total	48	100%

UTILISATION OF CONSULTANTS

The following tables relates information on the utilisation of consultants in the department. In terms of the Public Service Regulations “consultant’ means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- The rendering of expert advice;
- The drafting of proposals for the execution of specific tasks; and
- The execution of a specific task which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2016 and 31 March 2017

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

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017

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

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2016 and 31 March 2017

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
NONE			
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
NONE			

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2016 and 31 March 2017

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
NONE			

SEVERANCE PACKAGES

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 and 31 March 2017

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
NONE	NONE	NONE	NONE	NONE



Transport, Community Safety and Liaison MEC with Subsidised Bus Services operators in Richards Bay in October 2016. PHOTO: THAMI MKHULISA



Transport, Community Safety and Liaison MEC in one of the new Subsidised Buses during the announcement of new empowerment contracts in Richards Bay in October 2016. PHOTO: THAMI MKHULISA

PART E

Financial Information

VOTE 12

FOR THE YEAR ENDED 31 MARCH 2017

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**AUDITORS'S REPORT FOR THE YEAR
ENDED 31 MARCH 2017
DEPARTMENT OF TRANSPORT
KWAZULU-NATAL**



Report of the Auditor-General to KwaZulu-Natal Provincial Legislature on Vote no. 12: Department of Transport.

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the KwaZulu-Natal Department of Transport set out on pages 136 to 219, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the KwaZulu-Natal Department of Transport as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standards (MCS) as prescribed by National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA).

Basis for qualified opinion

Immovable tangible capital assets

3. The department did not recognise the value of all road infrastructure assets that the department had gained ownership through legislation as required by the MCS on Capital Assets. Consequently, I was unable to determine the full extent of the understatement of immovable tangible capital assets stated at R1,59 billion (2016: R1,54 billion) in note 32 to the financial statements, as it was impractical to do so.

Irregular expenditure

4. The department did not disclose the full extent of irregular expenditure for payments made in contravention of the supply chain management prescripts, as required by section 40(3)(b)(i) of the PFMA. Consequently, I was unable to determine the full extent of the understatement of irregular expenditure stated at R4,48 billion (2016: R527,14 million) in note 26 to the financial statements, as it was impractical to do so.

Accruals and payables not recognised

5. The department did not maintain an adequate system to disclose all invoices for work done at year-end as accruals and payables, as required by the MCS on General Departmental Assets and Liabilities. Consequently, I was unable to determine the full extent of the understatement of accruals and payables not recognised stated at R752,87 million in note 22 to the financial statements, as it was impractical to do so.
6. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
7. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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Emphasis of matters

9. I draw attention to the matters below.

Uncertainty relating to the future outcome of litigations

10. As disclosed in note 20 to the financial statements, the department is the defendant in various claims. The ultimate outcome of these claims cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

Material impairments – accrued departmental revenue

11. As disclosed in note 25.3 to the financial statements, material impairments amounting to R653,48 million were incurred as a result of a review of the recovery of accrued departmental revenue.

Other matter

12. I draw attention to the matter below.

Unaudited supplementary schedules

13. The supplementary information set out on pages 220 to 232 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with applicable financial reporting framework and the requirements of the PFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

15. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention to liquidate or cease operations, or has no realistic alternative but to do so.

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

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

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.



Report on the audit of the annual performance report

Introduction and scope

18. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
19. My procedures address the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
20. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2017:

Programmes	Pages in the annual performance report
Programme 2 – transport infrastructure	44
Programme 3 – transport operations	45-46
Programme 4 – transport regulations	46

21. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
22. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 2 – transport infrastructure

Indicator – Number of kilometres of gravel roads re-gravelled

23. The reported achievement for the indicator was misstated as the evidence provided indicated an estimated 2 957 and not 2 330 as reported.

Indicator – Number of square metres of blacktop patching

24. The reported achievement for the indicator was misstated as the evidence provided indicated an estimated 402 059 and not 353 781 as reported.

Programme 3 – transport operations

Indicator - Number of routes subsidised

25. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the indicator. This was due to insufficient information provided to support the reported achievement. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of 1 709.

Programme 4 – transport regulations

Indicator - Number of drunken driving operations conducted

26. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the indicator. This was due to insufficient information provided to support the reported achievement. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of 399.

Indicator - Number of vehicles stopped and checked

27. The department did not have an adequate performance management system to maintain records to enable reliable reporting on achievement of targets. Sufficient appropriate audit evidence could not be provided in some instances while in other cases the evidence provided did not agree to the recorded achievements. This resulted in a misstatement of the target achievement reported as the evidence provided indicated estimated achievement as 807 000 and not 1 264 674. I was also unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements.

Indicator - Number of operator permits still to be converted into licences

28. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the indicator. This was due to insufficient information provided to support the reported achievement. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement of 201.

Other matters

29. I draw attention to the matters below.

Achievement of planned targets

30. The annual performance report on pages 44 to 49 includes information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a number of targets. This information should be considered in the context of the material findings expressed on the reliability of the reported performance information in paragraphs 23 to 28 of this report.

Adjustment of material misstatements

31. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the transport infrastructure, transport operations and transport regulations programmes. As management subsequently corrected only some of the misstatements, I reported material findings on the reliability of the reported performance information.

Report on audit of compliance with legislation

Introduction and scope

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

33. The material findings in respect of the compliance criteria for the applicable subject matters are as follows:



Annual financial statements

34. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

35. Effective steps were not taken to prevent irregular expenditure, as required by section 38(1)(c) (ii) of the PFMA and treasury regulation 9.1.1. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualified opinion paragraph. The majority of the disclosed irregular expenditure was caused by non-application of preference points for goods and services above R30, 000.00. Similar non-compliance was also reported in the prior year.

Procurement and contract management

36. Some of the goods and services with a transaction value below R500, 000.00 were procured without obtaining the required price quotations, as required by treasury regulation 16A6.1. Similar non-compliance was also reported in the prior year.

37. Some of the goods and services with a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulation 16A6.1. Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of treasury regulation 16A6.4. Similar non-compliance was also reported in the prior year.

38. The preference point system was not applied in all of the procurement of goods and services above R30, 000.00 as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) (PPPFA) and treasury regulation 16A6.3 (b). Similar non-compliance was also reported in the prior year.

39. Some contracts and quotations were awarded to bidders based on preference points that were not allocated and calculated in accordance with the requirements of the PPPFA and its regulations.

40. Bid documentation for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by preferential procurement regulation 9(1).

Other information

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

42. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

43. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

44. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

45. Decisive leadership oversight and monitoring over the financial, performance and compliance was not effective to support the objectives of transparent, credible and reliable reporting. In addition, actions and tasks assigned to officials were not executed diligently to address previous recommendations and audit findings.

Financial and performance management

46. Management did not compile and maintain monthly registers to support financial statement disclosures which were reviewed on a regular basis.

47. Management did not perform regular sufficient validation reviews of reported performance information together with the monitoring and evaluation component.

48. Non-compliance could have been prevented, had management updated and regularly monitored adherence to their compliance checklists.

Governance

49. Management did not regularly monitor and revise their mitigating controls to prevent the materialisation of the risks of inaccurate, incomplete financial and performance reporting including the non-compliance with key legislation.

Other reports

50. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

51. At the request of the department, the provincial treasury conducted 38 investigations covering the period 1 December 2010 to 31 March 2017, relating to various procurement irregularities and fraudulent payments made to suppliers and employees. Twenty-one investigations were completed and 17 were still in progress at year-end.

Auditor-General

Pietermaritzburg

31 July 2017



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence



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Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

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

Communication with those charged with governance

53. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
54. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.



MEC for Transport, Community Safety and Liaison Mxolisi Kaunda during an interview with Gagasi FM.
PHOTO: THAMI MKHULISA

REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PROVINCIAL LEGISLATURE OF THE PROVINCE OF KWAZULU-NATAL, REPUBLIC OF SOUTH AFRICA

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS.

1.1. IMPORTANT POLICY DECISIONS AND STRATEGIC ISSUES FACING THE DEPARTMENT

- The Department continued to adhere to the expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, in conjunction with Nation Treasury Instruction 01 of 2013/14: Cost contained measures.
- The issue of women, youth and disability advocacy is paramount in all Departmental programmes and policies. The Department continues with its mandate to support and give preference to women, youth and the disabled in our procurement processes. Targets have been set to encourage the participation of women, youth and disabled in the employment of labour in infrastructure construction and maintenance projects. The Department also consciously gives preference to both women and the disabled group when filling vacant posts.
- Although the Department's budget has grown over the years, the level of funding is inadequate considering the backlog with regard to road infrastructure. The situation has been exacerbated by the budget reductions. This has created a condition whereby the Department consciously chooses to fund a road programme that minimises the further deterioration of the primary road network, while at the same time maximising the allocations needed to provide isolated rural communities with appropriate access.
- The National Treasury's reduction of the Department's budget over the Medium-Term Expenditure Framework (MTEF) period has also impacted on our targeted delivery for construction. For our Department this equates to a reduction in our budget of –
 - **2015/2016 – R379.44 million**
 - **2016/2017 – R405.36 million**
 - **2017/2018 – R430.50 million**
- Nearly 75% of the Department's budget is allocated towards the upgrading and maintenance of road infrastructure in line with goals of providing a balanced road network that meets the mobility needs of KwaZulu-Natal citizens, and providing a logistics platform for South Africa's global trade, in accordance with the National Development Plan, the Provincial Growth and Development Strategies and the Provincial Growth and Development Plan.
- This shift in budget allocation is also in line with the *S'hamba Sonke – Moving Together* – programme that is a roads upgrade and maintenance initiative to fix and upgrade the entire secondary roads network of South Africa. The programme creates new opportunities for emerging contractors and jobs across the Province.

This ring-fenced conditional grant is implemented in the following give key areas:

- The rehabilitation of key arterial routes in support of the rural economy through labour intensive projects;
 - Prioritising the use of labour absorptive construction methods;
 - Elimination of potholes on our roads;
 - Creating access roads to schools and clinics and public social infrastructure; and
 - Establishing the Road Asset Management Systems (RAMS) and introducing "Know your Network Programme", this is about regional engineers in the province monitoring daily road conditions including any possible overnight damage.
- The departmental programmes like *Operation kuShunquthuli* continues to focus on road infrastructure development in the rural areas. The Department has identified key projects that will be the stimulus in linking the rural

communities to the provincial hub of activity, which achieves the strategic goal of providing access and mobility within the province, where the priority is in the rural areas in this term of governance. The Department continues to allocate a substantial amount of funding that goes towards the construction of Pedestrian Bridges. There is currently a backlog of pedestrian bridges and this initiative contributes towards providing access to educational and social facilities within the province.

- The Department is currently implementing the Public Transport Transformation Strategy which will provide for the incorporation of all modes of transport into the public transport subsidized contracts. The implementation of the Strategy remains one of the priorities of the Department. The programme has been successfully implemented in Port Shepstone. Taxi operators and small bus owners have ownership in the operation company and actively participate on day to day running of business. The Strategy has been rolled out to 16 additional subsidised bus contracts during this year.
- Based on the provincial Executive Council's Public Transport Strategy, the department commenced with negotiations of all subsidised contracts in 2015/16 and agreed with the current subsidised operators on contract splits (the percentage of subsidised kilometres which is operated by empowerment groups), where the current contracts were given to empowerment groups. The operators/beneficiaries are small bus operators and taxi operators, who benefited in terms of entering the transport market through empowerment initiatives. After successful negotiations with the main bus operators, and agreements reached in terms of contract splits, the department implemented the transformation strategy. A total of nine new empowerment contracts were implemented in 2016/17, and the identified beneficiaries were placed on the first phase of an incubation programme which will take a period of three years to ensure the successful implementation of the public transport transformation strategy.
- The Harry Gwala IPTN project was delayed as a result of the public transport operators' unwillingness to participate in the development of the IPTN programme. This resulted in long consultation processes, with agreement finally reached in December 2016, and the project is therefore currently in progress.
- In 2016/17, the department received R186 million toward learner transport services. The number of learners benefiting from the learner transport services is 43 990 from 316 schools. The increase in demand for the services placed tremendous pressures on the 2016/17 budget, and the department over-spend against the allocation at year-end. However, the pressures were offset through internal reprioritisation. Also, the Provincial Learner Transport Framework, which will guide the transportation of learners in the province, is currently in the procurement stage, and it is envisaged that the framework will be finalised in 2018/19.
- The effects of road accidents, especially those involving heavy duty vehicles, have resulted in added focus by the department on Safety matters involving all road users with particular attention on pedestrian safety, young road users, community involvement, and public and freight transport safety through *Operation Valingozi*. The department added focus on the prevention of accidents involving heavy load vehicles, especially at hazardous spots in the province, because of the frequency of the accidents. This accounts for the re-launched programme called *Operation Phezukwabo*, which strives to crack down on heavy load vehicles that put people's lives in danger on the roads.
- The department continued to take steps to create and promote a safe road environment with the aim of decreasing road fatalities by 30 per cent by 2020. To achieve this, the department invested in road safety education programmes to provide critical skills and tools that can assist in facilitating attitude and behavioural change among road users. This was achieved through a series of co-ordinated road safety education programmes and campaigns to inform and educate road users about risk factors and encouraging long-lasting behaviour modification.
- The department continued to expand community-based labour-intensive road construction and maintenance programmes, which are aligned with the objectives of the EPWP principles. In 2016/17, the department created 4 977 811 person days of employment, equating to 63 626 jobs created. This includes 46 552 for women, 17 594 for youth and 35 people living with disabilities. This programme contributed to the alleviation of poverty and created employment opportunities for people who will not usually find employment in the formal sector due to lack of formal education.
- The issue of job creation and poverty alleviation has always been in the forefront of the Department's activities and efforts in this regard will be intensified across all Programmes in keeping with government's mandate of ongoing job creation.
- The department continues its commitment to the economic transformation of the entire transport value chain, through the implementation of its IGULA Radical Socio-Economic Transformation Programmes and policies. IGULA stands for *Inclusive Growth, Unity and Economic Liberation of Africans in particular and Blacks in general*. Economic transformation will entail effecting procurement reforms to achieve empowerment targets for the youth (35%), women (30%), military veterans (10%) and people with disabilities (5%). Furthermore, the department will ensure that all its contracts integrate the minimum 30% local content target for beneficiating communities where work and services are and delivered and provided.



The department will also fast-track the development of small and local contractors, social enterprises, and co-operatives so that they can become active participants in the mainstream economy, and help drive job creation, across the transport sector including in public transport.

The results of the 2011 Census indicate a slight decrease in the Province's population. This resulted in a decrease in the province's equitable share allocation and a budget cut for the department. However, we will continue with our services and commitments to our communities with the same zest and commitment as before.

1.2 SPENDING TRENDS

Programme Name	2016/2017			2015/2016		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	314 310	314 310	-	258 972	258 972	-
Transport Infrastructure	7 082 291	7 054 362	27 929	6 820 455	6 821 519	(1 064)
Transport Operations	1 370 460	1 370 460	-	1 227 597	1 227 597	-
Transport Regulation	778 062	778 062	-	702 150	702 150	-
Community Based Programme	32 497	32 497	-	41 711	41 711	-
Total	9 577 620	9 549 691	27 929	9 050 885	9 051 949	(1 064)

PROGRAMME 1: ADMINISTRATION

NIL

The department fully spent its allocation against this programme.

PROGRAMME 2: TRANSPORT INFRASTRUCTURE UNDER-EXPENDITURE

R27.929 million

Some of the under expenditure against this programme is due to R2 million allocated for the planning of the cross-border crime fighting project commissioned by the Premier, for the construction of a barrier between KZN and a neighbouring country not being spent as planned. The planning was undertaken and completed by the appointed service provider, but the invoices were not submitted for payment on time. The department has requested a roll-over, as the payment will be made in 2017/18. Also, the construction of Main Road P577 which includes the Bus Rapid Transit (BRT) project is co-funded by eThekweni Metro. The Metro made a payment as reimbursement for the construction of bus lanes which resulted in under-expenditure of R25.246. As the project is ongoing, the department has requested a roll-over of this amount for the continuation of the project in 2017/18.

PROGRAMME 3: TRANSPORT OPERATIONS

NIL

The department fully spent its allocation against this programme.

PROGRAMME 4: TRANSPORT REGULATION

NIL

The department fully spent its allocation against this programme.

PROGRAMME 5: COMMUNITY BASED PROGRAMMES

NIL

The department fully spent its allocation against this programme.

1.3 VIREMENTS

Virements that have taken place during the 2016/17 financial year were as a result of savings identified between programmes and used to defray expenditure pressures against other programmes.

The purpose of these virements was to ensure service delivery and alignment to the Department's mandated objectives. The department hereby confirms that these virements remain within the stipulated eight percent under each main division. The virements that were applied in the 2016/17 Annual Financial Statements are as per the below:

Programme Name	Adjusted Appropriation	Virements	Final Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000
Administration	313 976	334	314 310	314 310	-
Transport Infrastructure	7 058 234	24 057	7 082 291	7 054 362	27 929
Transport Operations	1 359 169	11 291	1 370 460	1 370 460	-
Transport Regulation	811 743	(33 681)	778 062	778 062	-
Community Based Programme	34 498	(2 001)	32 497	32 497	-
Total	9 577 620	-	9 577 620	9 549 691	27 929

2. SERVICES RENDERED BY THE DEPARTMENT

2.1 LIST OF SERVICES

The services rendered by the Department are outlined in the various programmes below:

PROGRAMME 1: ADMINISTRATION

The purpose of Programme 1 is to provide the department with the overall management and administrative, strategic, financial and corporate support services (including human resource management, labour relations and legal services) in order to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner.

The programme consists of four sub-programmes in line with the sector specific budget format, namely: Office of the MEC, Management, Corporate Support, and Department Strategy.

PROGRAMME 2: TRANSPORT INFRASTRUCTURE

The purpose of Programme 2 is to promote accessibility and safe and affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social empowerment and economic growth.

Programme 2 is aimed at determining the needs for the development of road, freight and public transport infrastructure, implementing maintenance programmes, providing access roads for communities to unlock economic potential, and promoting community development and eco-tourism.

The programme consist of five sub-programmes in line with the sector specific budget format, namely: Support Infrastructure, Infrastructure Planning, Infrastructure Design, Construction and Maintenance.

PROGRAMME 3: TRANSPORT OPERATIONS

The purpose of Programme 3 is to plan, regulate and facilitate the provision of integrated land transport services through co-ordination and co-operation with national planning authorities, non-government organisations (NGOs) and the private sector to enhance the mobility of all communities, especially those without or with limited access, and to implement road safety education and awareness programmes.

The programme consists of three sub-programmes largely in line with the sector specific budget format, namely: Programme Support Operations, Public Transport Services and Transport Safety and Compliance.

The main functions include the development of policies and plans for public and freight transport service and supporting infrastructure, the regulation of public and freight transport services, and the enforcement of legislation in respect of public transport.

PROGRAMME 4: TRANSPORT REGULATION

The purpose of this programme is to ensure the provision of a safe road environment through the regulation of traffic on public infrastructure, law enforcement and the registration and licensing of vehicles and drivers.

The programme consists of four sub-programmes in the 2013/14 MTEF, in line with the sector specific budget format, namely: Programme Support Regulation, Transport Administration and Licensing, Operator Licence and Permits and Law Enforcement.

PROGRAMME 5: COMMUNITY BASED PROGRAMME

The purpose of this programme is to direct and manage the implementation of programmes and strategies that lead to the development and empowerment of communities. These include the following:

- The strategic planning and monitoring of programmes to further BBBEE.
- Programmes to bring about the development and empowerment of impoverished communities.
- The co-ordination of EPWP in the province.

The programme consists of four sub-programmes in line with the sector specific budget format, namely: Programme Support Community Based, Community Development, Innovation and Empowerment and EPWP Co-ordination and Monitoring.

Departmental Receipts

Departmental Receipts	2016/2017			2015/2016		
	Estimate	Actual Amount Collected	(Over) Under Collection	Estimate	Actual Amount Collected	(Over) Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
- Motor vehicle licences	1 535 734	1 599 531	(63 797)	1 481 000	1 490 173	(9 173)
Sale of goods and services other than capital assets	136 756	107 078	29 678	129 450	119 355	10 095
Fines, penalties and forfeits	38 341	47 257	(8 916)	38 088	45 671	(7 583)
Interest, dividends and rent on land	304	230	74	266	202	64
Sale of capital assets	4 805	27 205	(22 400)	2 650	6 221	(3 571)
Financial transactions in assets and liabilities	2 038	2 928	(890)	2 053	3 358	(1 305)
Total	1 717 978	1 784 229	(66 251)	1 653 507	1 664 980	(11 473)

The department collected revenue totalling R1.784 billion against a budget of R1.718 billion, which is higher than the budget R66.252 million, slightly higher than the preliminary over-collection of R64.155 million. The over-collection can be explained as follows:

- *Motor vehicle licences* collected R1.600 billion, which is higher than the budget of R1.536 billion. The over-collection is due to higher than anticipated applications for new and renewals of motor vehicle licences, which is dependent on the vehicle population registered in the province.
- *Fines, penalties and forfeits* collected R47.257 million for the year, which was higher than the budget by 23.3 per cent. This was due to higher than anticipated collections made in respect of traffic fines, where motorists that transgress the stipulated rules and regulations in the Road Traffic Act.
- *Sale of capital assets* collected R27.205 million against a budget of R4.805 million, relating to higher than anticipated performance from an auction of redundant motor vehicles. Revenue from auction sales is difficult to accurately estimate, as it depends on, among others, the condition of the assets on auction, the number of assets being placed

on auction, bid prices, as well as the demand on the day.

- *Transactions in financial assets and liabilities* collected R2.928 million against a budget of R2.038 million. The over-collection of R890 000 was due to higher than anticipated recoveries of previous years staff debts.

This over-collection was offset to some extent by under-collection in the following areas:

- *Sale of goods and services other than capital assets* collected R107.078 million against the budget of R136.756 million. Fees collected in respect of this category include, *inter alia*, house rentals, drivers' and learners' application fees, drivers' licence issuance and renewal fees, commission from payroll deductions, sale of tender documents, etc. The under-collection can be attributed to lower than anticipated applications for learners' and drivers' licences, drivers' licence issuance and renewal, and conversion of drivers' licences.
- *Interest, dividends and rent on land* was under-collected by R74 000 as a result of interest on staff debts being lower than anticipated. This category is difficult to accurately project, due to the uncertainty of recovering monies owed by staff.

2.3 FREE SERVICES

The Department does not render any free services that would have yielded significant revenue had a tariff been charged.

2.4 INVENTORIES

The inventory on hand at 31 March 2017 is R29, 451 000. Details of the inventory movements are included in Annexure 6 to the Annual Financial Statements.

3. CAPACITY CONSTRAINTS

Financial Constraints

The capacity of the Department to deliver efficiently and effectively on its mandate is dependent on the availability of a skilled and experienced workforce. The scarcity of certain skills in the South African labour market negatively affects the KwaZulu-Natal Department of Transport and its service delivery initiatives. This situation is exacerbated by the more competitive salaries offered by the private sector and municipalities for technicians and engineers.

One of the major constraints on the Department is the impact of HIV/AIDS on the workforce. Loss of skilled workers through sickness and death is not only a human tragedy but also negatively impacts on service delivery. In order to address this constraint the Department has implemented HIV/AIDS awareness and education programmes in order to reduce the impact of this pandemic on Departmental staff both personally and professionally. The Department has also implemented an Employee Wellness Programme which provided free medical testing and referral services to staff for all medical conditions, not just HIV/AIDS. The programme also provides counselling and lifestyle advice for staff in order to improve wellness. For staff with HIV/AIDS, the Department provided free nutritional supplementation packs.

4. UTILISATION OF AID ASSISTANCE

The detail of aid assistance received is tabled in Annexure 1H of the annual financial statements.

5. TRADING ENTITIES AND PUBLIC ENTITIES

The Department has no trading entities and public entities reporting to it.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

During 2016/17 the department made transfers payments to the Construction Education and Training Authority (CETA) and the Transport Education and Training Authority (TETA) levies in terms of the Skills Development Act, which is linked to the department's salary costs and fluctuates according to the department's salary bill.

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

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



8. CORPORATE GOVERNANCE ARRANGEMENTS

The Department operates in compliance with the Constitution of the Republic of South Africa, the Public Financial Management Act, the Public Service Act and all other relevant legislation governing its operations. The Department's Senior Management Team is committed to the principles of sound Corporate Governance and is aware of their responsibilities and accountability in respect to this.

A risk assessment was conducted by the department, in conjunction with the Provincial Internal Audit Unit. Consequently, the department has been able to compile a risk register that has enabled management to identify and effect control measures that will reduce or mitigate risks that may occur as the department moves towards the achievement of its strategic objectives.

9. DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

The function relating to the provision of Learner Transport will be moved across to the Department of Education at the end of the 2017/18 financial year, in order to better align the provision of transport with the needs as identified by the schools. The decision to transfer this function is a post balance sheet event, and was endorsed by the Provincial Executive Council.

10. NEW/ PROPOSED ACTIVITIES

There are no new or proposed activities during the financial year under review.

11. SUPPLY CHAIN MANAGEMENT

List of unsolicited bid proposals concluded for the year under review

There were no unsolicited bids received during this reporting period.

List whether SCM processes are in place to prevent irregular expenditure

The Department in the final stages of approving a departmental SCM Policy and Procedure Manual to standardise and improve the application of SCM processes in the department. It is envisioned that the SCM Policy will be approved by 15 June 2017 and the procedure Manual will be finalised shortly thereafter.

The department has as a pilot centralised all SCM functions conducted by its head office components. Should this centralisation be successful in reducing the SCM challenges experienced at head office, the intention is to roll this out to the regions with a centralised SCM Office at each regional office. The key deliverables of this centralisation are the standardisation of processes and the specialisation of officials performing SCM tasks.

These interventions together with audit improvement workshops have been put in place in order to mitigate irregular expenditure being incurred in the department.

Challenges experienced in SCM and how they were resolved

The challenges and interventions implemented have been discussed more fully above in paragraph 6.2.

12. GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES

The Department did not receive any donations during the period under review.

13. ASSET MANAGEMENT

All assets have been recorded on the Department's asset management system (HARDCAT) and an asset register was extracted as at 31 March 2017. The minimum requirements for the completion of the asset register and all asset management reforms and milestones have been complied with.

In addition to the normal day-to-day administration and management of the department's asset register, the department's Asset Management unit undertook key activities to improve the overall asset management environment of the department. These activities are as follows:

- Asset Verification – The Asset Management unit continued to co-ordinate the asset verification process. The focus of the 2016/17 annual asset verification is to ensure that all departmental assets are accounted for and to identify redundant and obsolete assets for disposal.

- Asset Disposal – During the 2016/17 financial year the department managed to dispose redundant and obsolete assets through a donation (mostly computer equipment), sale of scrap, auction sale (motor vehicles and plant). During the process, revenue amounting to R72.2 million was collected on the sale of capital and minor assets.

14. EVENTS AFTER THE REPORTING DATE

There are no significant events that occurred after the reporting date which will influence the interpretation of the results under review.

The transfer of the Learner Transport function is discussed under paragraph 4, however, this will not affect the interpretation of the results presented in the financial statements.

15. PERFORMANCE INFORMATION

The Department has clearly defined service delivery outputs which are managed by the appointed respective components and report in the prescribed format as defined by the treasury guideline document. Responsibility Managers reported on a quarterly basis on the progress made with regard to programme delivery and measurable objectives, as contained in the Department's Strategic Plan and the Annual Performance Plan.

16. SCOPA RESOLUTIONS

During the year under review all resolution that were raised by SCOPA were tabled and debated with satisfactory responses provided. The department continually monitors and updates the progress on the audit improvement plan to ensure issues raised are resolved. There are no outstanding resolution for the period under review.

17. PRIOR MODIFICATIONS TO AUDIT REPORTS

The department received a Qualified Audit Opinion for the 2016/17 financial year.

18. EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY

The department has not received any exemptions from the Modified Cash Standard (MCS) from National Treasury.

19. INTERIM FINANCIAL STATEMENTS

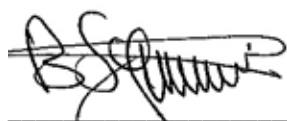
Interim financial statements were issued for various quarters of the financial year that depicted a true and fair view of the financial performance, financial position, changes to net assets and cash flows of the department at the end of each quarter. The interim financial statements were prepared on a modified cash basis of accounting ant the National Treasury – determined Framework as prescribed in the PFMA and Treasury Regulations and the relevant guidelines issued by the National Treasury.

20. OTHER

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

21. APPROVAL

The attached Annual Financial Statements have been approved by the Accounting Officer.



Mr. B.S. Gumbi
Head: Transport





Appropriation per programme										
	2016/17					2015/16				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Programme										
1. <u>Administration</u>	313 976	-	334	314 310	314 310	-	100.0%	306 021	306 021	306 021
2. <u>Transport Infrastructure</u>	7 058 234	-	24 057	7 082 291	7 054 362	27 929	99.6%	6 994 164	6 977 023	6 977 023
3. <u>Transport Operations</u>	1 359 169	-	11 291	1 370 460	1 370 460	-	100.0%	1 288 069	1 288 069	1 288 069
4. <u>Transport Regulation</u>	811 743	-	(33 681)	778 062	778 062	-	100.0%	737 790	737 790	737 790
5. <u>Community Based Programme</u>	34 498	-	(2 001)	32 497	32 497	-	100.0%	40 516	29 589	29 589
Programme sub total	9 577 620	-	-	9 577 620	9 549 691	27 929	99.7%	9 366 560	9 338 492	9 338 492
Statutory Appropriation										
TOTAL	9 577 620			9 577 620	9 549 691	27 929	99.7%	9 366 560	9 338 492	9 338 492
Reconciliation with Statement of Financial Performance										
Add:	Departmental receipts			1 784 229				1 664 980		
	NRF Receipts			-				-		
	Aid assistance			-				-		
Actual amounts per Statement of Financial Performance (Total Revenue)				11 361 849				11 031 540		
Add:	Aid assistance								14 602	
	Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance Expenditure					9 560 011				9 353 094	

Appropriation per economic classification										
	2016/17					2015/16				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
Current payments	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
	5 088 625		(289 391)	4 799 234	4 797 234		100%	4 107 186	4 071 018	4 071 018

Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Compensation of employees	1 634 625	-	(32 057)	1 602 568	1 602 568	-	100.0%	1 498 656	1 492 729
Salaries and wages	1 464 223	-	(30 277)	1 433 946	1 433 946	-	100.0%	1 341 760	1 335 833
Social contributions	170 402	-	(1 780)	168 622	168 622	-	100.0%	156 896	156 896
Goods and services	3 454 000	-	(257 334)	3 196 666	3 194 666	2 000	99.9%	2 608 527	2 578 286
Administrative fees	1 651	-	5 663	7 314	7 314	-	100.0%	1 903	1 903
Advertising	8 750	-	(895)	7 855	7 855	-	100.0%	12 694	12 694
Minor assets	12 157	-	(4 737)	7 420	7 420	-	100.0%	6 588	6 588
Audit costs: External	7 678	-	(1 778)	5 900	5 900	-	100.0%	6 456	6 456
Bursaries: Employees	1 058	-	(401)	657	657	-	100.0%	134	134
Catering: Departmental activities	5 910	-	(1 328)	4 582	4 582	-	100.0%	5 559	5 559
Communication (G&S)	33 363	-	5 306	38 669	38 669	-	100.0%	35 691	35 691
Computer services	57 031	-	9 183	66 214	66 214	-	100.0%	48 669	48 669
Consultants: Business and advisory services	98 259	-	(15 630)	82 629	82 629	-	100.0%	117 399	117 399
Infrastructure and planning services	198 038	-	31 439	229 477	227 447	2 000	99.1%	135 444	135 444
Laboratory services	513	-	75	588	588	-	100.0%	513	513
Legal services	20 738	-	7 227	27 965	27 965	-	100.0%	22 854	22 854
Contractors	2 119 440	-	(260 185)	1 859 255	1 859 255	-	100.0%	1 537 588	1 507 347
Agency and support / outsourced services	13 939	-	(4 144)	9 795	9 795	-	100.0%	10 267	10 267
Entertainment	-	-	-	-	-	-	-	2	2
Fleet services (including government motor transport)	71 552	-	294	71 846	71 846	-	100.0%	86 160	86 160

Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Inventory: Clothing material and accessories	3 356	-	4 505	7 861	7 861	-	100.0%	8 082	8 082
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	957	-	(28)	929	929	-	100.0%	721	721
Inventory: Fuel, oil and gas	18 609	-	18 902	37 511	37 511	-	100.0%	40 050	40 050
Inventory: Learner and teacher support material	179	-	9	188	188	-	100.0%	342	342
Inventory: Materials and supplies	81 814	-	(18 932)	62 882	62 882	-	100.0%	76 504	76 504
Inventory: Medical supplies	1	-	(1)	-	-	-	-	-	-
Inventory: Medicine	455	-	456	911	911	-	100.0%	460	460
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	7 238	-	(789)	6 449	6 449	-	100.0%	15 911	15 911
Consumable: Stationery, printing and office supplies	16 321	-	680	17 001	17 001	-	100.0%	9 646	9 646
Operating leases	33 879	-	(706)	33 173	33 173	-	100.0%	27 692	27 692
Property payments	104 135	-	22 862	126 997	126 997	-	100.0%	96 855	96 855
Transport provided: Departmental activity	237 642	-	6 850	244 492	244 492	-	100.0%	215 260	215 260
Travel and subsistence	62 045	-	11 189	73 234	73 234	-	100.0%	61 053	61 053
Training and development	6 509	-	1 478	7 987	7 987	-	100.0%	6 496	6 496
Operating payments	7 271	-	(2 252)	5 019	5 019	-	100.0%	12 255	12 255
Venues and facilities	12 079	-	(2 619)	9 460	9 460	-	100.0%	8 982	8 982
Rental and hiring	211 433	-	(69 027)	142 406	142 406	-	100.0%	297	297
Interest and rent on land	-	-	-	-	-	-	-	3	3
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	3	3

Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 037 226	-	(3 833)	1 033 393	1 033 393	-	100.0%	1 021 815	1 016 815
Provinces and municipalities	4 691	-	402	5 093	5 093	-	100.0%	4 537	4 537
Provinces	4 691	-	402	5 093	5 093	-	100.0%	4 537	4 537
Provincial agencies and funds	4 691	-	402	5 093	5 093	-	100.0%	4 537	4 537
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 705	-	(1 719)	3 986	3 986	-	100.0%	1 608	1 608
Departmental agencies (non-business entities)	5 705	-	(1 719)	3 986	3 986	-	100.0%	1 608	-1 608
Public corporations and private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	998 057	993 057
Private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	998 057	993 057
Other transfers to private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	998 057	993 057
Households	15 784	-	(2 555)	13 229	13 229	-	100.0%	17 613	17 613
Social benefits	11 925	-	(1 447)	10 478	10 478	-	100.0%	9 240	9 240
Other transfers to households	3 859	-	(1 108)	2 751	2 751	-	100.0%	8 373	8 373
Payments for capital assets	3 445 622	-	292 470	3 738 092	3 712 163	25 929	99.3%	4 232 364	4 245 464
Buildings and other fixed structures	3 227 432	-	329 223	3 556 655	3 530 726	25 929	99.3%	4 019 742	4 032 842
Other fixed structures	3 227 432	-	329 223	3 556 655	3 530 726	25 929	99.3%	4 019 742	4 032 842
Machinery and equipment	217 865	-	(37 770)	180 095	180 095	-	100.0%	200 177	200 177
Transport equipment	198 385	-	(55 693)	142 692	142 692	-	100.0%	187 026	187 026
Other machinery and equipment	19 480	-	17 923	37 403	37 403	-	100.0%	13 151	13 151
Software and other intangible assets	325	-	1 017	1 342	1 342	-	100.0%	12 445	12 445
Payment for financial assets	6 147	-	754	6 901	6 901	-	100.0%	5 195	195

Appropriation per economic classification									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	9 577 620	-	-	9 577 620	9 549 691	27 929	99.7%	9 366 560	9 338 492

PROGRAMME 1: ADMINISTRATION									
	2016/17					2015/16			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. <u>Office of the MEC</u>	13 291	-	219	13 510	13 510	-	100.0%	11 891	11 891
2. <u>Management</u>	15 704	-	(1 014)	14 690	14 690	-	100.0%	14 188	14 188
3. <u>Corporate Support</u>	265 603	-	(610)	264 993	264 993	-	100.0%	262 800	262 800
4. <u>Departmental Strategy</u>	19 378	-	1 739	21 117	21 117	-	100.0%	17 142	17 142
	313 976	-	334	314 310	314 310	-	100.0%	306 021	306 021
Economic classification									
Current payments	281 993	-	(2 221)	279 772	279 772	-	100.0%	260 629	260 629
Compensation of employees	140 943	-	(14 013)	126 930	126 930	-	100.0%	116 898	116 898
Salaries and wages	124 090	-	(13 718)	110 372	110 372	-	100.0%	101 241	101 241
Social contributions	16 853	-	(295)	16 558	16 558	-	100.0%	15 657	15 657
Goods and services	141 050	-	11 792	152 842	152 852	-	100.0%	143 731	143 731
Administrative fees	301	-	130	431	431	-	100.0%	435	435
Advertising	5 378	-	(1 417)	3 961	3 961	-	100.0%	9 427	9 427
Minor assets	1 660	-	(664)	1 016	1 016	-	100.0%	850	850
Audit costs: External	7 250	-	(1 754)	5 496	5 496	-	100.0%	6 363	6 363
Bursaries: Employees	1 058	-	-	1 058	1 058	-	100.0%	134	134

PROGRAMME 1: ADMINISTRATION									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Catering: Departmental activities	738	-	657	657	-	100.0%	2 841	2 841	2 841
Communication (G&S)	11 875	-	505	505	-	100.0%	14 946	14 946	14 946
Computer services	44 697	-	16 423	16 423	-	100.0%	32 222	32 222	32 222
Consultants: Business and advisory services	7 291	-	11 848	56 545	-	100.0%	9 748	9 748	9 748
Infrastructure and planning services	299	-	5 054	12 345	-	100.0%	-	-	-
Legal services	12 339	-	(299)	-	-	100.0%	13 983	13 983	13 983
Contractors	6 219	-	(1 681)	10 658	-	100.0%	15 528	15 528	15 528
Agency and support/ outsourced services	7 647	-	1 149	7 368	-	100.0%	2 297	2 297	2 297
Entertainment	-	-	(2 297)	5 350	-	100.0%	2	2	2
Fleet services (including government motor transport)	5 352	-	-	-	-	100.0%	5 001	5 001	5 001
Inventory: Clothing material and accessories	-	-	(1 794)	3 558	-	100.0%	-	-	-
Inventory: Food and food supplies	510	-	2	512	-	100.0%	433	433	433
Inventory: Fuel, oil and gas	-	-	-	-	-	100.0%	-	-	-
Inventory: Learner and teacher support material	179	-	9	188	-	100.0%	267	267	267
Inventory: Materials and supplies	-	-	-	-	-	100.0%	-	-	-
Inventory: Medicine	451	-	450	901	-	100.0%	450	450	450
Consumable supplies	166	-	128	294	-	100.0%	562	562	562
Consumable: Stationery, printing and office supplies	1 380	-	336	1 716	-	100.0%	1 244	1 244	1 244
Operating leases	3 197	-	(71)	3 126	-	100.0%	1 194	1 194	1 194
Property payments	5 704	-	(294)	5 410	-	100.0%	7 716	7 716	7 716



PROGRAMME 1: ADMINISTRATION									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Transport provided: Departmental activity	1 214	-	1 026	1 026	-	100.0%	2 555	2 555	
Travel and subsistence	14 231	-	13 570	13 570	-	100.0%	11 045	11 045	
Training and development	681	-	791	791	-	100.0%	824	824	
Operating payments	692	-	495	495	-	100.0%	747	747	
Venues and facilities	541	-	500	500	-	100.0%	2 917	2 917	
Interest and rent on land	-	-	-	-	-	-	-	-	
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	
Transfers and subsidies	10 827	-	8 253	8 253	(2 574)	100.0%	11 075	11 075	11 075
Provinces and municipalities	85	-	369	369	284	100.0%	35	35	35
Provinces	85	-	369	369	284	100.0%	35	35	35
Provincial agencies and funds	85	-	369	369	284	100.0%	35	35	35
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 699	-	3 977	3 977	(1 722)	100.0%	1 608	1 608	1 608
Departmental agencies (non-business entities)	5 699	-	3 977	3 977	(1 722)	100.0%	1 608	1 608	1 608
Households	5 043	-	3 907	3 907	(1 136)	100.0%	9 432	9 432	9 432
Social benefits	1 517	-	1 287	1 287	(230)	100.0%	1 195	1 195	1 195
Other transfers to households	3 526	-	2 620	2 620	(906)	100.0%	8 237	8 237	8 237
Payments for capital assets	16 242	-	21 345	21 345	5 103	100.0%	29 733	29 733	29 733
Machinery and equipment	16 236	-	21 339	21 339	5 103	100.0%	17 288	17 288	17 288
Transport equipment	3 657	-	-	-	-	-	8 721	8 721	8 721

PROGRAMME 1: ADMINISTRATION									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
12 579	-	(3 657)	21 339	21 339	-	100.0%	8 567	8 567	8 567
6	-	8 760	6	6	-	100.0%	12 445	12 445	12 445
4 914	-	26	4 940	4 940	-	100.0%	4 584	4 584	4 584
313 976	-	334	314 310	314 310	-	100.0%	306 021	306 021	306 021

Sub programme: 1.1: Office of the MEC									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
13 116	-	219	13 335	-	-	100.0%	11 855	11 855	11 855
7 075	-	275	7 350	7 350	-	100.0%	6 387	6 387	6 387
6 317	-	223	6 540	6 540	-	100.0%	5 630	5 630	5 630
758	-	52	810	810	-	100.0%	757	757	757
6 041	-	(56)	5 985	5 985	-	100.0%	5 468	5 468	5 468
205	-	84	289	289	-	100.0%	159	159	159
145	-	(33)	112	112	-	100.0%	485	485	485
396	-	38	434	434	-	100.0%	343	343	343
46	-	37	83	83	-	100.0%	189	189	189
-	-	26	26	26	-	100.0%	-	-	-

Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	504	-	674	1 178	1 178	1 178	-	-	-	-	1 414	1 414	1 414	-	-	-	-	-	-	-	1 414
Inventory: Food and food supplies	45	-	6	51	51	-	-	-	-	-	23	23	23	-	-	-	-	-	-	-	23
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	6	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consumable : stationery, printing and office supplies	120	-	283	403	403	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating leases	82	-	(13)	69	69	-	-	-	-	-	161	161	161	-	-	-	-	-	-	-	161
Property payments	158	-	95	253	253	-	-	-	-	-	324	324	324	-	-	-	-	-	-	-	324
Travel and subsistence	4 293	-	(1 239)	3 054	3 054	-	-	-	-	-	2 063	2 063	2 063	-	-	-	-	-	-	-	2 063
Training and development	-	-	-	-	-	-	-	-	-	-	1	1	1	-	-	-	-	-	-	-	1
Venues and facilities	47	-	(21)	26	26	-	-	-	-	-	56	56	56	-	-	-	-	-	-	-	56
Transfers and subsidies	31	-	-	31	31	-	-	-	-	-	2	2	2	-	-	-	-	-	-	-	2
Provinces and municipalities	1	-	-	1	1	-	-	-	-	-	2	2	2	-	-	-	-	-	-	-	2
Provinces	1	-	-	1	1	-	-	-	-	-	2	2	2	-	-	-	-	-	-	-	2
Provincial agencies and funds	1	-	-	1	1	-	-	-	-	-	2	2	2	-	-	-	-	-	-	-	2
Households	30	-	-	30	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Social Benefits	30	-	-	30	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	139	-	-	139	139	-	-	-	-	-	34	34	34	-	-	-	-	-	-	-	34
Machinery and equipment	139	-	-	139	139	-	-	-	-	-	34	34	34	-	-	-	-	-	-	-	34
Other machinery and equipment	139	-	-	139	139	-	-	-	-	-	34	34	34	-	-	-	-	-	-	-	34
Payments for financial assets	5	-	-	5	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	13 291	-	219	13 510	13 510	-	-	-	-	-	11 891	11 891	11 891	-	-	-	-	-	-	-	11 891

Sub programme: 1.2: Management

Economic classification	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	11 094	-	(989)	10 105	10 105	-	100.0%	9 634	9 634
Compensation of employees	3 918	-	(443)	3 475	3 475	-	100.0%	3 203	3 203
Salaries and wages	3 474	-	(363)	3 111	3 111	-	100.0%	2 848	2 848
Social contributions	444	-	(80)	364	364	-	100.0%	355	355
Goods and services	7 176	-	(546)	6 630	6 630	-	100.0%	6 431	6 431
Administrative fees	13	-	9	22	22	-	100.0%	8	8
Advertising	117	-	(21)	96	96	-	100.0%	116	116
Minor assets	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	22	22	22	-	100.0%	3	3
Communication (G&S)	121	-	7	128	128	-	100.0%	96	96
Consultants: Business and advisory services	-	-	-	-	-	-	100.0%	562	562
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Legal services	-	-	1 854	1 854	1 854	-	-	-	-
Contractors	704	-	(351)	353	353	-	100.0%	2 115	2 115
Agency and support / outsourced services	4 817	-	(2 369)	2 448	2 448	-	100.0%	1 361	1 361
Entertainment	-	-	-	-	-	-	100.0%	2	2
Fleet services (including government motor transport)	-	-	261	261	261	-	100.0%	427	427
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	100.0%	180	180
Consumable: Stationery, printing and office supplies	4	-	10	14	14	-	100.0%	8	8
Operating leases	106	-	(27)	79	79	-	100.0%	121	121
Property payments	-	-	-	-	-	-	100.0%	103	103
Transport provided: Departmental activity	1 030	-	(188)	842	842	-	100.0%	1 144	1 144
Travel and subsistence	192	-	267	459	459	-	100.0%	185	185
Venues and facilities	72	-	(20)	52	52	-	100.0%	-	-
Transfers and subsidies	2	-	-	2	2	-	100.0%	1	1
Provinces and municipalities	2	-	-	2	2	-	100.0%	-	-

Sub programme: 1.2: Management	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Provinces	2	-	-	2	2	-	100.0%	-	-
Provincial agencies and funds	2	-	-	2	2	-	100.0%	-	-
Households	-	-	-	-	-	-	-	1	1
Social benefits	-	-	-	-	-	-	-	1	1
Payments for capital assets	55	-	(25)	30	30	-	100.0%	-	-
Machinery and equipment	55	-	(25)	30	30	-	100.0%	-	-
Other machinery and equipment	55	-	(25)	30	30	-	100.0%	-	-
Payment of financial assets	4 553	-	-	4 553	4 553	-	100.0%	4 553	4 553
Total	15 704	-	(1 014)	14 690	14 690	-	100.0%	14 188	14 188

Sub programme: 1.3: Corporate Support	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	238 517	-	(3 278)	235 239	235 239	-	100.0%	222 046	222 046
Compensation of employees	117 343	-	(13 850)	103 493	103 493	-	100.0%	97 773	97 773
Salaries and wages	103 272	-	(13 545)	89 727	89 727	-	100.0%	84 456	84 456
Social contributions	14 071	-	(305)	13 766	13 766	-	100.0%	13 317	13 317
Goods and services	121 174	-	10 572	131 746	131 746	-	100.0%	124 273	124 273
Administrative fees	73	-	18	91	91	-	100.0%	255	255
Advertising	5 261	-	(1 396)	3 865	3 865	-	100.0%	9 303	9 303
Minor assets	1 610	-	(626)	984	984	-	100.0%	849	849
Audit costs: External	7 250	-	(1 754)	5 496	5 496	-	100.0%	6 363	6 363

Sub programme: 1.3: Corporate Support	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Bursaries: Employees	1 058	-	(401)	657	657	-	100.0%	134	134
Catering: Departmental activities	593	-	(222)	371	371	-	100.0%	2 353	2 353
Communication (G&S)	11 175	-	4 516	15 691	15 691	-	100.0%	14 352	14 352
Computer services	44 697	-	10 957	55 654	55 654	-	100.0%	32 222	32 222
Consultants: Business and advisory services	1 803	-	3 984	5 787	5 787	-	100.0%	3 022	3 022
Infrastructure and planning services	299	-	(299)	-	-	-	-	-	-
Legal services	12 339	-	(3 535)	8 804	8 804	-	100.0%	13 983	13 983
Contractors	5 469	-	1 463	6 932	6 932	-	100.0%	13 224	13 224
Agency and support / outsourced services	2 830	-	46	2 876	2 876	-	100.0%	936	936
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 670	-	(2 661)	2 009	2 009	-	100.0%	2 662	2 662
Inventory: Food and food supplies	465	-	(4)	461	461	-	100.0%	410	410
Inventory: Learner and teacher support material	179	-	9	188	188	-	100.0%	267	267
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	451	-	450	901	901	-	100.0%	450	450
Consumable supplies	166	-	122	288	288	-	100.0%	382	382
Consumable: Stationery, printing and office supplies	1 233	-	42	1 275	1 275	-	100.0%	963	963
Operating leases	2 877	-	(21)	2 856	2 856	-	100.0%	740	740
Property payments	5 546	-	(389)	5 157	5 157	-	100.0%	7 289	7 289
Transport provided: Departmental activity	184	-	-	184	184	-	100.0%	1 411	1 411
Travel and subsistence	9 340	-	297	9 637	9 637	-	100.0%	8 326	8 326
Training and development	579	-	148	727	727	-	100.0%	811	811
Operating payments	627	-	(172)	455	455	-	100.0%	705	705
Venues and facilities	400	-	-	400	400	-	100.0%	2 861	2 861

Sub programme: 1.3: Corporate Support	2016/17										2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Economic classification												
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	-	-
Interest (incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	10 794	-	(2 574)	8 220	8 220	-	100.0%	11 060	11 060	-	11 060	11 060
Provinces and municipalities	82	-	284	366	366	-	100.0%	32	32	-	32	32
Provinces	82	-	284	366	366	-	100.0%	32	32	-	32	32
Provincial agencies and funds	82	-	284	366	366	-	100.0%	32	32	-	32	32
Municipalities	-	-	-	-	-	-	-	-	-	-	-	-
Municipal agencies and accounts	-	-	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	5 699	-	(1 722)	3 977	3 977	-	100.0%	1 608	1 608	-	1 608	1 608
Departmental agencies (non-business entities)	5 699	-	(1 722)	3 977	3 977	-	100.0%	1 608	1 608	-	1 608	1 608
Households	5 013	-	(1 136)	3 877	3 877	-	100.0%	9 420	9 420	-	9 420	9 420
Social benefits	1 487	-	(230)	1 257	1 257	-	100.0%	1 183	1 183	-	1 183	1 183
Other transfers to households	3 526	-	(906)	2 620	2 620	-	100.0%	8 237	8 237	-	8 237	8 237
Payments for capital assets	15 936	-	5 216	21 152	21 152	-	100.0%	29 665	29 665	-	29 665	29 665
Machinery and equipment	15 930	-	5 216	21 146	21 146	-	100.0%	17 220	17 220	-	17 220	17 220
Transport equipment	3 657	-	(3 657)	-	-	-	100.0%	8 721	8 721	-	8 721	8 721
Other machinery and equipment	12 273	-	8 873	21 146	21 146	-	100.0%	8 499	8 499	-	8 499	8 499
Software and other intangible assets	6	-	-	6	6	-	100.0%	12 445	12 445	-	12 445	12 445
Payment for financial assets	356	-	26	382	382	-	100.0%	29	29	-	29	29
Total	265 603	-	(610)	264 993	264 993	-	100.0%	262 800	262 800	-	262 800	262 800

Sub programme: 1.4: Departmental Strategy		2016/17							2015/16	
		Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification										
Current payments	19 266	-	1 827	21 093	21 093	21 093	100.0%	17 094	17 094	
Compensation of employees	12 607	-	5	12 612	12 612	12 612	100.0%	9 535	9 535	
Salaries and wages	11 027	-	(33)	10 994	10 994	10 994	100.0%	8 307	8 307	
Social contributions	1 580	-	38	1 618	1 618	1 618	100.0%	1 228	1 228	
Goods and services	6 658	-	1 822	8 481	8 481	8 481	100.0%	7 559	7 559	
Administrative fees	10	-	19	29	29	29	100.0%	13	13	
Advertising	-	-	-	-	-	-	-	8	8	
Minor assets	50	-	(19)	31	31	31	100.0%	1	1	
Catering: Departmental activities	-	-	-	-	-	-	100.0%	-	-	
Communication (G&S)	183	-	(13)	170	170	170	100.0%	155	155	
Computer services	-	-	891	891	891	891	100.0%	-	-	
Consultants: Business and advisory services	5 488	-	1 070	6 558	6 558	6 558	100.0%	6 164	6 164	
Fleet services (including government motor transport)	178	-	(68)	110	110	110	100.0%	498	498	
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-	
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-	
Consumable: Stationery, printing and office supplies	23	-	1	24	24	24	100.0%	23	23	
Operating leases	132	-	(10)	122	122	122	100.0%	172	172	
Travel and subsistence	406	-	14	420	420	420	100.0%	471	471	
Training and development	102	--	(38)	64	64	64	100.0%	12	12	
Operating payments	65	-	(25)	40	40	40	100.0%	42	42	
Venues and facilities	22	-	-	22	22	22	100.0%	-	-	
Transfers and subsidies	-	-	-	-	-	-	100.0%	12	12	

Sub programme: 1.4: Departmental Strategy	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Provinces and municipalities	-	-	-	-	-	-	100.0%	1	1	
Provinces	-	-	-	-	-	-	100.0%	1	1	
Provincial agencies and funds	-	-	-	-	-	-	100.0%	1	1	
Households	-	-	-	-	-	-	100.0%	11	11	
Social benefits	-	-	-	-	-	-	100.0%	11	11	
Payments for capital assets	112	-	(88)	24	24	(88)	100.0%	34	34	34
Machinery and equipment	112	-	(88)	24	24	(88)	100.0%	34	34	34
Other machinery and equipment	112	-	(88)	24	24	(88)	100.0%	34	34	34
Payment for financial assets	-	-	-	-	-	-	100.0%	2	2	2
Total	19 378	-	1 739	21 117	21 117	1 739	100.0%	17 142	17 142	17 142

Programme 2: Transport Infrastructure	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Sub programme										
1. <u>Programme Support Infrastructure</u>	248 787	-	10 883	259 670	257 670	2 000	99.2%	246 787	246 787	246 787
2. <u>Infrastructure Planning</u>	25 499	-	(4 381)	21 118	21 118	-	100.0%	24 429	24 429	24 429
3. <u>Infrastructure Design</u>	39 448	-	(2 308)	37 140	37 140	-	100.0%	35 295	35 295	35 295
4. <u>Construction</u>	3 227 432	-	329 223	3 556 655	3 530 726	25 929	99.3%	4 019 742	4 032 842	4 032 842
5. <u>Maintenance</u>	3 517 068	-	(309 360)	3 207 708	3 207 708	-	100.0%	2 667 911	2 637 670	2 637 670
	7 058 234	-	24 057	7 082 291	7 054 362	27 929	99.6%	6 994 164	6 977 023	6 977 023

Programme 2: Transport Infrastructure									
2016/17					2015/16				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 662 427	-	(275 382)	3 387 045	3 385 045	2 000	99.9%	2 799 792	2 769 551
Compensation of employees	870 503	-	2 484	872 987	872 987	-	100.0%	816 466	816 466
Salaries and wages	799 505	-	3 912	803 417	803 417	-	100.0%	752 448	752 448
Social contributions	70 998	-	(1 428)	69 570	69 570	-	100.0%	64 018	64 018
Goods and services	2 791 924	-	(277 866)	2 514 058	2 512 058	2 000	99.9%	1 983 326	1 953 085
Administrative fees	592	-	5 316	5 908	5 908	-	100.0%	569	569
Advertising	754	-	394	1 148	1 148	-	100.0%	777	777
Minor assets	9 071	-	(3 261)	5 810	5 810	-	100.0%	3 766	3 766
Audit costs: External	410	-	(56)	354	354	-	100.0%	64	64
Catering: Departmental activities	70	-	-	70	70	-	100.0%	47	47
Communication (G&S)	10 398	-	138	10 536	10 536	-	100.0%	9 804	9 804
Computer services	5 562	-	(3 318)	2 244	2 244	-	100.0%	5 156	5 156
Consultants: Business and advisory services	32 743	-	(16 583)	16 160	16 160	-	100.0%	68 751	68 751
Infrastructure and planning services	197 150	-	27 491	224 641	222 641	2 000	99.1%	134 834	134 834
Laboratory services	513	-	75	588	588	-	100.0%	513	513
Legal services	847	-	(103)	744	744	-	100.0%	965	965
Contractors	2 082 022	-	(251 853)	1 830 169	1 830 169	-	100.0%	1 479 356	1 449 115
Agency and support / outsourced services	5 060	-	(1 801)	3 259	3 259	-	100.0%	6 684	6 684
Fleet services (including government motor transport)	30 034	-	4 340	34 374	34 374	-	100.0%	54 250	54 250
Inventory: Clothing material and accessories	1 869	-	408	2 277	2 277	-	100.0%	3 257	3 257
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	333	-	(39)	294	294	-	100.0%	215	215

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Fuel, oil and gas	18 589	-	18 894	37 483	37 483	-	100.0%	39 991	39 991
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	81 693	-	(18 909)	62 784	62 784	-	100.0%	75 664	75 664
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	4	-	6	10	10	-	100.0%	7	7
Consumable supplies	4 020	-	(271)	3 749	3 749	-	100.0%	1 949	1 949
Consumable: Stationery, printing and office supplies	3 155	-	30	3 185	3 185	-	100.0%	2 953	2 953
Operating leases	8 991	-	143	9 134	9 134	-	100.0%	2 452	2 452
Property payments	59 648	-	26 841	86 489	86 489	-	100.0%	57 405	57 405
Transport provided: Departmental activity	72	-	(72)	-	-	-	-	730	730
Travel and subsistence	24 101	-	2 347	26 448	26 448	-	100.0%	25 547	25 547
Training and development	4 179	-	1 487	5 666	5 666	-	100.0%	3 785	3 785
Operating payments	4 011	-	(1 705)	2 306	2 306	-	100.0%	3 789	3 789
Venues and facilities	-	-	-	-	-	-	-	13	13
Rental and hiring	206 033	-	(67 805)	138 228	138 228	-	100.0%	33	33
Transfers and subsidies	11 800	-	(1 345)	10 455	10 455	-	100.0%	10 365	10 365
Provinces and municipalities	3 831	-	407	4 238	4 238	-	100.0%	4 014	4 014
Provinces	3 831	-	407	4 238	4 238	-	100.0%	4 014	4 014
Provincial agencies and funds	3 831	-	407	4 238	4 238	-	100.0%	4 014	4 014
Departmental agencies and accounts	1	-	-	1	1	-	100.0%	-	-
Departmental agencies (non-business entities)	1	-	-	1	1	-	100.0%	-	-
Households	7 968	-	(1 752)	6 216	6 216	-	100.0%	6 351	6 351

Programme 2: Transport Infrastructure	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Social benefits	7 927	-	(1 740)	6 187	6 187	-	100.0%	6 332	6 332	6 332
Other transfers to households	41	-	(12)	29	29	-	100.0%	19	19	19
Payments for capital assets	3 383 138	-	300 570	3 683 708	3 657 779	25 929	99.3%	4 183 684	4 196 784	4 196 784
Buildings and other fixed structures	3 227 432	-	329 223	3 556 655	3 530 726	25 929	99.3%	4 019 742	4 032 842	4 032 842
Other fixed structures	3 227 432	-	329 223	3 556 655	3 530 726	25 929	99.3%	4 019 742	4 032 842	4 032 842
Machinery and equipment	155 387	-	(29 670)	125 717	125 717	-	100.0%	163 942	163 942	163 942
Transport equipment	152 728	-	(40 674)	112 054	112 054	-	100.0%	161 039	161 039	161 039
Other machinery and equipment	2 659	-	11 004	13 663	13 663	-	100.0%	2 903	2 903	2 903
Software and other intangible assets	319	-	1 017	1 336	1 336	-	100.0%	-	-	-
Payment for financial assets	869	-	214	1 083	1 083	-	100.0%	323	323	323
	7 058 234	-	24 057	7 082 291	7 054 362	27 929	99.6%	6 994 164	6 977 023	6 977 023

Sub programme: 2.1: Programme Support Infrastructure	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Current payments	244 519	-	10 268	254 787	252 787	2 000	99.2%	242 848	242 848	242 848
Compensation of employees	84 087	-	(3 388)	80 699	80 699	-	100.0%	76 275	76 275	76 275
Salaries and wages	73 260	-	(3 017)	70 243	70 243	-	100.0%	66 389	66 389	66 389
Social contributions	10 827	-	(371)	10 456	10 456	-	100.0%	9 886	9 886	9 886
Goods and services	160 432	-	13 656	174 088	172 088	-	100.0%	166 573	166 573	166 573
Administrative fees	289	-	5144	5 433	5 433	-	100.0%	292	292	292

Sub programme: 2.1: Programme Support Infrastructure									
2016/17					2015/16				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Advertising	221	-	155	376	376	-	100.0%	357	357
Minor assets	72	-	(15)	57	57	-	100.0%	182	182
Audit costs: External	410	-	(56)	354	354	-	100.0%	64	64
Catering: Departmental activities	61	-	(11)	50	50	-	100.0%	35	35
Communication (G&S)	3 416	-	123	3 539	3 539	-	100.0%	2 845	2 845
Computer services	-	-	-	-	-	-	100.0%	3	3
Consultants: Business and advisory services	155	-	88	243	243	-	100.0%	36 289	36 289
Infrastructure and planning services	95 539	-	10 977	106 516	104 516	2 000	98.1%	44 866	44 866
Laboratory services	513	(145)	368	368	-	-	100.0%	513	513
Legal services	847	-	(103)	744	744	-	100.0%	965	965
Contractors	13 657	-	(5 209)	8 448	8 448	-	100.0%	12 810	12 810
Agency and support / outsourced services	1 804	-	(820)	984	984	-	100.0%	32	32
Fleet services (including government motor transport)	23 344	-	791	24 135	24 135	-	100.0%	44 880	44 880
Inventory: Clothing material and accessories	25 -	-	25	50	50	-	100.0%	213	213
Inventory: Food and food supplies	130	-	(1)	129	129	-	100.0%	92	92
Inventory: Fuel, oil and gas	-	-	(1)	(1)	(1)	-	100.0%	7	7
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1	-	29	30	30	-	100.0%	108	108
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	1	1	1	-	100.0%	-	-
Consumable supplies	313	-	(51)	262	262	-	100.0%	311	311
Consumable: Stationery, printing and office supplies	1 199	-	(90)	1 109	1 109	-	100.0%	881	881
Operating leases	1 415	-	(206)	1 209	1 209	-	100.0%	1 486	1 486

Sub programme: 2.1: Programme Support Infrastructure										
Economic classification	2016/17					2015/16				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Property payments	5 869	-	1 933	7 802	7 802	-	100.0%	6 334	6 334	
Transport provided: Departmental activity	-	-	-	-	-	-	-	690	690	
Travel and subsistence	6 362	-	12	6 374	6 374	-	100.0%	7 977	7 977	
Training and development	3 802	-	1 445	5 247	5 247	-	100.0%	3 575	3 575	
Operating payments	769	-	(289)	480	480	-	100.0%	724	724	
Venues and facilities	-	-	-	-	-	-	100.0%	9	9	
Rental and hiring	219	-	(70)	149	149	-	100.0%	33	33	
Transfers and subsidies	906	-	226	1 132	1 132	-	100.0%	1 038	1 038	
Provinces and municipalities	90	-	(5)	85	85	-	100.0%	81	81	
Provinces	90	-	(5)	85	85	-	100.0%	81	81	
Provincial agencies and funds	90	-	(5)	85	85	-	100.0%	81	81	
Households	816	-	231	1 047	1 047	-	100.0%	957	957	
Social benefits	796	-	248	1 044	1 044	-	100.0%	950	950	
Other transfers to households	20	-	(17)	3	3	-	100.0%	7	7	
Payments for capital assets	3 267	-	367	3 634	3 634	-	100.0%	2 856	2 856	
Machinery and equipment	3 267	-	367	3 634	3 634	-	100.0%	2 856	2 856	
Transport equipment	2 728	-	(1)	2 727	2 727	-	100.0%	2 121	2 121	
Other machinery and equipment	539	-	368	907	907	-	100.0%	735	735	
Software and other intangible assets	-	-	-	-	-	-	-	-	-	
Payment for financial assets	95	-	22	117	117	-	100.0%	45	45	
Total	248 787	-	10 883	259 670	257 670	-	99.2%	246 787	246 787	

Sub programme: 2.2: Infrastructure Planning	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	25 319	-	(4 241)	21 078	21 078	-	100.0%	24 305	24 305
Compensation of employees	12 526	-	768	13 294	13 294	-	100.0%	11 719	11 719
Salaries and wages	10 559	-	724	11 283	11 283	-	100.0%	9 855	9 855
Social contributions	1 967	-	44	2 011	2 011	-	100.0%	1 864	1 864
Goods and services	12 793	-	(5 009)	7 784	7 784	-	100.0%	12 586	12 586
Administrative fees	11	-	(1)	10	10	-	100.0%	33	33
Advertising	44	-	-	44	44	-	100.0%	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	95	-	(15)	80	80	-	100.0%	53	53
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	8 561	-	(4 595)	3 966	3 966	-	100.0%	7 666	7 666
Infrastructure and planning services	-	-	-	-	-	-	100.0%	20	20
Contractors	333	-	201	534	534	-	100.0%	-	-
Agency and support/ outsourced services	29	-	(15)	14	14	-	100.0%	365	365
Fleet services (including government motor transport)	913	-	(249)	664	664	-	100.0%	1 899	1 899
Inventory: Clothing material and accessories	-	-	-	-	-	-	100.0%	1	1
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	15	15	15	-	100.0%	19	19
Operating leases	1 092	-	(272)	820	820	-	100.0%	758	758
Travel and subsistence	1 479	-	(19)	1 460	1 460	-	100.0%	1 654	1 654
Operating payments	228	-	(94)	134	134	-	100.0%	114	114

Sub programme: 2.2: Infrastructure Planning	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Venues and facilities	-	-	-	-	-	-	100.0%	4	4	4
Transfers and subsidies	179	-	(153)	26	26	26	100.0%	72	72	72
Households	179	-	(153)	26	26	26	100.0%	72	72	72
Social benefits	158	-	(158)	-	-	-	100.0%	70	70	70
Other transfers to households	21	-	5	26	26	26	100.0%	2	2	2
Payments for capital assets	-	-	13	13	13	13	100.0%	52	52	52
Machinery and equipment	-	-	-	-	-	-	100.0%	52	52	52
Other machinery and equipment	1	-	-	1	1	1	100.0%	52	52	52
Total	1	-	(4 381)	21 118	21 118	21 118	100.0%	24 429	24 429	24 429

Subprogramme: 2.3: Infrastructure Design	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Current payments	35 210	-	(3 586)	31 624	31 624	31 624	100.0%	30 944	30 944	30 944
Compensation of employees	26 772	-	(519)	26 253	26 253	26 253	100.0%	23 988	23 988	23 988
Salaries and wages	25 370	-	(526)	24 844	24 844	24 844	100.0%	22 702	22 702	22 702
Social contributions	1 402	-	7	1 409	1 409	1 409	100.0%	1 286	1 286	1 286
Goods and services	8 438	-	(3 067)	5 371	5 371	5 371	100.0%	6 956	6 956	6 956
Administrative fees	-	-	-	-	-	-	-	-	-	-
Advertising	2	-	57	59	59	59	-	-	-	-
Minor assets	-	-	-	-	-	-	100.0%	22	22	22
Communication (G&S)	30	-	(8)	22	22	22	100.0%	21	21	21
Computer services	5 014	-	(3 318)	1 696	1 696	1 696	100.0%	3 567	3 567	3 567
Infrastructure and planning services	18	-	(8)	10	10	10	-	-	-	-



Subprogramme: 2.3: Infrastructure Design	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Contractors	8	-	(4)	4	4	-	100.0%	162	162
Agency and support / outsourced services	674	-	(280)	394	394	-	100.0%	1 093	1 093
Fleet services (including government motor transport)	633	-	593	1 226	1 226	-	100.0%	695	695
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	18	-	24	42	42	-	100.0%	22	22
Operating leases	482	-	(161)	321	321	-	100.0%	195	195
Travel and subsistence	1 429	-	18	1 447	1 477	-	100.0%	1 036	1 036
Training and development	40	-	61	101	101	-	100.0%	40	40
Operating payments	90	-	(41)	49	49	-	100.0%	103	103
Transfers and subsidies	3 798	-	207	4 005	4 005	-	100.0%	3 973	3 973
Provinces and municipalities	3 627	-	361	3 988	3 988	-	100.0%	3 784	3 784
Provinces	3 627	-	361	3 988	3 988	-	100.0%	3 784	3 784
Provincial agencies and funds	3 627	-	361	3 988	3 988	-	100.0%	3 784	3 784
Households	171	-	(154)	17	17	-	100.0%	189	189
Social benefits	171	-	(154)	17	17	-	100.0%	189	189
Payments for capital assets	439	-	1 072	1 511	1 511	-	100.0%	378	378
Machinery and equipment	120	-	55	175	175	-	100.0%	378	378
Other machinery and equipment	120	-	55	175	175	-	100.0%	378	378
Software and other intangible assets	319	-	1 017	1 336	1 336	-	-	-	-
Total	39 448	-	(2 308)	37 140	37 140	-	100.0%	35 295	35 295

Sub programme: 2.4: Construction	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000

Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	100.3%	4 019 742	4 032 842
Buildings and other fixed structures	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	99.3%	4 019 742	4 032 842
Other fixed structures	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	99.3%	4 019 742	4 032 842
Total	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	3 227 432	99.3%	4 019 742	4 032 842

Sub programme: 2.5: Maintenance	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Current payments	3 357 379	-	(277 823)	3 079 556	3 079 556	-	100.0%	2 501 695	2 471 454	2 471 454
Compensation of employees	747 118	-	5 623	752 741	752 741	-	100.0%	704 484	704 484	704 484
Salaries and wages	690 316	-	6 731	697 047	697 047	-	100.0%	653 502	653 502	653 502
Social contributions	56 802	-	(1 108)	55 694	55 694	-	100.0%	50 982	50 982	50 982
Goods and services	2 610 261	-	(283 446)	2 326 815	2 326 815	-	98.3%	1 797 211	1 766 970	1 766 970
Administrative fees	292	-	173	465	465	-	100.0%	244	244	244
Advertising	487	-	182	669	669	-	100.0%	420	420	420
Minor assets	8 999	-	(3 254)	5 745	5 745	-	100.0%	3 562	3 562	3 562
Audit costs: External	-	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	9	-	11	20	20	-	100.0%	12	12	12
Communication (G&S)	6 857	-	38	6 895	6 895	-	100.0%	6 885	6 885	6 885
Computer services	548	-	-	548	548	-	100.0%	1 586	1 586	1 586
Consultants: Business and advisory services	24 027	-	(12 076)	11 951	11 951	-	100.0%	24 796	24 796	24 796
Infrastructure and planning services	101 593	-	16 522	118 115	118 115	-	100.0%	89 948	89 948	89 948
Laboratory services	-	-	220	220	220	-	100.0%	-	-	-
Contractors	2 068 024	-	(246 841)	1 821 183	1 821 183	-	100.0%	1 466 384	1 436 143	1 436 143
Agency and support / outsourced services	2 553	-	(686)	1 867	1 867	-	100.0%	5 194	5 194	5 194

Sub programme: 2.5: Maintenance	2016/17										2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Economic classification												
Fleet services (including government motor transport)	5 144	-	3 205	8 349	8 349	-	100.0%	6 776	6 776	-	100.0%	6 776
Inventory: Clothing material and accessories	1 844	-	383	2 227	2 227	-	100.0%	3 043	3 043	-	100.0%	3 043
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	203	-	(38)	165	165	-	100.0%	123	123	-	100.0%	123
Inventory: Fuel, oil and gas	18 589	-	18 589	37 484	37 484	-	100.0%	39 984	39 984	-	100.0%	39 984
Inventory: Materials and supplies	81 692	-	(18 938)	62 754	62 754	-	100.0%	75 556	75 556	-	100.0%	75 556
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-	-	-	-
Inventory: Medicine	4	-	5	9	9	-	100.0%	7	7	-	100.0%	7
Consumable supplies	3 707	-	(220)	3 487	3 487	-	100.0%	1 638	1 638	-	100.0%	1 638
Consumable: Stationery, printing and office supplies	1 938	-	81	2 019	2 019	-	100.0%	2 031	2 031	-	100.0%	2 031
Operating leases	6 002	-	782	6 784	6 784	-	100.0%	13	13	-	100.0%	13
Property payments	53 779	-	24 908	78 687	78 687	-	100.0%	51 071	51 071	-	100.0%	51 071
Transport provided: Departmental activity	72	-	(72)	-	-	-	100.0%	40	40	-	100.0%	40
Travel and subsistence	14 831	-	2 336	17 167	17 167	-	100.0%	14 880	14 880	-	100.0%	14 880
Training and development	329	-	(46)	283	283	-	100.0%	170	170	-	100.0%	170
Operating payments	2 924	-	(1 281)	1 643	1 643	-	100.0%	2 848	2 848	-	100.0%	2 848
Venues and facilities	-	-	-	-	-	-	-	-	-	-	-	-
Rental and hiring	205 814	-	(67 735)	138 079	138 079	-	-	-	-	-	-	-
Transfers and subsidies	6 917	-	(1 625)	5 292	5 292	-	100.0%	5 282	5 282	-	100.0%	5 282
Provinces and municipalities	114	-	51	165	165	-	100.0%	149	149	-	100.0%	149
Provinces	114	-	51	165	165	-	100.0%	149	149	-	100.0%	149
Provincial agencies and funds	114	-	51	165	165	-	100.0%	149	149	-	100.0%	149
Departmental agencies and accounts	1	-	-	1	1	-	100.0%	-	-	-	100.0%	-
Departmental agencies (non-business entities)	1	-	-	1	1	-	100.0%	-	-	-	100.0%	-
Households	6 802	-	(1 676)	5 126	5 126	-	100.0%	5 133	5 133	-	100.0%	5 133
Social benefits	6 802	-	(1 676)	5 126	5 126	-	100.0%	5 123	5 123	-	100.0%	5 123
Other transfers to households	-	-	-	-	-	-	-	10	10	-	-	10

Sub programme: 2.5: Maintenance	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	152 000	-	(30 105)	121 895	121 895	-	100.0%	160 656	160 656
Machinery and equipment	152 000	-	(30 105)	121 895	121 895	-	100.0%	160 656	160 656
Transport equipment	150 000	-	(40 673)	109 327	109 327	-	100.0%	158 918	158 918
Other machinery and equipment	2 000	-	10 568	12 568	12 568	-	100.0%	1 738	1 738
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	772	-	193	965	965	-	100.0%	278	278
Total	3 517 068	-	(309 360)	3 207 708	3 207 708	-	100.0%	2 667 911	2 637 670

Programme 3: Transport Operations	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. <u>Programme Support Operations</u>	26 978	-	2 293	29 271	29 271	-	100.0%	19 911	19 911
2. <u>Public Transport Services</u>	1 258 713	-	9 321	1 268 034	1 268 034	-	100.0%	1 204 917	1 204 917
3. <u>Transport Safety and Compliance</u>	73 478	-	(323)	73 155	73 155	-	100.0%	63 241	63 241
Total	1 359 169	-	11 291	1 370 460	1 370 460	-	100.0%	1 288 069	1 288 069
Economic classification									
Current payments	347 827	-	11 353	359 180	359 180	-	100.0%	294 763	294 763
Compensation of employees	39 512	-	(1 836)	37 676	37 676	-	100.0%	35 303	35 303
Salaries and wages	35 633	-	(1 783)	33 850	33 850	-	100.0%	31 681	31 681
Social contributions	3 879	-	(53)	3 826	3 826	-	100.0%	3 622	3 622
Goods and services	308 315	-	13 189	321 504	321 504	-	100.0%	259 460	259 460
Administrative fees	225	-	120	345	345	-	100.0%	237	237



Programme 3: Transport Operations	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Advertising	2 328	-	219	2 547	2 547	-	100.0%	2 153	2 153
Minor assets	638	-	(620)	18	18	-	100.0%	18	18
Catering: Departmental activities	4 706	-	(1 092)	3 614	3 614	-	100.0%	2 593	2 593
Communication (G&S)	1 474	-	215	1 689	1 689	-	100.0%	982	982
Consultants: Business and advisory services	33 057	-	2 544	35 601	35 601	-	100.0%	23 368	23 368
Legal services	4 847	-	5 703	10 550	10 550	-	100.0%	320	320
Contractors	2 024	-	63	2 087	2 087	-	100.0%	3 527	3 527
Agency and support / outsourced services	59	-	(59)	-	-	-	-	175	175
Fleet services (including government motor transport)	232	-	72	304	304	-	100.0%	821	821
Inventory: Clothing material and accessories	38	-	20	58	58	-	100.0%	21	21
Inventory: Food and food supplies	10	-	-	10	10	-	100.0%	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	40	-	-	40	40	-	100.0%	-	-
Consumable supplies	150	-	(21)	129	129	-	100.0%	615	615
Consumable: Stationery, printing and office supplies	895	-	130	1 025	1 025	-	100.0%	1 309	1 309
Operating leases	347	-	(12)	335	335	-	100.0%	343	343
Property payments	101	-	(21)	80	80	-	100.0%	2 266	2 266
Transport provided: Departmental activity	236 356	-	7 110	243 466	243 466	-	100.0%	209 411	209 411
Travel and subsistence	8 555	-	1 083	9 638	9 638	-	100.0%	4 834	4 834
Training and development	1 181	-	(6)	1 175	1 175	-	100.0%	2	2
Operating payments	345	-	(91)	254	254	-	100.0%	312	312
Venues and facilities	10 081	-	(1 987)	8 094	8 094	-	100.0%	5 896	5 896
Rental and hiring	626	-	(181)	445	445	-	100.0%	257	257
Transfers and subsidies	1 011 100	-	102	1 011 202	1 011 202	-	100.0%	993 182	993 182
Provinces and municipalities	11	-	-	11	11	-	100.0%	8	8

Programme 3: Transport Operations									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
11	-	-	11	11	-	100.0%	8	8	8
11	-	-	11	11	-	100.0%	8	8	8
5	-	(1)	4	4	-	100.0%	-	-	-
5	-	(1)	4	4	-	100.0%	-	-	-
1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
-	-	-	-	-	-	-	-	-	-
1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
38	-	64	102	102	-	100.0%	117	117	117
-	-	-	-	-	-	-	-	-	-
38	-	64	102	102	-	100.0%	117	117	117
242	-	(164)	78	78	-	100.0%	124	124	124
242	-	(164)	78	78	-	100.0%	124	124	124
242	-	(164)	78	78	-	100.0%	124	124	124
1 359 169	-	11 291	1 370 460	1 370 460	-	100.0%	1 288 069	1 288 069	1 288 069

Sub programme: 3.1: Programme Support Operations									
2016/17					2015/16				
Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
26 731	-	2 490	29 221	-	-	100.0%	19 858	19 858	19 858
5 837	-	(462)	5 375	5 375	-	100.0%	5 269	5 269	5 269
5 158	-	(442)	4 716	4 716	-	100.0%	4 620	4 620	4 620
679	-	(20)	659	659	-	100.0%	649	649	649



Sub programme: 3.1: Programme Support Operations

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Goods and services	20 894	-	2 952	23 846	23 846	-	100.0%	14 589	14 589
Administrative fees	132	-	90	222	222	-	100.0%	79	79
Advertising	12	-	3	15	15	-	100.0%	70	70
Minor assets	-	-	7	7	7	-	100.0%	18	18
Catering: Departmental activities	576	-	59	635	635	-	100.0%	10	10
Communication (G&S)	409	-	(8)	401	401	-	100.0%	164	164
Consultants: Business and advisory services	7 222	-	3 906	11 128	11 128	-	100.0%	9 014	9 014
Legal services	4 847	-	(1 997)	2 850	2 850	-	100.0%	320	320
Contractors	57	-	(21)	36	36	-	100.0%	29	29
Agency and support / outsourced services	59	-	(59)	-	-	-	100.0%	92	92
Fleet services (including government motor transport)	9	-	3	12	12	-	100.0%	209	209
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	100.0%	16	16
Consumable: Stationery, printing and office supplies	183	-	(21)	-	-	-	100.0%	129	129
Operating leases	264	-	(16)	248	248	-	100.0%	244	244
Property payments	81	-	(21)	60	60	-	100.0%	2 266	2 266
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 416	-	1 041	6 457	6 457	-	100.0%	1 671	1 671
Training and development	1 128	-	(6)	1 122	1 122	-	100.0%	-	-
Operating payments	23	-	68	91	91	-	100.0%	31	31
Venues and facilities	224	-	(50)	174	174	-	100.0%	-	-
Rental and hiring	252	-	(26)	226	226	-	100.0%	227	227
Transfers and subsidies	5	-	(1)	4	4	-	100.0%	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-

Sub programme: 3.1: Programme Support Operations

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts Departmental agencies (non-business entities)	5	-	(1)	4	4	-	100.0%	-	-
Payments for capital assets	5	-	(1)	4	4	-	100.0%	-	-
Machinery and equipment	242	-	(196)	46	46	-	100.0%	53	53
Other machinery and equipment	242	-	(196)	46	46	-	100.0%	53	53
Total	26 978	-	2 293	29 271		-	100.0%	19 911	19 911

Sub programme: 3.2: Public Transport Services

	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	247 667	-	9 282	256 949	256 949	-	100.0%	211 860	211 860
Compensation of employees	4 593	-	(978)	3 615	3 615	-	100.0%	3 023	3 023
Salaries and wages	4 147	-	(979)	3 168	3 168	-	100.0%	2 657	2 657
Social contributions	446	-	1	447	447	-	100.0%	366	366
Goods and services	243 074	-	10 260	253 337	253 334	-	100.0%	208 837	208 837
Minor assets	-	-	5	5	5	-	100.0%	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	9	-	(2)	7	7	-	100.0%	-	-
Consultants: Business and advisory services	10 589	-	1 693	12 282	12 282	-	100.0%	-	-
Legal services	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-

Sub programme: 3.2: Public Transport Services	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	30	-	9	39	39	-	100.0%	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	232 172	-	8 589	240 761	240 761	-	100.0%	208 623	208 623	208 623
Travel and subsistence	274	-	(10)	264	264	-	100.0%	214	214	214
Training and development	-	-	-	-	-	-	-	-	-	-
Operating payments	-	-	(24)	(24)	(24)	-	100.0%	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
Public corporations and private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
Private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
Other transfers to private enterprises	1 011 046	-	39	1 011 085	1 011 085	-	100.0%	993 057	993 057	993 057
Total	1 258 713	-	9 321	1 268 034	1 268 034	-	100.0%	1 204 917	1 204 917	1 204 917

Sub programme: 3.3: Transport Safety and Compliance	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Current payments	73 429	-	(419)	73 010	73 010	-	100.0%	63 045	63 045	63 045

Sub programme: 3.3: Transport Safety and Compliance

Economic classification	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Compensation of employees	29 082	-	(396)	28 686	28 686	-	100.0%	27 011	27 011
Salaries and wages	26 328	-	(362)	25 966	25 966	-	100.0%	24 404	24 404
Social contributions	2 754	-	(34)	2 720	2 720	-	100.0%	2 607	2 607
Goods and services	44 347	-	(23)	44 324	44 324	-	100.0%	36 034	36 034
Administrative fees	93	-	30	123	123	-	100.0%	158	158
Advertising	2 316	-	216	2 532	2 532	-	100.0%	2 083	2 083
Minor assets	638	-	(632)	6	6	-	100.0%	-	-
Catering: Departmental activities	4 130	-	(1 151)	2 979	2 979	-	100.0%	2 583	2 583
Communication (G&S)	1 056	-	225	1 281	1 281	-	100.0%	818	818
Consultants: Business and advisory services	15 246	-	(3 055)	12 191	12 191	-	100.0%	14 354	14 354
Legal services	-	-	7 700	7 700	7 700	-	100.0%	-	-
Contractors	1 967	-	84	2 051	2 051	-	100.0%	3 498	3 498
Agency and support / outsourced services	-	-	-	-	-	-	100.0%	83	83
Fleet services (including government motor transport)	223	-	69	292	292	-	100.0%	612	612
Inventory: Clothing material and accessories	38	-	20	58	58	-	100.0%	21	21
Inventory: Food and food supplies	10	-	-	10	10	-	100.0%	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	40	-	-	40	40	-	100.0%	-	-
Consumable supplies	150	-	(21)	129	129	-	100.0%	599	599
Consumable: Stationery, printing and office supplies	682	-	142	824	824	-	100.0%	1 180	1 180
Operating leases	83	-	4	87	87	-	100.0%	99	99
Property payments	20	-	-	20	20	-	100.0%	-	-
Transport provided: Departmental activity	4 184	-	(1 479)	2 705	2 705	-	100.0%	788	788
Travel and subsistence	2 865	-	52	2 917	2 917	-	100.0%	2 949	2 949
Training and development	53	-	-	53	53	-	100.0%	2	2
Operating payments	322	-	(135)	187	187	-	100.0%	281	281
Venues and facilities	9 857	-	(1 937)	7 920	7 920	-	100.0%	5 896	5 896

Sub programme: 3.3: Transport Safety and Compliance									
2016/17					2015/16				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rental and hiring	374	-	(155)	219	219	-	100.0%	30	30
Transfers and subsidies	49	-	64	113	113	-	100.0%	125	125
Provinces and municipalities	11	-	-	11	11	-	100.0%	8	8
Provinces	11	-	-	11	11	-	100.0%	8	8
Provincial agencies and funds	11	-	-	11	11	-	100.0%	8	8
Households	38	-	64	102	102	-	100.0%	117	117
Other transfers to households	38	-	64	102	102	-	100.0%	117	117
Payments for capital assets	-	-	32	32	32	-	100.0%	71	71
Machinery and equipment	-	-	32	32	32	-	100.0%	71	71
Other machinery and equipment	-	-	32	32	32	-	100.0%	71	71
Total	73 478	-	(323)	73 155	-	-	100.0%	63 241	63 241

Programme 4: Transport Regulation									
2016/17					2015/16				
Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. <u>Programme Support Regulation</u>	2 958	-	(587)	2 371	2 371	-	100.0%	623	623
2. <u>Transport Administration and Licensing</u>	123 167	-	(3 345)	119 822	119 822	-	100.0%	118 156	118 156
3. <u>Operator Licenses and Permits</u>	60 272	-	(3 076)	57 196	57 196	-	100.0%	61 119	61 119
4. <u>Law Enforcements</u>	625 346	-	(26 673)	598 673	598 673	-	100.0%	557 892	557 892
	811 743	-	(33 681)	778 062	778 062	-	100.0%	737 790	737 790

Programme 4: Transport Regulation	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	761 990	-	(21 240)	740 750	740 750	-	100.0%	716 563	716 563
Compensation of employees	569 403	-	(17 234)	552 169	552 169	-	100.0%	508 503	508 503
Salaries and wages	492 088	-	(17 315)	474 773	474 773	-	100.0%	436 291	436 291
Social contributions	77 315	-	81	77 396	77 396	-	100.0%	72 212	72 212
Goods and services	192 587	-	(4 006)	188 581	188 581	-	100.0%	208 057	208 057
Administrative fees	458	-	128	586	586	-	100.0%	610	610
Advertising	68	-	(15)	53	53	-	100.0%	272	272
Minor assets	788	-	(212)	576	576	-	100.0%	1 954	1 954
Audit costs: External	18	-	32	50	50	-	100.0%	29	29
Catering: Departmental activities	374	-	6	380	380	-	100.0%	78	78
Communication (G&S)	9 475	-	446	9 921	9 921	-	100.0%	9 788	9 788
Computer services	6 722	-	350	7 122	7 122	-	100.0%	11 291	11 291
Consultants: Business and advisory services	7 759	-	(795)	6 964	6 964	-	100.0%	5 628	5 628
Infrastructure and planning services	589	-	(245)	344	344	-	100.0%	610	610
Legal services	2 705	-	2 689	5 394	5 394	-	100.0%	7 586	7 586
Contractors	29 175	-	(9 544)	19 631	19 631	-	100.0%	38 457	38 457
Agency and support / outsourced services	1 173	-	(58)	1 115	1 115	-	100.0%	1 111	1 111
Fleet services (including government motor transport)	35 934	-	(2 392)	33 542	33 542	-	100.0%	26 007	26 007
Inventory: Clothing material and accessories	1 449	-	4 077	5 526	5 526	-	100.0%	4 804	4 804
Inventory: Food and food supplies	104	-	9	113	113	-	100.0%	73	73
Inventory: Fuel, oil and gas	20	-	8	28	28	-	100.0%	58	58
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	75	75
Inventory: Materials and supplies	81	-	(23)	58	58	-	100.0%	26	26

Programme 4: Transport Regulation	2016/17										2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Inventory: Medicine	-	-	-	-	-	-	-	-	-	-	3	3
Inventory: Medical supplies	1	-	(1)	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-	-	-	-
Consumable supplies	2 902	-	(625)	2 277	2 277	-	100.0%	12 785	12 785	-	12 785	12 785
Consumable: Stationery, printing and office supplies	10 886	-	148	11 034	11 034	-	100.0%	4 115	4 115	-	4 115	4 115
Operating leases	21 203	-	(946)	20 257	20 257	-	100.0%	23 596	23 596	-	23 596	23 596
Property payments	38 682	-	(3 664)	35 018	35 018	-	100.0%	29 468	29 468	-	29 468	29 468
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-	2 563	2 563
Travel and subsistence	13 146	-	8 586	21 732	21 732	-	100.0%	17 689	17 689	-	17 689	17 689
Training and development	468	-	(113)	355	355	-	100.0%	1 876	1 876	-	1 876	1 876
Operating payments	2 126	-	(220)	1 906	1 906	-	100.0%	7 342	7 342	-	7 342	7 342
Venues and facilities	1 457	-	(591)	866	866	-	100.0%	156	156	-	156	156
Rental and hiring	4 774	-	(1 041)	3 733	3 733	-	100.0%	7	7	-	7	7
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	3	3
Interest (incl. interest on unitary payment (PPP))	-	-	-	-	-	-	-	-	-	-	3	3
Rent on land	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 499	-	(16)	3 483	3 483	-	100.0%	2 116	2 116	-	2 116	2 116
Provinces and municipalities	764	-	(289)	475	475	-	100.0%	480	480	-	480	480
Provinces	764	-	(289)	475	475	-	100.0%	480	480	-	480	480
Provincial agencies and funds	764	-	(289)	475	475	-	100.0%	480	480	-	480	480
Departmental agencies and accounts	-	-	4	4	4	-	100.0%	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	4	4	4	-	100.0%	-	-	-	-	-
Households	2 735	-	269	3 004	3 004	-	100.0%	1 636	1 636	-	1 636	1 636
Social benefits	2 481	-	523	3 004	3 004	-	100.0%	1 636	1 636	-	1 636	1 636
Other transfers to households	254	-	(254)	-	-	-	-	-	-	-	-	-
Payments for capital assets	45 900	-	(12 939)	32 961	32 961	-	100.0%	18 823	18 823	-	18 823	18 823

Programme 4: Transport Regulation	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Machinery and equipment	45 900	-	(12 939)	32 961	32 961	-	100.0%	18 823	18 823	18 823
Transport equipment	42 000	-	(11 362)	30 638	30 638	-	100.0%	17 266	17 266	17 266
Other machinery and equipment	3 900	-	(1 577)	2 323	2 323	-	100.0%	1 577	1 577	1 577
Payment for financial assets	354	-	514	868	868	-	100.0%	288	288	288
	811 743	-	(33 681)	778 062	778 062	-	100.0%	737 790	737 790	737 790

Sub programme: 4.1: Programme Support Regulation	2016/17							2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Economic classification										
Current payments	2 758	-	(387)	2 371	2 371	-	100.0%	609	609	609
Compensation of employees	239	-	(2)	237	237	-	100.0%	237	237	237
Salaries and wages	239	-	(2)	237	237	-	100.0%	237	237	237
Social contributions	-	-	-	-	-	-	-	-	-	-
Goods and services	2 519	-	(385)	2 134	2 134	-	100.0%	372	372	372
Administrative fees	50	-	106	156	156	-	-	-	-	-
Communication (G&S)	50	-	(50)	-	-	-	100.0%	11	11	11
Legal services	460	-	(460)	-	-	-	100.0%	294	294	294
Agency and support / outsourced services	2	-	(1)	-	-	-	100.0%	3	3	3
Consumable: Stationery, printing and office supplies	34	-	(34)	-	-	-	100.0%	9	9	9

Sub programme: 4.1: Programme Support Regulation	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Operating leases	816	-	(816)	-	-	-	-	-	-
Property payments	103	-	(103)	-	-	-	-	-	-
Travel and subsistence	1 004	-	973	1 977	1 977	-	100.0%	20	20
Operating payments	-	-	-	-	-	-	100.0%	35	35
Transfers and subsidies									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Payments for capital assets	200	-	(200)	-	-	-	100.0%	14	14
Machinery and equipment	200	-	(200)	-	-	-	100.0%	14	14
Other machinery and equipment	200	-	(200)	-	-	-	100.0%	14	14
Total	2 958	-	(587)	-	-	-	100.0%	623	623

Sub programme: 4.2: Transport Administration and Licensing	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Current payments	121 749	-	(3 379)	118 370	118 370	-	100.0%	117 111	117 111
Compensation of employees	90 600	-	650	91 250	91 250	-	100.0%	83 684	83 684
Salaries and wages	74 005	-	696	74 701	74 701	-	100.0%	68 312	68 312
Social contributions	16 595	-	(46)	16 549	-	-	100.0%	15 372	15 372
Goods and services	31 149	-	(4 029)	27 120	27 120	-	100.0%	34 027	34 027
Administrative fees	71	-	6	77	77	-	100.0%	119	119

Sub programme: 4.2: Transport Administration and Licensing	2016/17										2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Economic classification												
Advertising	46	-	(6)	40	40	-	100.0%	137	137	-	100.0%	137
Minor assets	21	-	(10)	11	11	-	100.0%	188	188	-	100.0%	188
Catering: Departmental activities	-	-	1	1	1	-	100.0%	14	14	-	100.0%	14
Communication (G&S)	1 548	-	(121)	1 427	1 427	-	100.0%	1 488	1 488	-	100.0%	1 488
Computer services	909	-	347	1 256	1 256	-	100.0%	4 833	4 833	-	100.0%	4 833
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure and planning services	589	-	(245)	344	344	-	100.0%	610	610	-	100.0%	610
Legal services	216	-	(90)	126	126	-	100.0%	79	79	-	100.0%	79
Contractors	7 101	-	(3 110)	3 991	3 991	-	100.0%	9 576	9 576	-	100.0%	9 576
Fleet services (including government motor transport)	1 560	-	12	1 572	1 572	-	100.0%	1 460	1 460	-	100.0%	1 460
Inventory: Clothing material and accessories	20	-	13	33	33	-	100.0%	20	20	-	100.0%	20
Inventory: Food and food supplies	21	-	(4)	17	17	-	100.0%	4	4	-	100.0%	4
Inventory: Learner and teacher support material	-	-	-	-	-	-	100.0%	75	75	-	100.0%	75
Inventory: Materials and supplies	-	-	-	-	-	-	100.0%	9	9	-	100.0%	9
Inventory: Medicine	-	-	-	-	-	-	100.0%	3	3	-	100.0%	3
Consumable supplies	1 593	-	(152)	1 441	1 441	-	100.0%	1 037	1 037	-	100.0%	1 037
Consumable: Stationery, printing and office supplies	3 936	-	(446)	3 490	3 490	-	100.0%	2 733	2 733	-	100.0%	2 733
Operating leases	690	-	(78)	612	612	-	100.0%	906	906	-	100.0%	906
Property payments	10 020	-	(134)	9 886	9 886	-	100.0%	7 555	7 555	-	100.0%	7 555
Travel and subsistence	2 209	-	(14)	2 195	2 195	-	100.0%	2 621	2 621	-	100.0%	2 621
Training and development	-	-	2	2	2	-	100.0%	-	-	-	100.0%	-
Operating payments	599	-	(20)	579	579	-	100.0%	553	553	-	100.0%	553
Rental and hiring	-	-	-	-	-	-	100.0%	7	7	-	100.0%	7

Sub programme: 4.2. Transport Administration and Licensing	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	681	-	267	948	948	-	100.0%	134	134
Provinces and municipalities	114	-	(108)	6	6	-	100.0%	20	20
Provinces	114	-	(108)	6	6	-	100.0%	20	20
Provincial agencies and funds	114	-	(108)	6	6	-	100.0%	20	20
Households	567	-	375	942	942	-	100.0%	114	114
Social benefits	567	-	375	942	942	-	100.0%	114	114
Payments for capital assets	600	-	(238)	362	362	-	100.0%	309	309
Machinery and equipment	600	-	(238)	362	362	-	100.0%	309	309
Other machinery and equipment	600	-	(238)	362	362	-	100.0%	309	309
Payment for financial assets	137	-	5	142	142	-	100.0%	2	2
Total	123 167	-	(3 345)	119 822	-	-	100.0%	118 156	118 156

Sub programme: 4.3. Operator Licenses and Permits	2016/17						2015/16		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	60 172	-	(3 060)	57 112	57 112	-	100.0%	60 990	60 990
Compensation of employees	26 748	-	952	27 700	27 700	-	100.0%	24 806	24 806
Salaries and wages	24 582	-	938	25 520	25 520	-	100.0%	22 831	22 831

Sub programme: 4.3: Operator Licenses and Permits

	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Social contributions	2 166	-	14	2 180	2 180	-	100.0%	1 975	1 975
Goods and services	33 424	-	(4 012)	29 412	29 412	-	100.0%	36 184	36 184
Administrative fees	80	-	34	114	114	-	100.0%	108	108
Advertising	22	-	(9)	13	13	-	100.0%	95	95
Minor assets	10	-	18	28	28	-	100.0%	6	6
Catering: Departmental activities	336	-	(46)	290	290	-	100.0%	13	13
Communication (G&S)	615	-	336	951	951	-	100.0%	616	616
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	7 759	-	(795)	6 964	6 964	-	100.0%	5 628	5 628
Legal services	1 203	-	1 545	2 748	2 748	-	100.0%	5 795	5 795
Contractors	-	-	30	30	30	-	100.0%	121	121
Agency and support / outsourced services	1 171	-	(57)	1 114	1 114	-	100.0%	1 108	1 108
Fleet services (including government motor transport)	497	-	112	609	609	-	100.0%	522	522
Inventory: Materials and supplies	48	-	(19)	29	29	-	100.0%	12	12
Inventory : Medical Supplies	1	-	(1)	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	10	-	(4)	6	6	-	100.0%	7 967	7 967
Consumable: Stationery, printing and office supplies	4 156	-	(394)	3 762	3 762	-	-	-	-
Operating leases	219	-	(4)	215	215	-	100.0%	154	154
Property payments	6 855	-	(2 697)	4 158	4 158	-	100.0%	1 719	1 719
Transport provided: Departmental activity	3 770	-	(664)	3 106	3 106	-	100.0%	2 563	2 563
Travel and subsistence	3 770	-	(664)	3 106	3 106	-	100.0%	3 453	3 453
Training and development	219	-	-	219	219	-	100.0%	1 339	1 339
Operating payments	222	-	289	511	511	-	100.0%	4 869	4 869
Venues and facilities	1 457	-	(619)	838	838	-	100.0%	96	96
Rental and hiring	4 774	-	(1 067)	3 707	3 707	-	100.0%	-	-

Sub programme: 4.3: Operator Licenses and Permits	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Transfers and subsidies									
Provinces and municipalities	-	-	1	1	1	-	100.0%	77	77
Provinces	-	-	-	-	-	-	-	1	1
Provincial agencies and funds	-	-	-	-	-	-	-	1	1
Departmental agencies and accounts	-	-	1	1	1	-	100.0%	-	-
Departmental agencies (non-business entities)	-	-	1	1	1	-	100.0%	-	-
Households	-	-	-	-	-	-	100.0%	76	76
Social benefits	-	-	-	-	-	-	100.0%	76	76
Payments for capital assets	100	-	(17)	83	83	-	100.0%	52	52
Machinery and equipment	100	-	(17)	83	83	-	100.0%	52	52
Other machinery and equipment	100	-	(17)	83	83	-	100.0%	52	52
Total	60 272	-	(3 076)	57 196	57 196	-	100.0%	61 119	61 119

Sub programme: 4.4: Law Enforcements	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Current payments	577 311	-	(14 414)	562 897	562 897	-	100.0%	537 253	537 253
Compensation of employees	451 816	-	(18 834)	432 982	432 982	-	100.0%	399 776	399 776
Salaries and wages	393 262	-	(18 947)	374 315	374 315	-	100.0%	344 911	344 911
Social contributions	58 554	-	113	58 667	58 667	-	100.0%	54 865	54 865
Goods and services	125 495	-	4 420	129 915	129 915	-	100.0%	137 474	137 474
Administrative fees	257	-	(18)	239	239	-	100.0%	383	383
Advertising	-	-	-	-	-	-	-	40	40

Sub programme: 4.4: Law Enforcements	2016/17										2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Economic classification												
Minor assets	757	-	(220)	537	537	-	100.0%	1 760	1 760	-	100.0%	1 760
Audit costs: External	18	-	12	30	30	-	100.0%	29	29	-	100.0%	29
Catering: Departmental activities	38	-	51	89	89	-	100.0%	51	51	-	100.0%	51
Communication (G&S)	7 262	-	281	7 543	7 543	-	100.0%	7 673	7 673	-	100.0%	7 673
Computer services	5 863	-	3	5 866	5 866	-	100.0%	6 458	6 458	-	100.0%	6 458
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-	-	-	-
Legal services	826	-	1 694	2 520	2 520	-	100.0%	1 418	1 418	-	100.0%	1 418
Contractors	22 074	-	(6 464)	15 610	15 610	-	100.0%	28 760	28 760	-	100.0%	28 760
Fleet services (including government motor transport)	33 877	-	(2 516)	31 361	31 361	-	100.0%	24 025	24 025	-	100.0%	24 025
Inventory: Clothing material and accessories	1 429	-	4 064	5 493	5 493	-	100.0%	4 784	4 784	-	100.0%	4 784
Inventory: Food and food supplies	83	-	13	96	96	-	100.0%	69	69	-	100.0%	69
Inventory: Fuel, oil and gas	20	-	8	28	28	-	100.0%	58	58	-	100.0%	58
Inventory: Materials and supplies	33	-	(4)	29	29	-	100.0%	5	5	-	100.0%	5
Consumable supplies	1 299	-	(469)	830	830	-	100.0%	3 781	3 781	-	100.0%	3 781
Consumable: Stationery, printing and office supplies	2 760	-	1 022	3 782	3 782	-	100.0%	1 373	1 373	-	100.0%	1 373
Operating leases	19 478	-	(48)	19 430	19 430	-	100.0%	22 536	22 536	-	100.0%	22 536
Property payments	21 704	-	(730)	20 974	20 974	-	100.0%	20 194	20 194	-	100.0%	20 194
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-	-	-	-
Travel and subsistence	6 163	-	8 291	14 454	14 454	-	100.0%	11 595	11 595	-	100.0%	11 595
Training and development	249	-	(115)	134	134	-	100.0%	537	537	-	100.0%	537
Operating payments	1 305	-	(489)	816	816	-	100.0%	1 885	1 885	-	100.0%	1 885
Venues and facilities	-	-	28	28	28	-	100.0%	60	60	-	100.0%	60

Sub programme: 4.4: Law Enforcements	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Rental and hiring	-	-	26	26	26	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	3	3
Rent on land	-	-	-	-	-	-	-	3	3
Transfers and subsidies	2 818	-	(284)	2 534	2 534	-	100.0%	1 905	1 905
Provinces and municipalities	650	-	(181)	469	469	-	100.0%	459	459
Provinces	650	-	(181)	469	469	-	100.0%	459	459
Provincial agencies and funds	650	-	(181)	469	469	-	100.0%	459	459
Departmental agencies and accounts	-	-	3	3	3	-	100.0%	-	-
Departmental agencies (non-business entities)	-	-	3	3	3	-	100.0%	-	-
Households	2 168	-	(106)	2 062	2 062	-	100.0%	1 446	1 446
Social benefits	1 914	-	148	2 062	2 062	-	100.0%	1 446	1 446
Other transfers to households	254	-	(254)	-	-	-	-	-	-
Payments for capital assets	45 000	-	(12 484)	32 516	32 516	-	100.0%	18 448	18 448
Machinery and equipment	45 000	-	(12 484)	32 516	32 516	-	100.0%	18 448	18 448
Transport equipment	45 000	-	(11 362)	30 638	30 638	-	100.0%	17 266	17 266
Other machinery and equipment	3 000	-	(1 122)	1 878	1 878	-	100.0%	1 182	1 182
Payment for financial assets	217	-	509	726	726	-	100.0%	286	286
Total	625 346	-	(26 673)	598 673	598 673	-	100.0%	557 892	557 892

Programme 5: Community Based Programme		2015/16							2014/15	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. <u>Programme Support Community Based</u>		7 703	-	(1 065)	6 638	6 638	-	100.0%	6 675	6 675
2. <u>Community Development</u>		8 188	-	(4 542)	3 646	3 646	-	100.0%	6 966	3 702
3. <u>Innovation and Empowerment</u>		12 789	-	3 950	16 739	16 739	-	100.0%	15 744	8 681
4. <u>EPWP Coordination and Monitoring</u>		5 818	-	(344)	5 474	5 474	-	100.0%	11 131	10 531
		34 498	-	(2 001)	32 497	32 497	-	100.0%	40 516	29 589
Economic classification										
Current payments		34 388	-	(1 901)	32 487	32 487	-	100.0%	35 439	29 512
Compensation of employees		14 264	-	(1 458)	12 806	12 806	-	100.0%	21 486	15 559
Salaries and wages		12 907	-	(1 373)	11 534	11 534	-	100.0%	20 099	14 172
Social contributions		1 357	-	(85)	1 272	1 272	-	100.0%	1 387	1 387
Goods and services		20 124	-	(443)	19 681	19 681	-	100.0%	13 953	13 953
Administrative fees		75	-	(31)	44	44	-	100.0%	52	52
Advertising		222	-	(76)	146	146	-	100.0%	65	65
Minor assets		-	-	-	-	-	-	-	-	-
Catering: Departmental activities		22	-	(9)	13	13	-	100.0%	-	-
Communication (G&S)		141	-	(41)	100	100	-	100.0%	171	171
Computer Services		-	-	303	303	303	-	100.0%	-	-
Consultants: Business and advisory services		17 409	-	(5 850)	11 559	11 559	-	100.0%	9 904	9 904
Infrastructure and planning services		-	-	4 492	4 492	4 492	-	100.0%	-	-
Legal Services		-	-	619	619	619	-	100.0%	-	-
Contractors		-	-	-	-	-	-	-	720	720
Agency and support / outsourced services		-	-	71	71	71	-	100.0%	-	-
Fleet services (including government motor transport)		-	-	68	68	68	-	100.0%	-	81

Programme 5: Community Based Programme	2015/16							2014/15	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	1
Inventory: Materials and supplies	-	-	-	-	-	-	-	814	814
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	5	-	36	41	41	-	100.0%	25	25
Operating leases	141	-	180	321	321	-	100.0%	107	107
Transport provided: Departmental activity	-	-	-	-	-	-	-	1	1
Travel and subsistence	2 012	-	(166)	1 846	1 846	-	100.0%	1 938	1 938
Training and development	-	-	-	-	-	-	-	9	9
Operating payments	97	-	(39)	58	58	-	100.0%	65	65
Transfers and subsidies	-	-	-	-	-	-	-	5 077	77
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	5 000	-
Other transfers to private enterprises	-	-	-	-	-	-	-	5 000	-
Households	-	-	-	-	-	-	-	5 000	-
Social benefits	-	-	-	-	-	-	-	77	77
Payments for capital assets	100	-	(100)	-	-	-	-	-	-
Machinery and equipment	100	-	(100)	-	-	-	-	-	-
Other machinery and equipment	100	-	(100)	-	-	-	-	-	-
Payments for financial assets	10	-	-	10	10	-	100.0%	-	-
	34 498	-	(2 001)	32 497	32 497	-	100.0%	40 516	29 589

Sub programme : 5.1: Programme Support Community Based

2016/17

2015/16

Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	7 603	-	(965)	6 638	6 638	-	100.0%	6 675	6 675
Compensation of employees	5 052	-	(477)	4 575	4 575	-	100.0%	4 349	4 349
Salaries and wages	4 872	-	(467)	4 405	4 405	-	100.0%	4 186	4 186
Social contributions	180	-	(10)	170	170	-	100.0%	163	163
Goods and services	2 551	-	(488)	2 063	2 063	-	100.0%	2 326	2 326
Administrative fees	71	-	(38)	33	33	-	100.0%	48	48
Advertising	4	-	(4)	-	-	-	-	-	-
Communication (G&S)	39	-	(15)	24	24	-	100.0%	27	27
Consultants: Business and advisory services	1 070	-	(221)	849	849	-	100.0%	890	890
Consumable: Stationery, printing and office supplies	-	-	2	2	2	-	100.0%	-	-
Operating leases	94	-	(14)	80	80	-	100.0%	74	74
Travel and subsistence	1 273	-	(198)	1 075	1 075	-	100.0%	1 287	1 287
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Payments for capital assets	100	-	(100)	-	-	-	-	-	-
Machinery and equipment	100	-	(100)	-	-	-	-	-	-
Other machinery and equipment	100	-	(100)	-	-	-	-	-	-
Total	7 703	-	(1 065)	6 638	6 638	-	100.0%	6 675	6 675

Sub programme: 5.2: Community Development									
2016/17					2015/16				
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	8 188	-	(4 542)	3 646	3 646	3 264	100.0%	6 935	3 671

Sub programme: 5.2: Community Development	2016/17							2015/16	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Compensation of employees	3 167	-	(134)	3 033	3 033	3 264	100.0%	6 032	2 768
Salaries and wages	2 806	-	(133)	2 673	2 673	3 264	100.0%	5 697	2 433
Social contributions	361	-	(1)	360	360	-	100.0%	335	335
Goods and services	5 021	-	(4 408)	613	613	-	100.0%	903	903
Advertising	-	-	-	-	-	-	-	5	5
Minor assets	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	22	-	3	25	25	-	100.0%	29	29
Consultants: Business and advisory services	4 593	-	(4 482)	111	111	-	100.0%	478	478
Fleet services (including government motor transport)	-	-	66	66	66	-	100.0%	80	80
Consumable: Stationery, printing and office supplies	1	-	-	1	1	-	100.0%	1	1
Operating leases	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	371	-	19	390	390	-	100.0%	295	295
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	34	-	(15)	19	19	-	100.0%	15	15
Transfers and subsidies	-	-	-	-	-	-	100.0%	31	31
Households	-	-	-	-	-	-	100.0%	31	31
Social benefits	-	-	-	-	-	-	100.0%	31	31
Payments of capital assets	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Total	8 188	-	(4 542)	3 646	3 646	-	100.0%	6 966	3 702

Sub programme: 5.3: Innovation and Empowerment

Economic classification	2016/17						2015/16		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	12 789	-	3 950	16 739	16 739	-	100.0%	10 698	8 635
Compensation of employees	6 045	-	(847)	5 198	5 198	-	100.0%	6 486	4 423
Salaries and wages	5 229	-	(773)	4 456	4 456	-	100.0%	5 821	3 758
Social contributions	816	-	(74)	742	742	-	100.0%	665	665
Goods and services	6 744	-	4 797	11 541	11 541	-	100.0%	4 212	4 212
Administrative fees	-	-	7	7	7	-	100.0%	-	-
Advertising	218	-	(72)	146	146	-	100.0%	60	60
Catering: departmental activities	22	-	(9)	13	13	-	100.0%	-	-
Communication (G&S)	45	-	(2)	43	43	-	100.0%	57	57
Computer services	-	-	303	303	303	-	100.0%	-	-
Consultants: Business and advisory services	6 055	-	3 668	9 723	9 723	-	100.0%	3 761	3 761
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Legal services	-	-	619	619	619	-	100.0%	-	-
Agency and support/outourced services	-	-	71	71	71	-	100.0%	-	-
Fleet services(including government motor transport)	-	-	2	2	2	-	100.0%	-	-
Consumable: Stationery, printing and office supplies	4	-	4	8	8	-	100.0%	21	21
Operating leases	6	-	202	208	208	-	100.0%	2	2
Transport provided: Departmental activity	-	-	-	-	-	-	-	1	1
Travel and subsistence	331	-	28	359	359	-	100.0%	251	251
Training and development	-	-	-	-	-	-	100.0%	9	9
Operating payments	63	-	(24)	39	39	-	100.0%	50	50
Transfers and subsidies	-	-	-	-	-	-	-	5 046	46
Public corporations and private enterprises	-	-	-	-	-	-	-	5 000	-
Private enterprises	-	-	-	-	-	-	-	5 000	-
Other transfers to private enterprises	-	-	-	-	-	-	-	5 000	-
Households	-	-	-	-	-	-	-	46	46
Social benefits	-	-	-	-	-	-	-	46	46
Total	12 789	-	3 950	16 739	16 739	7 063	100.0%	15 744	8 681



Sub programme: 5.4: EPWP Coordination and Monitoring	2016/17							2015/16	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Economic classification									
Current payments	5 808	-	(344)	5 464	-	-	100.0%	11 131	10 531
Compensation of employees	-	-	-	-	-	-	-	4 619	4 019
Salaries and wages	-	-	-	-	-	-	-	4 395	3 795
Social contributions	-	-	-	-	-	-	-	224	224
Goods and services	5 808	-	(344)	5 464	5 464	-	100.0%	6 512	6 512
Administrative fees	4	-	(1)	3	3	-	100.0%	4	4
Communication (G&S)	35	-	(27)	8	8	-	100.0%	58	58
Consultants: Business and advisory services	5 691	-	(4 815)	876	876	-	100.0%	4 775	4 775
Infrastructure and planning services	-	-	4 492	4 492	4 492	-	100.0%	-	-
Contractors	-	-	-	-	-	-	-	720	720
Fleet services (including government motor transport)	-	-	-	-	-	-	-	1	1
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	1
Inventory: Materials and supplies	-	-	-	-	-	-	-	814	814
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	30	30	30	-	100.0%	3	3
Operating leases	41	-	(8)	33	33	-	100.0%	31	31
Travel and subsistence	37	-	(15)	22	22	-	100.0%	105	105
Payments for financial assets	10	-	-	10	10	-	100.0%	-	-
Total	5 818	-	(344)	5 474	5 474	-	100.0%	11 131	10 531

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 7 (Transfers and Subsidies) and Annexure 1 (A - D) to the Annual Financial Statements.

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

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

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note 10 (Payments for financial assets) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme

Programme	Final Appropriation		Actual Expenditure		Variance		Variance as a % of Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	%	%
Administration	314 310		314 310		-			100.00%
Transport Infrastructure	7 082 291		7 054 362		27 929			100.00%
	1 370 460		1 370 460		-			100.00%
Transport Operations								
Transport Regulations	778 062		778 062		-			100.00%
Community Based Programme	32 497		32 497		-			98.00%

See below explanations.

Transport Infrastructure 7 082 291 7 054 362 27 929 100.00%

The under expenditure against this programme is due to the withholding of R million the flood damage funding by National Department of Transport. This was due to the fact that all approved disaster projects have been completed. However, the department has incurred R million unauthorized expenditure under this programme.

4.2 Per Economic Classification

	Final Appropriation		Actual Expenditure		Variance		Variance as a % of Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	%	%
Current expenditure:								
Compensation of employees	1 602 568	1 602 568			-		100.00%	
Goods and services	3 196 666	3 194 666			2 000		99.90%	
Interest and rent on land	-	-			-		100.00%	
Transfers and subsidies:								
Provinces and municipalities	5 093	5 093			-		100.00%	
Departmental agencies and accounts	3 986	3 986			-		100.00%	
Public corporations and private enterprises	1 011 085	1 011 085			-		100.00%	
Households	13 229	13 229			-		100.00%	
Payments for capital assets:								
Buildings and other fixed structures	3 556 655	3 530 726			25 929		100.00%	
Machinery and equipment	180 095	180 095			-		100.00%	
Software and other intangible assets	1 342	1 342			-		100.00%	
Payments for financial assets:								
	6 901	6 901			-		100.00%	

4.3 Per Conditional Grant

	Final Appropriation		Actual Expenditure		Variance		Variance as a % of Final Appropriation	
	R'000	R'000	R'000	R'000	R'000	R'000	%	%
Public Works								
EPWP Inter GRNT PROV	56 055	56 055			-		100.00%	
Transport								
Provincial Roads Maintenance Grant	1 925 378	1 192 537			-		100.00%	
Public Transport Operations Grant	1 011 045	011 045			-		100.00%	

KWAZULU-NATAL : DEPARTMENT OF TRANSPORT
VOTE 12

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2017

	<i>Note</i>	2016/17 R'000	2015/16 R'000
REVENUE			
Annual appropriation	1	9 577 620	9 366 560
Departmental revenue	2	1 784 229	1 664 980
Aid assistance	3	-	-
TOTAL REVENUE		11 361 849	11 031 540
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1 602 566	1 492 729
Goods and services	5	3 188 874	2 576 856
Interest and rent on land	6	-	3
Aid assistance	3	10 320	14 602
Total current expenditure		4 801 760	4 084 190
Transfers and subsidies			
Transfers and subsidies	8	1 033 385	1 016 815
Total transfers and subsidies		1 033 385	1 016 815
Expenditure for capital assets			
Tangible capital assets	9	3 710 430	4 234 445
Software and other intangible assets	9	7 543	12 445
Total expenditure for capital assets		3 717 973	4 246 890
Unauthorised expenditure approved without funding	10	4 545	4 557
Payment for financial assets	7	2 348	642
TOTAL EXPENDITURE		9 560 011	9 353 094
SURPLUS FOR THE YEAR		1 801 838	1 678 446
Reconciliation of Surplus for the year			
Voted Funds		27 929	28 068
Annual appropriation		27 929	(2 173)
Conditional grants		-	30 241
Departmental Revenue and NRF Receipts	15	1 784 229	1 664 980
Aid assistance	3	(10 320)	(14 602)
SURPLUS FOR THE YEAR		1 801 838	1 678 446



KWAZULU-NATAL: DEPARTMENT OF TRANSPORT
VOTE 12

STATEMENT OF FINANCIAL POSITION
at 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
ASSETS			
Current Assets		256 801	30 753
Unauthorised expenditure	10	-	5 609
Cash and cash equivalents	11	170 536	28
Prepayments and advances	12	816	816
Receivables	13	85 449	24 300
Non-Current Assets		17 296	18 856
Receivables	13	17 296	18 856
TOTAL ASSETS		274 097	49 609
LIABILITIES			
Current liabilities		271 675	46 488
Voted funds to be surrendered to the Revenue Fund	14	56 006	(247 614)
Departmental revenue to be surrendered to the Revenue Fund	15	171 994	141 091
Bank overdraft	16	-	109 222
Payables	17	25 044	14 838
Aid assistance unutilised	3	18 631	28 951
TOTAL LIABILITIES		271 675	46 488
NET ASSETS		2 422	3 121
Represented by:			
Recoverable revenue		2 422	3 121
TOTAL		2 422	3 121

KWAZULU-NATAL: DEPARTMENT OF TRANSPORT
VOTE 12

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2017

	Note	2016/17 R'000	2015/16 R'000
Recoverable revenue			
Opening balance		3 121	3 054
Transfers:		(699)	67
Irrecoverable amounts written off		(1 747)	(356)
Debt recovered (included in departmental receipts)		273	(1 310)
Debt raised		775	1 733
Closing balance		2 422	3 121
TOTAL		2 422	3 121

**CASH FLOW STATEMENT
for the year ended 31 March 2017**

	<i>Note</i>	2016/17 R'000	2015/16 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		11 334 616	10 749 612
Annual appropriated funds received	1.1	9 577 620	9 090 878
Departmental revenue received	2	1 756 812	1 658 686
Interest received	2.3	184	48
Aid assistance received	3	-	-
Net (increase)/decrease in working capital		(43 774)	23 719
Surrendered to Revenue Fund		(1 477 635)	(1 550 464)
Current payments		(4 801 760)	(4 071 086)
Interest paid	6	-	(3)
Payment for financial assets		(2 348)	(642)
Transfers and subsidies paid		(1 033 385)	(1 016 815)
Net cash flow available from operating activities	18	3 975 714	4 134 321
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(3 722 518)	(4 251 447)
Proceeds from sale of capital assets	2.4	27 205	6 221
Net cash flows from investing activities		(3 695 313)	(4 245 226)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution/dividend received		28	25
(Decrease)/ Increase in net assets		(699)	67
Net cash flows from financing activities		(671)	92
Net decrease in cash and cash equivalents		279 730	(110 813)
Cash and cash equivalents at the beginning of the year		(109 194)	1 619
Cash and cash equivalents at end of year	19	170 536	(109 194)

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2012.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The “modification” results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year’s financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year’s financial statements.

1.5 Comparative figures - Appropriation Statement

A comparison between the approved, final budget actual amounts for each programme and economic classification is included in the appropriation statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation)

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective.

Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

The total appropriated funds received during the year are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Any amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.2 Departmental revenue

All departmental revenue is recognised in the Statement of Financial Performance when received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised as a payable in the Statement of Financial Position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts/payments

All direct exchequer receipts are recognised in the Statement of Financial Performance when the cash is received and subsequently paid into the Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the Provincial Revenue Funds at the end of the financial year is recognised as a payable in the Statement of Financial Position.

2.4 Aid assistance

Aids assistance is recognised as revenue when received.

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the Statement of Financial Performance when final

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the Statement of Financial Performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the Statement of Financial Position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the Statement of Financial Performance when authorization for payment is effected on the system (by no later than 31 March each year)

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the Statement of Financial Performance or Position.

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the Statement of Financial Performance.

3.1.2 Post-retirement benefits

Employer contribution (i.e. social contributions) are expensed in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the Statement of Financial Performance.

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the Statement of Financial Position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is derecognised from the Statement of Financial Position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the Statement of Financial Performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

Bank overdrafts are shown separately on the face of the Statement of Financial Position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

ACCOUNTING POLICIES
for the year ended 31 March 2017

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

4.4 Receivables

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the Statement of Financial Position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the Statement of Financial Position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the Statement of Financial Position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected at the latest purchase price.

4.8 Capital assets

4.8.1 Movable assets

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as “expenditure for capital asset” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the Statement of Financial Performance.

4.8.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as “expenditure for capital asset”. On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current “goods and services” in the Statement of Financial Performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the Statement of Financial Position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

**ACCOUNTING POLICIES
for the year ended 31 March 2017**

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or the Statement of Financial Position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the Statement of Financial Position. Finance lease payments are recognised as a capital expense in the Statement of Financial Performance and are apportioned between the capital and interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the Statement of Financial Performance. The operating lease commitments are disclosed in the disclosure notes to the financial statements.

ACCOUNTING POLICIES
for the year ended 31 March 2017

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the Statement of Financial Performance when written-off.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

1. Annual Appropriation

1.1 Annual Appropriation

	Final Appropriation	Actual Funds Received	Funds not requested/not received	Appropriation received 2014/15
	R'000	R'000	R'000	R'000
Administration	313 976	313 976	-	306 021
Transport Infrastructure	7 058 234	7 058 234	-	6 718 482
Transport Operations	1 359 169	1 359 169	-	1 288 069
Transport Regulations	811 743	811 743	-	737 790
Community Based Programme	34 498	34 498	-	40 516
Total	9 577 620	9 577 620	-	9 090 878

Provide an explanation for funds not requested/not received.

	Note	2016/17 R'000	2015/16 R'000
1.2 Conditional grants			
Total grants received	34	<u>2 992 478</u>	<u>2 483 932</u>

2. Departmental revenue

Tax revenue		1 599 531	1 490 173
Sales of goods and services other than capital assets	2.1	107 078	119 355
Fines, penalties and forfeits	2.2	47 257	45 671
Interest, dividends and rent on land	2.3	230	202
Sales of capital assets	2.4	27 205	6 221
Financial transactions in assets and liabilities	2.5	2 928	3 358
Departmental revenue collected		<u>1 784 229</u>	<u>1 664 980</u>

Note	2016/17 R'000	2015/16 R'000
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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		107 078	119 355
Sales by market establishment		6 459	6 069
Administrative fees		94 176	107 739
Other sales		6 443	5 547
Total		107 078	119 355
2.2 Fines, penalties and forfeits	2		
Fines		47 257	45 671
Total		47 257	45 671
2.3 Interest, dividends and rent on land	2		
Interest		184	48
Dividends		28	25
Rent on land		18	129
Total		230	202
2.4 Sale of capital assets	2		
Tangible assets			
Machinery and equipment		27 205	6 221
Total		27 205	6 221
2.5 Financial transactions in assets and liabilities	2		
Other Receipts including Recoverable Revenue		2 928	3 358
Total		2 928	3 358

KWAZULU-NATAL: DEPARTMENT OF TRANSPORT
VOTE 12

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

		R'000	R'000
5. Goods and services			
Administrative fees		7 315	1 903
Advertising		7 856	12 694
Minor assets	5.1	7 420	6 588
Bursaries (employees)		657	134
Catering		4 582	5 559
Communication		38 673	35 691
Computer services	5.2	60 012	48 669
Consultants: Business and advisory services		82 631	117 399
Infrastructure and planning services	5.3	227 477	135 444
Laboratory services	5.3	588	513
Legal services	5.3	27 964	22 854
Contractors	5.3	2 004 119	1 507 343
Agency and support/ outsourced services	5.3	9 794	10 267
Entertainment		-	2
Audit cost – external	5.4	5 899	6 456
Fleet services		71 848	86 160
Inventory	5.5	110 283	126 159
Consumables	5.6	23 424	25 557
Operating leases		26 389	26 266
Property payments	5.7	127 422	96 855
Rental and hiring		4 328	297
Transport provided as part of the departmental activities		244 492	215 260
Travel and subsistence	5.8	73 234	61 053
Venues and facilities		9 460	8 982
Training and development		7 987	6 496
Other operating expenditure	5.9	5 020	12 255
Total		3 188 874	2 576 856

5.1 Minor Assets 5

Tangible assets

Machinery and equipment		7 420	6 588
Total		7 420	6 588

Note

2016/17
R'000

2015/16
R'000



**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

5.2 Computer services	5		
SITA computer services		51 001	37 580
External computer service providers		9 011	11 089
Total		60 012	48 669
5.3 Audit cost – external	5		
Regularity audits		5 031	5 014
Performance audits		-	-
Investigations		404	93
Computer audits		464	1 349
Total		5 899	6 456
5.4 Inventory	5		
Clothing material and accessories		7 861	8 082
Food and food supplies		929	721
Fuel, oil and gas		37 511	40 050
Learning and teaching support material		188	342
Materials and supplies		62 883	76 504
Medicine		911	460
Total		110 283	126 159
5.5 Consumables	5		
Consumable supplies		8 102	15 911
Uniform and clothing		1 406	1 262
Household supplies		2 427	2 665
Building material and supplies		1 045	1 575
Communication accessories		1 679	4 874
IT consumables		1 390	5 114
Other consumables		155	421
Stationery, printing and office supplies		15 322	9 646
Total		23 424	25 557
		<i>Note</i>	
5.6 Property payments	5	2016/17	2015/16
		R'000	R'000
Municipal services		37 823	35 851
Property maintenance and repairs		27 984	15 882
Other		61 615	45 122
Total		127 422	96 855
5.7 Travel and subsistence	5		
Local		73 222	60 937
Foreign		12	116
Total		73 234	61 053
5.8 Other operating expenditure	5		
Resettlement costs		404	766

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Other		4 616	11 489
Total		5 020	12 255
6. Interest and rent on land	6		
Interest paid		-	3
Total		-	3
7. Payments for financial assets	7		
Other material losses written off		601	286
Debt written off		1 747	356
Total		2 348	642
7.1 Other material losses written off	7		
Claims by State - removal of vehicles		601	286
Total		601	286
7.2 Debts written off	7		
Employee debt		1 347	351
Tax debt		15	5
Zibambele		385	-
Total		1 747	356
8. Transfers and subsidies			
Provinces and municipalities		5 094	4 536
Departmental agencies and accounts	Annex 1A	3 977	1 608
Public corporations and private enterprise	Annex 1B	1 011 085	993 057
Households	Annex 1C	13 229	17 614
Total		1 033 385	1 016 815
		2016/17	2015/16
		R'000	R'000
9. Expenditure for Capital Assets			
Tangible assets		3 710 430	4 234 445
Building and other fixed structures		3 530 779	4 032 842
Machinery and equipment		179 651	201 603
Intangible assets		7 543	12 445
Patents, licences, copyright, brand names, trademarks		7 543	12 445
Total		3 717 973	4 246 890
The following amounts have been included as project costs in expenditure for capital assets:			
Goods and services		3 530 749	4 002 400
Total		3 530 749	4 002 400

9.1 Analysis of funds utilised to acquire capital assets – 2016/17

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

	Voted Funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets			
Building and other fixed structures	3 530 779	-	3 530 779
Machinery and equipment	183 670	-	183 670
Intangible assets			
Patents, licences, copyright, brand names, trademarks	7 543	-	7 543
Total	3 721 992	-	3 721 992

Leases exceeding 3 years for photocopies are classified as Finance leases and included under Machinery and Equipment

9.2 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted Funds	Aid assistance	TOTAL
Tangible assets			
Buildings and other fixed structures	4 032 842	-	4 032 842
Machinery and equipment	201 603	-	201 603
Intangible assets			
Patents, licences, copyright, brand names, trademarks	12 445	-	12 445
Total	4 246 890	-	4 246 890

9.3 Finance lease expenditure included in Expenditure for capital assets - Tangible

	2016/17 R'000	2015/16 R'000
Machinery and equipment	-	1 906
Total	-	1 906

Photocopying machines with lease periods exceeding three (3) years

10. Unauthorised expenditure

10.1 Reconciliation of unauthorised expenditure

Opening balance	18 710	10 166
Unauthorised expenditure – prior year error	(13 101)	-
Unauthorised expenditure – discovered in the current year	-	13 101
Less: Amounts approved by Parliament/Legislature with funding	(1 064)	-
Less: Amounts approved by Parliament/Legislature without funding and written off in the Statement of Financial Performance	(4 545)	(4 557)
Unauthorised expenditure awaiting authorisation	-	18 710

10.2 Analysis awaiting authorisation per economic classification

Current	-	-
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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Capital	-	18 710				
	<u>-</u>	<u>18 710</u>				
10.3 Analysis awaiting authorisation per type						
Unauthorised Expenditure relating to overspending of the vote or a main division within the vote.	-	18 710				
Total	<u>-</u>	<u>10 166</u>				
10.4 Prior year error						
Over expenditure on Capital items	-	13 101				
Total	<u>-</u>	<u>13 101</u>				
11. Cash and cash equivalents						
Consolidated Paymaster General Account	166 687	-				
Cash receipts	3 821	-				
Disbursement	-	-				
Cash on hand	28	28				
Total	<u>170 536</u>	<u>28</u>				
12. Prepayments and advances						
Travel and subsistence	816	846				
Total	<u>816</u>	<u>846</u>				
13. Receivables						
<i>Note</i>	2016/17	2015/16				
	Current	Non-current				
	Total	Total				
	R'000	R'000				
	R'000	R'000				
Claims recoverable	83 662	12 552	96 214	22 477	12 552	35 029
Staff debt	672	2 776	3 648	657	4 336	4 993
Other debtors	915	1 968	2 883	1 166	1 968	3 134
Total	<u>85 449</u>	<u>17 296</u>	<u>102 745</u>	<u>24 300</u>	<u>18 856</u>	<u>43 156</u>
				2016/17		2015/16
				R'000		R'000
13.1 Claims recoverable						
National departments				11 907		11 696
Provincial departments				78 488		18 169
Public entities				5 819		5 164
Total				<u>96 214</u>		<u>35 029</u>
13.2 Staff debt						
Breach of Contract				21		383
In Service Debts				1 376		1 939
Out of Service Debts				1 268		2 035
Tax Debt				270		276
Private entities				713		360
Total				<u>3 648</u>		<u>4 993</u>
13.3 Other debtors						

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Dishonoured Cheques	39	249
Disallowance - Fraudulent Payments	1 968	1 968
Salary Reversal	518	911
Other	358	6
Total	2 883	3 134

14. Voted funds to be surrendered to the Revenue Fund

Opening balance	(247 614)	-
Transfer from Statement of Financial Performance		28 068
Add: Unauthorised expenditure for current year	27 929	-
Voted funds not requested/not received	-	(275 682)
Paid during the year	275 691	-
Closing balance	56 006	(247 614)

	2016/17 R'000	2015/16 R'000
15. Departmental revenue to be surrendered to the Revenue Fund		
Opening balance	141 091	26 575
Transfer from Statement of Financial Performance	1 784 229	1 664 980
Paid during the year	(1 753 326)	(1 550 464)
Closing balance	171 994	141 091

16. Bank Overdraft

Consolidated Paymaster General Account	-	109 222
Total	-	109 222

17. Payables – current

Advances received	5 857	4 951
Clearing accounts	8 193	-
Other payables	10 994	9 887
Total	25 044	14 838

17.1 Advances received

Public Enterprises	5 857	4 951
Total	5 857	4 951

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

17.2 Clearing accounts

Online Travel Control Account	8 193	-
Total	8 193	-

17.3 Other payables

Sal: Deduction Disall Acc	-	6
Sal: ACB Recalls	4	313
Sal: Medical Aid	9	8
Sal: Income tax	860	206
Traffic Fines received from court incorrectly paid to RTI	9 761	9 350
Other	360	4
Total	10 994	9 887

	2016/17 R'000	2015/16 R'000
18. Net cash flow available from operating activities		
Net surplus/(deficit) as per Statement of Financial Performance	1 801 838	1 678 446
Add back non cash/cash movements not deemed operating activities	2 186 977	2 455 875
(Increase)/decrease in receivables – current	(59 589)	33 051
(Increase)/decrease in prepayments and advances	-	30
(Increase)/decrease in other current assets	5 609	4 557
Increase/(decrease) in payables – current	10 206	(818)
Proceeds from sale of capital assets	(27 205)	(6 221)
Distribution/dividends received	(28)	(25)
Expenditure on capital assets	3 717 973	4 246 890
Surrenders to Revenue Fund	(1 477 635)	(1 550 464)
Voted funds not requested/not received	-	(275 682)
Other non-cash items	4 545	4 557
Net cash flow generated by operating activities	3 975 714	4 134 321

19. Reconciliation of cash and cash equivalents for



**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

cash flow purposes

Consolidated Paymaster General account	166 687	(109 222)
Cash receipts	3 821	-
Disbursement	-	-
Cash on hand	28	28
Total	170 536	(109 194)

20. Contingent liabilities		2016/17 R'000	2015/16 R'000
Liable to	Nature		
Housing loan guarantees	Employees	40	123
Claims against the department		137 766	150 939
Intergovernmental payables (unconfirmed balances)		137	1 995
Total		137 943	153 057
20.1 Contingent assets			
Civil Claim by the state		7 124	-
Total		7 124	-

21. Commitments

Current expenditure

Approved and contracted	1 905 944	713 090
Approved but not yet contracted	35 793	27 765
	1 941 737	740 855

Capital expenditure

Approved and contracted	7 867 712	6 579 759
Approved but not yet contracted	433 697	1 449 676

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

	8 301 409	8 029 435
Total Commitments	10 243 146	8 770 290

9. Accruals and payables not recognised

22.1 Accruals

Listed by economic classification	2016/17			2015/16
	30 Days	30+ Days	Total	Total
Goods and services	131 105	-	131 105	90 964
Transfers and subsidies	-	-	-	1 682
Capital assets	213 157	-	213 157	179 265
Other	-	-	-	-
Total	344 262	-	344 262	271 911

	2016/17 R'000	2015/16 R' 000
Listed by programme level		
Administration	5 994	28 150
Transport Infrastructure	306 113	185 740
Transport Operations	17 861	23 129
Transport Regulation	12 468	33 316
Community-Based Programme	1 826	1 576
	344 262	271 911

22.2 Payables not recognised

Listed by economic classification	2016/17			2015/16
	30 Days	30+ Days	Total	Total
Goods and services	58 676	-	58 676	28 407
Transfers and subsidies	75 911	-	75 911	-
Capital assets	274 022	-	274 022	106 623
Total	408 609	-	408 609	135 030

Listed by programme level

Administration	30 826	2 116
Transport Infrastructure	273 441	100 148
Transport Operations	81 442	93
Transport Regulations	22 635	32 446
Community-Based Programme	265	227
	408 609	135 030

23. Employee benefits

Leave entitlement	61 729	57 940
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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Service Bonus (Thirteenth cheque)	30 231	29 004
Performance Awards	-	-
Capped leave commitments	75 820	76 330
Other	177	250
Total	167 957	163 524

24. Lease Commitments

24.1 Operating leases expenditure

2016/17	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	59	2 468	15 284	17 811
Later than 1 year and not later than 5 years	8	-	1 009	1 017
Total lease commitments	67	2 468	16 293	18 828

2015/16	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	66	2 437	20 033	22 536
Later than 1 year and not later than 5 years	49	-	496	545
Total lease commitments	115	2 437	20 529	23 081

24.2 Finance leases expenditure

2016/17	Machinery and equipment R'000	Total R'000
Not later than 1 year	1 626	1 626
Later than 1 year and not later than 5 years	16	16
Total lease commitments	1 642	1 642

2015/16	Machinery and equipment R'000	Total R'000
Not later than 1 year	6 453	6 453
Later than 1 year and not later than 5 years	1 539	1 539
Total lease commitments	7 992	7 992

This note excludes leases relating to public private partnerships as they are separately disclosed to note.

24.3 Operating lease revenue

2015/16	Buildings and	Total
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

	other fixed structures R'000	
Not later than 1 year	9	9
Total operating lease revenue received	9	9

The department has a lease with Westwood Mallof which rental income of R18 000 for 2015-16 is outstanding

	2016/17	
2015/16	R'000	R'000
25. Accrued departmental revenue		
Fines, penalties and forfeits	48 130	47 400
Total	48 130	47 400

This is calculated on a percentage of fines collected against fines recognised from April 2015 to March 2017 = 6.86%

25.1 Analysis of accrued departmental revenue

Opening balance	47 400	74 498
Add: Amount recognised	701 607	652 897
Less: Amounts written-off/reversed as irrecoverable	700 877	679 995
Closing balance	48 130	47 400

25.2 Accrued department revenue written off

Nature of losses

Traffic Fines	48 130	74 497
Total	48 130	74 497

25.3 Impairment of accrued departmental revenue

Estimate if Impairment of accrued departmental revenue	653 477	605 497
Total	653 477	605 497

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016**

	2016/17 R'000	2015/16 R'000
26. Irregular Expenditure		
26.1 Reconciliation of irregular expenditure		
Opening balance	527 136	49 886
Prior period error	-	-
As restated	527 136	49 886
Add: Irregular expenditure - relating to prior year	2 625 080	469 365
Add: Irregular expenditure - relating to current year	1 326 920	7 885
Less: Prior year amounts condoned	-	-
Irregular expenditure awaiting condonation	4 479 136	527 136

Analysis of awaiting condonation per age classification

Current year	1 326 920	7 885
Prior years	3 152 216	519 251
Total	4 479 136	527 136

26.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	
Plant Hire – application of PPPFA	Accounting Officer	726 824
SCM Process - Evaluation	Accounting Officer	281 137
SCM Process – Contract Management	Accounting Officer	11 905
Contravention of cost cutting measures	Accounting Officer	2
Inappropriate deviation from procurement	Accounting Officer	307 052
Total		1 326 920

27. Fruitless and wasteful expenditure

27.1 Reconciliation of fruitless and wasteful expenditure

Opening balance	3	5
Fruitless and wasteful expenditure relating to current year	-	3
Less: Amounts resolved	(3)	(5)
Closing balance	-	3

27.2 Analysis of current year's fruitless and wasteful expenditure

Interest paid to Driver License Card	-	3
--------------------------------------	---	---

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Total	-	3
	2016/17	2015/16
	R'000	R'000

28. Key management personnel

	No. of Individuals		
Political office bearers (provide detail below)	2	1 898	1 902
Officials			
Level 15 to 16	4	6 435	6 752
Level 14 (incl. CFO if at a lower level)	8	10 291	9 251
Family members of key management personnel	5	1 424	1 321
Total		20 048	19 226

29. Provisions

Claims against the state	77	36
Retension on Infrastructure projects	136 983	45 705
	137 060	45 741

29.1 Reconciliation of movement in provision 2015/16

	Provision	Total Provisions
Opening balance	36	36
Increase in provision	137 060	137 060
Settlement of provision	(36)	(36)
Closing balance	137 060	137 060

Reconciliation of movement in provision 2015/16

Increase in provision	45 741	45 741
Closing balance	45 741	45 741

30. Movables 2016/17



DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

	Opening Balance	Prior Period Error	Additions	Disposals	Closin Balanc
Machinery and Equipment	1 112 208	617	179 208	72 814	1 219 219
Transport assets	719 155	(404)	141 524	71 501	788 774
Computer equipment	28 899	-	33 845	997	61 747
Furniture and office equipment	50 965	1 906	1 072	274	53 669
Other machinery and equipment	313 189	(885)	2 767	42	315 029
Total Additions to Movable Tangible Capital Assets	1 112 208	617	179 208	72 814	1 219 219
Total Movable Tangible Capital Assets	1 112 208	617	179 208	72 814	1 219 219

Additions

30.1 Additions to Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2017

	Opening Balance	Non- Cash	(Capital work in progress current costs and finance lease payments)	Receive d current not paid (Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
Machinery and Equipment	179 208	-	-	-	179 208
Transport assets	141 524	-	-	-	141 524
Computer equipment	33 845	-	-	-	33 845
Furniture and office equipment	1 072	-	-	-	1 072
Other machinery and equipment	2 767	-	-	-	2 767
Total Additions to Movable Tangible Capital Assets	179 208	-	-	-	179 208

Disposals

30.2 Disposals of Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2017

Sold for Non-cash Total Cash

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

	cash	disposal	disposals	Received Actual
	R'000	R'000	R'000	R'000
Machinery and Equipment	72 814	-	72 814	27 205
Transport assets	71 501	-	71 501	27 205
Computer equipment	997	-	997	-
Furniture and office equipment	274	-	274	-
Other machinery and equipment	42	-	42	-
Total Disposal of Movable Tangible Capital Assets	72 814	-	72 814	27 205

Movement for 2015/16

30.3 Movement in Movable Tangible Capital Assets per Asset Register for the year ended 31 March 2016

	Opening Balance	Prior Period Error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Machinery and Equipment	928 361	-	211 705	27 858	1 112 208
Transport assets	549 898	-	196 838	27 581	719 155
Computer equipment	19 029	-	10 003	133	28 899
Furniture and office equipment	50 286	-	730	51	50 965
Other machinery and equipment	309 149	-	4 134	93	313 189
Total Additions to Movable Tangible Capital Assets	928 361	-	211 705	27 858	1 112 208

30.4 Minor Assets

Movement in Minor Assets Per the Asset Register for the year ended 31 March 2017

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance		46 448	46 448
Additions		-	-
Disposals		-	-
TOTAL MINOR ASSETS		46 448	46 448

Minor Assets

Movement in Minor Assets Per the Asset Register for the year ended 31 March 2016

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance		39 938	39 938
Additions		6 589	6 589

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Disposals	79	79
TOTAL MINOR ASSETS	46 448	46 448

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Number of R1 Minor Assets	-	-	-
Number of Minor Assets at Cost	-	-	-
TOTAL NUMBER OF MINOR ASSETS	-	-	-

31. Intangible Capital Assets

Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2017

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Patents, Licences, Copyright, Brand	29 746	7 543	-	37 289
Total Intangible Capital Assets	29 746	7 543	-	37 289

Additions

31.1 Additions to Intangible Capital Assets per Asset Register for the year ended 31 March 2017

	Cash R'000	Non-cash R'000	Closing Balance R'000
Patents, Licences, Copyright, Brand	7 543	-	7 543
Total Intangible Capital Assets	7 543	-	7 543

Movements for 2015/16

31.2 Movement in Intangible Capital Assets per Asset Register for the year ended 31 March 2016

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Patents, Licences, Copyright, Brand	26 244	3 502	-	29 746
Total Intangible Capital Assets	26 244	3 502	-	29 746

32. Immovable Tangible Capital Assets

Movement in Immovable Tangible Capital Assets Per the Asset Register for the year ended 31 March 2017

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Other fixed structures	1 429 370	890	-	1 430 260
Capital Work-in-progress	110 477	48 262	890	157 849
Total Immovable Tangible Capital	1 539 847	49 152	890	1 588 109

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

Additions

32.1 Additions to Immovable Tangible Capital Assets per Asset Register for the year ended 31 March 2017

	Cash R'000	(Capital work- in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Other fixed structures	48 262	(47 372)	-	890
Total Additions to Immovable	48 262	(47 372)	-	890

Movement for 2015/16

32.2 Movement in Immovable Tangible Capital Assets per Asset Register for the year ended 31 March 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Closing Balance R'000
Other fixed structures	10 016 479	(9 170 569)	583 460	1 429 370
Total Immovable Tangible Capital	10 016 479	(9 170 569)	583 460	1 429 370

32.3 Prior period error

	2015/16 R'000	2015/16 R'000
Roads not on State Land – relating to prior periods	(8 672 338)	-
Roads not on State Land – relating to 2015/16	(498 231)	-
Total	(9 170 569)	-

33.3 Immovable assets additional information

	2015/16 R'000	2015/16 R'000
Facilities on right to use land	5 183	4 798

33. INVENTORY (Effective 1 April 2017)

	Note	2016/17		2015/16	
		Quantity	R'000	Quantity	R'000
Inventory					
Opening balance			29 853		29 071
Add: Additions/Purchases - Cash			78 513		87 044
(Less): Issues			(64 935)		(75 487)
Add/(Less): Adjustments			(13 980)		(10 775)
Closing balance			- 29 451		- 29 853

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

NOTE 34 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION					SPENT				2014/15	
	Division of Revenue Act/ Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	Under/ (over-spending)	% of available funds spent by department %	Division of Revenue Act R'000	Amount spent by department R'000
Provincial Roads Maintenance	1 925 378	-	-	-	1 925 378	1 925 378	1 925 378	-	116%	1 503 564	1 749 014
Public Transport Operations	1 011 045	-	-	-	1 011 045	1 011 045	1 011 045	-	100%	924 766	924 766
EPWP Incentive Grant	56 055	-	-	-	56 055	56 055	56 055	-	100%	55 602	55 602
	2 992 478	-	-	-	2 992 478	2 992 478	2 992 478	-		2 483 932	2 729 382

National reduced the PRMG by R30.241 million for flood disaster funding and had not transferred R245.450 million by financial year-end, this is still due to the department.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2014/15 Appropriation Act
	Adjusted appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	R'000
Construction CETA	5 699	-	-	5 699	3 977	70%
	5 699	-	-	5 699	3 977	1 608
						1 608

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1B

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE			2015/16		
	Adjusted appropriati on Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Capital R'000	Current R'000	Appropriati on Act R'000
Private Enterprises									
Transfers	5 000	-	-	5 000	-	-	-	-	5 000
Vukuzakhe Emerging Contractors	5 000	-	-	5 000	-	-	-	-	5 000
Subsides	1 011 045	-	-	1 011 045	1 011 085	100.0%	-	1 011 085	1 058 000
Public Transport Operations Grant	1 011 045	-	-	1 011 045	1 011 085	100.0%	-	1 011 085	1 058 000
TOTAL	1 016 045	-	-	1 016 045	1 011 085	95.5%	-	1 011 085	1 063 000

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

NAME OF PROVINCE/GRANT	TRANSFER ALLOCATION				EXPENDITURE		2015/16 Grant Allocation R'000
	Adjusted appropriatio n Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	
Transfers							
Employee Benefits : Injury on duty	4 000	-	-	4 000	2 198	55%	2 000
Employee Benefits : Leave Gratuity	6 000	-	-	6 000	8 281	138%	6 000
Claims Against State – cash	10128	-	-	10 128	979	10%	6 374
Refund & Rem-Act	4 000	-	-	4 000	28	1%	6 000
Donations & Gifts	1 000	-	-	1 000	106	11%	500
Bursaries (non-employee)	2 000	-	-	2 000	1 637	82%	-
Total	27 128	-	-	27 128	13 229		20 874

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1D

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF DONOR	NATURE OF GIFT, DONATION OR SPONSORSHIP	2016/17 R'000	2015/16 R'000
Received in kind			
RTMC	2 MOBILE VEHICLE STATIONS	-	-
KIA MOTORS	KZN DEFENSIVE DRIVER TRAINING	14	-
TOTAL		14	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 1E
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Received in cash					
Ethekwini Municipality	Provincial Public Transport Infrastructure	8 241	-	8 000	241
RTMC	Road Safety Improvement Programme	20 710	-	2 320	18 390
TOTAL		28 951	-	10 320	18 631

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 2A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 March 2017 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2016	Guarantees drawdowns during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Closing balance 31 March 2017
ABSA Bank Limited	Housing	-	44	-	44	-
People's Bank FBC Fidelity Limited	Housing	-	-	-	-	-
FNB (A Division of First Rand Bank Limited)	Housing	-	-	-	-	-
Ithala Bank Limited	Housing	-	26	-	26	-
Nedbank Limited	Housing	-	-	-	-	-
Nedbank (NBS)	Housing	-	-	-	-	-
Old Mutual (Nedbank/ Permanent Bank)	Housing	-	24	-	-	24
FNB (Former Saambou Bank Limited)	Housing	-	16	-	-	16
Standard Bank of South Africa Limited	Housing	-	13	-	13	-
TOTAL		-	123	-	83	40

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 March 2017

Nature of Liability	Opening Balance 01/04/2016 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/r educed during the year R'000	Liabilities recoverable (Provide details hereunder	Closing Balance 31/03/2017 R'000
Claims against the department					
Potholes	32 910	18 132	3 928	-	47 114
Accidents	39 465	990	32 660	-	7 795
Civil	78 564	19 820	15 527	-	82 857
TOTAL	150 939	39 942	52 115	-	137 766

ANNEXURE 3
CLAIMS RECOVERABLE

ANNEXURE 3

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
National Departments						
Correctional Services	-	-	255	240	255	240
Justice	-	-	11 591	11 075	11 591	11 075
Other	-	-	60	381	60	381
Unallocated credits	-	-	-	(329)	-	(329)
KZN Provincial Departments						
Agriculture	-	-	12 609	762	12 609	762
Economic Development	1 438	-	1 266	2 267	2 704	2 267
Education	1 405	-	16 775	(7 759)	18 180	(7 759)
Health	-	891	33 241	11 092	33 241	11 983
Human Settlement	40	39	-	7	40	46
Provincial Legislature	-	-	1 488	674	1 488	674
Office of the premier	-	-	267	(2 072)	267	(2 072)
Provincial Treasury	-	-	4	511	4	511
Royal Household	-	-	1 679	1 695	1 679	1 695
Co-Operative Gov & Traditional affairs	-	-	2 014	1 994	2 014	1 994
Social Welfare	-	-	1 783	1 045	1 783	1 045
Sport	-	-	379	2	379	2
Art & Culture	-	-	1 041	605	1 041	605
Community Safety and Liaison	-	340	3 207	-	3 207	340
Works	-	-	229	(754)	229	(754)

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
SASSA	-	-	150	175	150	175
Unallocated Credits	-	-	237	-	237	-
Other	-	-	-	367	-	367
KZN Municipalities						
Ethekwini Municipality	-	-	-	-	-	-
Maphumulo Municipality	-	-	-	-	-	-
Private Entity						
RBM	-	-	6 288	6 288	6 288	6 288
Public Entities						
National Public Entities	-	-	5 819	5 164	5 819	5 164
TOTAL	2 883	1 270	100 382	33 759	103 265	35 029

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
DEPARTMENTS						
Current						
KwaZulu-Natal Provincial Departments						
Office of the Premier	-	-	-	-	-	-
Works	-	-	-	-	-	-
Community Safety & Liaison	-	-	-	-	-	-
Health	-	-	-	-	-	-
Provincial Treasury	-	-	-	-	-	-
Education	-	-	-	-	-	-
COGTA	-	-	137	-	137-	-
Total	-	-	137	-	137	-

ANNEXURE 5
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

	2016/17 R'000	2015/16 R'000
INVENTORY		
Inventory		
Opening balance	29 853	29 071
Add/(Less): Adjustments to prior year balances	-	-
Add: Additions/Purchases - Cash	78 513	87 044
Add: Additions – Non-cash	-	-
(Less): Disposals	-	-
(Less): Issues	(64 935)	(75 487)
Add/(Less): Adjustments	(13 980)	(10 775)
Closing balance	29 451	29 853

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2017

ANNEXURE 6
INTER-ENTITY ADVANCES RECEIVED

	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
GOVERNMENT ENTITY						
PUBLIC ENTITIES						
Current						
RTMC	5 193	-	-	-	5 193	-
Other	13	-	-	-	13	-
Total	5 206	-	-	-	5 206	-

NOTES

Lined area for notes with horizontal lines.





“Whilst our policies were in terms of our beliefs and convictions, they also reflected and served the people’s interests. Above all, we sought to make the people part and parcel of our decisions.” - Oliver Reginald Kaizana Tambo, President of the African National Congress (1967-1991).

Life and legacy of

OR TAMBO, CENTENARY





KwaZulu-Natal Department of Transport



COMPILED BY:

Communication Support, Department of Transport

172 Burger Street ■ Tel: 033 355 8624

Pietermaritzburg

PR 203/2017 | ISBN: 978-0-621-45605-9

Email: communications@kzntransport.gov.za



ANNUAL REPORT 2016/2017

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Road Safety is our collective responsibility.