

ANNUAL REPORT 2019/20

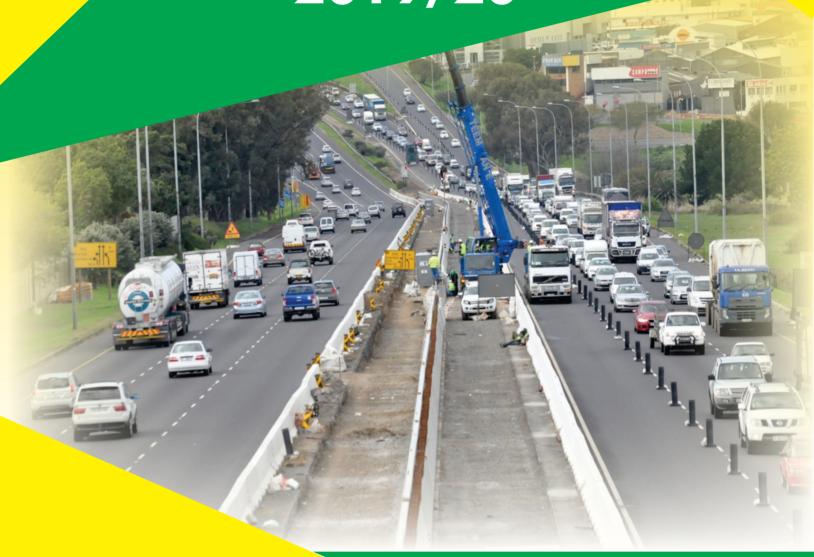


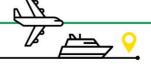
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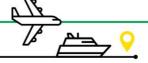
Annual Report for the 2019/20 Financial Year Province of the Eastern Cape Vote 10 Department of Transport

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Ms Weziwe Tikana-Gxothiwe

MEC for Transport, Safety and Liaison

SUBMISSION OF THE ANNUAL REPORT OF VOTE 10 - 2019/20

The Annual Report of Vote 10: Eastern Cape Department of Transport for the period 1 April 2019 to 31 March 2020 is hereby submitted to the Member of the Executive Council. This submission is done in accordance with Chapter 5 Part 2(40) (d) (i) of the Public Finance Management Act of 1999, chapter 18 and 19 of the Treasury Regulations. The report also includes information required by the Public Service Regulations, 2016 on human resources information.

Yours in an efficient, safe, affordable and sustainable transport system,

Mr M.C. Mafani Head of Departmen

Eastern Cape Department of Transport

30 November 2020

PART: A GENERAL INFORMATION

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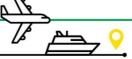








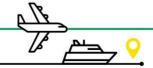




LIST OF ABBREVIATIONS/ACRONYMS

Abbreviation	Description			
AB350	Africa's Best 350 Ltd			
ABC	Algoa Bus Company			
ABET	Adult Basic Education Training			
AG	Auditor-General			
AIDS	Acquired Immuno Deficiency Syndrome			
APP	Annual Performance Plan			
ATNS	Air Traffic Navigation System			
BAS	Basic Accounting System			
CAA	Civil Aviation Authority			
CBT	Community Based Transport			
CFO	Chief Financial Officer			
CSIR	Council For Scientific and Industrial Research			
DLTC	Driver's License Testing Centre			
DME	Distance Measuring Equipment			
DPSA	Department of Public Service Administration			
DVOR	Doppler VHF Omni-Directional Range			
ECDC	Eastern Cape Development Corporation			
ECPT	Eastern Cape Provincial Treasury			
EPWP	Expanded Public Works Programme			
EXCO	Executive Council			
FET	Further Education and Training			
GEMS	Government Employees Medical Scheme			
GFMS	Government Fleet Management Services			
GIS	Geographical Information System			
HCT	HIV Counselling and Testing			
HIV	Human Immuno Virus			
HOD	Head of Department			
HR	Human Resource			
HRD	Human Resource Development			
IRPTN	Integrated Rapid Public Transport Network			
IOD	Injury on Duty			
ICT	Information and Communication Technology			
ITP	Integrated Transport Plan			
KSD	King Sabata Dalindyebo			
LDV	Light Delivery Vehicle			
LOC	Local Organising Committee			
LED	Local Economic Development			
MEC	Member of the Executive Council			
MIS	Management Information System			
MPAT	Management Performance Assessment Tool			
MPSS	Minimum Physical Security Standards			
MTC	Mayibuye Transport Corporation			
MTEF	Medium Term Expenditure Framework			





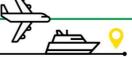
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Abbreviation	Description			
NaTIS	National Traffic Information System			
NDoT	National Department of Transport			
NMBMM	Nelson Mandela Bay Metropolitan Municipality			
NTRA	National Roads Traffic Act			
OHS	Occupational Health and Safety			
OL	Operating License			
OP	Operational Plan			
OTP	Office of the Premier			
PCC	Provincial Coordinating Committee			
PCMT	Provincial Coordinating Monitoring Team			
PDP	Personal Development Plan			
PET	Participatory Educational Technique			
PFMA	Public Finance Management Act			
PIPTMP	Provincial Integrated Public Transport Master Plan			
PILIR	Policy and Procedure on Incapacity, Leave ,III-health and Retirement			
PLTF	Provincial Land Transportation Framework			
PSC	Public service Commission			
PTOG	Provincial Transport Operations Grant			
PSETA	Public Sector Education and Training Authority			
PSR	Public Service Regulations			
PT	Provincial Treasury			
PVA	Public Viewing Area			
RSR	Rail Safety Regulator			
RTMC	Road Traffic Management Corporation			
SACAA	South African Civil Aviation Act			
SANRAL	South African National Roads Agency			
SANTACO	South African National Taxi Council			
SCM	Supply Chain Management			
SCMU	Supply Chain Management Unit			
SETA	Skills Education Training Authority			
SG	Superintendent-General			
SIU	Special Investigating Unit			
SLA	Service Level Agreement			
SMME	Small Medium Micro Enterprise			
SMS	Senior Management Service			
SP	Strategic Plan			
TB	Tuberculosis			
TETA	Transport Education and Training Authority			
TMH	Technical Methods for Highways			
TRAFMAN	Traffic Management System			
TRANSMEC	Transport Member of executive council			
TT	Task Team			
TTC	Transport Technical Committee			
VTS	Vehicle Testing Station			









FOREWORD BY THE MEC



MEC WEZIWE TIKANA-GXOTHIWE TRANSPORT, SAFETY AND LIAISON

On behalf of the Department of Transport, it gives me pleasure to present the 2019/20 Annual Report. This is an account of what we have been able to do as a department towards the attainment of our vision of "An efficient, safe, sustainable, affordable and accessible transport system". Our decisions and steps have been geared towards attaining this vision.

In the year under review, the department worked closely with our communities to provide services they greatly need and also unlock some of the service delivery challenges identified. We have also created platforms and participated in platforms where we engaged our stakeholders on how we can improve the experience of Eastern Cape communities on how they access transport systems.

We have taken steps towards realising one of our priorities of a Capable, Ethical and Developmental State focusing amongst others on ensuring that we build our internal capacity to deliver through the up-skilling of employees as well as provide support to young people who want to pursue careers in the transport sector. This included the training of 30 young people to become Traffic Officers. 43 other employees were developed under the new Artisan Development Programme.

We are also proud that we have started implementing some of the major capital transport infrastructure projects which include 15km between Willowvale and Dwesa Nature Reserve at a cost of R280, 3 million; 14 km of T125 from the N2 to Siphetu Hospital (Phase 4). The project has been awarded at a cost of R296, 3 million and it commenced at the beginning of the year. Upgrading from R61 at St Barnabas Hospital to Hluleka Nature Reserve, 16km (Phase 1) with a budget of R205, 3 million.

In addition to these, our in-house teams are busy with construction work of various projects which include the following: 9km of the road to Madwaleni Hospital; 26km from Ngqeleni to Canzibe Hospital; 10km from Coffee Bay to Zithulele Hospital, 13km from R72 to Hamburg, Cofimvaba to Asketon road.

We believe that by enhancing our collaboration with the public, private sector and other state entities, we will be able to accelerate the delivery of services to communities and create more jobs and grow our economy. The delivery on the four baily bridges during the year under review has been a great example of such collaboration.

In 2019/20, we continued with striving to ensure that we boost Local Economic Development and over R1, 7 billion of our allocation was spent on local SMME's. One of the key boosters has been our 3-year Plant Hire Contracts and we projecting a total investment of R1.8 billion at the end of the contract term. During the 2019/20 FY, we also paid R11 million for the supply and delivery of road signs. Our re-gravelling projects are also yielding positive results as we appointed SMMEs for Sakhisizwe, Port St Johns and Sengqu Local Municipalities.

Through Scholar Transport alone, we make an investment of over half a billion a year to SMMEs. Our allocation for this year is at R627 million with over 2000 operators are set to benefit over a 3 year period.

The department continues with its responsibility to ensure the implementation of integrated, developmental and empowerment programmes and strategies for the benefit of communities and contractors through the Expanded Public Works Programme (EPWP).

In the year under review, the department achieved sterling results as the number of work opportunities created were 50 302 against a target of 50 275 opportunities targeted. The department has also maintained its investment to increasing the potential for youth to be used in the economy by a continued employment of 500 young people as part of the National Youth Service (NYS). This is the generation of youth that have been empowered in critical technical skills such as roads infrastructure maintenance, mechanical, rolling stock maintenance and traffic infringement. Some have been linked to other trades such as plumbing, bricklaying and welding, while others are in more support service skills such as human resource and financial management.

I am thus convinced, now more than ever, that as a department we are on the right path in pursuit or our mandate.

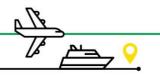
As we continue traversing through these tough times we remain grateful to our law enforcement teams who have since the outbreak of the Novel Coronavirus, have been watching over our roads to manage the movement of people which is a key element of managing the spread of this virus. These efforts will be tightened in the coming weeks as we expect the increase of traffic on our provincial roads.

I would like to thank our stakeholders, the Portfolio Committee on Transport, as well as our dedicated employees for their hard work and commitment. We look forward to continued collaboration as we implement the 6th administration's strategy.

Stay Safe! Arrive Alive!

MEC WEZIWE TIKANA-GXOTHIWE

Department OF Transport



4. REPORT OF THE ACCOUNTING OFFICER

Overview of the operations of the department:

The Department has played a role in each of the strategic national priorities and the goals of the province. To address this, the Department has developed its own priorities which seeks to embrace the National Development Plan, the NDP Five-Year Implementation Plan, the Transport Sector Long Term Plans and Outcomes, Provincial Development Plan Goals and the Local Government Plans, the 2019 Ruling Party Manifesto.

The approach has been informed by the Medium Term Strategic Framework and the obligation to respond to some of the goals and priorities drawn from the Manifesto of the ANC, which included: Economic Transformation and Job Creation; Education, Skills and Health; Consolidating the Social Wage through Reliable and Quality Basic Services; Spatial Integration, Human Settlements and Local Government; Social Cohesion and Safe Communities; A Capable, Ethical and Developmental State and A Better Africa and World

Significant events and projects that occurred during the year under review include the following:

The Department awarded annual bursaries for fields in the Transport Sector to both internal and external candidates. All current 89 external bursary holders are studying towards Civil, Mechanical, Aeronautical and Marine Engineering, Aviation and Transport Economics & Management. Internally, 105 out of 146 internal bursary holders are from the core programmes of the department. The Department has partnered with SANRAL School of Excellence for Mentorship for the professional development of internal candidate technicians to become registered engineers .In line with the PFMA requirements the department's average payment period of service providers upon receipt of an invoice is 22 days

Transport Infrastructure: The Department has adopted an increased focus on optimising the in-house maintenance and construction teams. The Department now has an objective of performing 50% of maintenance activities through in-house teams. To achieve this, an extensive recapitalisation process of the yellow fleet commenced in the 2019/20 financial year. The five In–House projects, namely Cofimvaba to Askeaton, Coffee bay to Zithulele, Canzibe Hospital Road and Madwaleni Hospital have been implemented in-house including the R72 to Hamburg has also been included.

Bailey bridges are the low cross truss bridges that were popularized by the British during the Second World War .The department in collaboration with Department of Defense has managed to build 5 bridges in the province however the issuing of completion certificate will done in the next financial year . These bridges has also created 181 EPWP jobs .The following are the names and arears were these bridges were built:

- Tora bridge at Engcobo LM
- Nkobongo bridge Engcobo LM
- Bilatye bridge at Intsuka Yethu LM
- Mantusini at Port St Johns LM
- Lenye Bridge Amahlathi LM

Transport Operations: The department continued to provide subsidised bus passangers service through the service of Africa Best 350 (AB350), Algoa Bus Company and Mayibuye Transport Corporation.

In an effort to upgrade the standard and category of the Mthatha Airport, the department has beefed up its firefighting tactics. The plan also entails empowering fire and rescue personnel in fighting real fire situations. The airport is currently at Category 4 and has applied for Category 5 status, however plans are afoot have it go up to Category 6. The department has started the process of erecting steel made 10 ton firefighting simulator in order to meet the requirements of Category 6 airport.



The department continued to provide access to learners who travel an excess of 5km to and from school. The department provided scholar transport to 85 747 learners daily which represents 78 % of the total scholar transport demand in the Province. Which shows a slight increase compared to previous years.

Transport Regulations: In trying to capacitate our Law Enforcement Officers, the Road Traffic Management Corporation [RTMC] sanctioned training for Examiner of Vehicles [VTS] and Examiner of Driving Licenses [DLTC] of which several Law Enforcement Officers were. This training was conducted at the Nelson Mandela Traffic College in Port Elizabeth and Boekenkloof Traffic College in Pretoria. Another group of Law Enforcement Officers had to be assisted to upgrade their Driving Licenses in order to be able to examine and operate heavy motor vehicles.

The Department further procured and converted six [6] Crafter buses of which three [3] of them were completed during the year under review and operational. These buses were also fitted with ANPR System and operated in the strategic areas of the Province. The Contravention Management System [CMS] and Automatic Number Plate Recognition System [ANPR] were successfully rolled out to Sarah Baartman [Port Elizabeth].

Community Based Programmes: The programme continues with its responsibility to ensure the implementation of integrated, developmental and empowerment programmes and strategies for the benefit of communities and contractors as well as the overall provincial transport sector management and coordination of the Expanded Public Works Programme (EPWP).

The number of work opportunities created were 50 302 against 50 275 opportunities targeted. These work opportunities are in different programmes such as road maintenance with the majority of the employed participants.

The department has also maintained its investment to increasing the potential for youth to be used in the economy by a continued employment of 500 young people as part of the National Youth Service (NYS). This is the generation of youth that have been empowered in critical technical skills such as roads infrastructure maintenance, mechanical, rolling stock maintenance and traffic infringement. Some have been linked to other trades such as plumbing, bricklaying and welding, while others are in more support service skills such as human resource and financial management.

Overview of the financial results of the department:

Departmental receipts

A target of R737 million was set for 2019/20 for the collection of own revenue. The main source of revenue is the collection of revenue from motor vehicle license fees. The actual own revenue collected is R702 million. The under collection is due to non-payment of motor vehicle license fees collected by some Registering Authorities (RAs) to the department. The Department is monitoring the registering authorities (RAs) in order to pay over all monies collected.

Tariffs

The following are the main sources of revenue:

- a) Motor Vehicle License Fees
- b) Vehicle License Number Plates
- c) Road Traffic Fines
- d) Fees accruing from issued road transportation permits
- e) Airport landing fees



All revenue collected by the department is subsequently paid over to Provincial Treasury.

Motor Vehicle License Fees

Motor vehicle license fees are the major source of own revenue collected by the department. Vehicle license fees are determined according to mass and category of each vehicle as specified in the National Road Traffic Act, (Act 93 of 1996). There was no increase of MVL for 2019/20 financial year due to the fact that the Eastern Province is on par with other Provinces and slightly more in some categories.

Vehicle License Number Plates

Ordinary license number plates are sold by registered private businesses. Specific number plates or alpha numerical were sold at R957 per set during the year under review while personalized number plates were sold at R3 309 per set. The last increase was made in 2011/12 through provincial gazette dated 14 January 2011. The non-increase is due to the fact that National Department of Transport (NDoT) determines the tariffs increase for all provinces.

Road Traffic Fines

Revenue collected from traffic fines is paid over to Provincial Treasury into the Provincial Revenue Fund.

Free Services

There were no free services rendered during the year under review.

Revenue Table

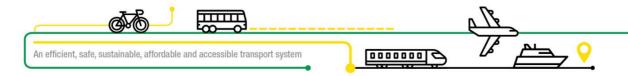
Departmental receipts	2019/2020			2018/2019		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Col- lection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Motor vehicle license	697 091	653 803	43 288	672 557	627 971	44 586
Sale of goods and services other than capital assets	24 080	21 659	2 421	22 935	12 805	10 130
Transfer received	-	-	-	-	-	-
Fines, penalties and forfeits	12 018	11 115	903	7 046	10 925	(3 879)
Interest, dividends and rent on land	2 476	-	2 476	2 359	0	2 359
Sale of capital assets	0	14 034	(14 034)	0	0	0
Financial transaction in assets and liabilities.	1 383	908	475	1 317	657	660
TOTAL	737 048	701 519	35 529	706 214	652 358	53 856

Reasons for under collection

The under collection is due to the fact that some municipalities did not pay over some of the monies collected for Motor Vehicle Licensing during 2019/20 financial year and the outbreak of the Coronavirus Pandemic affected the pay overs of collected funds at year end. Furthermore, failure to pay licenses by motorists as anticipated affected the revenue collection.

The under collection on debts is due to the fact that some of those debts are for retired employees and those that have passed on.

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Measures taken during the year to keep on track

Communication through formal letters were sent to defaulting municipalities and meeting conducted in order to facilitate payment arrangements.

Programme Expenditure

The following table must be presented with the relevant financial information.

Programme Name 2019/2020			2018/19			
	Final Appropriation	Actual Expenditure	Over/Under Expenditure	Final Appropriation	Actual Expenditure	Over/ Under Ex- penditure
Administration	464 442	457 856	6 586	356 698	351 983	4 715
Transport Infrastructure	2 186 893	2 129 656	57 237	2 203 471	2 149 424	54 047
Transport Operations	1 338 460	1 309 742	28 718	1 286 388	1 272 397	13 991
Transport Regulations	365 107	364 528	579	402 307	394 487	7 820
Community Based Programme	659 868	658 833	1 035	652 440	642 765	9 675
Total	5 014 770	4 920 615	94 155	4 901 304	4 811 056	90 248

Reasons for Deviation

During the 2019/20 financial year the Department recorded an under expenditure of 1.8% which were mainly in Programme 2 and Programme 3.

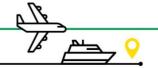
In Programme 2, the underspending relates to goods and services as well as capital expenditure which is mainly due to delayed awarding of tenders for construction and reseal key projects and also delays in the appointment of contractor to conduct machinery and plant repairs and maintenance.

In Programme 3, the underspending is mainly on transfers to private enterprises due to cumulative under expenditure recorded in previous months against the projected expenditure, this was caused by a number of factors which includes bus breakdowns, community protests and penalties imposed as a result of standing kilometres

Virement's /Rollovers

Programme	Adjusted Appropriation R'000	Virements R'000	Final Appropriation R'000
Administration	429 442	35 000	464 442
Transport Infrastructure	2 248 293	(61 400)	2 186 893
Transport Operations	1 321 460	17 000	1 338 460
Transport Regulations	386 607	(21 500)	365 107
Community Based Programme	628 868	30 900	659 868
Total	5 014 770	0	5 014 770

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Virements

- The virement implemented during the 2019/20 financial year were implemented in terms of Section 43 of the Public Finance Management Act.
- Virements were implemented for the payment of contractual obligations of the department, to fund a shortfall of scholar transport for transportation of leaners, for the procurement of vehicles to support the enhancement of law enforcement initiatives by the department and for payment of March Stipend for EPWP beneficiaries.

Roll overs

During the 2019/20 financial year, the department requested a roll of R34 572 million which was for PTOG and R19 407 million for the operations of Africa's Best 350 (Ltd).

A description of the reasons for unauthorized, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence.

R196,382.92 thousand incurred in the currrent financial year relates to interest paid due to an outcome of a court order.

The department has performed the following preventative actions in relation to Irregular, fruitless and wasteful expenditure

- The executive management has endorsed the proposed organogram which has been submitted to the
 Office of the Premier for validation and further submission to the Department of Public Service and
 Administration (DPSA) for concurrence. The organogram includes a Pre- Audit unit to strengthen the
 review of documentation prior incurring expenditure
- Awareness sessions to educate employees on the correct interpretation and implementation of prescripts guiding the department to prevent future occurrence of irregular, fruitless and wasteful expenditure are being conducted.
- An article was also published from highlighting Zero tolerance on incurrence of Irregular, fruitless and wasteful expenditure

Future plans of the department

The department will fast track the process of reviewing the organizational structure and align the Service delivery Model to the structure.

Public Private Partnerships

None

Discontinued activities / activities to be discontinued o

None

New or proposed activities

None

Supply chain management

- The Department has not received nor accepted any unsolicited bids during the year under review.
- The SCM process and systems are in place and all procurement activities are carried out within the set legislative framework, SCM policies and relevant SCM and Financial delegations. A strict adherence to National Treasury Instruction Notes to ensure compliance



- The department has expirience staff capacity constraints whilst it recieve a high number if infrastructure maintenance bids which were on the procurement plan
- To address some of the challenges, the department increased the capacity of bid committee members
 and a change in the procurement strategy wherein the Department adopted a Framework agreement
 strategy to cater for infrastructure maintenance projects. This has grouped individual procurement
 projects into one and minimized the need to continuously advertise bids. The stragey will enhance the
 department 's response time to service delivery needs.

Gifts and Donations received in kind from non-related parties

No gift or donations were received and recorded during the year.

Exemptions and deviations received from the National Treasury

None

Events after reporting date

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. In response, the South African Government classified COVID-19 as a national disaster and issued additional regulations and directions to curtail the disaster.

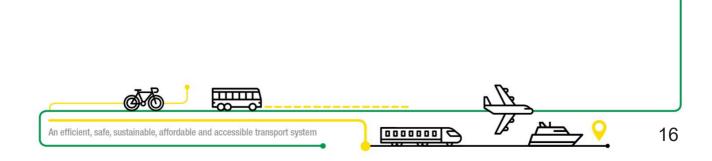
Since the pronouncement of the Lock Down in March 2020 the departmental budget for 2020/2021 has been reduced by R365,125 million (R246,780 million of the Provincial Roads Maintenance Grant; and R118,345 million of the voted funds which includes R32,439 million) redu

The COVID -19 pandemic has and will negatively impact on the strategic implementation of the Department and adherence to set targets. It is going to affect mostly key service delivery areas which include roads infrastructure projects and programmes which aims at increasing job opportunities for people.

Subsequent to the year end, the department transferred through S42, roads with completion costs of R410 million to the Eastern Cape Department of Public Works. These roads will be included in the asset register and disposed in the 2020/21 financial year end.

AB350 Pty Ltd - Scannia (Liquidation matter) - In around May 2020, Scannia lodged in the high court a liquidation proceeding against AB350 Pty Ltd. This was due to outstanding balance of R64 million from the sale of buses. Following negotiations and interim agreements, the case has since been temporarily withdrawn. Both parties agreed that AB350 Pty Ltd must pay R10million upfront and R1.9 million monthly to ensure continuity of bus services. Both conditions have since been met. As of 30 September 2020 a total payment amounting to R20.1million has been made towards the debt. The department still provides support to AB350 Pty Ltd through its subsidy to ensure that service delivery is not negatively impacted. Subsequent to year end, one of our major contractors informed the department in a letter dated 22 July 2020, that the company is undergoing voluntary business rescue. The primary purpose of the voluntary business rescue is to permit the company to restructure its financial affairs. At this stage the department cannot quantify the impact this will have on service delivery as investigations are still underway.

Subsequent to year end, one of our major contractors informed the department in a letter dated 22 July 2020, that the company is undergoing voluntary business rescue. The primary purpose of the voluntary business rescue is to permit the company to restructure its financial affairs. At this stage the department cannot quantify the impact this will have on service delivery as investigations are still underway.



Acknowledgement/s or Appreciation.

The department continues to appreciate the leadership provided by the Executive Authority, Portfolio Committee on Transport, SCOPA, Office of the Premier, Provincial Treasury The department performing their oversight function.

Conclusion

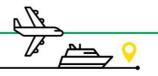
The Department after redefining its vision and mission towards providing an efficient, affordable, safe, sustainable and accessible transport system to improve the lives of the communities of the Eastern Cape. This approach is in line with the mandate of the department and also in-line with the new government planning framework which promotes an integrated planning within and outside the department.

Approval and sign off

The attached annual financial statement set out on pages 144 to 245 as well as performance information set out on page 41 to 47 have been approved by the Accounting Officer

Mr M.C. Mafahi) Head of Department

31 July 2020



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5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- All information and amounts disclosed throughout of the annual report are consistent
- The annual report is complete, accurate and is free from any omissions
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with modified cash standards and the relevant frameworks and guidelines issued by National Treasury.

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

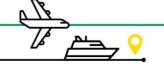
The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance, the human resources information and the annual financial statements.

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

In my opinion, the annual report fairly reflects the operations, performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2020.

Yours faithfully

Mr M.C. Mafahi) Accounting Officer 30 November 2020



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6. STRATEGIC OVERVEW

1.1 Vision

"An efficient, safe, sustainable, affordable and accessible transport system"

1.2 Mission

"Provide, facilitate, develop, regulate and enhance a safe, affordable and reliable multi modal transport systems which is integrated with land use to ensure optimal mobility of people and goods in support of socioeconomic growth and development in the Province of the Eastern Cape"

1.3 Values

The values of the Department rest on the pillars of:

Commitment : The Department will endeavour to exceed expectations in delivering an efficient, safe,

sustainable, affordable and accessible transport system. The Department will work with urgency and commitment to be successful from employee and department per-

spectives.

Accountability : At all times we act with integrity, providing quality service, being reliable and responsible.

Teamwork : Working co-operatively and making our work environment fun and enjoyable. Working

together with our stakeholders creating enthusiasm and appreciation.

Good Governance : The Department encourages the public trust and participation that enables services to

improve.

The Department will strive to adhere to the six core principles of good governance i.e:

Focusing on the Department's purpose and outcomes for citizens and service users

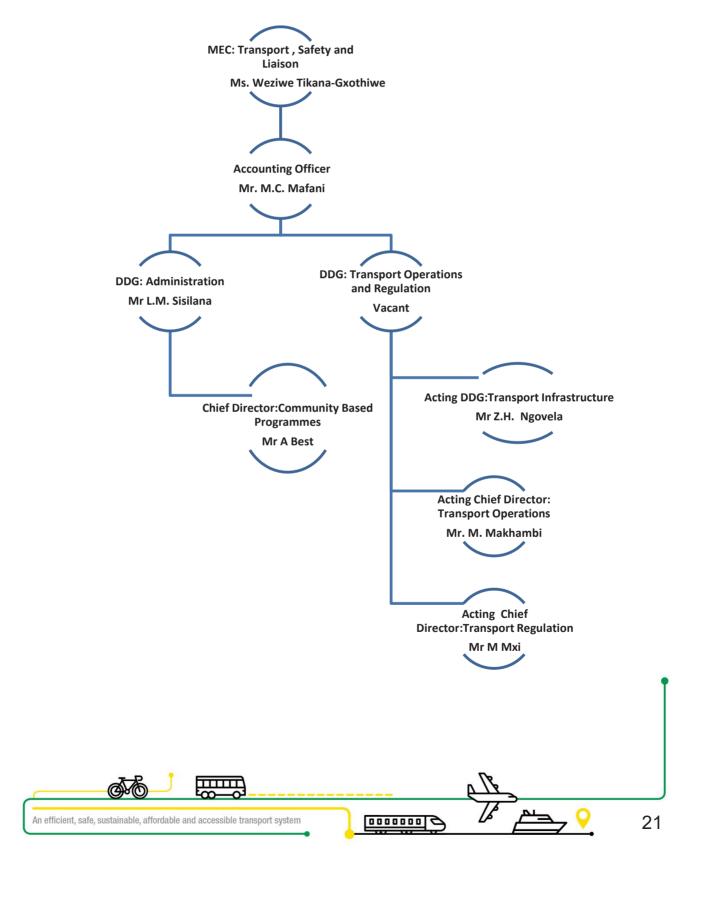
- · Performing effectively in clearly defined functions and roles
- Promoting values for the whole department and demonstrating the values of good governance through behaviour.
- Taking informed, transparent decisions and managing risk.
- Developing the capacity and capability to be effective.
- Engaging stakeholders and making accountability real.

7. LEGISLATIVE AND OTHER MANDATES

The Department derives its existence and operations from the following legislative mandate and Regulations emanating from the above legislation:

- Constitution of the Republic of South Africa Act, 1996 (No. 108 of 1996)
- White Paper on National Transport Policy (1996)
- National Road Traffic Act (Act No. 93 of 1996)
- Urban Transport Act (No 78 of 1977)
- Eastern Cape Roads Act (No. 3 of 2003)
- Advertising on Roads and Ribbon Development Act 21 of 1940
- Passenger Transportation (Interim Provisions) Act (No 11 of 1999)
- Road Transportation Act (No. 74 of 1977)
- Criminal Procedure Act (No.51 of 1977)
- Public Finance Management Act (No 1 of 1999 and 29 of 1999)
- Public Service Act (No.103 of 1994)
- Skills Development Act (No. 97 of 1998)
- Skills Development Levy Act (No. 9 of 1999)
- Preferential Procurement Policy Framework Act (No. 5 of 2000)
- Employment Equity Act (No. 55 of 1998)
- National Environmental Management Act (No.05 of 2000)
- Environmental Conservation Act (No. 107 of 1998)
- Civil Aviation Act (No 73 of 1989)
- National Water Act (No.13 of 2009)
- Occupational Health and Safety Act (including the Construction Regulations) (no 85 of 1993)
- Mine Health and Safety Act (No. 29 of 1996)
- Mineral and Petroleum Resources Development Act (no.28 of 2002)
- National Land Transport Strategic Framework
- Public Transport Strategy and Action Plan (2007)
- National Land Transport Act (2009)
- Division of Revenue Act (1998)
- Provincial Learner Transport Policy (2017)

8. ORGANISATIONAL STRUCTURE



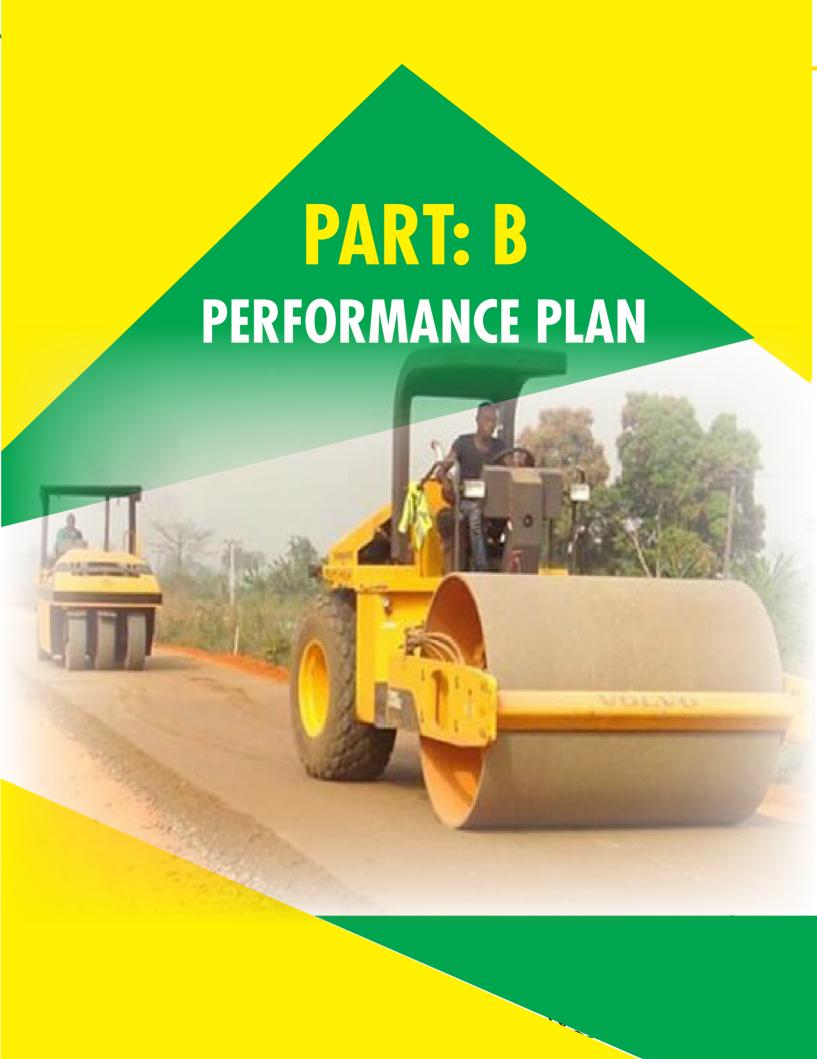
9. ENTITIES REPORTING TO THE MEC

The Department has two entities under its control and they are as follows:

Mayibuye Transport Corporati	Mayibuye Transport Corporation						
Mandate	Ciskeian Corporations Act (Act 18 of 1981)						
Outputs	Provide an affordable bus passenger service to the predominantly rural communities in the erstwhile Ciskei and Border areas of the Province of the Eastern Cape.						
Establishment	Mayibuye Transport Corporation (MTC) is listed in Schedule 3D of the Public Finance Management Act, No.1 of 1999. This corporation was established in terms of the Ciskeian Corporations Act (Act 18 of 1981). The main purpose of the Corporation is to provide an affordable bus passenger service to the predominantly rural communities in the erstwhile Ciskei and Border areas of the Province of the Eastern Cape. The Board of Directors is composed of (10) members, whose appointments are approved by the MEC for Roads and Transport. The Chief Executive Officer who was appointed on the 1st September 2006, while the Chief Financial Officer was appointed during the financial year under review.						
Nature of operations	The Corporation exists as a parastatal bus operation, which provides passenger services in the Amathole District and parts of the Chris Hani District.						
Financial Relationships	Mayibuye is funded by means of a grant-in-aid, which is reflected under transfer payments in the income statement of the Department. The Corporation submits its budget, business plan, management reports, financial statements and audited financial statements in compliance with the relevant provisions of the Public Finance Management Act.						

Government Fleet Manager	Government Fleet Management Trading Entity						
Mandate	Public Service Regulation of 2016 as amended						
Outputs	Provision and management of vehicle fleet						
	Provide fleet management support to end-users						
Establishment	Cabinet Resolution. See establishment letter from Treasury.						
Nature of operations	Procurement of vehicles						
	Administration of fleet						
	Repair and Maintenance of vehicles						
	Disposal of obsolete fleet						
	Verification of fleet						
	Development and monitor implementation of fleet management strategies						
	Report on the activities of the entity to the Accounting Officer						
	Management of contract with subsidised vehicles service providers						
Financial Relationships	Initial capital investment of R362m was injected to establish the Trading Entity. This includes the buy-back of vehicles from Fleet Africa and the increase fleet to address the shortfall. The Trading Entity will sustain itself through rate card system and by exploring possible investment opportunities.						





1. AUDITOR GENERAL'S REPORT: PERFORMANCE INFORMATION

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

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

(a) Service Delivery Environment

The department achieved 53% of its indicators during the year under review, registering a 3% increase from last year's performance. In line with the Public Finance Management Act (PFMA), the department has over the period under review, achieved an average of 17 days for the payment of service providers after receipt of invoices.

In response to a government call for youth development, the Eastern Cape Department of Transport has appointed 135 young unemployed graduates through its internship programme for a period of 24 months. The programme creates an opportunity for young graduates to gain work experience. The department also awarded bursaries to 98 beneficiaries of which 10 are studying towards Aviation qualifications.

The department has over the year moved with the building of transport infrastructure to improve people's economic prospects and the quality of life. During the period under review, some projects kick started including the repair and reseal work of 10, 3 km stretch of road from Matatiele to Maluti;14km of T125 from N2 to Siphethu Hospital (Phase 4). The contractor has established site and commenced with work on the 15km from Willovale to Dwesa Nature Reserve (Phase 2) which includes the construction of two bridges. The upgrading from gravel to surface standard of 16km from R61 at St Barnabas Hospital to Hluleka Nature Reserve (Phase 1) is also underway.

The department in collaboration with the Department of Defense has over the last year constructed four Bailey Bridges to assist in safely connecting rural villages in the province. The project/s has also created 160 job opportunities through EPWP. The following are the names and municipalities where these bridges were built:

- Tora bridge at Engcobo Local Municipality
- Nkobongo Bridge Engcobo Local Municipality
- Bilatye Bridge at Intsika Yethu Local Municipality
- Lenye Bridge Amahlathi Local Municipality

The department also partnered with the Enoch Mgijima Local Municipality to attend to the upgrade of the road to Queensndustria Park in Komani (formerly known as Queenstown). The upgrade was to support the work of the National Department of Trade and Industry's (the DTI) which is revitalizing Queensndustria and other industrial parks in the province as part of a broader economic development plan to support the manufacturing sector and create job opportunities.

On Aviation, the Mthatha Airport retains its Category 4 status however strides have been made to upgrade through firstly, submitting an application for an interim classification at Category 5 status. Work is underway towards as we build up towards Category 6 and as such the department has started the process of erecting a 10 ton steel firefighting simulator as part of improving the airport's firefighting division and empowering fire and rescue personnel in fighting real time fire situations.

During the year under review, the Eastern Cape recorded a 7% decline in road fatalities compared to the previous year which showed a positive trajectory towards achieving the National Development Plan targets. As part of its strategies to improve safety on the province's roads, the department identified 19 hazardous location in all 6 districts based on the highest number of fatal road crashes recorded in those locations. Road safety interventions were designed in response and short- term road safety interventions such as school education programmes and law enforcement activities were implemented in those hazardous locations.

The department also employed modern technology to manage provincial traffic fines that were ignored and not paid by the offenders in the past. Traffic fines have since been captured in a Contravention Management System [Trafphix] for database, ease of tracking and tracing and necessary follow ups, either by the Department or offenders themselves. The department successfully implemented the roll-out of the Automatic Number Plate Recognition System [ANPR] in Sarah Baartman (Port Elizabeth). This has helped Traffic Law Enforcement Officers in the execution of "warrants of arrests" issued against defaulting offenders and collection of outstanding of traffic fines on the road.

The department further procured and converted six [6] Crafter buses of which three [3] of them were have been fitted with the ANPR system and operated in the strategic areas of the Province. The Contravention Management System [CMS] and Automatic Number Plate Recognition System [ANPR] were successfully rolled out to Sarah Baartman [Port Elizabeth].

As part of implementing commitments made as part of resolving taxi-wars in the O.R. Tambo District, the department implemented the refurbishment of Jubilee Taxi Rank in Mthatha under King Sabata Dalindyebo Municipality. The department in partnership with Department of Public Works signed a memorandum of agreement with the King Sabata Dalindyebo Municipality to upgrade the taxi rank to improve safety and security in the taxi rank.

The project includes rehabilitation of pavement structure, renovations of hawkers' stalls which include repairing damaged masonry column and beam, repairing and repainting of roof structure. The project will also repair loading bay roof structure and provision of precast concrete refusal bins which will be placed in numbers to cater for the whole taxi rank to prevent environmental problems and fixing of the existing high mast lights and distribution box. Through the project, 15 EPWP work opportunities were created.

Challenges facing the department are as follows:

- The department is still faced with lack of skilled personnel (technical staff) to monitor Transport Infrastructure projects in all district as a result it is in the process of establishing a Project Management Unit which will conduct monitoring of all infrastructure projects.
- There have been delays in the finalization of organizational structure, this process is in the final stages
 with consultation and costing being conducted in preparation for further submission to Treasury.
- Insufficient budget to close the service delivery gaps to accommodate all learners who qualify for Scholar Transport Programme instead of the 85 757 who currently benefit from the programme.

2.1 Service Delivery Improvement Plan

Main services provided and standards

Main Services		Actual Customers	Potential Customers	Standard of Ser- vices	Actual Achievement against Standards
1	Provision of Scholar Transport.	Learners		Not Applicable	Scholar transport has been insourced 85 747 learners were ferried
2	Promotion of Transport Safety and Compliance.	Road users, schools and communities.	Road Accident Fund	350 schools involved in Road Safety Education.	297 schools involved in Road Safety Education where 79 569 learners were trained in Road Safety Education programmes.

Consultation arrangements with customers

Type of arrangements		Actual Customers	Potential Customers	Actual Achievements
1	MEC's Transport Coordination Structure (TRANSMEC)	All Key Transport Stake- holders in the Province	Public Transport Industry	TRANSMEC was not coordinated for the year under review
2	Transport Technical Committee (TTC)	All Key Transport Stake- holders in the Province	Private Sector	No TTC's meeting coordinated for the year under review with all key transport stakeholders.
3	Transport Forums	District Transport Forums have been revived in all districts.	Municipalities and Transport Users	Integration of inputs from municipal IDP's and infrastructure sector to the Departmental Strategy and annual plans.

Batho Pele arrangements with beneficiaries

Cu	rrent /Actual Arrangements	Desired Arrangements	Actual achievements		
1	The Department established a Call centre where recipients of the service and the public at large are assisted in all transport related challenges.	Department and its stakeholders	With the assistance of Customer Care complaints and compliments framework, which indicate steps to take when handling complaints, the public is assisted and where necessary redress is applied.		

Service Delivery Information Tool

Current /Actual information tools			Desired information tool	Actual Achievements
	1	Service Excellence		Departmental Service Excellence tool was adopted and implemented by the Department.

Complaint Mechanism

Cui	rent /actual complaints mechanism	Desired complaints mechanism	Actual Achievements
•	A customer care complaints and compliments management framework developed and implemented		issues for dissatisfied customers or recipients

(b) Organisational Environment

The department was allocated 277 posts during 2019/20 financial year, and the department managed to fill 264 posts. The posts that are not filled are classified as rollover to 2021 financial year and these posts are in the recruitment process for finalization and filling. The department had critical posts at Senior Management level, some of these posts were filled and the other posts will be re-advertised due to unavailability of suitable candidates during shortlisting and interviews, and other posts will be filled through headhunting process. The department also managed to fill in critical posts for Yellow fleet driver operators for Transport Infrastructure .The department managed to keep the vacancy rate at an expected percentage as required by Department of Public Service Administration (DPSA).

The department still had a challenge of filling vacant and funded posts within 90 days as stipulated by PCMT, due to the non- adherence of the committees to the recruitment process and practices. The department identified the challenges that makes the process not to be finalised with 90 days after the closing of adverts and continuous engagements will all relevant stakeholders has been done.

	Nur				
Staff Categories	2015/16 without)	2016/17	2017/18	2018/19	2019/20
		(without)	(without)	(with)	(with)
Total staff complement	1,556	1500	1521	2596	2 694
Number of professional and managerial posts	258	146	155	214	201
Number and managerial posts filled of professional	39	130	131	180	32
Number of excess staff	0	0	0	0	0

(c) Key policy developments and legislative changes

There has been no transport related key policy developments and legislative changes for year under review.

3. STRATEGIC OUTCOME ORIENTED GOALS

The Department has a responsibility of contributing towards implementation of the **Provincial Strategic Framework Priority No 2 that is "Building social and economic infrastructure"** with the goal of implementing an Integrated Public Transport Network (IPTN) throughout the province. To that end, efforts to integrate existing bus services with the planned rapid public transport network systems in two of the provinces main cities are underway. Some of the key activities towards the attainment of this goal are as follows:

- To increase internal capacity within the Department in order to realise the 50-50 split i.e. 50% outsourced and 50% insourced
- Integrate Algoa Bus Service (National subsidized service) into the NMBM Rapid Public Transport Network
- Increase the number of AB350 buses servicing the Eastern part of the Province from 55 to 166.
- Increase the number of Mayibuye Transport Corporation busses from 48 to 66 and further integrate into the Buffalo city Municipality's Integrated Public Transport Network
- Continuously make efforts to reduce the high fatality rate on the roads of our province by implementing intensive safety and traffic law enforcement campaigns
- To increase the capacity of Mthatha airport
- Implementation of the Scholar Transport Programme

The Department's strategic goals are summarized as follows:

- Good governance towards an efficient transport system.
- Integrated transport planning.
- 3. Accessibility and mobility through a safe transport system.
- 4. Safe transport environment through the regulation of traffic on transport infrastructure.
- Economic Empowerment and poverty alleviation through the Transportation Sector.



Details of these outcome oriented strategic goals is are given below.

Strategic Goal 1	Good governance towards an efficient transport system.				
Goal statement	Provide enabling business processes and appropriate capacity to the core functions of the department in a manner that ensures accountability, transparency, sound leadership and efficient management of resources.				
Provincial Strategic Priority	Strengthening the developmental state and good governance				
Outcome	12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship				

Critical Success factors for Strategic Outcome Oriented-Goal No 1:

- Understand and commit to implications for a performance culture
- Position the strategic role of HR in service delivery
- Break down silos and see the attainment of Departmental objectives as a responsibility of all managers

Strategic Goal 2	Integrated transport planning				
Goal statement	Provides planning for all modes of transport including the movement of goods and passengers to integrate transport and spatial planning				
Provincial Strategic Priority	Transforming the economy to create jobs and sustainable livelihoods				
Outcome	6. An efficient, competitive and responsive economic infrastructure network				

Critical Success factors for Strategic Outcome Oriented-Goal No 2:

- Improve spatial and regional focus in planning and allocating resources
- Develop capacity for horizontal and vertical coordination and to perform the required planning, designing, implementing and monitoring of the transportation system.

Strategic Goal 3	Accessibility and mobility through a safe transport system.			
Goal statement Facilitate the provision of safe, compliant transport services through provincial and national resident to improve the mobility and accessibility of communities particularly those without or with line				
Provincial Strategic Priority	Transforming the economy to create jobs and sustainable livelihoods			
Outcome	An efficient, competitive and responsive economic infrastructure network			
	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all			

Critical Success factors for Strategic Outcome Oriented-Goal No 3:

- Encourage collaboration with other Departments such Local Government and Traditional Affairs, Education
- Develop capacity for horizontal and vertical coordination

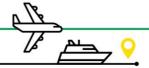
Strategic Goal 4	Safe transport environment through the regulation of traffic on transport infrastructure.				
Goal statement	To ensure the provision of a safe transport environment through the regulation of traffic on public infra- structure, law enforcement and the registration and licensing of vehicles and drivers. This includes the management and control of registering of transport operators and the issuing of all licenses and permits required in terms of legislation.				
Provincial Strategic Priority	Intensifying the fight against crime and corruption.				
Outcome	3. All people in South Africa are and feel safe				

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Critical Success factors for Strategic Outcome Oriented-Goal No 4:

- Improve capacity for MIS on road accidents and fatalities
- Encourage collaboration with other Departments such as Roads and Public Works, Health, Education





Strategic Goal 5	Economic Empowerment and poverty alleviation through the Transportation Sector.					
Goal statement	Ensure delivery of accessible services through integrated, socially just, developmental and empowering practices in order to improve the quality of life of communities within the Province through community development programmes.					
Provincial Strategic Priority	Transforming the economy to create jobs and sustainable livelihoods.					
Outcome	4. Decent employment through inclusive economic growth					

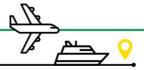
Critical Success factors for Strategic Outcome Oriented-Goal No 5:

- Make bold decisions about the appropriate structure of CBP
- Ensure that staff in CBT have the necessary capacity to think strategically and innovatively
- Involve communities in planning and execution of community based projects

SUMMARY OF PROGRAMMES

The following table presents the Programme structure for the Department of Transport:

Programme	Sub-Pr	ogrammes	Strategic Goals
1. Administration	1.1	Office of the MEC	Good governance towards an efficient trans-
	1.2	Management of the Department	port system.
	1.3	Corporate Support	
	1.4	Departmental Strategy	
2. Transport Infrastructure	2.1	Programme Support Infrastructure	Integrated transport planning
	2.2	Infrastructure Planning	
	2.3	Infrastructure Design	
	2.4	Construction	
	2.5	Maintenance	
	2.6	Mechanical	
3. Transport Operations	3.1	Programme Support Operations	Accessibility and mobility through a safe
	3.2	Public Transport Services	transport system.
	3.3	Transport Safety and Compliance	
	3.4	Transport Systems	
	3.5	Infrastructure Operations	
	3.6	Scholar Transport	
4. Transport Regulation	3.1	Programme Support Regulation	Safe transport environment through the regu-
	3.2	Traffic Administration & Licensing	lation of traffic on transport infrastructure.
	3.3	Operator License and Permits	
	3.4	Law Enforcement	
5.Community Transportation Pro-	4.1	Programme Support	Economic Empowerment and poverty allevia-
grammes	4.2	Community Development	tion through the Transportation Sector.
	4.3	Innovation and Empowerment	
	4.4	EPWP Co-ordination and monitoring	



4. PERFORMANCE INFORMATION BY PROGRAMMES



DEPUTY DIRECTOR GENERAL: ADMINISTRATION

MR L.M SISILANA

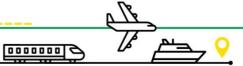
The Administration programme provides the Department with the overall management and administrative, strategic, financial and corporate support services in order to ensure that it delivers on its mandate in an integrated, efficient, effective, and sustainable manner.

The programme is divided into four (4) sub-programmes as follows:

- 1. **Office of the Member of the Executive Council** provides sound political leadership towards the implementation of government priorities.
- 2. Management of the Department implements overall management and support of the department.
- 3. **Corporate Support** provides administrative support to the core functions of the Department.
- 4. **Departmental Strategy** provides operational support in terms of Strategic planning, Monitoring and Evaluation including policy development and co-ordination.

Strategic Objectives Planned Targets and Actual Achievements

Stra	itegic Objectives	Achieve- Achieve- ment ment			Achieve- Achieve- Target Achievement from planned ment target to Ac-				from planned target to Ac- tual Achieve- ment for	Comment of deviations
SO1	100% policy directives are executed	80%	72%	100%	53%	47%	Challenges due to Contractor not been able to pay subcontractors for work done, matters of litigations that have not yet been finalised, redirection of budget to focus on regravelling which emanated from community protest has resulted to underperformance.			
805	Governance and accountability performance level achieved in MPAT	1,6	2	4	0	4	Department of Planning , Monitoring and Evaluation (DPME) discontinued MPAT exercise therefore the department could not be measured against MPAT standards during the year under review.			
803	Human Resource Management performance level achieved in MPAT	2	2,1	4	0	4	Department of Planning , Monitoring and Evaluation (DPME) discontinued MPAT exercise therefore the department could not be measured against MPAT standards during the year under review.			
804	Financial Manage- ment performance level achieved in MPAT	2,6	2	4	0	4	Department of Planning , Monitoring and Evaluation (DPME) discontinued MPAT exercise therefore the department could not be measured against MPAT standards during the year under review.			
S05	Service delivery improvement plan reviewed once per year	1	0	1	0	1	Underperformance is due to the Reviewal of Service Delivery Model to be aligned to the departmental 5 year Strategic Plan			



Office of the Member of the Executive Council

Performance Indicators - Planned Targets and Actual Achievements per sub-programme

Perf	ormance Indicator	Actual Achievement 2017/2018	evement Achiev		Planned Target 2019/20	Actual Achieve- ment 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P1	Policy Speech presented to the Legislature in March annually	1		1	1	0	1	Policy Speech could not be tabled in March due to COVID 19 which forced the country to be on lockdown as pronounced by the President from the 27 of March 2020.
P2	Number of the MEC's stakeholder engagements	63		42	57	57	-	
P3	Number of session to review the Depart- ment's performance against policy issues included in the Policy Speech	4		4	2	2	-	

Sub –Programme: Management of the Department

Performance Indicators - Planned Targets and Actual Achievements per sub-programme

Performance Indicator		Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/20	Deviation from planned tar- get to Actual Achievement for 2019/20	Comment of deviations
P4	No of management meetings held to mon- itor implementation of strategic objectives	16	13	16	16	-	
P5	Average MPAT rating level achieved on governance imperatives	1,6	2	3	0	3	Department of Planning , Monitoring and Evaluation (DPME) discontinued MPAT exercise therefore the department could not be measured against MPAT standards during the year under review.

Sub –Programme : Corporate Support

Performance Indicators - Planned Targets and Actual Achievements per sub-programme

Performance Indicator		Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement	Deviation from planned target to Actual Achievement for	Comment of deviations
P6	Average number of days to fill a vacant funded post after adver- tisement	250 days	267 days	90 days	263 days	173 days	Delays by HR practitioners in completing masterlist on time due to overwhelming turnover response especially to posts that do not require experience.
							Panel members who deviate from the requirement of the post during short-listing process and that causes delays
P7	Number of wellness pro- grammes imple- mented	5	4	4	4	-	
P8	Number of hu- man resource development interventions im- plemented	4	5	5	5	-	
6d	Number of organisational development initiatives	3	6	6	4	2	Service Standards and Organisational Structure were not finalised during the year under review due to delays in extensive internal consultation and alignment with the budget.
P10	Average number of days for the payments of creditors	19 days	18 days	30	22 days	(8 days)	Follow ups by programmes and management engagements through In Year Monitoring's has resulted to improvement on the payment of creditors who submitted legitimate invoices within 30 days.
P11	Actual % spent on budget allo- cated	99,7%	98%	100%	98%	2%	Poor performance from emerging contractors, delays in the approval of Variation Orders by Provincial Treasury resulted to delays in the appointment of contractors for capital projects.

	rformance Indi- tor	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement	Deviation from planned target to Actual Achievement for	Comment of deviations
P12	Actual % of Revenue collected on budgeted amount	97%	92%	100%	95%	5%	Defaulting municipalities that have made agreements to pay the outstanding monies in instalments did not honour the agreement.
							Some tenants at Mthatha Airport do not pay the rentals as per Service lev- el agreement.
P13	Number of projects delivered as per the ICT project plan	2	0	3	2	1	The tender was cancelled due to misalignment of the information presented to the committee and the goal that the department wanted to achieve.

Sub -Programme : Departmental Strategy

Performance Indicators - Planned Targets and Actual Achievements per sub-programme

Performance Indicator		Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Ac- tual Achieve- ment for 2019/2020	Comment of deviations
P14	No of performance reports submitted to relevant authorities in terms of the Trea- sury Regulations	6	7	7	7	-	
P15	No of statutory doc- uments developed to implement the Department's 5 year Strategic Plan	4	0	5	4	1	Delays on the development and approval of the strategy has resulted to underperformance however draft Service Delivery Model has been developed.
P16	No. of key service delivery projects monitored	3	3	3	3	-	
P17	No of status reports to departmental pro- vincial and national policies	4	4	4	4	-	

Summary of programme performance

The Department awarded annual bursaries for fields in the Transport Sector to both internal and external candidates. All current 89 external bursary holders are studying towards Civil, Mechanical, Aeronautical and Marine Engineering, Aviation and Transport Economics & Management. Internally, 105 out of 146 internal bursary holders are from the core programmes of the department. The Department has partnered with SANRAL School of Excellence for Mentorship for the professional development of internal candidate technicians to become registered engineers

Traffic Officers have been assisted to advance their qualifications by being exposed to various training programmes such as the mandatory fire arm refresher training, examiner of motor vehicles and have been awarded bursaries to study towards a National Diploma in Road Traffic and Municipal Police Management.47 Traffic Officers were awarded bursaries in 2019 to pursue National Diplomas in Road Traffic Management and related qualifications.

Artisan Development Programme implementation in progress. A Service Level Agreement with Donder Truck, the only Diesel Mechanic accredited Service Provider in the Province, is in the process of being drafted. Three trainees are currently being trained in-house in our Graff Reinette workshop by the department own internal mentors. A task team comprising of In-house construction, Mechanical and HRD has been appointed to oversee and implement the Artisan Development in the Department

Various development programmes such as the Women Seminar/ Management Development Programme/ Supervisory Development Programme have been put in place with specific beneficiation of Women in the Department in preparation for upward mobility

In the effort to implement a Service Level Agreement with Ikhala TVET College for capacity development programmes. 25 EPWP beneficiaries have been trained in soft skills. Brick paving, followed by other technical skills that will start in the new financial year.

Strategy to overcome areas of under performance

SO1: Continuous assessments and monitoring will be conducted to ensure that policy directives pronounced are achieved

SO5: Department will be ensure that Service delivery Improvement plan is developed annually

P1: Policy Speech has been tabled in May 2020.

P5: The indicator has been removed from the Annual Performance Plan.

P6: The department will develop a project plan that it will stick to it for post to be filled within the stipulated timeframe.

P9: The department will finalise the development of organisation structure and its costing and submit to Office if the Premier for further consideration.

P11: Department will ensure that the allocated budget is pent according to the tabled plans.

P12: The department will withdraw face value forms from all municipalities who does not honour their payment agreements

P13: The department will source assistance from other SITA for the development of specification that will produce the intended outcome

Changes to planned targets

P5: Average MPAT rating level achieved on governance imperatives, from the letter forwarded to Head of Department dated 29 March 2019 after tabling of 2019/20 Annual Performance plan, the indicator has not been reported tom the entire year as Management Performance Assessment Tool (MPAT) has been discontinued by Department of Planning, Monitoring and Evaluation

Linking performance with budget

The programme has achieved 53 % in terms of the performance during the period under review which shows no improvement compared to last financial year. The reasons for underperformance is due to discontinuation of MPAT indicator, delays in finalising the organisational structure, non-filling of vacant and funded posts within 90 days, non-collection of revenue. The budget utilisation against is 98,6 % which shows misalignment of performance against expenditure.

Sub-F	rogramme		2019/20			2018/19		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Ex- penditure		
		R'000	R'000	R'000	R'000	R'000		
1	Office of the MEC	21 250	21 200	50	19 424	18 972	452	
2	Management of the Department	37 702	36 921	780	41,145	40 371	774	
3	Corporate Services	389 605	384 175	5 430	280,860	277 830	3 030	
4	Departmental Strategy	15 885	15 559	326	15,269	14 810	459	
	TOTAL	464 442	457 856	6 586	356 968	351,983	4 715	



ACTING DEPUTY DIRECTOR GENERAL: TRANSPORT INFRASTRUCTURE MR ZH NGOVELA

The main purpose of this programme is to ensure that transport policy and planning occur within a single comprehensive and integrated programme with mutual support between all disciplines of transport and land use. This includes planning for the provision of transport services, facilities and infrastructure including provision of support and co-ordination of the Integrated Transport Planning at the local sphere.

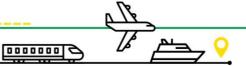
The programme is divided into six (6) sub-programmes as follows:

- **Programme Support** facilitates the governance of the programme and the attainment of the programme objectives.
- Infrastructure Planning maintains a Provincial Land Transport Framework (PLTF) as an overall guide to transport planning within the Province.
- Infrastructure Design undertakes traffic engineering to contribute to a holistic road traffic management strategy in support of an environment that is conducive to a safe transport system.
- Construction: provides construction of all transport infrastructure
- Maintenance provides for maintenance of all transport infrastructure.
- Mechanical provides for mechanical services to all transport infrastructure fleet

Strategic Objectives Planned Targets and Actual Achievements

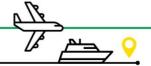
H4oe		Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
908	Number of Annual Plans developed for the programme in line with the Department's 5 year plan	2	2	2	2	-	-
202	No. of kilometres of road visually assessed as per the applicable TMH manual	3 670	40 423	3 959	0	3 959	The contract was awarded to a service provider however one of the bidders, the one previously appointed disputed the appointed company and the matter was under litigation and has not yet finalised
808	Number of designs for transport related infrastructure	4	1	6	5	1	Mthatha traffic station could not be completed due to land issues that are still not finalized.
608	Number of kilometres of provincial proclaimed roads upgraded from gravel to surfaced standards	108,875	23,4	31	6.325	24,675	Elliotdale - Madwaleni: Service Delivery protest which led to an 8week delay affected surfacing dates Coffeebay - Zithulele: Complaint from a local person on disturbance of the environment at the hole-in the wall stretch of the Coffebay road affected the site as surfacing had to be delayed until DEDEAT resolves the environmental related complaint (impact on progress about 4 weeks overall) Canzibe Hospital road: surfacing bid has to be cancelled after some bidders complained that not all of them received the annexures which were agreed on during the site briefing. This delayed the surfacing activities which were planned for this site as the bid had to be re-advertised.





H4oe		Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
							Elitheni Coal Mine project The Contractor on the project has been experiencing severe cashflow challenges and production has been slow on the project. The Project stand still for more than 2,5 month due to Contractor not been able to pay subcontractors for work done. The SMMEs subsequently stop the work on site. The department has forwarded correspondence to the Contractor service it notice about its intention to terminate the contract
SO10	No of transport related facilities constructed	0	0	0	0	-	-
	Number of square meters of provincial pro- claimed roads maintained per annum	37 242	20 374	143 779	186,024,201sq	(42 245, 201)	The erroneously used 2018/19 financial years targets, the correct strategic objective target is 309,205 255 square metres made up targets from blacktop patching blading, gravelling rehabilitation and reseal.
S011							There were capacity challenges in developing specifications as the Department had to come up with a document that will not attract adverse audit outcomes and unfair selection of service providers. As the Department was dealing with Framework contracts for the first time, it had to ensure that it is in line with Provincial objectives of local beneficiation for service providers, hence protracted consultations.
S012	% of plant avail- ability	-	74,9	75	51,5%	23,5%	Due to unavailability of the non-agent contract for plant repairs





Sub programme 2.1: Programme Support Infrastructure

Performance Indicators-Planned Targets and Actual achievements per sub- programme

Performance Indicator		Actual Achieve- ment 2017/2018	Achievement Target Achievement 2018/2019 2019/2020		Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations	
P18	Number of strate- gic interventions conducted	2	3	6	8	(2)	Over performance is due to the session towards the development of Standard operating procedures and performance management workshop for the programme
P19	Number of programme performance reports to Monitoring and Evaluation Unit	4	4	4	4	-	
P20	Number of per- formance support interventions	0	12	4	3	1	The programmes validate the performance to District after a quarter elapsed therefor the 4th quarter performance will be validated in next financial year.

Sub-programme 2.2: Infrastructure Planning

Perfor	mance Indicator	Actual Achievement 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P21	Number of transport plans developed towards implementing the Provincial Land Transport Framework (PLTF)	2	4	4	2	2	Infrastructure delivery booklets could not be done due to capacity challenges within Infrastructure planning and design and as such the programme will commission services of professional service provider. Conceptualization and establishment of the Project Management Office could not be finalised due to delays in finalisation of organisational structure as PMO office is not catered for in the current
							organisational structure.
P22	Number of road safety assessment projects	3	3	3	3		



Sub programme 2.4 : Construction

Performance Indicators-Planned Targets and Actual achievements per sub- programme

Perfo	rmance Indicator	Actual Achievement 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P23	No of kilometres of surfaced roads visually assessed as per applicable TMH manual	3 799	0	3 959	0	3 959	The contract was awarded to a service provider however one of the bidders, the one previously appointed disputed the appointed company and the matter was under litigation and has not yet finalised.
P24	No of kilometres of gravel roads visually assessed as per applicable TMH manual	0	25 345	0	0	N/A	
P25	Number of engagements with relevant authorities.	8	8	8	7	1	The meeting could not be held on the 19 March 2020 ,week before the lockdown announcement by President , flights were discontinued that goes to other provinces were cancelled therefore members of the meeting could not attend the meeting

Sub-programme 2.3: Infrastructure Design

Pe	rformance Indicator	ment 2017/2018		Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 20192020	Comment of deviations	
P26	Number of designs public tran port facilities		0	1	1	-	
P27	Number of design law enforcement cilities		0	2	1	1	Mthatha not achieved due to Land issues that are still not finalized.
P28	Number of designs roads infrastructure		3	3	3	-	

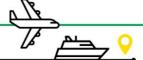
Sub programme 2.4 : Construction

Perfo	rmance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P29	Number of kilometres of gravel roads upgraded to surfaced roads	107	23,4	13	0	13	Elitheni Coal Mine project The Contractor on the project has been experiencing severe cashflow challenges and production has been slow on the project. The Project stand still for more than 2,5 months due to Contractor not been able to pay subcontractors for work done. The SMMEs subsequently stop the work on site. The department has forwarded correspondence to the Contractor service its notice about its intention to terminate the contract.
P30	Number of transport related facilities constructed	0	3	0	0	-	-
P31	Number of kilometres of roads upgraded from gravel to surfaced standard by in house teams	0	0	18	6,325	11,675	1 Elliotdale - Madwaleni: Service Delivery protest which led to an 8 week delay affected surfacing dates Coffeebay - Zithulele: Complaint from a local person on disturbance of the environment at the hole-in the wall stretch of the Coffebay road affected the site as surfacing had to be delayed until DEDE-AT resolves the environmental related complaint (impact on progress about 4 weeks overall) Canzibe Hospital road: surfacing bid has to be cancelled after some bidders complained that not all of them received the annexures which were agreed on during the site briefing. This delayed the surfacing activities which were planned for this site as the bid had to be re-advertised.

Sub programme 2.5 Maintenance

Performance Indicators-Planned Targets and Actual achievements per sub- programme

Per	formance Indicator	Actual	Actual	Planned	Actual	Deviation from	Comment of deviations
		Achievement 2017/2018	Achievement 2018/2019	Target 2019/2020	Achievement 2019/2020	planned target to Actual Achievement for 2019/2020	
P32	No. of square metres of surfaced roads rehabilitated	0	0	300 000	0	300 000	Community protests about poor conditions of gravel roads necessitated that the Department prioritizes regravelling projects instead of rehabilitation and reseal projects.
P33	No of square metres of surfaced roads resealed	0	0	900 000	0	900 000	Community protests about poor conditions of gravel roads necessitated that the Department prioritizes regravelling projects instead of reseal projects.
P34	No. of kilometres of gravel roads re-gravelled	550.67	410	732	1 283,27	(551,27)	Over performance is due to the fact that the department had to prioritise regravelling using plant hire due to a lot of protests and petitions by the communities.
P35	No of square metres of blacktop patching	37 242.43	20 374	61 255	48 080,64	13 174,36	There were capacity challenges in developing specifications as the Department had to come up with a document that will not attract adverse audit outcomes and unfair selection of service providers. As the Department was dealing with Framework contracts for the first time, it had to ensure that it is in line with Provincial objectives of local beneficiation for service providers, hence protracted consultations.
P36	No of kilometres of gravel roads bladed	24 948,83	24 565	43 260	25 548,78	17 711,,22	There were capacity challenges in developing specifications as the Department had to come up with a document that will not attract adverse audit outcomes and unfair selection of service providers. As the Department was dealing with Framework contracts for the first time, it had to ensure that it is in line with Provincial objectives of local beneficiation for service providers, hence protracted consultations.



Per	formance Indicator	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P37	No of transport re- lated facilities main- tained	2	0	1	0	1	Closure of suppliers in December and late reopening in January to supply renovation/maintenance material to the awarded bidder has resulted to delays on practical completion of the project which ended up exceeding the anticipated time of completion.

Sub-programme 2.6 Mechanical

Performance Indicators-Planned Targets and Actual achievements per sub- programme

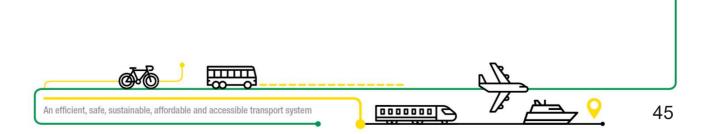
Performance Indicator		Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
<u> </u>	Average percentage of uptime on fleet availability	0	25%	75%	51,5%	23,5%	Due to unavailability of the non-agent contract for plant repairs
\sim	Number of plant items acquired	0	58	26	53	(27)	Additional budget was availed by maintenance and construction to procure plant

Summary of programme performance

The department has over the year moved with the building of transport infrastructure to improve people's economic prospects and the quality of life. During the period under review, some projects kick started including the repair and reseal work of 10, 3 km stretch of the Matatiele to Maluti.14km of T125from N2 to Siphethu Hospital (Phase 4).the project has been awarded and is awaiting works permit from Department of Labour.15km from Willovale to Dwesa Nature Reserve (Phase 2) has started . The contractor has established site and commenced with works which includes the construction of two bridges. The upgrading from R61 at St Barnabas Hospital to Hluleka Nature Reserve (Phase 1), the contractor has established site and commenced with the works for the 16kms road project.

Bailey bridges are the low cross truss bridges that were popularized by the British during the Second World War .The department in collaboration with Department of Defense has managed to build 5 bridges in the province however the issuing of completion certificate will done in the next financial year . These bridges has also created 181 EPWP jobs .The following are the names and arears were these bridges were built:

- Tora bridge at Engcobo LM
- Nkobongo bridge Engcobo LM
- Bilatye bridge at Intsuka Yethu LM
- Mantusini at Port St Johns LM
- Lenye Bridge Amahlathi LM



The department worked with the Enoch Mgijima Local Municipality to upgrade Queensndustria Park in Queenstown. The upgrade was in line with the National Department of Trade and Industry's (the DTI) to upgrade Queensndustria and other industrial parks in the province as part of a broader economic development plan to support the manufacturing sector to employment.

Strategy to overcome areas of under performance

- **\$07**: The underperformance will be addressed in the next financial year
- \$08: The underperformance will be addressed in 21/22 financial year after land issues are finalised.
- SO9: The underperformance will be addressed in the next financial year.
- **SO11:** The programme reduced the target and rephrased the indicator.
- P21: The underperformance will be addressed in 20/21 financial year.
- P23: The underperformance will be addressed in the next financial year
- P27: The department differed the development of law enforcement designs to 20/21 financial year.
- **P29**: The programme has taken the termination of the service provider who has gone to financial rescue to Legal Services for a legal opinion as the result the project could not be differed to 20/21 financial year.
- P31: The project progress which was not achieved has been deferred to the 20/21 financial year
- P32: No. of square metres of surfaced roads rehabilitated
- P33: Targets have been revised to reflect the realistic output that can be achieved on a particular project. Targets also cater for the procurement processes.
- P35: The underperformance will be addressed in the next financial year
- P36: The issue of capacity was being addressed as there were a number of posts that were filled towards the end of the financial year, this exercise is still ongoing and will positively impact on performance. Framework contracts will be fast-tracked.

 Monitoring of in-house teams will also be enhanced through hiring of technical staff
- P37: The underperformance will be addressed in 20/21 financial year.
- P38 &SO12: The department had delayed to renew the contract due to procurement process however the contract has since been renewed.

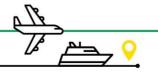
Changes to planned targets

The erroneously used 2018/19 financial years targets, the correct strategic objective targets for 2019/20 is 309,205 255 square metres made up of Blacktopping patching, blading, gravelling rehabilitation and reseal.

Linking performance with budget

The programme has achieved 45% in terms of the performance during the period under review is due to capacity challenges in developing appropriate specifications, redirection of funds to address community protests, and litigations that were not finalised The performance shows improvement against 20% from 2018/19 financial year. The budget utilisation is 97,4% % which shows misalignment of performance against expenditure.

			2019/20			2018/19	
Sub-	Programme	Final Ap- propriation	Actual Ex- penditure	(Over)/Un- der Expen- diture	Final Ap- propria- tion	Actual Expenditure	Over)/Under Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000
1	Programme Support In- frastructure	13 081	11,159	1,922	12,684	12,434	250
2	Infrastructure Planning	32 536	18,780	13,756	56,088	54,408	1,680
3	Infrastructure Design	13 266	11,589	1,677	23,234	22,850	384
4	Construction	530 758	528 301	2 457	658,095	658,743	(648)
5	Maintenance	1 366186	1,346 053	20,133	1,000,566	1,000,566	50,348
6	Mechanical	231 066	213,774	17,292	402, 423	400,423	2,033
TOTAL		2,186,893	2,129,656	57,237	2 203 471	2 149 424	54,047





ACTING CHIEF DIRECTOR: TRANSPORT OPERATIONS MR B MAKHAMBI

The main objective of this programme is to plan, regulate and facilitate the provision of integrated land transport services through coordination and co-operation with national and local authorities, as well as the private sector in order to enhance the mobility of all communities, particularly those without or with limited access.

The programme is divided into six (6) sub-programmes as follows:

- 1. **Programme Support** facilitates the governance of the programme and the attainment of the programme objectives.
- 2. Public Transport Services provides management of integrated land transport to provide mobility to the commuters.
- 3. **Transport Safety and Compliance** manage/co-ordinate and facilitate the transport safety and compliance in all modes with related legislation and policies through pro-active and re-active tactics and strategies.
- 4. Transport Systems ensures that there is collaboration between the various stakeholders in the province to promote rail and maritime services as modes of transport.
- Infrastructure Operations manages provincial airports.
- **6. Scholar Transport assists** with the transportation of learners walking an excess of 3km to access schools inline with the National Draft Scholar Transport Policy.

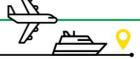
Strategic Objectives Planned Targets and Actual Achievements

Strat	egic Objectives	Actual Achieve- ment 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020.	Comment of deviations
SO13	Number of Annual Plans developed for the programme in line with the Department's 5 year plan	2	2	2	2	-	
SO14	'	17 602 159,70	16 180 420	18 512 010	17 108 249,3	1 403 760,7	Algoa Bus company operated less kilometres due to services unrest. i.e on the 3rd and 4th of April 2019 in Motherwell and again on 10th of April, there's a violent unrest close to ABC's Kwadwesi Depot resulting in their bus being totally destroyed. On 14th & 15th of August 2019, another services unrest was reported in Motherwell, Uitenhage and in the Northern areas and the cancelation of trips from a 30-minute to an hourly service due to a decline in the service demand between Greenacres-City- NMU& return. Another service unrest was reported on 29 Jan 2020 on the Rocklands road within the NMB Municipality. Operated less schedule kilometres which were equivalent to the remaining PTOG budget, thus the remaining kilometres operated were unsubsidized and reduce service due to the universal application of the Disaster Management Act Regulations of Coronavirus across all the operators. Mayibuye Transport Cooperation: reported a substantial amount of mechanical breakdowns due to aging and shortage of bus fleet and the 3 days in March after the lockdown announcement by the President has also affected their performance. AB350 reportedpermanent road blockages of 2 routes in Queenstown, intermittent service disruptions almost in all areas of operations by the taxi operators, community strikes, bad road conditions which became literally impossible after rainy days, mechanical breakdowns of bus fleet due to non-existent of vehicle maintenance contracts, burning of buses by taxi operators, internal company's strikes and Covid-19. The fleet maintenance contract expired and AB350 did not have enough capacity which resulted in increased in breakdowns which the lead to services not being operated









Strat	tegic Objectives Actual Achiev ment 2017/20		Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020.	Comment of deviations
SO15	Number of road users reached through trans- port safety inter- ventions	309,817	395 653	45 000	42 812	2 188	The variance is due to activities that had to be implemented more than once in identified hazardous locations addressing road safety issues
SO16	Number of Provincial owned airport complaint with South African Aviation Regulation	2	2	2	2	-	
S017	Number of learners trans- ported from the scholar trans- port scheme	80 572	81 582	83 000	85 747	(2 747)	The variance is made of changes in routes that were previously transported to not nearest schools and that reduced the spending allowing more learners to be ferried.

Sub programme 3.1: Programme Support Operation

F	Performance Indicator	Actual Achievement 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
	Number of strategic sessions held to develop and monitor programme plans	1	2	6	1	5	There has been a printing error, the correct target for Strategic sessions held to develop and monitor programmes plans was 2 instead of 6 however the underperformance was due to non-availability of senior officials of the programme as they were busy with scholar transport tender in the 4th Quarter.
770	Number of Programme performance reports to Monitoring and Evaluation.	4	4	4	4	-	

Sub programme 3.2: Public Transport Services

Performance Indicators-Planned Targets and Actual achievements per sub- programme

	formance In- ator	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
SE	CTOR INDICAT	ORS					
P42	Number of routes subsidized.	2260	2 020	2 000	1991	9	Algoa Bus Company constantly and responsively amended the routes and trips in order to operate viably and sustainably
P43	Number of kilometers subsidized	15 221 936.7	9 951 285.23	10 615 368	10 535 000.03	80 368	Algoa Bus Company's operations were battered primarily by the effects of service delivery protests especially, in the northern areas, which had adversely disenfranchised the company
P44	Number of trips subsidized.	451 343	351 989	391 416	369 762,00	21 654	Algoa Bus Company's operations were battered primarily by the effects of service delivery protests especially, in the northern areas, which had adversely disenfranchised the company

Sub-programme: 3.3: Transport Safety and Compliance

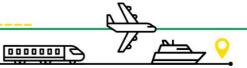
Per	formance Indi- or	Actual Achievement 20172018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
P45	Number of capacity building en- gagements with the Pub- lic Transport stakeholders	0	33	99	72	27	Conflict within the Taxi industry prevented the department continue with conflict management training for the industry
P46	Number of road safety awareness programmes	3	3	3	3	-	

Per	formance Indi- or			Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
P47	Number of schools involved in road safety education programmes	447	438	350	297	53	The underperformance was due to the fact that the programme had to service schools more than once in areas that were identified as hazlocks locations in addressing road safety issues. Even though the service had to be done in one location twice, the programmes regard that visitation as one visit.
P48	Number of conflict management sessions with the public Transport stakeholders	0	27	32	20	12	Conflict within the Taxi industry prevented the department to continue with conflict management training for the industry

Sub programme 3.4: Infrastructure Operations

	erformance Indi- ator	Actual Achievement 2017/2018	Actual Achievement 2018//2019	Planned Target 2019/2020	Actual Achievement 2019/2020		Comment of deviations
070	Number of assessments conducted in Bhisho airport to ensure compliance with CAA requirements.	16	16	16	16	-	
טבט	Number of assessments conducted in Mthatha airport to ensure compliance with CAA requirements.	15	15	16	16	-	

Per cat	formance or	Indi-	Actual Achievement 2017/2018	Actual Achievement 2018//2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P51	Number Maritime tiatives	of ini-	0	2	3	0	3	Resource Centre:Delays on engagements between National Department of Public Works and Rural Development Land reform on (RDLR) on the transfer of land to the Eastern Cape Province has resulted to non –establishment of resource centre. Inland Waterways strategy:The process to incorporate inland waterways strategy:The process to incorporate inland waterways strategy into the Oceans Economy Masterplan that was then endorsed by the Province at the beginning of December 2019 thereby launched on 06 March 2020 has been done however the province agree on extending consultations to stakeholders that were not consulted during the development of the plan has resulted in strategy not approved. Participation in the East London Port Festival (ELPF): The change of plan from Transnet National Ports Authority office of the CEO that the festival should not be hold at Eastern Cape has resulted to the department not participated to the festival



Sub -programme 3.5 : Scholar Transport

	erformance In- cator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
P52	Number of schools benefitting from scholar transport scheme	746	753	740	757	(17)	Routes and schools in certain areas of the province were closed and rerouted to new schools due to DoE rationalisation of schools.
P53	Number of transport operators capacitated on the re- quirements for the scholar transport scheme	998	287	1 900	5 264	(3364)	The contract of scholar transport operators has expired in December 2019. The department started the process of contracting the new operation for the period of 3years. The contracting started in March 2020 and the department had to capacitate operators on the new contract as its has some few changes on the operations. The new changes emanated from new circulars issued, merging, rationalization of schools by department of Education.
P54	Actual learn- er transport- ed	80 552	81 582	83 000	85 747	(2 747)	The variance is made of changes in routes that were previously transported to not nearest schools and that reduced the spending allowing more learners to be ferried.

Summary of programme performance

The department continued to provide subsidised bus passenger service through the services of Africa Best 350 (AB350), Algoa Bus Company and Mayibuye Transport Corporation (MTC). Over 17 108 249,3 kilometres over the subsidies were operated benefitting over 13,000 00 passengers, 1990 routes subsidised and approximately 370 000,00 trips subsidised.

In an effort to upgrade the standard and category of the Mthatha Airport, the department has beefed up its firefighting tactics. The plan also entails empowering fire and rescue personnel in fighting real fire situations. The airport is currently at Category 4 and has applied for Category 5 status, however plans are afoot have it go up to Category 6. The department has started the process of erecting steel made 10 ton firefighting simulator in order to meet the requirements of Category 6 airport.

The department continued to provide access to learners who travel an excess of 5km to and from school. The department provided scholar transport to 85 747 learners daily which represents 78 % of the total scholar transport demand in the Province. Which shows a slight increase compared to previous years.

Insufficient budget to expand subsidies of public transport service still remains a challenge. Lack of capacity within programme with regards to Transport Economics, Transport Planners and Public Transport professionals to implement practical content of transportation.

Strategy to overcome areas of under performance

SO14: Target for the three bus operators receiving financial assistance from the department will be reduced.

SO15: Target will be reduced

P40: The programme will ensure that target set are achieved.

P42: Target for routes will be reduced

P43: Targets for Kilometres will be reduced in the next financial years

P44: Targets for trips will be reduced in the next financial year

P45: The department will put targets that it has control over and achievable in future.

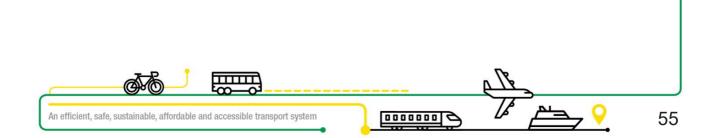
P47: Target for schools reached will be reduced

P48 : The department will put target that it has control over and achievable in future

P51: Department will put target that does not have dependency

Changes to planned targets

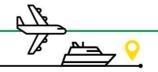
P40: There has been a printing error, the correct target for Strategic sessions held to develop and monitor programmes plans was 2 instead of 6.



Linking performance with budgets

The programme has achieved 47% in terms of the performance during the period under review as against 43% from 2018/19 financial year. The 53% underperformance is due to violent unrest close to ABC's kwaDwesi Depot resulting in their bus being totally destroyed, delays in the finalisation of Maritime Master plan, conflict within Taxi industry and service delivery protests. The spending is on 97,9% as compared to 99% for 2018/19 financial year.

	0.1.5		2019/20		2018/19			
	Sub-Programme	Final Appropriation	Actual Ex- penditure	(Over)/Under Expenditure	Final Appropriation	(Actual Expenditure	Over)/Under Expenditure	
		R'000	R'000	R'000	R'000	R'000	R'000	
1	Programme Support	7,161	6,772	389	9,182	6 918	2 264	
2	Public Transport Services	580,930	561,154	19,776	555 036	554 819	217	
3	Transport Safety and Compliance	66,891	66,590	301	60 241	59 460	781	
4	Infrastructure Operations	44,434	42,281	2,153	47 948	38 204	9 744	
5	Scholar Transport	639,044	632,945	6,,099	613 981	612 996	985	
	TOTAL	1 338 460	1 309 742	28,718	1 286 388	1 272 397	13 991	





ACTING CHIEF DIRECTOR: TRANSPORT REGULATIONS MR M MXI

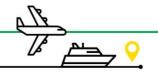
The objective of the programme is to ensure the provision of a safe transport environment through the regulation of traffic on public roads, law enforcement and the registration and licensing of vehicles and drivers.

The programme is divided into four (4) sub-programmes as follows:

- 1. Programme Support facilitates the governance of the programme.
- 2. **Transport Administration and Licensing** facilitates the implementation of laws and regulations relating to vehicle registration, licensing and compliance.
- 3. Operator License and Permits facilitate the registering of Public transport vehicles and operators.
- 4. Law Enforcement maintains law and order on the roads through the enforcing of traffic laws and regulations.

Strategic Objectives Planned Targets and Actual Achievements

Str	ategic Objectives	Actual Achievement 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
SO18	Number of Annual Plans developed for the programme in line with the Department's 5 year plan	2	2	3	3	-	
SO19	Number of licensing authorities conforming to the relevant legislation including NRTA to prevent Fraud and Corruption	222	231	239	226	13	District inspectorate were supposed to be appointed to deal with compliance at VTS's in April 2019 however these officials started in December 2019 and had to undergo refresher training. The operations to check compliance at VTS's started in December hence the underperformance.
8020	Number of op- erating licenses issued	5 608	5421	7 408	7 111	297	The number of Operating Licenses issued is dependent on the number of applications received from Public Transport Operations, therefore the programme does not have control on number of operating licenses issued.
S021	Number of traffic law enforcement operations con- ducted	24,458	12,845	23 424	30 666	(7 242)	The over performance due to high visibility of officers on the provincial roads to reduce road fatalities.



Sub-programme 4.1: Programme Support Regulation

Performance Indicators-Planned Targets and Actual achievements per sub- programme

Perfo	ormance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020		Comment of deviations
P55	Number of strate- gic sessions con- ducted.	0	3	3	3	-	
P56	Number of per- formance support interventions	3	1	3	1	2	The Department planned to hold Long Service Recognition awards and Traffic Awards for Traffic officials in March. However due to the COVID 19 pandemic focus was redirected to deal with the preparation for operations regarding the pandemic. Hence underperformance
P57	No. of performance reports submitted to Monitoring and Evaluation	4	4	4	4	-	
P58	Number of Road Safety Campaigns Launched	0	0	2	2	-	

Sub programme 4.2: Transport Admin and Licensing

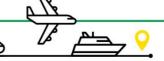
Perf	ormance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
P59	Number of Compliance Inspections conducted.	222	231	239	226	13	District inspectorate were supposed to be appointed to deal with compliance at VTS's in April 2019. These officials started in December 2019 and had to undergo refresher training. The operations to check compliance at VTS's in December therefor the underperformance

Sub:programme 4.3: Operator License and Permits

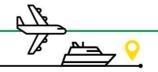
Per	formance Indi- or	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
P60	Number of op- erator licenses issued	5 608	5 421	5 500	7111	(1 611)	The number of Operator Licenses issued is dependent on the Number of Applications received from Public Transport Operators
P61	Number of PRE hearings conducted	38	41	50	50	-	

Sub-programme 4.4: Law Enforcement

Per	rformance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Ac- tual Achieve- ment for 2019/2020	Comment of deviations						
Sta	Standardised Sector Indicators												
P62	Number of speed operations conducted.	2179	2 338	4 600	3233	1367	The underperformance was due to Traffic officers attending Training Provided by RTMC which the Department could not decline during the third and fourth Quarter. The programme also had to respond to the high volume of stray animals on the road. Focus were redirected to stray animal operations instead of speed operations and high visibility during Easter, Election period and Festive Season.						
P63	Number of vehi- cles weighed	14,262	15 773	24 000	22 163	1 837	During the third and the fourth Quarter officials from the Weighbridge attended Examiner of Vehicles training provided by the RTMC hence the underperformance.						
P64	Number of drunken driving operations conducted	713	530	624	624	-							
P65	Number of vehicles stopped and checked	1 086 505	1 228 304	1 330 000	1 097 572	232 428	The Underperformance was due to a number of issues redirecting focus from stopping and Checking vehicles. A high volume of stray animals on the provincial road caused an increase in Stray animal operations, Community protest, Taxi violence, escorting of Abnormal loads and Traffic officers Training.						
P66	Number of public transport opera- tions conducted	3, 007	3 709	4 600	4 646	(46)	Taxi violence had to be given special focus during the period under review. An increase of Public Transport Operations was due by taxi violence in O R Tambo District.						



F	erformance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Ac- tual Achieve- ment for 2019/2020	Comment of deviations
298	Number of paid traffic fines processed	0	23 437	12 000	6 680	5320	Department procured 6 buses to assist the Law Enforcement Officers in the execution of "warrants of arrests" issued against the defaulting offenders and collection of outstanding of traffic fines on the road,however 3 were delivered and the remainder could not be delivered due to outstanding parts that needed to be procured by the service provider from China hence underperformance
090	Number of special Law enforcement operations conduct- ed	0	0	1 236	2 333	(1 097)	The over performance was due to an increase of Stray Animal Operations caused by a high volume of stray animals on the provincial roads



Summary of programme performance

In an attempt to create Road safety awareness in the Province, the Programme successfully launched a Festive Season Arrive Alive Campaign and Easter Campaign. The Programme also held an Annual Road Safety Prayer as part of performance Support Intervention.

After an amnesty on Motor Vehicle Licenses, it became clear that our communities lacked information in terms of "scrapping" of motor vehicles if they were not on operational conditions. This gap result in huge debts on the NaTIS System as license renewal fees are cumulative. However, the Department intervened by hosting awareness Campaigns which were conducted in the Districts to educate motorists on "Registration and Licensing of and Registration of Motor Vehicles".

Forging of Operator Licenses by Public Transport Operators has become prevalent in the Country and the Province. Capacity building workshops targeting the Law Enforcement Officers were conducted focusing on the National Land Transport Act for ease of enforcement. During the period under review, further empowerment sessions with Municipalities were conducted focusing on their role as Local Government in managing public Transport services.

In trying to capacitate our Law Enforcement Officers, the Road Traffic Management Corporation [RTMC] sanctioned training for Examiner of Vehicles [VTS] and Examiner of Driving Licenses [DLTC] of which several Law Enforcement Officers were. This training was conducted at the Nelson Mandela Traffic College in Port Elizabeth and Boekenkloof Traffic College in Pretoria. A further budget had to be spent for travelling and accommodation in respect of our Law Enforcement Officers pursuing academic qualifications in the various Academic Institutions. Another group of Law Enforcement Officers had to be assisted to upgrade their Driving Licenses in order to be able to examine and operate heavy motor vehicles.

More efforts are made to improve on Road Safety in our National and Provincial Roads. The Department has through its office, Traffic Infringement Management Services [TIMS], has managed to employ systems to manage provincial traffic fines that were ignored and not paid by the offenders in the past. Traffic fines have since been captured in a Contravention Management System [Trafphix] for database, ease of tracking and tracing and necessary follow ups, either by the Department or offenders themselves. The service provider further rollout the Automatic Number Plate Recognition System [ANPR] which has helped the Law Enforcement Officers in the execution of "warrants of arrests" issued against the defaulting offenders and collection of outstanding of traffic fines on the road.

The Department further procured and converted six [6] Crafter buses of which three [3] of them were completed during the year under review and operational. These buses were also fitted with ANPR System and operated in the strategic areas of the Province. The Contravention Management System [CMS] and Automatic Number Plate Recognition System [ANPR] were successfully rolled out to Sarah Baartman [Port Elizabeth].

The Department was also identified as a pilot on the capturing and management of accident information to the National Crash Data Management System [NCDMS] interfacing with the National Traffic Information System [NaTIS].

The Program further participates in Adjudication Administration of Road Traffic Offences National Steering Committee [ANSC] for purposes of planning for coordination of the roll out throughout the Country and the Province.

Strategy to overcome areas of under performance

- SO 19: The target has been revisited and reduced.
- P 56: The target has been revisited and reduced.
- P 59 : The target will be revisited and reduced.
- P 62: The target will be revisited and reduced to a more realistic target.
- P 63: The target will be revisited and reduced.
- P 65: The target will be removed from the plan going forward as vehicle stopped and checked does not reflect change in high number fatalities
- P 67: Target to be revisited and reduced to a more realistic target since the department does not have control on number of traffic fines issued.



Linking performance with budgets

The programme has achieved 57 % in terms of the performance during the period under review as against 40% from 2018/19 financial year . The 43% underperformance is as a result of Community protest, Taxi violence, escorting of Abnormal loads , Traffic officers who had to attend Training, delays in appointing inspectors and processing of traffic fine against 99,8% expenditure. The programme showed a slight improvement of 17% when compared to last financial year in terms of performance.

		2019/20			2018/19			
	Sub-Programme	Final Appropri- ation	Actual Expendi- ture	(Over)/ Under Ex- penditure	Final Ap- propriation	Actual Expenditure	(Over)/Under Expenditure	
		R'000	R'000	R'000	R'000	R'000	R'000	
1	Programme Support Regulation	6,195	6,186	9	5 158	4 675	483	
2	Transport Admin and Licensing	14,284	14,212	72	14 144	13 633	511	
3	Operator License and Permit	10,615	10,525	90	11 431	11 127	304	
4	Law Enforcement	334,013	333,605	408	371 574	365 052	6 522	
	TOTAL	365,107	364,528	579	402 307	394 487	7 820	



CHIEF DIRECTOR: COMMUNITY BASED PROGRAMMES (TRANSPORTATION) MR A BEST

The objective of the programme is to ensure delivery of accessible services through integrated, socially just, developmental and empowering processes in order to improve the quality of life of communities within the province by way of community development programmes.

The programme is divided into four (4) sub-programmes as follows:

- 1. Programme Support facilitates the governance of the programme and the attainment of the programme objectives.
- 2. **Community Development** facilitates implementation of community supported transportation service delivery projects through identification and creation of work opportunities.
- 3. **Innovation and Empowerment** It provides for SMME development and facilitate entry of SMMEs into the main stream economy over the MTSF period.
- 4. Sector Co-ordination and Monitoring reports and assesses impact of all EPWP Projects implemented by the Department.

Strategic Objectives Planned Targets and Actual Achievements

Strate	gic Objectives	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Ac- tual Achieve- ment for 2019/2020	Comment of deviations
S022	Number of Annual Plans developed for the pro- gramme in line with the Department's 5 year plan	2	2	2	2	-	
S023	Number of work opportunities created and sustained through Community Based Programmes	1 803	50 900	49 005	50 302	(1 297)	There was an error during the printing, of the APP the correct target for the financial year is 50 275 not 49 005 and the achieved is 50 302
S024	Number of EPWP participants empowered	0	0	2 500	2 500	-	
8025	Number of impact assess- ments conducted	0	0	0	-	-	

Sub-programme 5.1: Programme Support

Performance Indicators-Planned Targets and Actual achievements per sub- programme

Per	formance Indicator	Actual Achievement 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of deviations
69d	Number of strategic sessions conducted	1	2	2	2	-	
P70	Number of Programme specific performance reports submitted to Monitoring and Evaluation Unit	4	4	4	4	-	

Sub-programme 5.1: Community Development

Performance Indicator		Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned tar- get to Actual Achievement for 2019/2020	Comment of devia- tions
P71	Number of work opportunities created through Minor road maintenance	47 910	48 529	48 180	48 430	(250)	The overachievement of 250 participants was due to 210 household contractors; 3 Data captures and 37 supervisors that were appointed after replacement of the existing participants.
P72	Number of work opportunities created through transport initiatives	0	0	1 885	2083	(198)	The overachievement by 198 was due to 38 car wash participants that were extended contract and 160 participants that exited the programme and were replaced by others.

Sub-programme 5.2: Innovation and Empowerment

Performance Indicators-Planned Targets and Actual achievements per sub- programme

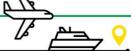
	Performance Indicator	Actual Achieve- ment 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
P73	Number of beneficiary empowerment interventions	3	3	3	3	-	
P74	Number of labour intensive interventions promoted	4	3	3	3	-	

Sub-programme 5.3: EPWP Coordination and Monitoring

	ormance Indicator	Actual Achieve- ment 2017/2018	Actual Achieve- ment 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target to Actual Achievement for 2019/2020	Comment of deviations
Stan	dardised Sector Indicators			I			I
P75	Number of Departmental programmes aligned to EPWP principles and guidelines	9	14	6	5	1	Activity planned for March 2020 could not be completed in Amatole due to unavailability of District officials as they were busy with EPWP contract renewals, As head office cannot go to sites without district.
P76	Number of jobs created	1 803	49 571	50 275	50 302	(27)	The target has been over achieved, is because of Roads projects.
P77	Number of full-time equivalent (FTE's)	331	19 561	15 738	21 475.9	(5 737,9)	Under targeting of FTEs was an error however the actual number is 22 262.9 The underachievement. is due to the late start of some projects such as NYS
P78	Number of youths (1835) employed	780	10 008	27 561	9875	17 686	Nature Of Projects That Are Implemented By The Department Are Not Attractive To The Young People.
P79	Number of women employed	750	33 904	27 651	34 645	(6 994)	More women showed interest during the recruitment process
P80	Number of people living with disabilities	18	484	1006	46	960	Nature of projects that are implemented by the Department are not conducive for people with Disabilities.







Summary of programme performance

The programme continues with its responsibility to ensure the implementation of integrated, developmental and empowerment programmes and strategies for the benefit of communities and contractors as well as the overall provincial transport sector management and coordination of the Expanded Public Works Programme (EPWP).

In the year under review, the programme overachieved in two of its targets. The number of work opportunities created were 50 302 against a target of 50 275 opportunities targeted. These work opportunities are in different programmes such as road maintenance with the majority of the employed participants.

Safety on the roads is critical to the department and therefore key programmes that the department deploys EPWP participants are focusing on safety of learners in transit to schools, transport safety and road safety. The department has also maintained its investment to increasing the potential for youth to be used in the economy by a continued employment of 500 young people as part of the National Youth Service (NYS). This is the generation of youth that have been empowered in critical technical skills such as roads infrastructure maintenance, mechanical, rolling stock maintenance and traffic infringement. Some have been linked to other trades such as plumbing, bricklaying and welding, while others are in more support service skills such as human resource and financial management.

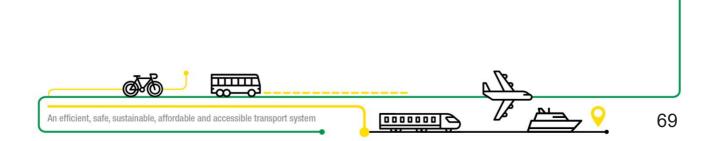
In other EPWP categories reported by the department, the target of full-time equivalents (FTEs) was not achieved due to contributing programmes not started early enough. The number of youths employed in our programmes have always been a challenge due to the nature of implemented projects not being attractive to them. The department has also struggled to achieve the target in the number of people living with disabilities also due to the nature of projects that are implemented by the programme not being conducive to people living with disabilities.

Strategy to overcome areas of under performance

- P75: The programme will forward the plans to the districts long before site visits to avoid clash of plans.
- P76: The department will ensure that infrastructure projects will be done through labour intensive using EPWP.
- P77: The programme will continue to strive for forward planning and close monitoring.
- P78: The department ensure that it develop projects that will attract and skill young people
- P79: The programme will try to stick to 60% EPWP recruitment requirement for women.
- P80: Implement a Service Level Agreement with Ikhala TVET College for capacity development programmes

Changes to planned targets

- SO23: There was an error during the printing of the APP, the correct target for the financial year is 50 275 not 49 005 and the achievement is 50 302.
- P77: Under targeting of FTEs that reflects from the Annual Performance Plan as 15 738 has been an error however the correct target was 22 262.9



Linking performance with budgets

The programme has achieved 67% in terms of the performance during the period under review as against 80% from 2018/19 financial year .The 33% underperformance is as a result of the department not be able to attract Youth and people living with disability in projects.. The programme showed a slight decrease of 13% when compared to last financial year in terms of performance. The actual spending is 99,8% expenditure compared to .98,5 expenditure for 2018/19 financial year.

			2019/20		2018/19			
	Sub-Programme	Final Appropriation	Actual Ex- penditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	
		R'000	R'000	R'000	R'000	R'000	R'000	
1	Programme Support	11,737	11,735	2	7 650	7 484	166	
2	Community Development	600,194	599,856	338	588 479	582 468	6 011	
3	Innovation and Empowerment	39,667	39,269	398	46 803	43 546	3 257	
4	EPWP Coordination and Monitoring	8,270	7,973	297	9 508	9 267	241	
	TOTAL	659,868	658,833	1,035	652 440	642 765	9 675	

4.6 GOVERNMENT FLEET MANAGEMENT SERVICES

The objective of the Entity is to provide a reliable and cost-effective fleet and fleet management services for the government of the Eastern Cape.

Strategic Objectives Planned Targets and Actual Achievements

Stra	tegic Objectives	Actual Achievement 2017/2018	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to Ac- tual Achieve- ment for 2019/2020	Comment of deviations
S026	Percentage of leased vehicle available for user by User Departments	95%	97% (761260/ 787226	95%	96%	(1)	Government Fleet Service Management was able to manage service providers and merchants in or- der to meet turn- around times

Perfo	ormance Indicator	Actual Per- formance 2017/2018	Actual Performance 2018/2019	Planned Targets 2019/2020	Actual Achieve- ment 2019/2020	Deviation from planned target to ac- tual achieve- ment for 2019/20	Comments of devi- ation
P81	Percentage of vehicles that are compliant	78% 2236/2879	78% (2331/2981)	90	70% (2137 3047)	20%	A delay in the final- isation of the RT57 Transversal Contract negatively impacted on the replacement of non- complaint vehi- cles
P82	Percentage of leased vehicles available for user Departments	95%	97% (761260/ 787226)	95%	96% (780739/ 814550)	(1%)	GFMS was able to manage service pro- viders and merchants in order to meet turn- around times
P83	Rating of financial capability maturity Index achieved	3	2.92 (Average rating)	3	2.9	0.1	-Reviewal of financial policies not completed by financial year end -Absence of inventory management policy -Revenue tariffs not reviewed due to capacity challenges

Strategies to overcome areas of underperformance

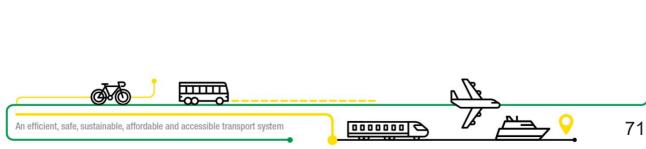
P81 :Engage OEM's to ensure timeous delivery of vehicles

P83 :Rating of Financial Capability Maturity Index achieved

- Fast track the review of financial policies within the new financial year
- Entity to develop an Inventory Management Policy.
- Entity to conduct post disposal reviews and record lessons learnt.
- GFMS rate card to be reviewed in the next financial year.
- Audit improvement plans developed and implementation monitored.

Changes to planned targets

None



Transfer payments excluding public entities

6.1 Public Entities

and the second s		Services rendered by the public entity	transferred	Amount spent by the public entity	
1	Mayibuye Transport Corporation	Provision of public transport services	152 402	152 402	-

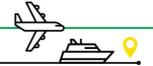
6.2 The table below reflects the transfer payments made for the period 1 April 2019 to 31 March 2020:

N	Naı	me of transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transfer red (R'000)	Amoun t spent by the entity	Reasons for the funds unspent by the entity
	1	Provincial DA:Taxi Council (SANTACO)	Professionalizat ion of Taxi Industry	Yes	4 752	4 <u>752</u>	-
2	2	Africa Best 350 Ltd	Provision of	Yes	1 <u>59 753</u>	1 <u>40</u> <u>347</u>	Community protest and penalties as a result of standing kilometres
;	3	Algoa Bus Company Pty.Ltd	public transport services	Yes	<u>252 115</u>	2 <u>52</u> 115	-
4	4	Bus Operators		-	1,584	1,584	-
į	5	Households		Yes	4 <u>2 072</u>	4 <u>0 864</u>	Attrition was less than expected

6.3 Conditional Grants and Earmarked funds paid

Department who transferred the grant	National Treasury				
Purpose of the grant	Financial assistance towards an efficient, safe, reliable and affordable Public Transport system. Creation of employment opportunities and poverty alleviation of poverty.				
Expected outputs of the grant	Transportation of passengers and creation of job opportunities.				
Actual outputs achieved	10 535 000,30 of vehicle kilometres subsidised				
Amount per amended DORA	1,887,708				
Amount received (R'000)	1,878,208				
Reasons if amount as per DORA not received	N/A				
Amount spent by the department (R'000)	1,842,802				
Reasons for the funds unspent by the entity	The under spending is mainly in goods and service under contractors due to the disaster grant that was initially erroneously gazetted to the Joe Gqabi District municipalities on the DORA and later corrected to the Eastern Cape department of Transport. The error adversely affected the departmental spending as no procurement could be initiated until funding was confirmed through DORA				
Monitoring mechanism by the receiving department	Infrastructure Maintenance				



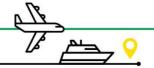


6.4 Donor Funds received

Name of donor	TETA,RTMC,PSETA
Full amount of the funding	2 194
Period of the commitment	Current Financial Year
Purpose of the funding	Training of staff
Expected outputs	Increased level of training
Actual outputs achieved	Increased level of training
Amount received in current period (R'000)	None
Amount spent by the department (R'000)	266
Reasons for the funds unspent	Plan rescheduled to priorities pounds
Monitoring mechanism by the receiving donor	Entered into SLA with various service providers for training purposes.

6.5 Capital investment , maintenance and asset management plan

		2019/20			2018/1	9
Infrastructure projects	Final Appropriatio n R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
New and replacement assets	10 000	872	9 128	54 482	53 222	1 260
-Existing infrastructure assets	2 176 393	2 122 422	53 971	10 571	4 072	-
- Upgrades and additions	525 205	477 244	47 961	7 138	3 612	4 689
 Rehabilitation, renovations and refurbishments 	4 394	3 015	1 379	-	-	-
- Maintenance and repairs	1 646 794	1 642 162	4 632	3.433	2 270	1 163
- Current	-	-	-	-	-	
- Capital	539 599	481 132	112 467	-	-	-
Total	4 902 385	4 726 847	229 538	65 053	63 176	949





1. INTRODUCTION

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. User want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilise the state resources, which is funded by the tax payers.

2. RISK MANAGEMENT

The Eastern Cape Department of Transport had during the 2019/20 Financial Year reviewed its Risk Management Policy and Strategy. A Risk Management plan was developed, recommended by the Risk Management Committee and approved by the Accounting Officer.

The department established the Risk Management Committee where Provincial Treasury also participates and an external independent Committee Chairperson was appointed. The Committee is guided by the Risk Management Charter that is reviewed annually. The department has incorporated issues of Ethics Management within the Risk Committee and as such the committee is now known as the Ethics and Risk Management Committee.

The Risk Management Committee assessed systems in place to manage risks within the department, especially the mitigation of unacceptable levels of risk and to identify emerging risks. The ERMC sits on a quarterly basis to review the department's risk register and provide updates on implementation of risk management action plans.

Further to this, the department identified and appointed risk coordinators from each program and across districts. The coordinators are responsible for coordinating information, develop and submit report on the progress of risk implementation plan to risk unit in consultation with the relevant programme managers. A workshop on Risk Management was also conducted.

The Audit Committee has continued to perform an independent assessment in respect of risk management including monitoring the implementation of action plans.

The Department's Risk Register consisted of strategic risks and operational risks which cuts across a variety of programmes. The risks were prioritized based on the extent of the residual risk which was mainly a result of the impact, the probability and strength of controls to mitigate the risks. Action plans / risk responses were recorded to manage the identified residual risks.

3. ANTI-FRAUD AND CORRUPTION

Fraud Prevention Plan

The Department's Fraud Prevention Plan has been developed as part of efforts aimed at proactive detection of fraud and corruption risks, and identifying the areas of vulnerability to issues of fraud risks.

As part of its fraud prevention plan, the department conducted ethics and anti-fraud awareness sessions across all offices targeting all employees.

During the period under review, the Whistleblowing Policy was reviewed and renamed to Policy on reporting unethical conduct, corruption and non-compliance in the public service. The Fraud Prevention Policy was also reviewed.

The Fraud Risk Register is maintained and the department has kept a database of reported and investigated cases which is updated and maintained. The register contains cases received through the Anti-Corruption Hotline and Walk-ins and gives an update on cases completed and pending.

A summary of the case register and status of each case is reported to the Risk and Ethics Management Committee as well as the Internal Audit Committee.

Mechanisms in place to report fraud

- Allegations of fraud are raised to the department in a number of ways which include Management referral, where management may refer any matter that they feel requires an investigation to the head of Ethics and Risk Management Unit for investigation.
- Employee referral, employees may also refer issues to the ERM Unit Manager for analysis and investigation. Members of the public also have an opportunity to raise issues for investigation either through the National Anti-Corruption Hotline or directly with the department.
- Anonymous reporting in line with the Whistle Blowing Policy, may report a matter to the Public Service Commission, the Public Protector or any other agency that is dedicated to deal with matters of fraud and corruption.

Action taken on matters of fraud and corruption

The department has taken a strong stance on fraud and corruption. All allegations of fraud reported are investigated and anyone found to have committed fraud and corruption is subjected to a fair disciplinary process.

During the financial year, disciplinary processes continued against several employees in respect of various allegations of misconduct which includes amongst others issues such as:

- Soliciting bribes
- Abuse of state owned vehicles
- Soliciting of bribes from motorists
- Irregular appointment of service providers
- Creation of fictitious transactions resulting in payment of service providers whereas no service was rendered.



4. MINIMISING CONFLICT OF INTEREST

- Awareness workshops are held at Districts and HO on management of conflict of interest.
- Disclosure of interest is done by SMS members in terms of SMS Handbook
- Additional disclosure of gifts/sponsorship/donations as per the Departmental policy for all staff.
- Disclosure of interest in procurement and recruitment processes.
- Implementation of EXCO resolution on prohibition of trading by Provincial public servants with the Departments and their entities
- The awarding of bids is done after PERSAL verification clearing the bidders as non- staff members of provincial Departments

5. CODE OF CONDUCT

OUR COMMITMENT TO THE PUBLIC SERVICE CODE OF CONDUCT

Our Relationship with the legislature and executive

As employees of the Department of Transport we diligently affirm our commitment to:

- Be faithful to the Republic and honour the constitution
- Put the public interest first
- Loyally execute the policies of the Government
- Strive to be faithful to statutory requirements and instructions
- Co-operate with public institutions in promoting public interest

Our Relationship with the public

As employees of the Department of Transport we diligently affirm our commitments to:

- Promote the unity and well-being of the South African Nation
- Be unbiased and impartial
- Be polite, helpful and reasonably accessible and maintain high service standards
- Have regard for the circumstances and concerns of the public
- The development and upliftment of all South Africans
- Not unfairly discriminate against any member of the public
- Not abuse our positions as Public Servants
- Respect and protect every person's dignity and rights
- Recognise the public's right to information except where protected by law

Our Relationship with Our Colleagues

- As employees of the Department of Transport we diligently affirm our commitments to:
- Co-operate fully with other colleagues to advance the public interest
- Execute all reasonable instructions by the person's officially assigned to give such
- Refrain from favouring friends and family and not abuse our authority nor be unduly influenced
- Use the appropriate channels to air any grievances or make direct representations
- Committed to development, motivation and utilisation of our staff and promote sound labour relations
- Deal fairly, professionally and equitably with colleagues
- Refrain from party political activities in the workplace



Performance of our Duties

As employees of the Department of Transport we diligently affirm our commitments to:

- Strive to achieve objectives of our Department cost effectively and in the public interest
- Be creative in thought in the execution of our duties
- Be punctual in the execution of our duties
- Professionally and committed in our duties
- Not engage in any action or transaction in conflict with the execution of our duties
- Recuse ourselves form any official action or decision making and self-development throughout our careers
- Be honest and accountable when dealing with public funds
- Promote sound, efficient, effective, transparent and accountable administration
- Report, fraud, corruption, nepotism and maladministration
- Give honest and impartial advice
- Honour confidentiality

Our Personal Conduct and Private Interest

- Dress and behave in a manner that enhances the public service during official duties
- Act responsibly in the use of alcohol or intoxicating substances
- Not use our position to obtain gifts or benefits for ourselves or accept such that can be construed as bribes
- Not disclose official information for personal gain or the gain of others
- Not without prior approval undertake remunerative work outside official duties or use official equipment for such work.

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

This is extensively dealt with under the Employee Wellness Programme in Part D: Human Resource Management, table 3,11.2

7. PORTFOLIO COMMITTEE

DATE	ACTIVITY CONSIDERED	
9 th July 2019	Budget Vote Overviews	
24 th July 2019	Second Meeting Budget Vote 2019	
18 th - 19 th September 2019	Sites visits.	Good Governance
15 th November 2019	Meeting on 2018/19 Annual Report	Monitoring progress on the implemen-
20 th November 2019	Response to findings emanated from the tabled Annual Report	tation of departmental programmes
28 th – 31 st January 2020	Sarah Baartman District visit	

8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Responses by the department	Resolved (Yes/No)
Preventing of occurrence of irregular expenditure is still a major challenge within most departments and accumulated irregular expenditure for previous years is not addressed by departments	Accumulating Irregular Expenditure	Preventing the occurrence of irregular expenditure is still a major challenge within most departments and accumulated irregular expenditure for previous years is not addressed by departments.	The department has performed the following preventative actions in relation to Irregular , Fruitless and wasteful expenditure The executive management has endorsed the proposed organogram which has been submitted to the Office of the Premier for validation and further submission to the Department of Public Service and Administration (DPSA) for concurrence. The organogram includes a Pre-Audit unit to strengthen the review of documentation prior incurring expenditure Awareness sessions to educate employees on the correct interpretation and implementation of prescripts guiding the department to prevent future occurrence of irregular expenditure. Awareness workshops have been conducted Head Office 06 December 2019, Lusikisiki Traffic Station – 04 February 2020 Port St Johns Traffic Station – 05 February 2020 Mthatha Traffic Station – 06 February 2020 Mthatha Airport – 07 February 2020 Mhizana Traffic Station – 10 February 2020 Maluti Traffic Station – 11 February 2020 Mitana Traffic Station – 11 February 2020 Mitana Traffic Station – 12 February 2020 Mitana Traffic Station – 12 February 2020 Mitana Traffic Station – 12 February 2020 An article was also publish from the CFO setting the tone on Zero tolerance on incurrence of Irregular Expenditure	Yes







Resolution No.	Subject	Details	Responses by the department	Resolved (Yes/No)
Departments continue to fail to comply with procurement processes and contract management. This is evidenced by the contravention of Treasury Regulations and the fact that the flouting of procurement processes makes it susceptible to fraud	Non compliance with procurement process and contract management	Departments continue to fail to comply with procurement processes and contract management	The Department conducted awareness sessions. The Department is in a process of recruiting staff to increase capacity in order to address compliance matters. To date the two Assistant Directors Contract management resumed their duties on the 2 nd May 2020 and the Deputy Director Demand Management assumed duty on the 2 nd March 2020.	Yes
The committee found that there's no due diligence on the part of departments to respond to the questions raised by the committee with regards to the audit findings and financial management in departments	Non submission of information to the committee within stipulated time	Consequence management should be implemented by the Member of the Executive Council against the Accounting Officer for failure to monitor the provision of accurate and quality-assured evidence to the Committee. The Accounting Officer must institute strict quality control measures to verify the accuracy and completeness of all documents submitted to the Committee. If an Accounting Officer is unable to comply with any responsibilities determined for accounting officers in this part, this must be promptly reported to the Executive Authority and Treasury as required by section 40 of the PFMA.	The responses to the Committee will be reviewed by the Accounting Officer and Top Management to ensure that they are appropriate and honest before they are submitted to the Committee	Yes







Resolution No.	Subject	Details	Responses by the department	Resolved (Yes/No)
The committee found that the audit intervention plan compiled by departments are ineffective; are not implemented and monitored by some departments and only cover findings by the Auditor General for that particular year under review	Non effectiveness of the Audit Intervention Plan	The Committee found that audit intervention plans compiled by departments are ineffective; are not implemented and monitored by some departments; and only cover findings by the Auditor-General for that particular year under review.	Audit Intervention plan is tool that was developed by Provincial Treasury with the following objectives: • All findings raised by AG are addressed during the audit process • Corrective measures are put in place to prevent recurrence Furthermore the department has Risk Management Committee that sits on a quarterly basis and also the department has appointed Manager: Risk and Integrity Management This appointment would further strengthen the functioning of the unit and ensure that emerging risks are identified and addressed	Yes
There is non-implementation of internal and audit committee recommendations by departments	Non implementation of Internal and audit committee recommendations	There is non-implementation of internal and audit committee recommendations by departments	The Audit Committee has continually highlighted the urgency of implementing the audit findings (raised by the external and internal audit) promptly during each audit committee meeting. Audit Committee recommendations have included the timeous preparation of Annual Financial Statements in order to enable an adequate review process by Internal Audit and the Audit Committee. Internal audit and the Audit Committee will continue to provide the necessary support and oversight to management on the areas requiring improvement. However, it remains leadership's responsibility to set the tone that contributes to ensuring that recommendations made by internal audit, external audit and the audit committee are given effect to and ensure that where necessary, consequence management is implemented.	Yes







9. PRIOR MODIFICATION TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non- compliance	Financial year in which it rose	Progress made in clearing resolving the matter
Qualified audit opinion on the annual financial statements with matters of emphasis on irregular fruitless and wasteful expenditure	2019/20	The department has started addressing issues raised by Auditor general on the management letter ans has also developed Audit Intervention Plan which is monitored monthly through Audit Committee meeting and reports submitted to Provincial Treasury

10. INTERNAL CONTROL UNIT

Work performed by Internal Control unit during the year

- Inspected departmental vouchers to identify Irregular, Fruitless and Wasteful Expenditure as per National Treasury guide lines, followed up on all identified irregularities and entered the expenditure in our registers.
- Maintained Irregular, Fruitless and Wasteful expenditure registers and reported to the Accounting Officer and Provincial Treasury on a monthly basis.
- Developed Audit Improvement Plan with concluded Auditor General Communication of Findings (Coafs), sought action plans from responsible officials and monitored progress of action plan implementation. Submitted document to PT.
- Prepared and submitted Interim Financial Statements (IFS) working papers on Irregular, fruitless and wasteful expenditure on quarterly basis to Financial Reporting as well as Annual Financial Statements (AFS) working papers.
- The Advisory committee for the assessment of irregular, fruitless and wasteful expenditure was appointed
 to assist Internal Control Unit in facilitating the process of clearing the books of the Departmental in respect
 of Irregular, fruitless and wasteful expenditure. Meetings were held wherein recommendations were made
 to the Accounting Officer and Investigation reports were issued and approved.
- Request to condone investigated cases have been submitted to the relevant authority i.e. Provincial Treasury.

11. INTERNAL AUDIT AND AUDIT COMMITTEE

We present our report for the financial year ended 31 March 2020.

Key Activities

The IAA performed the following assignments during the year as per its approved Internal Audit Plan. These assignments include both assurance reviews and consulting reviews:

- Draft Annual Financial Statements Review
- Evaluation of the Draft Annual Report
- Provincial road grant maintenance
- Supplier payments
- Scholar transport
- Transfer payments
- EPWP (Community Based Payments)
- Traffic officer's salary parity review
- Telkom review
- Integrated audit intervention plan (AIP) review and follow up



- Supply Chain Management (SCM)
- Interim financial statements for quarters 1 and 2
- Performance information for quarters 1 and 2
- Traffic officer's overtime review
- Risk management process

Internal Audit Objectives

The purpose of the IAA is to provide independent, objective assurance and consulting services designed to add value and to continuously improve the department's operations by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, governance and control processes. The IAA has complied with its responsibilities by adopting a formal internal audit charter that regulates its purpose, authority and responsibility; and by adhering to the standards and guidance set by the Institute of Internal Auditors as required by Treasury Regulation 3.2.5 and 3.2. 6 respectively.

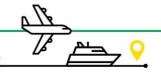
Audit Committee Objectives

The Audit Committee reports that it has complied with its responsibilities arising from Section 77 of the Public Finance Management Act and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

Audit Committee Members and Attendance

The Audit Committee consists of the members listed below and meets at least four times per annum as per its approved terms of reference. During the 2019/20 financial year seven (7) meetings were held. The members and their attendance of the meetings held are as follows:

Name of Member	Qualifications	Internal Or External	Date Appointed	Contract end Date	No. Of Quarterly Meetings At- tended	No. Of Special Meetings Attended
Mr. C. Sparg	1. Bachelor of Commerce 2. CTA 3. CA(SA) 4. Membership in Institute of Directors(SA)	External (Chairperson)	01 April 2017	31 March 2020 (subsequently re-appointed with an end date of 30 June 2021)	4	3
Mr. J. Ems- lie	Bachelor of Commerce Postgraduate Diploma in Accountancy CA(SA) Auditor IRBA	External (member)	01 April 2017	31 March 2020	4	3
Ms. W. Dukuza	B.Proc Degree Admission exams as an attorney Labour Relations Management	External (member)	01 April 2019	31 March 2020 (subsequently re-appointed with an end date of 30 June 2021)	4	3
Mr. H.J. Marsberg	Bachelor of Commerce Membership of the IIA	External (member)	1 June 2018	31 May 2021	4	3



12. AUDIT COMMITTEE REPORT

1. The effectiveness of internal control

In line with PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with reasonable assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors and Auditor-General South Africa, it was noted that matters were reported indicating deficiencies in the system of internal control or deviations therefrom. Accordingly, we can report that the system of internal control was not entirely effective for the year under review.

There is a need for improvement in the internal controls and in the adherence to internal controls in certain areas. The lack of consequence management in the past is a contributory factor to the non-adherence to internal controls and the Committee takes comfort from the commitment provided by the new HOD to act where necessary. The Audit Committee is committed to assisting the department to improve their internal controls, together with the Internal Audit unit.

In addition to mandatory internal audit reviews, the unit completed several risk based assignments where areas of internal control weaknesses were raised. Each area of weakness resulted in an agreed management action plan that requires continued monitoring. These areas included:

- Scholar Transport review: Internal control weaknesses and compliance matters
- Transfer Payments: Systems and internal controls
- Supply Chain Management review: Internal control weaknesses and compliance matters
- Transfer Payments review: Systems and internal controls
- EPWP (Community Based Payments): Internal control weaknesses and compliance matters

The Audit Committee raised concerns with management in respect of the slow rate of implementation of planned actions to deal with internal and external audit findings and further informed management of the risk of repeat findings due to the slow implementation rate.

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

During the year under review the Department reported monthly and quarterly to the Treasury as is required by the PFMA. The Audit Committee reviewed the content and quality of the interim financial reports and performance reports prepared and issued by the Department during the year under review.

2. Evaluation of Financial Statements and Annual Performance Report

The Audit Committee has:

- Reviewed and discussed the unaudited annual financial statements to be included in the annual report with management;
- Reviewed and discussed the unaudited information on pre-determined objectives to be included in the annual report with management;
- Reviewed for changes in accounting policies and practices;
- Reviewed the Department's compliance with legal and regulatory provisions;



- Reviewed explanations for significant fluctuations compared to previous year;
- Reviewed explanations for variances between the financial statements and budgeted amounts;
- Reviewed any new or proposed legislation that may have an impact on policies, the financial statements and disclosure therein;
- Enquired from management as to the adequacy, reliability and completeness of supporting information as supporting these financial statements;
- Advised management that the financial statements and performance report may not be free from material misstatements.
- The unaudited annual financial statements and performance report were not completed with sufficient time to enable an adequate review by Internal Audit and the Audit Committee. As a result, management was advised that the financial statements and performance report may not be free from material misstatements.

Despite the challenges relating to the review of the unaudited annual financial statements and unaudited information on predetermined objectives noted above, the Committee resolved that they be recommended for submission to the Auditor General South Africa for auditing.

3. Internal Audit

The post of the Chief Audit Executive (CAE) was filled on 5 August 2019. An Acting CAE was appointed prior to the post being filled, thereby ensuring that the Internal Audit Activity (IAA) was able to complete the approved Internal Audit Plan for the 2019/20 financial year and address the identified risks appropriately.

The unit is operating with two key vacancies, namely that of a deputy director and an administrative assistant. This impacts the number of planned and ad-hoc assignments the internal audit unit is able undertake without compromising quality. This is of concern especially since the Roads function has been transferred to the department and the internal audit unit is not adequately staffed.

4. Risk Management

The Head of Department established the Risk Management Committee (RMC) to exercise certain responsibilities, as set out in the approved RMC Terms of Reference.

A suitably qualified and experienced external Chairperson for the RMC was appointed during the month of February 2018 and his term of office came to an end on the 31 March 2020. The advertisement for the new RMC Chairperson is underway, currently the panel members for the appointment of the Chairperson have been nominated. This is a step in the right direction towards raising the profile and awareness of risk management in the Department.

The Head of Department committed management of the Department to comply with all relevant Corporate Governance processes. Risk management and Internal Audit of the department reports at an appropriate level (administratively report to the Head of Department and functionally to the Audit Committee).

During the 2019/20 financial year there were only two (2) acting officials who were responsible for Risk Management in the department. The Deputy Director: Risk Management was only appointed in March 2020. This impacted on the maturity of risk management within the department.

A strategic and operational risk assessment were conducted just before the end of the 2019/20 financial year. The risk management unit has facilitated operational risk assessments and reviews at all district offices during the second quarter of 2020/21. During the 2020/21 financial year, the risk management unit will be conducting risk reviews for all head office programmes with the intention of improving the Department's maturity and general governance.

5. ICT Governance

The post of the Departmental Government Information Technology Officer (DGITO) was filled on 1 March 2020. An Acting DGITO was appointed prior to the post being filled, thereby ensuring continuity in the Information Technology unit.

The Committee has reviewed the Department's compliance in terms of the Corporate Governance of ICT Framework. Though some progress has been made in implementing ICT governance, there are still capacity constraints and weaknesses that need further improvement, particularly in the area of security and ICT business continuity controls.

6. Auditor-General South Africa (AGSA)

The Audit Committee met with the AGSA in order to discuss the Audit Strategy on 13 July 2020 and has met with the AGSA during the audit process to ensure that all matters relating to the audit were resolved. It should be noted that, during the financial year under review, the AGSA raised the issue of transfer payments made in contravention of section 42(1) of the National Land Transport Act, 2009. Though this matter originated in 2009, it was raised and included in the audit report for the first time during the 2019/20 financial year and has resulted in a significant impact on the Annual Financial Statements and the Audit Report in the year under review. It has been concluded that these transfer payments, from 2009 up to date should be disclosed as Irregular Expenditure in the 2019/20 Annual Financial Statements. Due to the significance of this matter, it is considered appropriate to mention it in this report. The Committee does concur with and accept the opinion of the AGSA on the financial statements of the Department for the year ended 31 March 2020.

7. Appreciation

The Committee expresses its sincere appreciation to the Honourable MEC, Accounting Officer, Management, Internal Audit, Provincial Treasury and the AGSA for their co-operation and support during the current financial year.

Mr C. Sparg CA(SA)

Chairperson of the Audit Committee

Date: 30 November 2020

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Determining criteria for the awarding of incentives,

grants and investment schemes in support of Broad

Based Black Economic Empowerment?

The following table should be completed in accordance with the compliance to the BBBEE requirements as required by the BBBEE Act and as determined by the Department of Trade and Industry. Where there has been no or only partial compliance with the criteria, the entity should provide a discussion and also indicate the measures taken to comply

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 - 8) with regards to the following:					
Criteria	Response	Discussion			
	Yes/No	(include a discussion on your response and indicate what measures have been taken to comply)			
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No				
Developing and implementing a preferential procurement policy?	Yes	The Department is implementing the Preferential Policy in line with the PPPFA and Preferential Procurement Regulations 2017			
Determining qualification criteria for the sale of state-owned enterprises?	Yes	The sale of assets is in line with the Preferential Procurement Regulations 2011			
Developing criteria for entering into partnerships with the private sector?	Not yet				

No





INTRODUCTION

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

OVERVIEW OF HUMAN RESOURCES

The Human Resource priorities has been to review all HR policies that were outdated and develop new policies in-line with Department of Public Service Administration. Human Resource development plan has been developed to ensure that the department attract and recruit skilled and capable workshop to implement departmental strategy.

The department has appointed also SMS members in critical positions such as Director Human Resource Management and Information Communication Technology. The department continued to implement Employee Performance Management system (PMDS). Annually employees are encouraged to enter into performance management contracts and reviews done bi-annually and appraisal at the end of the year . Wellness unit is fully functional , 4 Pillars are implemented and employees are well utilizing the wellness services

The department procured Yellow fleet for the in-house maintenance and as such driver operator has been appointed during March 2020 to operate the vehicles

The department managed to keep the vacancy rate at an expected percentage as required by DPSA. Human Resources unit also will be responsible in ensuring the smooth running of the process and all the bottle necks in the process will be reported on time.

Challenges

- The department is still opearting using the 2006 organogram which creates challenges in terms of implementation departmental priorities.
- · Recruitment of scarce skilled personnel is still a challenges.
- The department identified the challenges that makes the process not to be finalised with 90 days after the closing of adverts.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The information provided in this section is for Eastern Cape Department of Transport inclusive of its Government Fleet Management Trading Entity.

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following

- Amount spent on personnel
- · Amount spent on salaries, overtime homeowners allowance and medical aid

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2019 and 31 March 2020

Programme	Total expendi- ture (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	457 923	260788.00	00	00	57.00	328.00
Transport Infrastructure	2 129 658	319000.00	00	00	15	309.00
Transport Operation	1 309 294	99004.00	00	00	7.60	453.00
Transport Regulation	364 524	279199.00	00	00	76.60	419.00
Community Based Programme	658 834	40717.00	00	00	6.20	43.00
Total	492 0 234	998709.00	00	00	20.30	274.00

Table 3.1.2 Personnel costs by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total per- sonnel cost	No. of employ- ees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	36 693.00	3.40	213	172 268
Skilled (level 3-5)	184 731.00	16,90	727	254 100
Highly skilled production (levels 6-8)	501 374.00	45.90	1 162	431 475
Highly skilled supervision (levels 9-12)	231 078.00	21.20	305	757 633
Senior and Top management (levels 13-16)	44 457.00	4.10	35	1 270 200
Contract (Levels 1-2)	98	0.00	1	98 000
Contract (Levels 3-5)	9127.00	0.80	36	253 528
Contract (Levels 6-8)	17 775,00	1.60	51	348 529
Contract (Levels 9-12)	11 890.00	1.10	19	625 789
Contract (Levels>=13)	3 779.00	0.30	2	1 889 500
Contract Other	4 315.00	0.40	130	33 192
Abnormal Appointment	10 751.00	1.00	963	11 164
Total	1 056 069.00	96.70	3 649	289 413

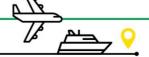


Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2019 and 31 March 2020

	Salaries		Overtime		Home Owners Allowance		Medical Aid	
Programme	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of person- nel costs	Amount (R'000)	HOA as a % of per- sonnel costs	Amount (R'000)	Medical aid as a % of per- sonnel costs
Administration	242 329	79.20	4100	1.30	8 816	2.90	14 746	4.80
Transport Infrastructure	256 288	73.30	799	0.20	15 735	4.50	17 915	5.10
Transport Operation	79 813	75.95	2838	2.70	2 727	2.60	4 651	4.40
Transport Regulation	194 369	67.70	31 762	11.10	9 968	3.50	19 687	6.90
Community Based Programme	35 552	80.60	00	0.00	723	1.60	1 545	3.50
Total	808 352.00	74.00	39 496.00	3.60	37 968.00	3.50	58 544.00	5.40

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020

	Salaries		Overtime		Home Own	ers Allowance	Medical Aid	
Salary band	Amount (R'000	Salaries as a % of personnel	Amount (R'000)	Over- time as a %	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel
		costs		of per- sonnel costs				costs
Skilled (level 1-2)	25 891	65.50	76.00	0.20	3 489	8.80	4 078.	10.30
Skilled (level 3-5)	136 200	69.80	2 224	1.10	11 756	6	13 479	6.90
Highly skilled production (levels 6-8)	361 438	71	33 769	6.60	18 041	3.50	33 831	6.60
Highly skilled supervision (levels 9-12	189 810	78.10	3 390	1.40	3 691	1.50	6 793	2.80
Senior management (level 13-16)	38 477	82.20	0	0	888	1.90	364	0.80
Contract (Levels 1-2)	98	100.00	0	0	0	0	0	0
Contract (Levels 3-5)	9 029.	95.80	17	0	0	0	0	0
Contract (Levels 6-8)	17 561	97.70	8	0	0	0	0	0
Contract (Levels 9-12)	11 445	95.10	8	0.10	0	0	0	0
Contract (Levels >= 13)	3 368	83.20	0	0	103	2.50	0	0
Contract Other	4 309	99.60	4.	0.10	0	0	0	0
Abnormal Appointment	10 725	99.70	0	0	0	0	0	0
Total	808 352	74.00	39 496	3.60	37 968	3.50	58 544	5.40

Employment and Vacancies

Table 3.2.1 Employment and vacancies by programme as on 31 March 2020

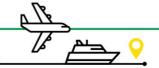
Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employ- ees additional to the establishment
Administration	838	745	11.10	209
Transport Infrastructure	1 216	1 031	15.20	484
Transport operation	253	214	15.40	16
Transport regulation	689	632	8.30	1
Community based programme	77	64	16.90	45
Total	3073	2686.00	12.60	755

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	236	213	9.70	72
Skilled(3-5)	847	727	14.20	300
Highly skilled production (6-8)	1 317	1 162	11.80	117
Highly skilled supervision (9-12)	384	304	20.80	37
04 Highly Skilled Supervision (Levels 9-12), Temporary	1	1	0.	0
Senior management (13-16)	44	35	20.50	0
Other, Permanent	135	135	0	130
Contract (Levels 1-2), Permanent	1	1	0	0
Contract (Levels 3-5), Permanent	36	36	0	35
Contract (Levels 6-8), Permanent	51	51	0	49
Contract (Levels 9-12), Permanent	19	19	0	15
Contract (Levels >= 13), Permanent	2	2	0	0
Total	3 073	2686	12.60	755

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2020

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Permanent	269	213	20.80	52
Air Traffic Controllers, Permanent	4	3	25	0
Aircraft Pilots & Related Associate Professionals, Permanent	1	1	0	0
All Artisans In The Building Metal Machinery Etc., Permanent	72	66	8.30	14
Appraisers-Valuers and related professionals, Permanent	1	1.	0	1
Architects Town And Traffic Planners, Permanent	2	2	0	0
Artisan project and related Superintendents, Permanent	3	3	0	1
Auxiliary and related workers, Permanent	10	10	0	8
Boiler and Related Operators, Permanent	3	3	0	0
Building and other property caretakers, Permanent	1	1	0	1
Bus And Heavy Vehicle Drivers, Permanent	115	47	59.10	33
Cartographic Surveying and related technicians, Permanent	10	10	0	5
Cleaners In Offices Workshops Hospitals Etc., Permanent	83	74	10.80	11
Client Inform Clerks (Switchb Recept Inform Clerks), Permanent	12	12	0	0
Community development workers, Permanent	1	1	0	1
Computer Programmers., Permanent	2	2	0	2
Computer system designers and analysts, Permanent	1	1	0	0
Earth Moving and related Plant operators, Permanent	25	22	12.00	1
Engineering Sciences Related, Permanent	66	62	6.10	19
Engineers And Related Professionals, Permanent	86	36	58.10	24
Finance And Economics Related, Permanent	22	20	9.10	1
Financial And Related Professionals, Permanent	11	9	18.20	0
Financial Clerks And Credit Controllers, Permanent	154	132	14.30	16
Fire Fighting And Related Workers, Permanent	29	25	13.80	0
Food Services Aids and Waiters, Permanent	2	2	0	0
Head Of Department/Chief Executive Officer, Permanent	3	0.	100.	0
Human Resources & Organisat Developm & Relate Prof, Permanent	18	17	5.60	2
Human Resources Clerks, Permanent	113	102	9.70	13
Human Resources Related, Permanent	33	30	9.10	7
Information Technology Related, Permanent	1	1	0	0



3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2020

SMS Level	Total number of funded SMS posts		% of SMS posts filled	Total num- ber of SMS posts va- cant	% of SMS posts va- cant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	1	0	0	1	1%
Salary Level 14	4	0	0	4	4%
Salary Level 13	11	3	3%	11	8%
Total	16	3	3%	16	13%

Table 3.3.2 SMS post information as on 30 September 2019

SMS Level	Total number of funded SMS posts	Total num- ber of SMS posts filled		Total number of SMS posts va- cant	% of SMS posts va- cant
Director-General/ Head of Department	0	0	0	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	1	0	0	1	1%
Salary Level 14	4	0	0	4	4%
Salary Level 13	10	1	1%	9	9%
Total	15	1	1%	15	14%

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020

	Advertising	Filling of posts	
SMS Level	Number of vacan- cies per level adver- tised in 6 months of becoming vacant	level filled in 6 months	Number of vacancies per level nt filled in 6 months but filled in 12 months
Director-General/ Head of Department			
Salary Level 16	0	0	0
Salary Level 15	0	0	1
Salary Level 14	0	0	4
Salary Level 13	0	0	11
Total	0	0	16

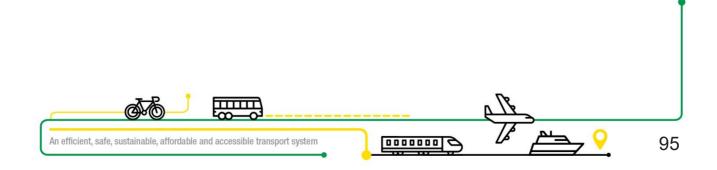


Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months HRM needs to wait for the allocation and coordination of funds by the budget office before HR can advertised.

Reasons for vacancies not filled within six months During recruitment process, some posts no suitable candidates found and posts had to be re-advertised, hence their not filled within sic months of being advertised.

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 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
HRM needs to wait for the allocation and coordination of funds by the budget office before HR can advertised.

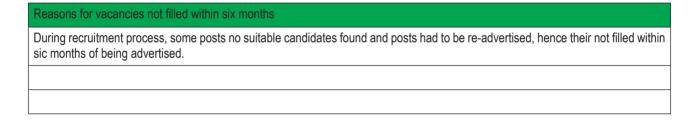


Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
n/a
Reasons for vacancies not filled within six months
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 2019 and 31 March 2020
Reasons for vacancies not advertised within six months
n/a
Reasons for vacancies not filled within six months

Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of posts on ap-	Number of Jobs	% of posts	Posts Upgraded		Posts downgraded	
	proved establishment	Evaluated evaluated by salary bands		Number	% of posts evaluated	Num- ber	% of posts evaluated
Lower Skilled (Levels1-2)	508	508	100%	163	0,6%	0	0%
Skilled (Levels 3-5)	783	783	100%	0	0%	142	18%
Highly skilled production (Levels 6-8)	1340	980	73%	0	0%	0	0%
Highly skilled supervision (Levels 9-12)	395	306	77%	0	0%	0	0&
Senior Management Service Band A	36	36	100%	0	0%	0	0%
Senior Management Service Band B	11	11	100&	0	0%	0	0%
Senior Management Service Band C	2	2	100&	0	0%	0	0%
Senior Management Service Band D	1	1	100%	0	0%	0	0%
Total	3077	2627	85%	163	06%	142	0.5%

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	20	0	0	0	20
Male	138	0	5	0	143
Total	158	0	5	0	163

Employees with a disability 0.00	Employees with a disability	0.00
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Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Driver Operator	115	3	4 & 5	Post downgraded after jDPSA lower level posts job evaluation results implemented.
Data Capture	27	4	5	Post downgraded after jDPSA lower level posts job evaluation results implemented.
Total number of employees whose salari	142			
Percentage of total employed	4.6%			

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020 .

Gender	African	Asian	Coloured	White	Total
Female	17	0	10	0	27
Male	104	0	11	0	115
Total	121	0	21	0	142

Employees with a disability	0	0	0	0	0

Total number of Employees whose salaries exceeded the grades determine by job evaluation	142	
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3.5 Employment Changes

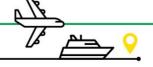
Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period-1 April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	219	0	3	1.40
Skilled (Levels3-5)	781	11	60	7.70
Highly skilled production (Levels 6-8)	1 215	10	61	5.00
Highly skilled supervision (Levels 9-12)	296	17	20	6.80
Senior Management Service Bands A	28	1	2	7.10
Senior Management Service Bands B	7	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	1	0	0	0
Other Permanent	2	133	3	150
Contract (Levels 3-5) Permanent	5	48	21	420
Contract (Levels 6-8) Permanent	24	46	20	83.30
Contract (Levels 9-12) Permanent	13	22	16	123.10
Contract Band A Permanent	1	2	1	100
Contract Band D Permanent	1	0	1	100
Total	2 594	292	208	8

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2019and 31 March 2020

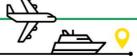
Critical Occupation	Number of employees at beginning of period-April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related Permanent	197	33	25	12.70
Air Traffic Controllers Permanent	4	0	1	25.00
Aircraft Pilots & Related Associate Professionals Permanent	1	0	0	0
All Artisans In The Building Metal Machinery Etc. Permanent	72	0	5	6.90
Appraisers-Valuers And Related Professionals Permanent	1	0	0	0
Architects Town And Traffic Planners Permanent	2	0	0	0
Artisan Project And Related Superintendents Permanent	3	0	0	0
Auxiliary And Related Workers Permanent	10	0	0	0
Boiler And Related Operators Permanent	3	0	0	0
Building And Other Property Caretakers Permanent	1	0	0	0
Bus And Heavy Vehicle Drivers Permanent	55	3	11	20.00
Cartographic Surveying And Related Technicians Permanent	10	0	0	0.00
Cleaners In Offices Workshops Hospitals Etc. Permanent	83	0.	9	10.80
Client Inform Clerks(Switchb Recept Inform Clerks) Permanent	11	1	0	0
Community Development Workers Permanent	1	0	0	0
Computer Programmers. Permanent	1	2	1	100.00
Earth Moving And Related Plant Operators Permanent	26	0	4	15.40
Engineering Sciences Related Permanent	56	7	1	1.80
Engineers And Related Professionals Permanent	22	17	4	18.20
Finance And Economics Related Permanent	17	4	1	5.90
Financial And Related Professionals Permanent	9	0	1	11.10
Financial Clerks And Credit Controllers Permanent	130	11		5.40
Fire Fighting And Related Workers Permanent	26	0	0	0
Head Of Department/Chief Executive Officer Permanent	1	0	1	100
Human Resources & Organisat Developm & Relate Prof Permanent	20	0	2	10
Human Resources Clerks Permanent	102	8	7	6.90
Human Resources Related Permanent	30	0	2	6.70





Critical Occupation	Number of employees at beginning of period-April 2019	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Information Technology Related Permanent	1	0	0	0
Language Practitioners Interpreters & Other Commun Permanent	1	0.		0
Legal Related Permanent	3.00	0.00	0.00	0
Library Mail And Related Clerks Permanent	49	0	2	4.10
Light Vehicle Drivers Permanent	36	15	10	27.80
Logistical Support Personnel Permanent	9	0	0	0
Material-Recording And Transport Clerks Permanent	125	11	14	11.20
Messengers Porters And Deliverers Permanent	3	0	1	33.30
Motor Vehicle Drivers Permanent	8	1	1	12.50
Other Administrat & Related Clerks And Organisers Permanent	162	150	18	11.10
Other Administrative Policy And Related Officers Permanent	36	0	6	16.70
Other Information Technology Personnel. Permanent	14	4	1	7.10
Other Occupations Permanent	2	0	0	0.
Production Advisers : Factories Permanent	37	0	5	13.50
Regulatory Inspectors Permanent	533	2	21	3.90
Risk Management And Security Services Permanent	3	0	0	0
Road Superintendents Permanent	16	0	2	12.50
Road Trade Workers. Permanent	1	0	1	100
Road Workers Permanent	517	6	34	6.60
Secretaries & Other Keyboard Operating Clerks Permanent	75	12	5	6.70
Security Guards Permanent	4	0	1.	25.00
Security Officers Permanent	2	0	0.	0
Senior Managers Permanent	32	2	3	9.40
Social Work And Related Professionals Permanent	1	0	0	0
Trade Labourers Permanent	29	0	1	3.40
Water Plant And Related Operators Permanent	1	0	0	0
TOTAL	2 594	292	208	8.00





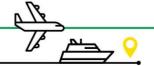
The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2019 and 31 March 2020

Termination Type	Number	% of Total Resignations
Death, Permanent	17	8.20
Resignation, Permanent	48	23.10
Expiry of contract, Permanent	37	17.80
Transfers, Permanent	1	0.50
Discharged due to ill health, Permanent	1	0.50
Dismissal-misconduct, Permanent	0	0
Retirement, Permanent	104	50
Transfer to other Public Service Departments	0	0
Other	0	0
Total	208	100
Total number of employees who left as a % of total employment	208	7.70

Table 3.5.4 Promotions by critical occupation for the period 1 April 2019 and 31 March 2020

Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupa- tion	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	197	15	7.60	89	45.20
Air Traffic Controllers	4	0	0	0	0
Aircraft Pilots & Related Associate Professionals	1	0	0	0	0
All Artisans In The Building Metal Machinery Etc.	7	0	0	47	65.30
Appraisers-Valuers And Related Professionals	1	0	0	1	100
Architects Town And Traffic Planners	2	0	0	0	0
Artisan Project And Related Superintendents	3	0	0	2	66.70
Auxiliary And Related Workers	10	0	0	6	60
Boiler And Related Operators	3	0	0	3	100
Building And Other Property Caretakers	1	0	0	0	0
Bus And Heavy Vehicle Drivers	55	13	23.60	12	21.80



Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupa- tion	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Cartographic Surveying And Related Technicians	10	0	0	5	50
Cleaners In Offices Workshops Hospitals Etc.	83	0	0	31	37.30
Client Inform Clerks(Switchb Recept Inform Clerks)	11	0	0	7	63.60
Community Development Workers	1	0	0	1	100
Computer Programmers.	1	0	0	0	0
Earth Moving And Related Plant Operators	26	0	0	20	76.90
Engineering Sciences Related	56	1	1.80	15	26.80
Engineers And Related Professionals Permanent	22	0	0	4	18.20
Finance And Economics Related Permanent	17	1	5.90	7	41.20
Financial And Related Professionals Permanent	9	1	11.10	6	66.70
Financial Clerks And Credit Controllers Permanent	130	4	3.10	74	56.90
Fire Fighting And Related Workers Permanent	26	1	3.80	6	23.10
Head Of Department/Chief Executive Officer Permanent	1	0	0	0	0
Human Resources & Organisat Developm & Relate Prof Permanent	20	1	5	10	50.00
Human Resources Clerks Permanent	102	1	1	55	53.90
Human Resources Related Permanent	30	0	0	13	43.30
Information Technology Related Permanent	1	1	100	1	100.00
Language Practitioners Interpreters & Other Commun Permanent	1	0	0	1	100.00
Legal Related Permanent	3	0	0	0	0
Library Mail And Related Clerks Permanent	49	1	2	24	49
Light Vehicle Drivers Permanent	36	0	0	8	22.20
Logistical Support Personnel Permanent	9	0	0	6	66.70
Material-Recording And Transport Clerks Permanent	125	0	0	66	52.80
Messengers Porters And Deliverers Permanent	3.00	0	0	1	33.30
Motor Vehicle Drivers Permanent	8	0	0	3	37.50
Motor Vehicle Drivers	8	0	0	3	37.50
Other Administrat & Related Clerks And Organisers	162	0	0	64	39.50







Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupa- tion	Progressions to another notch within a salary level	Notch pro- gression as a % of employees by occupation
Other Administrative Policy And Related Officers	36	0	0	12	33.30
Other Information Technology Personnel.	14	0	0	9	64.30
Other Occupations	2	0	0	1	50
Production Advisers : Factories	37	0	0	16	43.20
Regulatory Inspectors	533	8	1.50	208	39
Other Administrat & Related Clerks And Organisers Permanent	162	0	0	6	39.50
Other Administrative Policy And Related Officers Permanent	36	0	0	12	33.30
Other Information Technology Personnel. Permanent	14	0	0	9	64.30
Other Occupations Permanent	2	0	0	1	50
Production Advisers : Factories Permanent	37	0	0	16	43.20
Regulatory Inspectors Permanent	533	8	1.50	208	39
Risk Management And Security Services Permanent	3	2	66.70	1	33.30
Road Superintendents Permanent	16	4	25	12	75
Road Trade Workers. Permanent	1	0	0	0	0
Road Workers Permanent	517	2	0.40	144	27.90
Secretaries & Other Keyboard Operating Clerks Permanent	75	0	0	31	41.30
Security Guards Permanent	4	0	0	0	0
Security Officers Permanent	2	0	0	2	100
Senior Managers Permanent	32	0	0	10	31.30
Social Work And Related Professionals	1	0	0	1	100
Trade Labourers	29	1	3.40	16	55.20
Unknown	0	1	0	0	0
Water Plant And Related Operators	1	0	0	1	100
Total	2 594	58	2.20	1 052	40.60

Table 3.5.5 Promotions by salary band for the period 1 April 2019 and 31 March 2020

Salary Band	Employees 1 April 2019	Promotions to another salary level	Salary bands pro- motions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	219	0	0	53	24.20
Skilled (Levels3-5)	781	20	2.60	324	41.50
Highly skilled production (Levels 6-8)	1 215	17	1.40	525	43.20
Highly skilled supervision (Levels 9-12)	296	20	6.80	137	46.30
Senior Management (Level 13-16)	37	1	2.70	12	32.40
Other, Permanent	2	0	0	1	50
Contract (Levels 3-5), Permanent	5	0	0	0	0
Contract (Levels 6-8), Permanent	24	0	0	0	0
Contract (Levels 9-12), Permanent	13	0	0	0	0
Contract (Levels 13-16), Permanent	2	0	0	0	0
Total	2 594	58.	2.20	1 052	40.60

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 2020

Occupational category	Male				Female				
	African	Coloured	Indian	White	Afri- can	Coloured	Indian	White	Total
Legislators, Senior Officials And Managers	0	0	0	0	0	0	0	0	0
Professionals	99	5	0	104	8	90	0	0	90
Technicians And Associate Professionals	115	9	0	124	2	135	6	0	141
Clerks	225.	10	2.00	237	8	509	19	2	530
Service And Sales Workers	306	62	0	368	10	153	17	1	171
Craft And Related Trades Workers	98	5	0	103	9	4	0	0	4
Plant And Machine Operators And Assemblers	117	1	0	118	0	3	1	0	4
Senior Officials And Managers	15	2	0	17	1	12	0	1	13.
Unknown	3	0	0	3	0	2	0	0	2
Labourers And Related Workers	435	7	0	442	1	148	2	0	150
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	1 413	101	2.00	1 516	39	1 056	45	4	1 105
Employees with disabilities	16	1	0	17	1	10	0	0	10

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020

Occupational band	Male				Female				Total
	African	Co- loured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	1	0	1	0	0	1
Senior Management	15	2	0	17	3	12	0	1	13
Professionally qualified and experienced specialists and mid-management	153.	9	0	162	11	121	6	0	127
Professionally qualified and experienced specialists and mid-management, Temporary	1	0	0	1	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	519	72	2	593	24	491	30	3	524
Semi-skilled and discretionary decision making	527	14	0	541	1	181	3	0	184
Unskilled and defined decision making	1	0	0	1	0	111	2	0	113
Not Available, Permanent	41	3.00	0	44	0	88	3	0	91
Contract (Senior Management), Permanent	2	0	0	2	0	0	0	0	0
Contract (Professionally Qualified), Permanent	10	1	0	11	0	8	0	0	8
Contract (Skilled Technical), Permanent	23	0	0	23	0	28	0	0	28.
Contract (Semi-Skilled), Permanent	21	0	0	21	0	14	1	0	15
Contract (Unskilled) Permanent	0	0	0	0	0	1	0	0	1
Total	1 413	101	2	1 516	39	1 056	45	4	1 105

Table 3.6.3 Recruitment for the period 1 April 2019 to 31 March 2020

	Male				Female				
Occupational band	African	Co- loured	Indi- an	White	Afri- can	Co- loured	Indian	White	Total
Top Management	0	0	0	0	0	0	1	0	1
Professionally qualified and experienced specialists and mid-management	8	0	0	0	9	0	0	0	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1.	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	6	0	0	0	4	0	0	0	10
Unskilled and defined decision making	2	0	0	0	9	0	0	0	11
Not Available, Permanent	40	3	0	0	87	3	0	0	133
Contract (Senior Management), Permanent	2	0	0	0	0	0	0	0	2
Contract (Professionally qualified), Permanent	10	1	0	0	10	1	0	0	22
Contract (Skilled technical), Permanent	20	0	0	0	26	0	0	0	46
Contract (Semi-skilled), Permanent	32	0	0	0	15	1	0	0	48
Contract (Unskilled), Permanent	0	0	0	0	1	0	0	0	1
Total	121	4	0	0	161	5	1	0	292
Employees with disabilities	1	0	0	0	1	0	0	0	2

Table 3.6.4 Promotions for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	In- di- an	White	
Senior Management	6	0	0	1	6	0	0	0	13
Professionally qualified and experienced specialists and mid-management	71	3	0	8	66	5	0	4	157
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	200	49	2	16	236	25	0	14	542
Semi-skilled and discretionary decision making	248	9	0	1	83	2	0	1.00	344
Unskilled and defined decision making	16	0	0	0	36	1	0	0	53
Not Available, Permanent	0	0	0	0	1	0	0	0	1
Total	541	61	2	26	428	33	0	19	1 110
Employees with disabilities	8	1	0	1	4	0	0	1	15

Table 3.6.5 Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	12	1	0	2	5	0	0	0	20
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	41	3	0	1	15	0	0	0	61
Semi-skilled and discretionary decision making	50	1	0	1	8	0	0	0	60
Unskilled and defined decision making	1	0	0	0	2	0	0	0	3
Not Available, permanent	2	0	0	0	1	0	0	0	3
Contract (Top Management), Permanent	0	0	0	0	1	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	0	0	0	0	0	1
Contract (Professionally qualified), Permanent	6	1.	0	0	8	1	0	0	16
Contract (Skilled technical), Permanent	13	0	0	0	7	0	0	0	20

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Contract (Semi-skilled), Permanent	13	0	0	0	8	0	0	0	21
Total	141	6	0	4	55	1	0	1	208
Employees with Disabilities	1	0	0	0	1	0	0	0	2

Table 3.6.6 Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male			Female				Total	
	African	Coloured	Indian	White	African	Co- loured	Indian	White	
Final Written Warning									
No Outcome	1	0	0	0	0	0	0	0	1
Suspended Without Payment	0	1	0	0	0	0	0	0	1
Total	1	1	0	0	0	0	0	0	2

Table 3.6.7 Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Co- loured	Indian	White	Afri- can	Co- loured	Indian	White	
Legislators, senior officials and managers	38	2	0	1	75	1	1	0	118
Professionals	44	2	0	0	75	0	0	1	122
Technicians and associate professionals	13	3	0	0	67	0	0	0	83
Clerks	37	0	0	0	73	2	0	0	112
Service and sales workers	93	1	0	0	45	0	0	0	139
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	3	0	0	0	1	0	0	0	4
Elementary occupations	2	0	0	0	12	0	0	0	14
Total	230	8	0	1	348	3	1	1	592
Employees with disabilities	0	0	0	0	0	0	0	0	0

Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2018

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	0	0%
Salary Level 16	1	1	1	100%
Salary Level 15	7	7	1	14%
Salary Level 14	28	28	16	57%
Salary Level 13	37	37	18	49%
Total	1	1	0	0%

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2020

Reasons
Some were suspended and others appointed during towards the end of the financial year and in terms of Chapter 4 of the SMS handbook, all new appointees shall enter into and sign their Performnce Agreement's with their supervisor three months after appointment.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2020

Reasons
No disciplinary action take against them

Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2019 to 31 March 2020

	Beneficiary Profile			Cost						
Race and Gender	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee					
African										
Male	143	1 397	10.20	2 789.42	19 506					
Female	127	1 046	12.10	2 587.01	20 370					
Asian										
Male	0	2	0	0	0					
Female	1	4	25	24.25	24 253					
Coloured										
Male	5	100	5	144.34	28 868					
Female	6	45	13.30	169.74	28 290					
White										
Male	3	38	7.90	62.95	20 984					
Female	1	25	4.00	35.33	35 328					
People with disabilities	3	29	10.30	100.90	33 634					
Total	289	2 686	10.80	5 913.95	20 463					

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2019 to 31 March 2020

	Į.	Beneficiary Profile		Co	ost	Total cost	
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	as a % of the total personnel expenditure	
Lower Skilled (Levels 1-2)	21	213	9.90	183.03	8 716	21	
Skilled (level 3-5)	93	727	12.80	1 121.92	12 064	93	
Highly skilled production (level 6-8)	141	1 162	12.10	3 042.37	21 577	141	
Highly skilled supervision (level 9-12)	33	305	10.80	1 555.93	47 149	33	
09 Other	0	135	0	0	0	0	
10 Contract (Levels 1-2)	0	1	0	0	0	0	
11 Contract (Levels 3-5)	0	36	0	0	0	0	
12 Contract (Levels 6-8)	1	51	2	10.70	10 700	1	
13 Contract (Levels 9-12)	0	19	0	0	0	0	
Total	289	2 649	10.90	5 913.95	20 463	289	

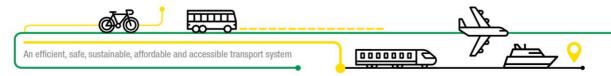
Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2019 to 31 March 2020

	Benefici	ary Profile		Cost	
Critical occupation	Number of bene- ficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial Clerks And Credit Controllers	22	132	16.70	417.78	18 990
Air Traffic Controllers	0	3	0	0	0
Earth Moving And Related Plant Operators	3	22	13.60	33.56	11 186
Production Advisers : Factories	5	33	15.20	101.07	20 215
Human Resources Clerks	12	102	11.80	251.03	20 919
Security Officers	1	3	33.30	40.98	40 980
All Artisans In The Building Metal Machinery Etc.	6	66	9.10	98.21	16 369
Human Resources & Organisat Developm & Relate Prof	2	17	11.80	47.53	23 766
Messengers Porters And Deliverers	0	2	0	0	0
Risk Management And Security Services	1	3	33.30	21.85	21 852
Boiler And Related Operators	0	3	0	0	0
Finance And Economics Related	4	20	20	163.90	40 976
Logistical Support Personnel	3	9	33.30	51.03	17 011
Other Administrat & Related Clerks And Organisers	20	295	6.80	313.62	15 681
Appraisers-Valuers And Related Professionals	0	1	0	0	0
Auxiliary And Related Workers	0	10	0	0	0
Other Occupations	0	2	0	0	0
Legal Related	0	3	0	0	0
Financial And Related Professionals	1	9	11.10	13.03	13 025
Building And Other Property Caretakers	0	1	0	0	0
Water Plant And Related Operators	0	1	0	0	0
Architects Town And Traffic Planners	0	2	0	0	0
Administrative Related	26	213	12.20	1 060.48	40 788
Secretaries & Other Keyboard Operating Clerks	12	80	15	282.37	23 531
Library Mail And Related Clerks	11	50	22	214.19	19 472
Cleaners In Offices Workshops Hospitals Etc.	6	74	8.10	76.39	12 731



	Benefic	iary Profile		Cost			
Critical occupation	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee		
Human Resources Related	3	30	10	178.98	59 661		
Aircraft Pilots & Related Associate Professionals	0	1	0	0	0		
Computer Programmers.	0	2	0	0	0		
Trade Labourers	8	27	29.60	68.95	8 618		
Language Practitioners Interpreters & Other Commun	0	1	0	0	0		
Road Superintendents	6	14	42.90	173.32	28 886		
Social Work And Related Professionals	0	1	0	0	0		
Regulatory Inspectors	41	513	8	761.40	18 571		
Cartographic Surveying And Related Technicians	1	10	10	88.01	88 009		
Road Workers	49	486	10.10	428.97	8 754		
Material-Recording And Transport Clerks	22	125	17.60	408.97	18 590		
Other Administrative Policy And Related Officers	6	30	20	171.12	28 520		
Artisan Project And Related Superintendents	2	3	66.70	22.74	11 372		
Fire Fighting And Related Workers	0	25	0	0	0		
Bus And Heavy Vehicle Drivers	8	47	17	110.52	13 815		
Senior Managers	0	31	0	0	0		
Client Inform Clerks(Switchb Recept Inform Clerks)	0	12	0	0	0		
Computer System Designers And Analysts.	0	1	0	0	0		
Engineers And Related Professionals	1	36	2.80	51.13	51 128		
Other Information Technology Personnel.	0	17	0	0	0		
Light Vehicle Drivers	2	41	4.90	20.77	10 385		
Engineering Sciences Related	4	62	6.50	227.10	56 774		
Motor Vehicle Drivers	0	8	0	0	0		
Security Guards	0	3	0	0	0		
Food Services Aids And Waiters	0	2	0	0	0		
Community Development Workers	0	1	0	0	0		
Information Technology Related	1.00	1	100	14.94	14 944		
Total	289	2 686	10.80	5 913.95	20 463		

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2019 to



31 March 2020

	Beneficiary Profi	le		Cost	Total cost	
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	as a % of the total personnel expenditure
Band A	0	28	0	0	0	0
Band B	0	7	0	0	0	0
Band C	0	1	0	0	0	0
Band D	0	1	0	0	0	0
Total	0	37	0	0	0	0

3.9 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2019 and 31 March 2020

Salary band	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Contract (level 6-8)	1	33.30	0	0	- 1.00	100
Contract (level 9-12)	2	66.70	2	100	0	0
Contract (level 13-16)	0	0	0	0	0	0
Total	3	100	2	100	- 1.00	100

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2019 and 31 March 2020

Major occupation	01 April 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Professional and Managers	3	100	2	100	- 1.00	100
Total	3	100	2	100	- 1.00	100

Leave utilisation

Table 3.10.1 Sick leave for the period 1 April 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certi- fication	Number of Employees using sick leave	% of total employ- ees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	928	87.40	108	6.10	9	518
Skilled (levels 3-5)	3 276	85.50	361	20.40	9	2 826
Highly skilled production (levels 6-8)	9 642	79,20	982	55,60	10	13 392
Highly skilled supervision (levels 9 -12)	1 959	80,10	227	12,90	9	5 357
Senior Management (Levels 13-16)	149	76,50	21	1,20	7	656
Contract Other	9 642	79,20	982	55,60	10	13 392
Contract (Levels 3-5)	95	51,60	24	1,40	4	85
Contract (Levels 6-8)	58	44,80	21	1,20	3	85
Contract (Levels 9-12)	40	45	11	0,60	4	88
Total	16 188	80,70	1 766	100	9	23 022

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 April 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimat- ed Cost (R'000)
Skilled (Levels 3-5)	314	100	4	50	79	262
Highly skilled production (Levels 6-8)	11	100	1	12,50	11	20
Highly skilled supervision (Levels 9-12)	172	100	3	37,50	57	423
Total	497	100	8	100	62	705

Table 3.10.3 Annual Leave for the period 1 April 2019 to 31 December 2019

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	4 523	221	20
Skilled Levels 3-5)	17 065	780	22
Highly skilled production (Levels 6-8)	27 265	23	1 211
Highly skilled supervision(Levels 9-12)	6 960	302	23
Senior management (Levels 13-16)	685	35	20
Contract Other	38	13	3
Contract (Levels 13-16)	13	1	13
Contract (Levels 3-5)	276	37	7
Contract (Levels 6-8)	349	42	8
Contract (Levels 9-12)	153	17	9
Total	57 327	22	2 659

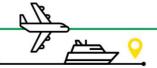
Table 3.10.4 Capped leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2019
skilled (Levels 1-2)	0	0	0	84
Skilled Levels 3-5)	79	4	20	89
Highly skilled production (Levels 6-8)	11	3	4	117
Highly skilled supervision (Levels 9-12)	86	6	14	129
Senior management (Levels 13-16)	0	0	0	88
Total	176	13	38	507

Table 3.10.5 Leave payouts for the period 1 April 2019 and 31 December 2019

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service for 2019/20	15 606	115	135 704
Current leave payout on termination of service for 2019/20			
Annual-Discounting with Resignation (Work days)	1 062	34	31 235
Annual –Discounting unused vacation Credits (Work days)	182	2	91 000
Annual – Gratuity: Death/Retirement	3 996	124	32 226
Annual – Head of Departments (Gratuity) (Work Days)	153	1	153 000
Total	20 999	276	55.2





3.11 HIV/AIDS & Health Promotion Programmes

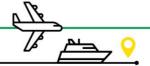
Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
 ✓ Traffic officers ✓ Security officers ✓ Drivers ✓ Road Rangers ✓ Inspectors – Road Safety 	 ✓ We conduct Medical screenings with GEMS to screen the following: TB and HCT ✓ Address TB and HIV/AIDS as both a workplace and human/community issue. ✓ Prevent Production losses and increase attendance and productivity through support and care for the affected and infected employee. ✓ Increased self-management through education that builds on basic knowledge to update on the status of the pandemic- awareness sessions. ✓ Control risk of new infections through HCT and condom distribution. ✓ Distribute first AID KIT for prevention purposes.
Capacitation of Departmental employees on TB, HIV and AIDS	 (minor cuts) ✓ Conduct awareness sessions on different World Health Calendar Days, i.e. Candle Light Memorial and World AIDS DAY.(Institutionalised days)

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		Acting Director: HRM – Ms N. Ntozakhe
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		14 EHW officials and the for budget EHW program for: GOODS & SERVICES was R 489 950
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		EAP @ Wellness Management pillar: ✓ Individual wellness physical s ✓ Individual wellness psyche- social ✓ Organizational wellness and Work- life balance





Question	Yes	No	Details, if yes
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		Here are the members of the committee as much as it was dysfunctional because the unit lacked SHERQ expertise: 1. SMS designated member as Chairperson: N. Ntozakhe 2. DD: EHW: S. Magwebu 3. HIV/AIDS Coordinator: Rev. M. Qwabaza 4. SHERQ Coordinator: P.V. Maseti 5. HPM Coordinator: L. Fana 6. SPU: M. Vuso 7. PSA: Cd: Nogabe 8. NEHAWU: Cd: Malinga 9. POPCRU: Cd: Machakela
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		HIV, AIDS and TB Management policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		 Adherence to legislation and policies Promotion of Human Rights and Access to Justice
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			Results are obtained from GEMS reports on quarterly basis by all departments (available on request)
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		 ✓ Prevention activities: i.e. Male and Female condom distribution, ✓ Health education, ✓ and GEMS medical screenings(TB &HIV) ✓ Support and care to employees and their families(referrals and counselling) ✓ Conduct awareness sessions on TB and HIV. ✓ Promotion of Human Rights and Access to Justice (Gender Based Violence and sexual harassment in the workplace) NB: Some of these activities are collaborated into other programs e.g. SPU and
			HRD.







Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020

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

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	0	0
Final written warning	0	0
Suspended without pay	1	50
No outcome	1.00	50
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	2.00	100

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of total
Absent from work without reason of permission	2	50
Damages and/or Causes loss of state property	1	25
Fails to carry out order or instruction	1	25
Flouting of SCM policies and procedures	Table 3.7.3 Disciplinary steps taken again	0
Participate in unlawful industrial action	0	0
Dishonesty	0	0
Insubordination	0	0
Total	4	100

Skills development

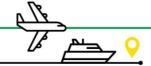
This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees	Training needs	identified at start of the repor	ting period	
		as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total
officials and managers	Female	149	0	Conflict Management, Advance Excel, Project Management, Human Factor In Aviation, Investigating In, Initiating and Chairing a Disciplinary Enquiry, Monitoring and Evaluation, Executive Development programme, Report Writing, Project Management - 7	6	13
	Male	204	0	Conflict Management, Advance Excel, Project Management, Human Factor In Aviation, Investigating In, Initiating and Chairing a Disciplinary Enquiry, Monitoring and Evaluation, Executive Development programme, Report Writing Project Management - 10	8	18
Professionals	Female	91	0	Intro To Computers, Client Relations: Excellent customer care, ENATIS, Project Management, Aircraft Construction, Pump Operator &PARTAC, Fire Prevention, marshalling, Human Factor In Aviation, Airport Emergency Management System, Quality Management System And Auditing, Senior Civil Management, Aviation Security Management Level 3, Self-Contained Breathing Operators) - 11	3	14

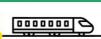
Occupational category	Gender	Number of	ployees				
		employees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total	
	Male	115		Intro To Computers, Client Relations: Excellent Customer care, ENATIS, Project Management, Aircraft Construction, Pump Operator &PARTAC, Fire Prevention, Marshalling, Human Factor In Aviation, Airport Emergency Management System, Quality Management System And Auditing, Senior Civil Management, Aviation Security Management Level 3, Self-Contained Breathing Operators) - 18	0	18	
Technicians and associate professionals	Female	146		(General Conditions of Contract: GCC, First Aid, OHS, Testing Aggregate, Hazmat Training, SAMTRAC, Report Writing, Project Management. Data Analytics for internal auditors (DAIA); Implementing Governance Auditing Programme According to King IV; Annual Internal Audit Conference) - 84	13	97	
	Male	128		(General Conditions of Contract: GCC, First Aid, OHS, Testing Aggregate, Hazmat Training, SAMTRAC, Report Writing, Project Management, Data Analytics for internal auditors (DAIA); Implementing Governance Auditing Programme According to King IV; Annual Internal Audit Conference - 105	9	114	
Clerks	Female	463		Intro To Computers, Client Relations: Excellent Customer care, Time Management, Records Management, Social Facilitation/ Citizen cantered, Conflict Management, Advance Excel, Project	12	72	

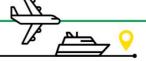




Occupational category	Gender	Number of	Training needs identified at start of the reporting period				
		employees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total	
				Management, Aircraft Construction, Pump Operator) - 60			
	Male	207		Intro To Computers, Client Relations: Excellent Customer care, Time Management, Records Management, Social Facilitation/ Citizen cantered, Conflict Management , Advance Excel, Project Management, Aircraft Construction, Pump Operator - 21	21	42	
Service and sales workers	Female	172		Examiner Of Motor Vehicles, Code EB (14) & A, Advanced Driving, Intro To Computers, Client Relations: Excellent Customer care, Time Management, Records Management, Social Facilitation/ Citizen cantered, Conflict Management , Advance Excel, Project Management, General Conditions of Contract: GCC, Grader, First Aid, Steel Fixing, OHS, Excavator, Gabions & Patching, Asphalt Blasting, Testing Aggregate, Roads Maintenance, Hazmat Training, Roller And Loader, Forklift SAMTRAC, Introduction to Road Building Material - 62	28	90	
	Male	378		Examiner Of Motor Vehicles, Code EB (14) & A, Advanced Driving Intro To Computers, Client Relations: Excellent Customer care, Time Management, Records Management, Social Facilitation/ Citizen cantered, Conflict Management , Advance Excel, Project Management, General Conditions of Contract: GCC, Grader, First Aid,	30	105	







Occupational category	Gender	Number of Training needs identified at start of the reporting period					
		employees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total	
				Steel Fixing, OHS, Excavator, Gabions & Patching, Asphalt Blasting, Testing Aggregate, Roads Maintenance, Hazmat Training, Roller And Loader, Forklift, SAMTRAC, Introduction to Road Building Material -75			
Skilled agriculture and fishery workers	Female	0	0	0	0	0	
listicity workers	Male	0	0	0	0	0	
Craft and related trades workers	Female	4	0	0	0	0	
WOIREIS	Male	113	0	0	1	1	
Plant and machine operators and assemblers	Female	4	0	General Conditions of Contract, First Aid, OHS - 4	0	4	
	Male	127		Code 14 Learners And Driver's License, General Conditions of Contract: GCC, Grader, First Aid, Steel Fixing, OHS, Excavator, Gabions & Patching, Asphalt Blasting, Testing Aggregate, Roads Maintenance, Hazmat Training, Roller And Loader, Forklift - 85	2		
Elementary occupations	Female	150	0	Code 14 Learners And Driver's License, General Conditions of Contract: GCC, Grader, First Aid, Steel Fixing, OHS, Excavator, Gabions & Patching, Asphalt Blasting, Testing Aggregate, Roads Maintenance, Hazmat Training, Roller And Loader, Forklift - 85	2	87	
	Male	443	0	(Code 14 Learners And Driver's License, General Conditions of Contract: GCC, Grader, First Aid, Steel Fixing, OHS, Excavator, Gabions & Patching, Asphalt Blasting, Testing Aggregate, Roads Maintenance, Hazmat	10	105	

Occupational category Gender	Gender	Number of	Training needs identified at start of the reporting period				
	employees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total		
				Training, Roller And Loader, Forklift - 95			
Sub Total	Female	1241	0	313	64	377	
	Male	1715	0	416	81	497	
Total		2596	0	729	145	874	

Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employ-	Training needs in	dentified at start of the reportir	ng period	
		ees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total
Legislators, senior officials and managers	Female	149	0	Conflict Management, Advance Excel, Project Management, Human Factor In Aviation, Investigating In, Initiating and Chairing a Disciplinary Enquiry, Monitoring and Evaluation, Executive Development programme, Report Writing Project Management Ethics certification Advance Fraud certification Insight into integrated reporting. SATC Transportation Conference Good Governance Leadership Annual labor law conference SMART Procurement conference. Government Information Technology) - 77	6	83
	Male	204		Conflict Management Advance Excel, Project Management, Human Factor In Aviation, Investigating In, Initiating and Chairing a Disciplinary Enquiry, Monitoring and Evaluation, Executive Development programme, Report Writing Project Management Ethics certification Advance Fraud certification Insight into integrated reporting. SATC Transportation Conference Good Governance Leadership Annual labor law conference SMART Procurement conference. Government Information Technology - 41	8	49

Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employ-	Training needs i	dentified at start of the reporting	ng period	
		ees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total
	Female	91		Excellent Customer care, Project Management, Air- craft Construction, Pump Operator &PARTAC, Fire Prevention, Marshalling, Human Factor In Aviation, Airport Emergency Man- agement System, Quality Management System And Auditing, Senior Civil Man- agement Aviation Security Management Level 3, Self-Contained Breathing Operators Introduction to Road Building Material) 76	3	79
	Male	115		Excellent Customer care, Project Management, Air- craft Construction, Pump Operator &PARTAC, Fire Prevention, Marshalling, Human Factor In Aviation, Airport Emergency Man- agement System, Quality Management System And Auditing, Senior Civil Man- agement, Aviation Secu- rity Management Level 3, Self-Contained Breathing Operators Introduction to Road Building Material Fire Arms instructor refresher course - 46	0	46
Technicians and associate professionals	Female	146		General Conditions of Contract: GCC, First Aid, OHS, Testing Aggregate, Hazmat Training, SAM- TRAC, Report Writing, Project Management, Data Analytics for internal auditors (DAIA); Implementing Governance Auditing Programme According to King IV; Annual Internal Audit Conference - 67	13	80
	Male	128		General Conditions of Contract: GCC, First Aid, OHS, Testing Aggregate, Hazmat Training, SAM- TRAC, Report Writing Project Management Data Analytics for internal audi- tors (DAIA); Implementing Governance Auditing Pro- gramme According to King IV; Annual Internal Audit Conference - 14	9	23



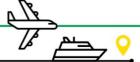


Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender Number of employ-	Number of employ-	Training needs in	dentified at start of the reportir	ng period	
		ees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total
Clerks	Female	463		Supervisory, Excellent Customer care, Conflict Management, General Conditions of Advanced Excel, Project Management, SMART Procurement conference. Government Information Technology, Women in engineering conference, Women empowerment session, Government Information Technology - 75	12	87
	Male	207		Supervisory, Excellent Customer care, Conflict Management, General Conditions of Advanced Excel, Project Management, SMART Procurement conference, Government Information Technology - 37	21	58
Service and sales workers	Female	172		Ethics certification, Advance Fraud certification, Insight into integrated reporting. Introduction to Road Building Material, Fire Arms instructor refresher course, SATC Transportation Conference, Women empowerment session - 45	28	73
	Male	378		Ethics certification, Advance Fraud certification, Insight into integrated reporting. Introduction to Road Building Material, Fire Arms instructor refresher course, SATC Transportation Conference - 94	30	124
Skilled agriculture and	Female	0	0	0	0	0
fishery workers	Male	0	0	0	0	0
Craft and related trades	Female	4	0	0	0	0
workers	Male	113	0	0	1	1
Plant and machine operators and assemblers	Female	4	0	0	0	0
	Male	127	0	Forklift - 4	2	6

Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employ-	Training needs identified at start of the reporting period				
	ees as at 1 April 2019	Learnerships	Skills Programmes & other short courses	Other forms of training (Bursary)	Total		
Elementary occupations	Female	150	0	Women empowerment session - 12	2	14	
	Male	443		Introduction to Road Building Material - 2	10	12	
Sub Total Femal Male	Female	1241	0	352	64	416	
	Male	1715	0	240	81	321	
Total		2596	0	592	145	737	

Injury on duty

Table 3.14.1 Injury on duty for the period 1 April 2019 and 31 March 2020

Nature of injury on duty	Number	% of total
Required basic medical attention only	8	0,201
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	08	0

3.15 Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
0	0	0	0
0	0	0	0

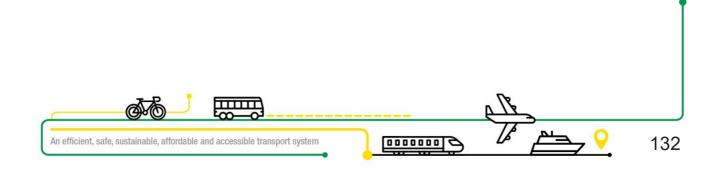
Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
0	0	0	0
0	0	0	0

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage owner- ship by HDI groups	by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2019 and 31 March 2020

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
0	0	0	0
0	0	0	0



Total number of projects	sultants	Total duration Work days	Total contract value in Rand
0	0	0	0
0	0	0	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

			Number of consultants from HDI groups that work on the project
0	0	0	0
0	0	0	0

Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 and 31 March 2020

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)				
Skilled Levels 3-5)			E	
Highly skilled production (Levels 6-8)		APPLICAB!		
Highly skilled supervision(Levels 9-12)	NOT	P.		
Senior management (Levels 13-16)				
Total				



Report of the auditor-general to the Eastern Cape Provincial Legislature on vote no. 10: Department of Transport

Report on the audit of the financial statements

Qualified opinion

- 1. I have audited the financial statements of the Department of Transport, set out on pages144to 245 which comprise the appropriation statement, statement of financial position as at 31 March 2020, 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 matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Department of Transport as at 31 March 2020, and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2019 (Act No. 16 of 2019) (Dora).

Basis for qualified opinion

Irregular expenditure

- 3. The department made transfer payments that were in contravention of section 42(1) of the National Land Transport Act, 2009 (act No. 5 of 2009), which resulted in irregular expenditure being understated by R252 million (2019: R238,7 million). The department did not have adequate monitoring controls to ensure that contracts entered into were compliant with laws & regulations. The payments made in contravention with section 42(1) originated in 2009, resulting in the opening balance of irregular expenditure in the prior year being understated by R1,6 billion.
- 4. Furthermore, the department incorrectly recognised confirmed irregular expenditure as irregular expenditure under assessment in note 26.3 of the financial statements, contrary to the requirements of MCS 9, General Departmental Assets and Liabilities. Consequently, note 26.3 Details of irregular expenditures under assessment (not included in the main note) was overstated by R 2,1 billion.

Fruitless and wasteful expenditure

5. In my previous report, I modified my opinion on transport provided as part of departmental expenditure because the department made payments based on inaccurate records, resulting in overpayments. As a result I was unable to determine the extent of any adjustment required to fruitless and wastful expenditure stated at R6,6 million (2019: R6,4 million) in note 27 to the financial statement, as it was impractical to do so.

Context for the opinion

- 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 this auditor's report.
- 7. I am independent of the department in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes), as well as 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 codes.
- 8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Material impairments - impairment of investment

10. As disclosed in note 13.1 to the financial statements, there was a material impairment of investments amounting to R146,4 million.

Restatement of corresponding figures

11. As disclosed in note 36 to the financial statements, the corresponding figures for 31 March 2019 were restated as a result of errors in the financial statements of the department at, and for the year ended 30 March 2020.

Non-adjusting events after reporting date

- 12. I draw attention to note 31 to the financial statements, which outlines non-adjusting events after the reporting date and specifically the possible effects of the future implications of covid-19 on the department's future prospects, performance and cash flows.
- 13. Furthermore, note 31 details the PFMA section 42 transfer of roads with a completion cost of R410 million to the Eastern Cape Department of Public Works. These roads will be included in the asset register and disposed of during the 2020/21 financial year.

Other matter

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

Unaudited supplementary schedules

15. The supplementary information set out on pages 246 to 260 does not form part of financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

- 16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 17. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

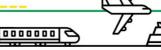
Report on the audit of the annual performance report

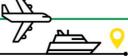
Introduction and scope

- 20. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
- 21. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators / measures included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do 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.
- 22. 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 2020.









Programme	Pages in the annual performance report
Programme 2: transport infrastructure	41 to 45

- 23. 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.
- 24. The material findings in respect of the usefulness and reliability of the selected programme are as follows:

Programme 2: transport infrastructure

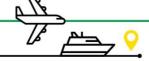
P21: Number of transport plans developed towards implementing the Provincial Land Transport Framework (PLTF)

25. The source information, evidence and calculation for measuring the planned indicators was not clearly defined and the related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. Two transport plans developed towards implementing the PLTF were reported as achieved against the planned target of four. However, the supporting document provided indicates that no transport plans were developed.

Various indicators

26. I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned targets and the achievements reported in the annual performance report for the indicators listed below. This was due to limitations placed on the scope of my work. I was unable to confirm the reported reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

Indicator number	Indicator description
P21	Number of transport plans developed towards implementing the Provincial Land Transport Framework (PLTF)
P27	Number of designs for law enforcement facilities
P37	Number of transport-related facilities maintained



P38: Average percentage of downtime on fleet availability

27. The achievement of 64% average percentage downtime was reported against a target of 75% average percentage downtime in the annual performance report. However, the supporting evidence provided did not agree with the reported achievement and indicated an achievement of 51,5%.

Other matter

28. I draw attention to the matter below.

Achievement of planned targets

29. Refer to the annual performance report on pages 41. to 45 for information on the achievement of planned targets for the year and explanations provided for the under- and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph(s) 24 to 26 of this report.

Report on the audit of compliance with legislation

Introduction and scope

- 30. 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.
- 31. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

32. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1) (a) and (b) of the PFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a qualified opinion.

Expenditure management

33. Effective and appropriate 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. As reported in the basis for qualified opinion the value as disclosed in note 26 of the financial statements does not reflect the full extent of the irregular expenditure incurred. In addition, the full extent of the irregular expenditure could not be quantified.



Strategic planning and performance management

34. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery, as required by public service regulation 25(1)(e)(i) and (iii).

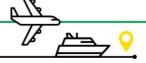
Other information

- 35. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
- 36. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
- 37. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 38. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

- 39. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
- 40. The department developed an action plan, however, the implementation and monitoring of the action plan was not completely effective. The department did not produce complete and accurate financial and performance reports. This was because management did not adequately review schedules supporting the annual financial statements and annual performance plan.
- 41. Management does not have an adequate compliance monitoring system and process in place to monitor compliance with applicable laws and regulations. This is evidenced by repeat noncompliance findings.
- 42. Although management performed a risk assessment and the risk register was updated on a quarterly basis, these activities were not effective. This was because management did not institute appropriate monitoring and review mechanisms to ensure that risks were mitigated to an acceptable level.





- 43. The internal audit function was not adequately staffed and certain posts remain vacant. Due to capacity constraints, the unit did not discharge its responsibilities as required, which limited its effectiveness.
- 44. The audit committee was in place for the duration of the financial period. However, the committee did not meet with the executive authority at least annually to discuss matters that could be of concern to the committee. The committee reviewed the financial statements as required, but because leadership does not act timeously on the committee's recommendations, there were misstatements in reporting, including material misstatements in the financial statements. The effectiveness of the audit committee was therefore limited.

Material irregularities

45. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

46. The material irregularities identified are as follows:

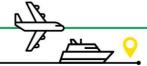
Theft of construction grader (Grader: GWG 919EC)

- 47. The department did not take effective steps to safeguard assets, ensuring that proper control exists for assets, and that preventative mechanisms are in place to eliminate theft, losses and wastage as required by section 38(1) (d) of the PFMA and treasury regulation 10.1.1(a). As a result a construction grader valued at R1 508 220 was stolen off the premises of a community member during the month of July 2019. The theft arose as the grader was left in the yard of a community member with the keys and the operator tag in the vehicle. The non-compliance with legislation is likely to result in a material financial loss if the department does not recover the construction grader.
- 48. The Accounting Officer was notified of the MI on the 7th July 2020 and invited to make a written submission on the actions taken and that will be taken to address the matter.
- 49. An investigation into the matter by the departmental investigation committee was initiated during the 2019-20 financial year and concluded on 4th August 2020. The theft has been reported to the South African Police Services and based on current status of investigations, the plant is located outside of the country. The accounting officer aims to recover the asset and take the necessary disciplinary actions against the responsible officials. I will follow up on the implementation of the actions during my next audit.

Material irregularities in progress

50. I identified another material irregularity during the audit and notified the accounting officer thereof, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in the next year's auditor's report.





Other reports

- 51. In addition to the investigation relating to the material irregularity, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. 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.
- 52. An independent institution instituted an investigation into an allegation of irregularities in the appointment of officials during 2016 and 2017 at middle management and senior management level within the department. The investigation was completed at the date of signing this report, but the department has not acted on the recommendations emanating from the investigation.
- 53. Another government institution is conducting forensic investigations into supply chain irregularities, including covid-19-related expenditure, at the department. The investigation relates to transactions which occurred during the current and prior years. The investigation was still in progress at the date of this auditor's report.

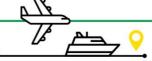
24 November 2020



whiter General

Auditing to build public confidence





Annexure - Auditor-general's responsibility for the audit

 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

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

Communication with those charged with governance

- 3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- 4. I also 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, actions taken to eliminate threats or safeguards applied.

Appropriation Statement

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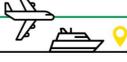
Figures in Rand thousand					2019/2020				2018/	2018/2019
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure appropriation	Actual Expenditure
Programme										
Programme 1 - Administration	← (429,442	1	35,000		457,856	6,586	98.58 %		351,983
Programme 2 - Transport Infrastructure	N	2,248,293	1	(61,400)	2,186,893	2,129,656	57,237		2,203,471	2,149,424
Programme 3 - Transport Operations	က	1,321,460	•	17,000	1,338,460	1,309,742	28,718	97.85 %	_	1,272,397
Programme 4 - Transport Regulations	4	386,607	•	(21,500)	365,107	364,528	579	99.84 %		394,487
Programme 5 - Community Based Programme	2	628,968	1	30,900	659,868	658,833	1,035			642,765
Programme subtotal		5,014,770		•	5,014,770	4,920,615	94,155	98.1 %	4,901,304	4,811,056
Programme sub total		5,014,770	1	'	5,014,770	4,920,615	94,155	98.12 %	4,901,304	4,811,056
Total		5,014,770	•	•	5,014,770	4,920,615	94,155			4,811,056
Reconciliation with statement of comprehensive income	prehe	nsive income								
Add: Aid assistance					,				1.856	
Actual amounts per statement of comprehensive income	preh		(total revenue)		5,014,770				4,903,160	
Actual expenditure						4,920,615				4,811,056
Add: Aid assistance						266				1,413
Actual amounts per statement of comprehensive income (total expenditure)	preh	ensive income (to	ıtal			4,920,881				4,812,469

Appropriation per economic classification





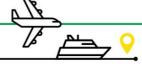




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	899,734 144,719	(19,079)	(18,297) (703)	862,358 145,685	854,676 144,033	7,682	99.1 %	830,430	830,093 140,337
	1,044,453	(17,410)	(19,000)	1,008,043	998,709	9,334	99.1 %	971,560	970,430
Goods and services									
Administrative fees	1,018	(525)	(120)	373	336	37	90.1 %	580	280
Advertising	099'9	(1,046)		5,614	5,398	216	96.2 %		4,877
Minor assets	1,948	2,224	(223)	3,949	3,368	581	85.3 %		1,220
Audit costs: External	13,020	1,519		14,539	14,539	'	100.0 %	11,149	11,113
Bursaries: Employees	2,290	480	•	2,770	2,764	9	8.66		7,661
Catering: Departmental activities	15,433	(1,540)	•	13,893	13,405	488	6.5 %		11,242
Communication	14,035	(1,425)	(3,893)	8,717	8,437	280	8.96		9,651
Computer services	32,827	(8,911)	•	23,916	23,269	647	က	_	19,659
Consultants: Business and advisory	20,693	(4,033)	(2,300)	14,360	13,980	380	97.4 %	8,143	8,029
services									
Infrastructure and planning services	100,246	(27,811)	•	72,435	72,109	326	99.5 %	7	43,722
Legal services	3,169	685	•	3,854	3,854	•	100.0 %		4,596
Contractors	1,075,257	(38,363)	30,811	1,067,705	1,057,045	10,660	% 0.66	1,123,	1,075,651
Agency and support / outsourced	298	(268)	•	30	28	2	93.3 %	362	362
	777	(47)		2	0	ac	70 0 07	117	70
	141	(41)	- (530.0)	94	00 674	270	72.3		9/
rieet services	70,047	10,100	(108'8)	00,000	4,0,40	0 / 0	99.09		74,079
Inventory: Fuel, oil and gas	33,079	(4,000)	•	29,079	23,290	5,783	80.1 %	',	51,023
Inventory: Materials and supplies	12,750	(1,616)	•	11,134	5,126	6,008	46.0 % %	1,475	844
niveritory. Other supplies	- 26 26	(011)	- (409.9)	י בכל סכ	- 200 20	, 6	- 00	- 20 240	107.70
Consumable: Stationery printing and	11,611	(4 <u>-</u> 8)	(0,031)	10.557	10 223	334	% 8.96. % 8.96		94,163
office supplies	-	8	(, , , , ,	5	2,5		2		<u> </u>
Operating leases	6,665	6,329	(349)	12,645	12,525	120	99.1 %	7,752	7,550
Property payments	26,134	(3,583)	(1,919)	20,632	19,776	820	% 6.c6		15,489

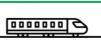


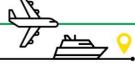




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Transport provided: Departmental	583,049	5,416	23,900	612,365	605,803	6,562	% 6.86	598,541	597,938
Travel and subsistence	88,830	2,622	(3,886)	87,566	86,599	296	% 6.86	, 71,071	69,420
Training and development	15,186	(1,948)	` '	13,238	12,922	316	92.6		9,185
Operating payments	6,850	(262)	(2,900)	3,353	3,190	163	95.1 %		3,424
Venues and facilities Rental and hiring	12,287	(3,423)	(456)	8,408	8,111	297	96.5 %	, ,	14,264 236 301
D	2,673,906	(7,618)	20,900	2,687,188	2,651,241	35,947	% 2:86	2,	2,302,076
Interest and rent on land Interest (Incl. interest on unitary payments (PPP))	1	,	'		196	(196)	% -		5,950
Compensation of employees	1,044,453	(17,410)	(19,000)	1,008,043	998,709	9,334	99.1 %		970,430
Goods and services	2,673,906	(7,618)	20,900	2,687,188	2,651,241	35,947	% 2.86	2,363,117	2,302,076
Interest and rent on land	2 718 259	(25,028)	1 900	3 695 231	196 3 650 146	(196) 45 085	% < & 6	2 3 3 3 4 6 7 7	5,950 3,278,456
Total current payments	6,51	(23,020)	200.1	2,000,0	2,000,	13,000	0.00		0,4,0,13,0
Transfers and subsidies Provinces and municipalities Provinces Provincial Revenue Funds Provinces	3,892 3,892	875 875		4,767	3,858 3,858	606 606	80.9 % 80.9 %	5,175	4,112 4,112
Departmental agencies and accounts									
Social security funds Departmental agencies (non-business entities)	21,732	206 (2,259)		206 19,473	204 19,472	V L	99.0 % 100.0 %	6,348	6,348 4,592
	21,732	(2,053)		19,679	19,676	က	100.0 %	10,940	10,940
Public corporations and private enterprises Public corporations Subsidies on products and production (pc)	136,928	15,474	,	152,402	152,402	'	100.0 %	, 129,581	129,582



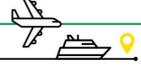




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Private enterprises Subsidies on products and production (pe)	411,868	'	1	411,868	392,461	19,407	% 8:36	409,391	409,391
Public corporations Private enterprises Public corporations and private enterprises subtotal	136,928 411,868 548,796	15,474 - 15,474		152,402 411,868 564,270	152,402 392,461 544,863	- 19,407 19,407	100.0 % 95.3 % 96.6 %	129,581 409,391 538,972	129,582 409,391 538,973
Households Social benefits Other transfers to households	29,439 7,141	478 6,926	(1,900)			885	96.8		
	36,580	7,404	(1,900)	42,084	40,864	1,220	97.1 %	35,524	32,309
Provinces and municipalities Departmental agencies and accounts Public corporations and private	3,892 21,732 548,796	875 (2,053) 15,474	1 1 1	4,767 19,679 564,270	3,858 19,676 544,863	909 3 19,407	80.9 % 100.0 % 96.6 %	5,175 10,940 538,972	4,112 10,940 538,973
Former prizes Households Total transfers and subsidies	36,580 611,000	7,404 21,700	(1,900) (1,900)	42,084 630,800	40,864 609,261	1,220 21,539	97.1 % 96.6 %	35,524 590,611	32,309 586,334
Payments for capital assets Buildings and other fixed structures Buildings	23,939 519,614	(2,593) (22,315)	. (30,000)	21,346 467,299	6,464	14,882 67	30.3 % 100.0 %	12,848 607,610	2,998 603,124
	543,553	(24,908)	(30,000)	488,645	473,696	14,949	% 6.96	620,458	606,122
Machinery and equipment Transport equipment Other machinery and equipment	96,956 44,419	36,533 (8,296)	38,200 (8,200)	171,689 27,923	163,413 23,864	8,276 4,059	95.2 % 85.5 %	60,427 294,878	51,454 288,382
	141,375	28,237	30,000	199,612	187,277	12,335	% 8.86	355,305	339,836
Software and other intangible assets	483	(1)	'	482	233	249	48.3 %	253	30



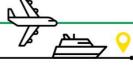




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Buildings and other fixed structures Machinery and equipment Intangible assets	543,553 141,375 483	(24,908) 28,237 (1)	(30,000) 30,000	488,645 199,612 482	473,696 187,277 233	14,949 12,335 249	96.9 % 93.8 % 48.3 %	620,458 355,305 253	606,122 339,836 30
Total payments for capital assets	685,411	3,328		688,739	661,206	27,533	% 0.96	976,016	945,988
Payments for financial assets					2	(2)	% -		278
Total current payments Total transfers and subsidies Total payments for capital assets	3,718,359 611,000 685,411	(25,028) 21,700 3,328	1,900 (1,900)	3,695,231 630,800 688,739	3,650,146 609,261 661,206	45,085 21,539 27,533	98.8 % 96.6 % 96.0 %	3,334,677 590,611 976,016	3,278,456 586,334 945,988
i otal payments for linancial assets Total	5,014,770			5,014,770	4,920,615	(Z) 94,155	98.1 %	4,901,304	278 4,811,056
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
ime MEC	1.1 21,688	(438)	1	21,250	21,200	50	99.76 %	19,424	18,972
Gorporate Support Departmental Strategy	1.3 351,771 1.4 15,114	2,834 2,834 771	35,000	389,605 15,885	384,175 384,175 15,559	5,430 326	98.61 % 98.61 % 97.95 %		277,830 14,810
Subtotal	429,442		35,000	464,442	457,856	6,586	% 9.86	356,698	351,983
Economic classification Current payments Compensation of employees Salaries and wages	236,619	(9,922)	,	226,697	223,179	3,518	98.4 %	203,982	203,859



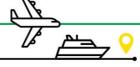




Appr Social contributions Goods and services Administrative fees Administrative fees Advertising Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	Adjusted	Shiffing of							
Social contributions Goods and services Advertising Minor assets Advertising Minor assets Advertising Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Contractors Agency and support / outsourced services Entertainment Fleet services	opilation	Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Goods and services Administrative fees Advertising Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	36,440	1,402		- 37,842	37,610	232	99.4 %	35,351	35,240
Goods and services Administrative fees Advertising Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	273,059	(8,520)		. 264,539	260,789	3,750	% 9.86	239,333	239,099
Administrative fees Advertising Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services									
Advertising Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	517	(278)		. 239	238	_	% 9.66	131	131
Minor assets Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	4,792	(8) (8)		4,784	4	16	98.0 %	က်	3,662
Audit costs: External Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	336	23		. 359		42	88.3 %		185
Bursaries: Employees Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	13,020	1,519		. 14,539	14,539	•	100.0 %	•	11,113
Catering: Departmental activities Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	2,290	480		. 2,770		9	8.66		7,661
Communication Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	3,220	653		3,873		107	97.2 %		2,773
Computer services Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	8,908	(1,217)		7,691		14	8.66		7,902
Consultants: Business and advisory services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	25,827	(5,392)		. 20,435	•	646	% 8.96	17,485	17,407
services Legal services Contractors Agency and support / outsourced services Entertainment Fleet services	2,523	(863)		1,660		265	84.0 %		801
Legal services Contractors Agency and support / outsourced services Entertainment Fleet services									
Contractors Agency and support / outsourced services Entertainment Fleet services	3,169	685		3,854	က	•	100.0 %	4,880	4,565
Agency and support / outsourced services Entertainment Fleet services	1,214	(652)		. 562		342	39.1 %	319	287
services Entertainment Fleet services	81	(52)		. 29			% 9.96		•
Entertainment Fleet services									
Fleet services	73	(36)		. 37		4	89.2 %	98	87
	5,161	5,157	5,000	15,318	15,	135	99.1 %	2	2,029
Consumable supplies	761	104		. 865		20	% 1.76		779
Consumable: Stationery, printing and	2,057	(232)		. 1,825	1,683	142	92.2 %	2,711	2,684
office supplies									
Operating leases	3,735	6,402		. 10,137	_	48	99.5 %		219
Property payments	1,713	(166)		1,547		15	% 0.66	1,367	1,345
Transport provided: Departmental	2,600	(82)		. 5,515		324	94.1 %		7,212
activity									
Travel and subsistence	13,200	(188)		. 13,012	•	241	98.1 %	•	12,310
Training and development	4,355	89		. 4,423		4	% 6.66		2,070
Operating payments	1,438	(192)		. 1,246		20	% 0.96		889
Venues and facilities	3,764	(823)		. 2,941		66	% 9.96	7,	7,214
Rental and hiring	2,260	465		. 2,725		'	100.0 %	103	103
	110,014	5,372	5,000	120,386	117,783	2,603	% 8.76	95,107	93,587
Interest and rent on land									



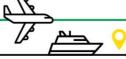




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Interest (Incl. interest on unitary payments (PPP))	•			1		1	% -		2,887
Compensation of employees Goods and services	273,059 110,014	(8,520) 5,372	5,000	264,539 120,386	260,789 117,783	3,750 2,603	98.6 % 97.8 %	239,333	239,099
Total current payments	383,073	(3,148)	5,000	384,925	378,572	6,353		334,440	335,573
Transfers and subsidies Provinces and municipalities									
Provincial Revenue Funds Provinces		4 4 4		4 4	4 4 4		100.0 % 100.0 %	295	295 295
Households Social benefits Other transfers to households	5,370 6,460	(218) 4,942		5,152 11,402	5,141 11,263	11 139	% 8.86 % 8.86	8,440	5,550
	11,830	4,724	•	16,554	16,404	150	99.1 %	8,440	5,550
Provinces and municipalities Households Total transfers and subsidies	- 11,830 11,830	12 4,724 4,736		12 16,554 16,566	16,404 16,416	150 150	100.0 % 99.1 % 99.1 %	295 8,440 8,735	295 5,550 5,845
Payments for capital assets Machinery and equipment Transport equipment Other machinery and equipment	26,265 8,274	(5,102) 3,514	30,000	51,163	51,093 11,773	70	% 6.66 % 6.66	4,033	2,884
Machinery and equipment	34,539 34,539	(1,588) (1,588)	30,000 30,000	62,951 62,951	62,866 62,866	85	% 6.66 % 6. 66	13,523 13,523	10,288 10,288
Payments for financial assets	•		•	'	2	(2)	% -		277
Total current payments Total transfers and subsidies Total payments for capital assets	383,073 11,830 34,539	(3,148) 4,736 (1,588)	5,000	384,925 16,566 62,951	378,572 16,416 62,866	6,353 150 85	98.3 % 99.1 % 99.9 %	334,440 8,735 13,523	335,573 5,845 10,288







Figures in Rand thousand				2019/2020				2018/	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Total payments for financial assets Total	- 429,442		35,000	- 464,442	2 457,856	(2) 6,586	% - % 9.86	356,698	277 351,983

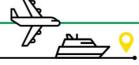


1.1 Office of the MEC

				2019/2020				2018/2019	2019
Figures in Rand thousand									
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees									
Salaries and wades	6.292	354	•	6.646	6.645	_	100.0 %		4.626
Social contributions	521	1	•	. 521		9		425	424
	6,813	354		7,167	7,160	7	% 6.66	5,138	5,050
Goods and services									
Advertising	1,084	(162)	•	. 922		'	100.0 %		•
Catering: Departmental activities	1,684	865	•	2,549	2,545	4	% 8.66	1,628	1,574
Entertainment	39	(32)	•	4		'	100.0 %		45
Consumable supplies	10	13	•	. 23	23	•	100.0 %	10	•
Consumable: Stationery, printing and	06	(81)	•	6		'	100.0 %		16
office supplies Transport provided: Departmental	3,639	(20)		3,619	3,619	'	100.0 %	5,281	5,198
activity	C			0	0	Č			0
I ravel and subsistence	5,515	(978)		7,387		39			7,417
Venues and facilities	2,152	(635)	•	1,517	1,517	•	100.0 %	4,642	4,600
Rental and hiring	2,260	465	•	2,725		•	100.0 %		•
	14,273	(518)		13,755	13,712	43	% 2.66	, 14,154	13,905
Compensation of employees	6,813	354	'	7,167		7	% 6'66		5,050
Goods and services	14,273	(518)	•	. 13,755	13,712	43	% 2.66	14,154	13,905
Total current payments	21,086	(164)	•	20,922		20			18,955



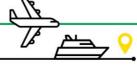




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Transfers and subsidies Households									
Social benefits Other transfers to households	258	264 (258)		264	264		100.0 % - %	18	17
	258	9			264			18	17
Households	258	9		264	264	'			17
Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	344 344	(280)		64	64		100.0 %	4 T T	
Total current payments	21,086	(164)		20,922	20,872	50		19,292	18,955
Total transfers and subsidies	258	. 9	•	264		'	100.0 %		17
Total payments for capital assets	344 21 688	(280) (438)		64 21 250	64 21 200	- 20	100.0 %	114	- 18 972
i.z management	-								
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	24,991	(2,247)		22,744	22,678	99	99.7 %	24,189	24,162
	28 113	(2.166)				99			27 544
	2, 12	(2) (2)				8			10,12



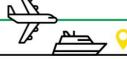




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Goods and services									
Advertising	3,372	•	•	3,372	3,304	89	% 0.86	3,492	3,482
Minor assets	46	65	'	111	111	'	100.0 %		
Catering: Departmental activities	427	(22)	'	372	339	33	91.1 %		4
Communication	360	(146)	•	214	214	'	100.0 %		
Computer services	23	` '	•	23	23	'	100.0 %		
Consultants: Business and advisory	1,879	(602)	'	1,170	986	184	84.3 %	9/9	
services							ò		
Legal services	•		•	•	•		% -		
Contractors	1,049	(260)	•	489	160	329	32.7 %	162	145
Agency and support / outsourced	81	(52)	'	29	28	~	% 9.96	•	•
services									
Entertainment	14	•		14	13	_	92.9 %		
Consumable supplies	7	80	'	15	14	_	93.3 %	45	
Consumable: Stationery, printing and	312	(3)	•	309	259	20	83.8 %	904	968
office supplies							ò		7
Operating leases	1		•			•	% -		
Transport provided: Departmental activity	223	(153)	•	70	4	29	28.6 %	550	547
Travel and subsistence	3,379	(232)	'	3,147	3,140	7	% 8.66	3,714	3,712
Operating payments	124	(124)	•	•	•	•	% -	26	96
Venues and facilities	339	(117)	'	222	222	'	100.0 %	1,790	1,789
	11,635	(2,078)	'	9,557	8,854	703	92.6 %	12,638	12,410
Compensation of employees	28,113	(2,166)	1	25,947	25,881	99	% 2.66	27,578	27,544
Goods and services	11,635	(2,078)	'	9,557	8,854	703	95.6 %		
Total current payments	39,748	(4,244)		35,504	34,735	169	% 8'.46	40,216	39,954
Transfers and subsidies									
Social benefits Households	118			118	107		90.7 % 90.7 %	175 175	174



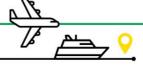




Payments for capital assets Machinery and equipment Other machinery and equipment Other machinery and equipment Machinery and equipment Other machinery and equipment Machinery and equipment Total current payments Total transfers and subsidies Total transfers and subsidies Total transfers and subsidies Total payments for capital assets Total payments for capital assets Total 1.3 Corporate Support Figures in Rand thousand Adjusted Shifting of VA Appropriation Current payments Compensation of employees Salaries and wages Social contributions Social	Virement	Lina					
inery and equipment The capital assets In an equipment The capital assets In an equipment The current payments The current payments for capital assets The corporate Support Corporate Support Somic classification Int payments Omic classification Int payments Omic classification Int payments Int payme		Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
current payments transfers and subsidies transfers and subsidies transfers and subsidies 1,003 1,077 40,869 (3,167) Corporate Support es in Rand thousand Adjusted Shifting of Appropriation Funds omic classification ant payments considered Shifting of Appropriation Funds and wages 197,406 1,358 1 contributions 17,406 1,358	1 1	2,080	2,080		100.0 %	754	243 243
ures in Rand thousand Adjusted Shifting of Appropriation Funds nomic classification rent payments npensation of employees aries and wages 31,669 1,358 17 16.4)		35,504 118 2,080 37,702	34,735 107 2,080 36,922	769 11 780	97.8 % 90.7 % 100.0 % 97.9 %	40,216 175 754 41,145	39,954 174 243 40,371
Adjusted Shifting of Appropriation Funds yees 197,406 (8,522) 31,669 1,358		2019/2020				2018/2019	2019
197,406 31,669	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
320 000		188,884 33.027	185,433 32,802	3,451	98.2 99.3 %	167,755	167,751
				3,676			198,251
Goods and services517(278)Administrative fees517(278)Advertising336154		239	238 461	1 29	99.6 %	131	131
210 210 13,020		231 14,539	\ -	42		1	132 11,113
Ú			2,764 776 7,433	64 64 14	99.8 % 92.4 % 99.8 %		7,661 639 7,683



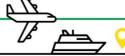




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Computer services Consultants: Business and advisory	25,804 644	(5,392) (154)	1 1	20,412	19,766 409	646 81	96.8 % 83.5 %	17,143	17,088 195
services Contractors	165	(92)	'	73	09	13	82.2 %	~	142
Entertainment Floot services	16	2 7 1 5 7	. 000 3	18	15	3,75	83.3 %	2 160	72
Consumable supplies	722	, c,	7,000,6	805	798	7	99.1 %		742
Consumable: Stationery, printing and office supplies	1,252	(150)	•	1,102	1,093	о	99.2 %	1,659	1,655
Operating leases	3,735	6,402	'	10,137	_	48	99.5 %		564
Property payments Transport provided: Departmental	1,713	(100) 88		1,547 1,826	1,532	75 295	83.8 % 83.8 %	1,367	1,345
activity Travel and subsistence	5 483	626	•	6 455	6 341	114	% 6 80	4 986	4 961
Training and development	4,355	68	1	4,423		4	% 6.66 % 6.66		2,070
Operating payments	1,264	(89)	'	1,196		'	100.0 %	630	592
Venues and facilities	583	(71)	•	512	909	9	98.86		245
Rental and hiring	•	,	'	'	'	'	% -	, 103	103
	78,515	7,355	2,000	90,870	89,338	1,532	98.3 %	, 61,428	60,749
Interest and rent on land Interest (Incl. interest on unitary payments (PPP))	-	•	•	•	•	•	% -	-	2,887
Compensation of employees Goods and services	229,075 78,515	(7,164) 7,355	5,000	221,911 90,870	218,235 89,338	3,676 1,532	98.3 % 98.3 %	, 198,335 , 61,428	198,251 60,749
Interest and rent on land Total current payments	307,590	191	5,000	312,781	307,573	5,208	% - 88.3 %	259,763	2,887 261,887
Transfers and subsidies Provinces and municipalities Provinces Provincial Revenue Funds	1 1	52		2 5	2 7	1 1	100.0	295	295 295
		1		-			200		2



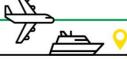




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Households Social benefits Other transfers to households	5,252 6,202	(482) 5,200		4,770	4,770 11,263	139	100.0 %	8,247	5,359
Provinces and municipalities Hauseholds	11,454	4,718 12 4,718		16,172 12 16,172	16,033	139 - 130	99.1 % 100.0 % 299.1 %	8,247 295 8,247	5,359 295
Total transfers and subsidies	11,454	4,730	'	16,184	16,045	139			5,654
Payments for capital assets Machinery and equipment Transport equipment Other machinery and equipment	26,265 6,462	(5,102) 3,015	30,000	51,163 9,477	51,093 9,462	70	% 6.99 % 8.98	4,033 8,522	2,884
Machinery and equipment	32,727 32,727	(2,087) (2,087)	30,000 30,000	60,640 60,640	60,555 60,555	85 85	% 6.66	12,555 12,555	10,012 10,012
Payments for financial assets	•		'		2	(2)	%-		277
Total current payments Total transfers and subsidies Total payments for capital assets Total payments for financial assets	307,590 11,454 32,727	191 4,730 (2,087)	5,000	312,781 16,184 60,640	307,573 16,045 60,555	5,208 139 85 (2)	98.3 % 99.1 % 99.9 %	259,763 8,542 12,555	261,887 5,654 10,012
Total	351,771	2,834	35,000	389,605	384,175	5,430	98.6	280,860	277,830





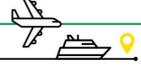


1.4 Departmental Strategy

3									
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification Current payments									
Salaries and wages Social contributions	7,930 1,128	493 (37)		8,423	8,423	· -	100.0 %	6 7,325 6 957	7,320
	9,058	456		9,514	9,513	1	100.0 %	% 8,282	8,254
Goods and services				!	!				
Minor assets	80	(63)		17	17	•	100.0 %		12
Catering: Departmental activities	120	(8)	•	112	106	9	94.6 %	•	110
Communication	30	1 00		30	30	'	100.0	0 40	29
Legal selvices Entertainment	3,109	(3)		5,034	3,034	' '	100.0	% 4,010 %	4,490
Consumable supplies	22) '	•	22	10	12	45.5	12	- 9
Consumable: Stationery, printing and	403	2	•	405	322	83	79.5	_	117
office supplies									
Operating leases	•	•	•	•	•	•	6 -		4
Travel and subsistence	1,023	•	•	1,023	942	81		, 1,168	1,165
Operating payments	20	•	•	20	•	20	% -		•
Venues and facilities	069	•	•	069	265	93		, 580	280
	5,591	613	•	6,204	5,879	325	94.8	% 6,887	6,523
Compensation of employees	9,058	456	'	9,514		1	100.0		8,254
Goods and services	5,591	613		6,204	5,879	325	94.8 %	6,887	6,523
Total current payments	14,649	1,069		- 15,718	15,392	326	97.9	% 15,169	14,777
Payments for capital assets									
Other machinery and equipment	465	(298)	•	167	167	,	100.0 %		33
Machinery and equipment	465	(298)	•	167	167	1	100.0 %	, 100	33
Total current payments	14,649	1,069	'	15,718	15,	326	% 6'26	15	14,777
Total payments for capital assets	465	(298)	•	167	167	' 5			33
Total	15,114	771		15,885	15,559	326		45,269	14,810





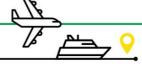


Figures in Rand thousand					2019/2020				2018,	2018/2019
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme										
Programme Support	2.1	13,127	2,654	(2,700)	13,081	11,159	1,922	85.31 %	12,684	12,434
Infrastructure Planning	2.2	38,796	(1,560)	(4,700)	32,536	18,780	13,756	57.72 %	56,088	54,408
Infrastructure Design	2.3	18,066	(4,800)	` '	13,266	11,589	1,677	87.36 %	23,234	22,850
Construction	2.4	595,293	(32,735)	(31,800)	530,758	528,301	2,457	99.54 %	658,095	658,743
Maintenance	2.5	1,374,438	(5,352)	(2,900)	1,366,186	1,346,053	20,133	98.53 %	1,050,914	1,000,566
Mechanical	2.6	208,573	41,793	(19,300)	231,066	213,774	17,292	92.52 %	402,456	400,423
Subtotal		2,248,293	 - 	(61.400)	2,186,893	2.129.656	57.237	97.4 %	2.203.471	2.149.424

Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	277,344 46,782	(138) 138		277,206 46,920	273,414 45,586	3,792 1,334	98.6 % 97.2 %	277,273 47,324	277,146 47,209
	324,126			324,126	319,000	5,126	98.4 %	324,597	324,355
Goods and services									
Administrative fees	10		•	10		10	% -	424	424
Advertising	639	(485)	•	154	44	110	28.6 %	498	497
Minor assets	516	1,729	•	2,245	2,011	234	89.6 %	148	98
Catering: Departmental activities	4,663	(29)		4,634	4,278	356	92.3 %	1,462	1,387
Communication	3,159	250	(2,500)	606	645	264	71.0 %	1,763	1,667
Computer services	200	415		615	614	~	8.66	151	151
Consultants: Business and advisory	2,790	(261)	(2,300)	3,229	3,147	82	97.5 %	4,798	4,796
services									



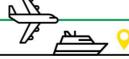




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Infrastructure and planning services	94,792	(26,417)	' 	68,375	68,049	326	99.5 %	41,7	38,591
Legal services		•	•						37
Contractors	560,410	(46,972)	•	513,438	503,122	10,316	98.0	570,830	524,631
Entertainment	26		•	26	13	13	20.0 %	•	•
Fleet services	59,387	12,623	(16,800)	55,210		169	% 2'66	49,174	49,174
Inventory: Fuel, oil and gas	33,079	(4,000)			23,296	5,783	80.1 %		31,023
Inventory: Materials and supplies	6,248	4,384	'	10,632		5,998			844
Inventory: Other supplies	•	•	'		•	'	% -		•
Consumable supplies	5,733	(31)	(1,500)	4,202	4,028	174	95.9 %	6,756	6,741
Consumable: Stationery, printing and	1,267	467	(200)		1,428	106	93.1 %		717
office supplies									
Operating leases	713	118	•	831	761	70	91.6 %	1,590	1,473
Property payments	3,524	(1,181)	(200)		1,003	840	54.4 %		1,342
Transport provided: Departmental	2,900	(400)	,	2,500		432	82.7 %	•	•
activity									
Travel and subsistence	38,009	432	(2,800)	35,641	34,956	685	98.1 %	26,985	26,985
Training and development	1,793	(212)		1,017	748	269	73.5 %		190
Operating payments	4,179	(391)	(2,900)	888	818	70	92.1 %	1,074	1,072
Venues and facilities	4,116	(2,104)			1,855	157	92.2 %		3,810
Rental and hiring	472,491	55,027	1	527,518	52	202	100.0 %	23	236,152
	1,303,644	(7,602)	(29,500)	1,266,542	1,239,875	26,667	% 6.76	982,389	931,784
Interest and rent on land									
Interest (Incl. interest on unitary		•	'	•	196	(196)	% -	•	3,063
payments (PPP))									
Compensation of employees	324,126		'	324,126	319,000	5,126			324,355
Goods and services	1,303,644	(7,602)	(29,500)	1,266,542	1,239,875	26,667	% 6'26	982,389	931,784
Interest and rent on land	•			•	196	(196)	% -		3,063
Total current payments	1,627,770	(2,602)	(29,500)	1,590,668	1,559,071	31,597	% 0.86	1,306,986	1,259,202
Transfers and subsidies									
Provinces and municipalities Provinces									
Provincial Revenue Funds	3,892	1	'	3,892	2,983	606	% 9'92	4,880	3,817





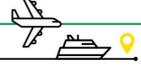


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Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Provinces	3,892	ı	'	3,892	2,983	606	% 9'92	4,880	3,817
Households Social benefits Other transfers to households	15,794 360	(5)	(1,900)	13,325 355	12,511 164	814	93.9 %	8,500 14,732	8,407
	16,154	(574)	(1,900)	13,680	12,675	1,005	92.7 %	23,232	23,139
Provinces and municipalities Households Total transfers and subsidies	3,892 16,154 20,046	- (574) (574)	- (1,900) (1,900)	3,892 13,680 17,572	2,983 12,675 15,658	909 1,005 1,914	76.6 % 92.7 % 89.1 %	4,880 23,232 28,112	3,817 23,139 26,956
Payments for capital assets Buildings and other fixed structures Buildings Other fixed structures	17,414 514,905	(1,259) (22,639)	- (30,000)	16,155 462,266	2,556 462,266	13,599	15.8 % 100.0 %	1,500	593,518
	532,319	(23,898)	(30,000)	478,421	464,822	13,599	97.2 %	597,388	593,518
Machinery and equipment Transport equipment Other machinery and equipment	56,443	35,512 (3,437)		91,955		2,168	91.6 %		269,718
Coffice of the base of the Control o	67,675	32,075		99,750	89,872	9,878	90.1 %	270,	269,718
assets Buildings and other fixed structures Machinery and equipment Intangible assets	463 532,319 67,675 483	(1) (23,898) 32,075 (1)		462 478,421 99,750 482	233 464,822 89,872 233	249 13,599 9,878 249	97.2 % 90.1 % 48.3 %	597,388 270,805 180	593,518 269,718 30
Total payments for capital assets	600,477	8,176	(30,000)	578,653	554,927	23,726	% 6:36	868,373	863,266
Total current payments Total transfers and subsidies Total payments for capital assets Total	1,627,770 20,046 600,477 2,248,293	(7,602) (574) 8,176	(29,500) (1,900) (30,000) (61,400)	1,590,668 17,572 578,653 2,186,893	1,559,071 15,658 554,927 2,129,656	31,597 1,914 23,726 57,237	98.0 % 89.1 % 95.9 % 97.4 %	1,306,986 28,112 868,373 2,203,471	1,259,202 26,956 863,266 2,149,424



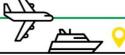




	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	619 138	(138) 138		481 276	78	403 276	16.2 % - %	1 1	' '
	757			757	78	629	10.3 %		
Goods and services									
Administrative fees	•	•	•	'	•	'	% -		424
Advertising	•	•	•	•	•	•	% -	491	49
Minor assets	•	949	•	949	949	•	100.0 %		
Catering: Departmental activities	492	(2)	•	485	316	169	65.2 %	1,058	866
Communication	•	•	•	•	•	•	% -		
Computer services	•	•	•	•	•	•	% -		151
Consultants: Business and advisory	•	•	•	•	•	•	% -	2,930	2,930
services									
Contractors	100	•	•	100	100	•	100.0 %	•	
Entertainment	2	•	•	2	•	2	% -	•	
Consumable supplies	•	16	•	16	2	1	31.3 %	3	3
Consumable: Stationery, printing and	30	470	•	200	200	'	100.0 %		
office supplies									
Operating leases	•	•	•	•	•	•	% -		21
Property payments	•	30	•		30	•	100.0 %		20
Travel and subsistence	2,080	284	(1,500)) 864	782	82	% 5.06	921	921
Operating payments	•	•	•		•	•	% -	2	
Venues and facilities	1,654	(819)	•	775	775	•	100.0 %	2,139	2,139



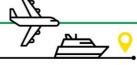




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Rental and hiring	1,152	(204)	1	258	558	ľ	100.0 %	' 	
	5,510	269	(1,500)	4,279	4,015	264	93.8 %	8,239	8,101
Compensation of employees Goods and services Total current payments	757 5,510 6,267	269 269	(1,500) (1,500)	757 4,279 5,036	78 4,015 4,093	679 264 943	10.3 % 93.8 % 81.3 %	8,239 8,239	8,101 8,101
Transfers and subsidies Households Social benefits Households	6,358 6,358	1 1	(1,200)	5,158 5,158	5,149 5,149	o o	99.8 % 99.8 %	4,330 4,330	4,238 4,238
Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	505 502	2,385 2,385	1 1	2,887	1,917	970 970	66.4 %	11. 1.05 1.05	95 95
Total current payments Total transfers and subsidies Total payments for capital assets Total	6,267 6,358 502 13,127	269 2,385 2,654	(1,500) (1,200) - (2,700)	5,036 5,158 2,887 13,081	4,093 5,149 1,917 11,159	943 9 970 1,922	81.3 % 99.8 % 66.4 % 85.3 %	8,239 4,330 115 12,684	8,101 4,238 95 12,434
2.2 Infrastructure Planning				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement /	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Economic classification Current payments Compensation of employees Salaries and wages	696.8	(350)		8 0.19	7,992	627	92.7 %		29,226
Salaries and wages	8,969	(350)	1	8,619	7,992	9	27		27 92.7 % 29,226



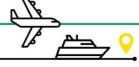




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Social contributions	658	1		658	592	99	% 0.06	5,563	5,563
	9,627	(320)	'	9,277	8,584	693	92.5 %	6 34,789	34,789
Goods and services									
Advertising	100	•	'	100	•	100	% -	, 2	7
Minor assets	19	_	'	20	•	20	'	39	•
Catering: Departmental activities	2,018	(2)	'	2,016	2,003	13	766		31
Communication		` '	'	•	•	'	% -		•
Consultants: Business and advisory	3,030	1	(1,800)	1,230	1,148	82	93.3 %	6 497	496
services Infraetructure and nlanning services	878	(1)	'	877	206	171	80 5 %	1 364	1 364
Legal services	5	- '	•	5		- '	;		33
Contractors	•	6	'	6	6	•	100.0 %		'
Entertainment	2	•	•	2		2	'	1	•
Consumable supplies	•	•	•	•	•	•	% -	9	•
Consumable: Stationery, printing and	12	_	'	13	12	_	92.3 %		10
office supplies	1						1		
Transport provided: Departmental	1,500	1	•	1,500	1,158	342	77.2 %	.0	1
Travel and subsistence	952	•	'	952	200	252	73.5 %	962	962
Training and development	'	•	'	'		¦ '	'		'
Operating payments	2,900	•	(2,900)	-	•	'	% -		82
Venues and facilities	1,874	(1,199)		675	209	89	89.	6 1,022	1,011
Rental and hiring	2,000		•	2,000	1,800	200	% 0.06		•
	15,285	(1,191)	(4,700)	9,394	8,143	1,251	% 2'98	6, 4,007	3,828
Compensation of employees	9,627	(320)	•			693		(,)	(,)
Goods and services	15,285	(1,191)	(4,700)			1,251	86.7		
Total current payments	24,912	(1,541)	(4,700	18,671	16,727	1,944	89.6 %	38,796	38,617
Transfers and subsidies									
Social benefits	•	5	'	5		,	100.0 %	1,060	1,059
Other transfers to households	360	(2)	-	355	164	191			



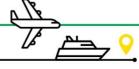




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Households	360			360	169 169	191	46.9 % 46.9 %	15,792	15,791 15,791
Payments for capital assets Buildings and other fixed structures Buildings	13,414	(6)	ı	13,405	1,884	11,521	14.1 %	1,500	ı
Machinery and equipment Other machinery and equipment	110	(10)	,	100	1	100	% -		'
Buildings and other fixed structures Machinery and equipment Total payments for capital assets	13,414 110 13,524	(9) (10) (19)		13,405 100 13,505	1,884	11,521 100 11,621	14.1 % - % 14.0 %	1,500	
Total current payments Total transfers and subsidies Total payments for capital assets Total	24,912 360 13,524 38.796	(1,541) - (19) (1,560)	(4,700)	18,671 360 13,505 32,536	16,727 169 1,884 18,780	1,944 191 11,621 13,756	89.6 % 46.9 % 14.0 %	38,796 15,792 1,500 56.088	38,617 15,791 -
2.3 Infrastructure Design				660					1 1
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Approprie	Actual Expenditure
Economic classification Current payments									
Compensation of employees Salaries and wages Social contributions	3,475 464	1 1		3,475 464	2,619	856 51	75.4 % 89.0 %	5,682	5,682
	3,939		•	3,939	3,032	206	% 0.77	090'9	5,947



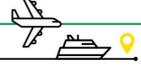




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Goods and services	i i	į (
Advertising	35	(Z)			87.7	Ω	84.8 %		•
Minor assets	, 00	7	•	7 00 7	V 6	' '	100.0	73	•
Catering: Departmental activities Communication	901	' '	' '	00 '		, o	% +.e. % -	. 98	
Infrastructure and planning services	12,894	(10,677)	'	2,217	2,113	104	95.3 %	16,2	16,270
Consumable supplies			•		•	•	% -		•
Consumable: Stationery, printing and	80	ı	•	80	80	'	100.0 %	32	18
Once supplies Travel and subsistence	782	(88)	'	969	398	298	57.2 %	433	433
Training and development	! '	-	•			'	% -		! '
Venues and facilities	51	(26)	'	25	•	25	% -		•
	13,878	(10,789)		3,089	2,570	519	83.2 %	, 16,842	16,721
Compensation of employees	3.939		'	3.939		206	77.0 %	090.9	5.947
Goods and services	13,878	(10,789)	'	3,089	2,570	519	83.2 %	_	16,721
Total current payments	17,817	(10,789)	•	7,028		1,426			22,668
Transfers and subsidies									
Households Social benefits	,	70	,	70		~	% 6 90		1
Households	' '	27	'	27	26		% E.96		
Payments for capital assets Buildings and other fixed									
structures Other fixed structures	•	5,903	'	5,903	5,903	•	100.0 %	.0	
Machinery and equipment Other machinery and equipment	'	59	'	59	58	_	% 8.36	, 152	152
Software and other intangible	249	1	'	249	1	249	% -	180	30
assets Buildings and other fixed structures Markingary and equipment	•	5,903		5,903	5,903	١, -	100.0 %	177	. 75.
Madimid y and equipment	•		•			-	2.00		20



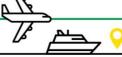




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Intangible assets	249	1	'	249	ı	249	% -	180	30
Total payments for capital assets	249	5,962	ľ	6,211	5,961	250	% 0.96	332	182
Total current payments	17,817	(10,789)		7,028	5,602	1,426	% 2.62	22,902	22,668
Total transfers and subsidies Total payments for capital assets	- 249	27 5 962		27 6 2 1 1	26 5 961	750	% €.96 96.3 9.0 9.0	332	- 182
Total	18,066	(4,800)	•	13,266	11,589	1,677	87.4 %	23,	22,850
2.4 Construction									
Figures in Rand thousands				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	43,652 7,586	(776)	1 1	42,876 7,586	42,555 7,333	321 253	99.3 % 96.7 %	41,132 6,972	41,126 6,972
	51,238	(776)	'	50,462	49,888	574	% 6.86	48,104	48,098
Goods and services				1	ı				
Advertising	490	(483)	'		720	'	100.0 %		•
Catering: Departmental activities	502	(7)			456	68	92.7%	78	- 02
Communication	9	250	'	256	247	0	96.5 %	1.4	1,414
Computer services	200	415	•	615	614	_	% 8.66		
Consultants: Business and advisory	2,760	(261)	(200)	1,999	1,999	•	100.0 %	461	461
Infrastructure and planning services	•	1	•		ı	1	% -		231
Contractors	296	2,301	'	3,26	3,26	_	100.0 %	2	2,321
Entertainment	9	•	•	9	2	_	83.3 %		•



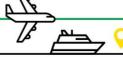




Figures in Rand thousand				2019/2020				2018/	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Inventory: Materials and supplies	49	10		29		3	94.9 %	45	45
Consumable supplies	480	•	•	480		5			91
Consumable: Stationery, printing and	220	•	•	220	209	11		293	293
office supplies									
Operating leases	24	14	'	38		_	97.4 %	998	896
Property payments	1,350	(1,211)	'	139	116	23	83.5 %		28
Transport provided: Departmental	400	(400)	•	•	•	•	% -		•
activity									
Travel and subsistence	13,049	(1,209)	(1,300)	10,	10,	38	% 9.66	7,	7,391
Training and development	450	(20)	'	380	373	7	98.2 %		92
Operating payments	•	81	'	81		_	% 8.86	_	156
Venues and facilities	99	•	'	56		29	48.2 %		13
	21,024	154	(1,800)	19,378	19,209	169	99.1 %	13,643	13,604
Interest and rent on land									
Interest (Incl. interest on unitary payments (PPP))	•	•	•	•	196	(196)	% -	1	3,063
Compensation of employees	51.238	(222)	•	50,462	49.888	574	% 6'86	48.104	48.098
Goods and services	21,024	154	(1,800)			169	99.1 %		13,604
Interest and rent on land	•	•		•	196	(196)			3,063
Total current payments	72,262	(622)	(1,800)	69,840	69,293	547	.66	, 61,747	64,765
Transfers and subsidies Households									
Social benefits	750	1	'	750		252	66.4 %		460
Households	750	•	'	750	498	252	66.4 %	460	460
Payments for capital assets Buildings and other fixed									
Other fixed structures	514,905	(28,542)	(30,000)	456,363	456,363	•	100.0 %	595,888	593,518
Machinery and equipment Transport equipment	1,001	(1)	'	1,000	240	092	24.0 %	1	



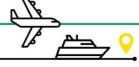




Adjusted Appropriation Finds Shifting of Appropriation Funds Virement Appropriation Funds Final Appropriation Appropriation Expenditure Appropriation Expenditure Vi f (3,570) C (3,58) - 2,881 1,923 ther intrangible activities 225 (1) - 224 224 224 ther fixed structures acquipment activities 514,905 (28,542) (30,000) 456,363 466,363 466,363 s acquipment activities 72,262 (1) - 224 1,923 458,510 458,510 s acquipment activities 72,262 (13,000) 460,168 458,510 458,510 s acquipment activities 72,281 (32,113) (30,000) 460,168 458,510 s acquired assets 522,281 (32,113) (30,000) 460,168 458,510 n acquired assets 522,281 (32,135) (31,800) 530,758 523,301 n acc Adjusted Shifting of Virement Appropriation Expenditure Appropriation Funds 213,343 216,768 acc 138,958 - 23,235 - 2432 1324	Figures in Rand thousand				2019/2020				2018	2018/2019
1,663 1,663 1,663 1,663 1,663 1,663 1,663 1,663 1,663 1,663 1,665 1,66		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation		Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
ware and other intangible 225 (1) - 224 224 dings and other fixed structures 514,905 (28,542) (30,000) 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,361 458,510 460,168 458,510 458,51	Other machinery and equipment	6,150	(3,569)		2,581		868	65.2 %	1	'
tware and other intangible eight 225 (1) - 224 224 224 decided activations of the fixed structures 514,905 (3,570) - 224 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,363 456,364 224 </td <td></td> <td>7,151</td> <td>(3,570)</td> <td></td> <td></td> <td></td> <td>1,658</td> <td>23.7 %</td> <td></td> <td></td>		7,151	(3,570)				1,658	23.7 %		
dings and other fixed structures 514,905 (28,542) (30,000) 456,363 456,363 hinery and equipment 7,151 (3,570) - 3,581 1,923 1,923 and be assets 522,281 (32,113) (30,000) 460,168 458,510 and payments for capital assets 522,281 (32,113) (30,000) 460,168 458,510 and payments for capital assets 522,281 (32,135) (30,000) 460,168 458,510 and payments for capital assets 522,281 (32,735) (31,800) 530,758 528,301 and payments for capital assets 522,281 (32,735) (31,800) 530,758 528,301 and payments for capital assets 522,281 (32,735) (31,800) 530,758 528,301 and payments for capital assets 522,281 (32,735) (31,800) 530,758 528,301 and payments for capital assets 522,281 (32,735) (31,800) 530,758 528,301 and payments for capital assets 51,135	Software and other intangible	225	(1)	'	224			100.0 %	'	
Section Sect	Buildings and other fixed structures Machinery and equipment Intangible assets	514,905 7,151 225	(28,542) (3,570) (1)	(30,000)	456, 3,	4	1,658	100.0 % 53.7 % 100.0 %	595,888	593,518
al current payments I crassification I departmental activities I crassification I departmental activities I crassification I crassification I departmental activities I crassification I crassification I crassification I departmental activities I crassification I crassification I departmental activities I crassification I crassification I departmental activities I crassification I crassification I crassification I departmental activities I crassification I departmental activities I crassification I departmental activities I crassification I crassification	Total payments for capital assets	522,281	(32,113)	(30,000			1,658	% 9.66	595,888	593,518
Maintenance Adjusted Spf.293 (32,113) (30,000) (31,800) (31,800) (30,758 (32,301) (32,301) (30,000) (31,800) (31,800) (31,800) (32,301 (31,800)	Total current payments	72,262	(622)	(1,800	69	69	547	99.2 %	61,747	64,765
Maintenance Adjusted Appropriation Shifting of Funds Virement Appropriation Final Appropriation Actual Appropriation nomic classification remt payments aries and wages aries and wages and wages and wages or assets or assets or assets or assets or assets are assets are an appropriation of a saction of a	Total transfers and substities Total payments for capital assets Total	522,281 595,293	(32,113) (32,735)	(30,000)	460, 530 ,		1,658 2,457	% 5.66	595 658	593,518 658,743
Adjusted Appropriation Funds Nifting of Virement Appropriation Funds Virement Appropriation Expenditure yees 181,958 3,325 - 185,283 185,212 32,060 31,556 - 32,060 31,556 214,018 3,325 - 217,343 216,768 citivities 1,378 - 136,78 1,324 10 - 10 8					2019/2020				2018	2018/2019
yees 181,958 3,325 - 185,283 18 32,060 3 - 32,060 3 2,060 3 2,060 3 3,325 - 217,343 21 432 432 432 432 432 1,365 10,305		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure	Actual Expenditure
employees 181,958 3,325 - 185,283 18 32,060 3 - 217,343 21 214,018 3,325 - 217,343 21 35 - 432	Economic classification									
vices 432 432 432 tmental activities 1,378 1,365	Current payments Compensation of employees Salaries and wages Social contributions	181,958 32,060	3,325		185,283 32,060	~	71 504	100.0 % 98.4 %	169,925	169,920 29,091
vices 432 - 432 tmental activities 1,378 - 1,365 10 - 10		214,018	3,325			216,768	575	% 2.66	199,017	199,011
?	Goods and services Minor assets Catering: Departmental activities Communication	432 1,378 10	(13)		432 1,365 10		213 41 2	50.7 % 97.0 % 80.0 %	86 158 189	86 158 189



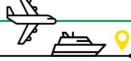




Consultants: Business and advisory							% -	910	606
Services Infrastructure and planning services Contractors	81,020 558,960	(15,739) (49,282)		65,281 509,678	65,230 499,673	51 10,005	99.9 98.0 98.0	23,880 568,509	20,726 522,310
Entertainment Fleet services	4 '	472		14 472	472	∞ '	42.9 % 100.0 %	- 263	- 263
Inventory: Materials and supplies	6,199	4,374	•	10,573	4,578	5,995	43.3 %	1,430	799
Inventory: Other supplies Consumable supplies	3.579		(1,500)	2.079	2.031	- 48	% - % 2'26	244	244
Consumable: Stationery, printing and	789	~	(200)	290	266	24	95.9 %	316	301
office supplies Operating leases	,	26	٠	26	26	,	100.0 %	194	84
Property payments	820) '	(200)	320	271	49	84.7 %	655	655
Transport provided: Departmental	1,000	•	` '	1,000	910	06	91.0 %	•	•
activity Travel and subsistence	17.388	1.194	•	18.582	18.582	,	100.0 %	14.502	14.502
Training and development	1,103	(200)	,	397	353	44	88.9 %	43	43
Operating payments	1,104	(472)	•	632	609	23	96.4 %	989	989
Venues and facilities	430	1	•	430	405	25	94.2 %	46	45
Rental and hiring	469,339	55,621	-	524,960	524,958	2	100.0 %	236,153	236,152
	1,143,565	(4,524)	(2,200)	1,136,841	1,120,221	16,620	% 5.86	848,265	798,152
Compensation of employees	214,018	3,325		217,343	216,768	575	% 2.66	199,017	199,011
Goods and services	1,143,565	(4,524)	(2,200)	1,136,841	1,120,221	16,620	98.5 %	848,265	798,152
Total current payments	1,357,583	(1,199)	(2,200)	1,354,184	1,336,989	17,195	% 2.86	1,047,282	997,163
Transfers and subsidies Households Social benefits	8	(601)	(002)	6 830	9336	494	% & Co	2.537	2 537
Households	8,131	(601)	(200)	6,830	6,336	494	92.8 %	2,537	2,537
Payments for capital assets Buildings and other fixed Structures		2		C .	0	0	2		
Bullaings	4,000	(1,250)		7,750	2/0	2,078	24.4 %		'
Machinery and equipment Transport equipment Other machinery and equipment	245 4,470	(2,302)	1 1	245 2,168	78 1,969	167	31.8 % 90.8 %	1,095	- 866



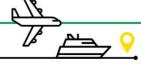




Adjusted Shifting of Virement Appropriation Expenditure Appropriation Funds Appropriation Funds Appropriation Funds Appropriation Funds Appropriation Appropriatio	Figures in Rand thousand				2019/2020				2018/2019	2019
A 7715 C 2,302 C 2,413 C 2,047 366 84.8 % T 1		Adjusted Appropriation	Shifting of Funds		Final Appropriation	1	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Parameter and other intengible 9 - 100.0 % 1.50		4,715	(2,302)		2,413		366	84.8 %	1,095	998
Second Part	Software and other intangible	6			6	6	•	100.0 %	'	
payments for capital assets 8,724 (3,552) - 5,172 2,728 2,444 52.7% 1 current payments 1,357,583 (1,199) (2,200) 1,354,184 1,336,989 17,195 98.7% 1,047 transfers and subsidies 8,131 (601) (700) 6,830 6,336 2,444 52.7% 1,047 payments for capital assets 1,374,438 (5,352) (2,900) 1,366,186 1,346,063 20,133 98.5% 1,050 Mechanical Adjusted Shifting of Shifting of Payments Appropriation Appropriation Appropriation Appropriation Appropriation Shifting of Shifting Shifting of Shifting Shifti	assers Buildings and other fixed structures Machinery and equipment Intangible assets	4,000 4,715 9	(1,250) (2,302)		2,750 2,413 9	672 2,047 9	2,078 366 -	24.4 % 84.8 % 100.0 %	1,095	. 866
current payments 1,357,583 (1,199) (2,200) 1,354,184 1,336,989 17,195 98.7% 1,047 transfers and subsidies 8,131 (601) (700) 6,830 6,836 444 52.7% 1,050 Mechanical 1,374,438 (5,352) (2,900) 1,366,186 1,346,053 20,133 98.5 % 1,050 Mechanical Adjusted Appropriation Funds Shiffling of Virement Final Appropriation Actual Actual Actual Actual Appropriation Variance Expenditure Final Appropriation Actual Actual Actual Actual Actual Appropriation Actual Appropriation Actual Ac	Total payments for capital assets	8,724	(3,552)	•	5,172	2,728	2,444	52.7 %	1,095	998
Mechanical	Total current payments Total transfers and subsidies	1,357,583	(1,199)	(2,200) (700)	1,354,184 6,830	1,336,989	17,195		1,04	997,163
Mechanical Adjusted Adjusted Shifting of Propriation rent payments Shifting of Appropriation Final Appropriation Funds Appropriation Expenditure Appropriation Appropriation Appropriation Ferror Propriation Ferror Propried Ferror Propriation Ferror Propriation Ferror Propriation Ferror Propried Ferror Propriation Ferror Propr	i otal payments for capital assets Total	8,724 1,374,438	(3,552) (5,352)	(2,900)	5,172 1,366,186	2,728 1,346,053	20,133		1,05	860 1,000,566
Adjusted Appropriation Funds Nirting of Virement Final Appropriation Expenditure Appropriation Expenditure Variance Appropriation Expenditure 38,671 (2,199) - 36,472 34,958 1,514 5,876 - 5,876 5,692 184 44,547 (2,199) - 42,348 40,650 1,698 10 - 10 - 10 - 10 - 10 14 - 103 - 103 5 5 50 53 - 103 102 1 165 - 165 163 163 7 165 - 165 163 7 7 165 - 165 168 7 165 - 165 168 7 165 - 165 168 7 165 - 165 168 7 166 - 165 168 7 166 - 165 168 7 167 - 166 168 7 167 - 166 166 <					2019/2020				2018/2019	2019
38,671 (2,199) - 36,472 34,958 1,514 95.8 % 5,876 5,692 184 96.9 % 96.9 % 10 - 5,876 5,692 184 96.9 % 96.0		Adjusted Appropriation	Shifting of Funds		Final Appropriation		Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
35 44,547 (2,199) - 42,348 40,650 1,698 96.0 % 36, 36, 36 36 10 - 10 - 10 - %	Economic classification Current payments Compensation of employees Salaries and wages Social contributions	38,671 5,876	(2,199)	1 1	36,472 5,876	34,958 5,692	1,514	95.8 % 96.9 %	31,308 5,319	31,192 5,318
10 - 10 - % 14 14 9 5 64.3 % 150 53 - 165 158 7 95.8 % 165 (2.500) 64.3 390 253 60.7 %		44,547	(2,199)	1	42,348	40,650	1,698	% 0.96	36,627	36,510
s 50 53 - 103 102 1 99.0% epartmental activities 165 - 7 (2.500) 643 390 253 60.7%	Goods and services Administrative fees	10			01	' 0	10	% - 84.3 %		
3 143 - (2 500) 643 390 253 60.7 %	Minor assets Catering: Departmental activities	50	53		103	102) + /	99.0%		135
	Communication	3,143	•	(2,500)	643	390	253	60.7 %		64







Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Contractors	383	,] '	383	73	310	19.1 %		'
Entertainment	2	•	•	8	2	•	100.0 %	•	'
Fleet services	59,387	12,151	(16,800)	54,738		169	% 2.66	48,911	48,911
Inventory: Fuel, oil and gas	33,079	(4,000)	,		23,296	5,783	80.1 %		31,023
Consumable supplies	1,674	(47)	•	1,627		110	93.2 %	6,4	6,403
Consumable: Stationery, printing and	208	(2)	•	203	133	20	65.5 %	96	98
office supplies		i				;			•
Operating leases	689	78	•	767		69	91.0 %		400
Property payments	1,354	•	•	1,354		292	43.3 %		009
Travel and subsistence	3,758	249	•	4,007	3,992	15	% 9.66	2,6	2,942
Training and development	240	•	'	240		218	9.2 %		52
Operating payments	175	•	'	175	129	46	73.7 %		148
Venues and facilities	51	•	'	51	41	10	80.4 %	602	602
	104,382	8,479	(19,300)	93,561	85,717	7,844	91.6 %	91,393	91,378
Compensation of employees	44,547	(2,199)	'	42,348		1,698	% 0.96		36,510
Goods and services	104,382	8,479	(19,300)	93,561	85,717	7,844		91,393	91,378
Total current payments	148,929	6,280	(19,300)	_		9,542		`	127,888
Transfers and subsidies Provinces and municipalities									
Provincial Revenue Funds	3 892	•	'	3 892	2 983	606	% 9 92		3 817
Provinces	3,892	1	•	3,892		606	76.6 %	4,880	3,817
Households									
Social benefits	222	•	'	222	497	28	89.5 %	113	113
Provinces and municipalities	3,892		'	3,892	2,983	606	76.6 %	4,880	3,817
Households	555	•	•	555		58	89.5 %	113	113
Total transfers and subsidies	4,447	•	•	4,447	3,480	296	78.3 %	4,993	3,930
Payments for capital assets									
Transport equipment	55,197	35,513	'	90,710	83,927	6,783	92.5 %	1	'
			1						



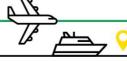




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Other machinery and equipment			•	1	'	'	% -	269,443	268,605
Machinery and equipment	55,197 55,197	35,513 35,513	' '	90,710 90,710	83,927 83,927	6,783 6,783	92.5 % 92.5 %	269,443 269,443	268,605 268,605
Total transfers and subsidies	148,929	6,280	(19,300)	135,909	126,367	9,542	93.0 %	128,020	127,888
Total payments for capital assets Total	4,44, 55,197 208,573	35,513 41,793	- (19,300)	9 %	₈ 72	6,783 1 7,292	92.5 % 92.5 % 92.5 %	92 4	2,930 268,605 400,423
3. Programme 3 - Transport Operations	suc								
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Sub programme									
ort Services	5,919 566,466	(58) 14.464	1,300	7,161 580,930	6,772 561,154	389 19,776	94.57 % 96.60 %	9,182 555,036	6,918 554,819
Transport Safety and Compliance 3.3	71,180	(4,289)	,	66,891	66,590	301	99.55 %	60,241	59,460
Infrastructure Operations 3.4 Scholar Transport 3.5	63,102 614,793	(10,468) 351	(8,200) 23,900	44,434 639,044	42,281 632,945	2,153 6,099	95.15 % 99.05 %	47,948 613,981	38,204 612,996
Subtotal	1,321,460		17,000	1,338,460	1,309,742	28,718	97.9 %	1,286,388	1,272,397
Economic classification									
Current payments Compensation of employees	0	Ţ		1					2
Salaries and Wages Social contributions	93,250 13,966	(7,46T) (409)	' '	85,789 13,557	85,448 13,555	341	99.6 % 100.0 %	82,247 13,058	82, 166 13,016
	107,216	(7,870)	'	99,346	99,003	343	% 2.66	95,305	95,182







Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation opposition	Actual Expenditure
Goods and services	71	(71)	'	'	'	'	% -		
Administrative fees	729	(71)	•	658	657	_	% 8.66	520	458
Advertising	215	(117)	•	98	86	12	87.8 %		169
Minor assets	1,805	(402)	•	1,096	1,093	3	% 2.66	1,382	1,324
Catering: Departmental activities	137	(37)	•	100	66		% 0.66		69
Communication	3,500	(3,500)	•	•	•	'	% -		•
Computer services Consultants: Business and advisory	6)369	(1,389)	'	7,980	7,979	_	100.0 %	468	468
services	5 454	(1394)	'	4 060	4 060	'	100 0 %	5 131	5 131
Infrastructure and planning services	7.331	(1.177)	•	6,154	6.153		100.0 %		6,540
Contractors	217	(216)	'		•	_	% -		362
Agency and support / outsourced									
services	26	(6)	•	17	12	5	% 9.02	15	10
Entertainment	1,941	(875)	1,300	2,366	2,317	49	% 6.76	3,717	3,717
Fleet services	1,457	(865)		592	277	15	97.5 %		1,605
Consumable Supplies Consumable: Stationery, printing and	2,239	. 61	•	2,300	2,294	9	% 2.66		925
office supplies	337	(080)	,	75	7.4	•	% 7 80	331	310
Operating leases	12 688	(202)	•	10 467	10 466		100.0	œ	8 400
Property payments Transport provided: Departmental	574,149	6,301	23,900	V	598,544	5,806	% 0.66	26	590,680
activity						,			
Travel and subsistence	11,233	22	•	11,255	11,252	8	100.0 %	7,662	7,654
Training and development Operating	1,209	(240)	•	469	469	'	100.0 %		•
payments	669	16	'	715	208	7	% 0.66		223
Venues and facilities	1,869	(364)	'	1,505	1,498	7	89.5 %	854	834
Rental and hiring	3,000	(294)	'	2,406	2,405	_	100.0 %	46	46
	639,675	(8,211)	25,200	656,664	650,743	5,921	99.1 %	, 629,793	628,925
Compensation of employees	107,216	(7,870)	'		600'66	343	% 2'66		95,182
Goods and services	639,675	(8,211)	25,200		650,743	5,921	99.1 %	629,793	628,925
Total current payments	746,891	(16,081)	25,200	756,010	749,746	6,264	99.2 %		724,107

Transfers and subsidies Provinces and municipalities

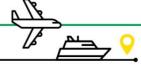




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Provinces Provincial Revenue Funds Provinces		4 4		4 4	4 4		100.0 % 100.0 %		- 1
Departmental agencies and accounts Social security funds Departmental agencies (non-business entities)	4,752	206		206	204 4,752	α'	99.0 %	4,592	4,592
	4,752	206		- 4,958	4,956	2	100.0 %	4,592	4,592
Public corporations and private enterprises Public corporations Subsidies on products and production (pc)	136,928	15,474	·	152,402	152,402	,	100.0 %	129,581	129,582
Private enterprises Subsidies on products and production (pe) Other transfers to private enterprises	411,868	1 1		411,868	392,461	19,407	% -	409,391	409,391
	411,868			. 411,868	392,461	19,407	95.3 %	409,391	409,391
Public corporations Private enterprises Public corporations and private enterprises subtotal	136,928 411,868 548,796	15,474 - 15,474		152,402 411,868 564,270	152,402 392,461 544,863	19,407	100.0 % 95.3 % 96.6 %	129,581 409,391 538,972	129,582 409,391 538,973
Households Social benefits Other transfers to households	3,118 200	322 (53)		- 3,440 - 147	3,439 143	1 4	100.0 % 97.3 %	800	570
	3,318	269		3,587	3,582	5	% 6'66	801	929
Provinces and municipalities Departmental agencies and accounts Public corporations and private enterprises	4,752 548,796	4 206 15,474		4,958 564,270	4,956 544,863	- 2 19,407	100.0 % 100.0 % 96.6 %	- 4,592 538,972	4,592 538,973

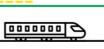


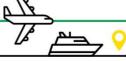




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Actual Appropriation Expenditure	Actual Expenditure
Households Total transfers and subsidies	3,318 556,866	269 15,953		3,587 572,819	3,582 553,405	5 19,414	% 9.96 % 6.66	801 544,365	570 544,135
Payments for capital assets Buildings and other fixed structures Buildings	5,191	(906)	1	4,285	3,007	1,278	70.2 %	8,500	1,858
Machinery and equipment Transport equipment Other machinery and equipment	1,158 11,354	1,176 (142)	- (8,200)	2,334 3,012	1,947 1,637	387 1,375	83.4 % 54.3 %	4,709 3,716	694 1,602
	12,512	1,034	(8,200)	5,346	3,584	1,762	% 0.79	8,425	2,296
Buildings and other fixed structures Machinery and equipment Total payments for capital assets	5,191 12,512 17,703	(906) 1,034 128	(8,200) (8,200)	4,285 5,346 9,631	3,007 3,584 6,591	1,278 1,762 3,040	70.2 % 67.0 % 68.4 %	8,500 8,425 16,925	1,858 2,296 4,154
Payments for financial assets	•		•	•		•	% -	•	-
Total current payments Total transfers and subsidies Total payments for capital assets Total payments for financial assets	746,891 556,866 17,703	(16,081) 15,953 128	25,200	756,010 572,819 9,631	749,746 553,405 6,591	6,264 19,414 3,040	99.2 % 96.6 % 68.4 %	725,098 544,365 16,925	724,107 544,135 4,154
Total	1,321,460		17,000	1,338,460	1,309,742	28,718	97.9 %	1,286,388	1,272,397





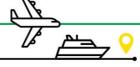


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Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments									
Compensation of employees									
Salaries and wages	2,176	(38)	'	. 2,138	2,136	2	% 6.66	4,889	1,808
Social contributions	283	35	•			_			247
	2,459	(3)	'	. 2,456	2,453	8	% 6.66	6 2,165	2,055
Goods and services									
Minor assets	120	(112)	'		•	8	•	8	80
Catering: Departmental activities	10	(8)	'	. 2	2	'	100.0 %	က	37
Entertainment	2	•	•	. 2	_	_	60.09	,	_
Fleet services	1,541	(847)	1,300	1,994	1,947	47		6 2,970	2,970
Consumable supplies	12	` '		. 12	4	8			
Consumable: Stationery, printing and	34	(11)	•	. 23	23	•	100.0 %	- 0,	•
office supplies		20		Č		*	0 10		Cac
Operating reases	, 4 , 7	7 (7	•			-	0.00		203
Iravel and subsistence	4.15	(0/)	•	. 345	345	•	% 0.00T	01.7	7.10
Operating payments	33	(35)	•			•	% - 00,		' 1
Venues and facilities	150	(43)	•	. 107	107	•	100.0 %	Ω	587
Rental and hiring		•					<u> </u>	, 46	46
	2,319	(1,102)	1,300	2,517	2,452	9	97.4 %	4,134	4,134
Compensation of employees	2,459	(3)			2,453	3		2,165	2,055
Goods and services	2,319	(1,102)	1,300	2,517		65	97.4 %		4,134
Total current payments	4,770	(cul, l)	1,300			00			601.09
Transfers and subsidies									
Provinces and maincipannes Provinces									
Provincial Revenue Funds	•	4	•	4	4	•	100.0 %	- 9	'
Provinces	-	4		. 4	4	-	100.0 %	- 9	-
Provinces and municipalities	•	4	'	4	4	'	100.0 %	- 9	•



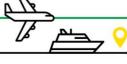




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Payments for capital assets Machinery and equipment Transport equipment Other machinery and equipment	804 337	1,021		1,825 359	1,533 330	292 29	84.0 % 91.9 %	2,745	694 35
Machinery and equipment	1,141 1,141	1,043 1,043		2,184 2,184	1,863 1,863	321	85.3 % 85.3 %	2,883 2,883	729 729
Total current payments Total transfers and subsidies Total payments for capital assets	4,778 - 1,141 6,019	(1,105) 4 1,043	1,300	4,973 4 2,184 7,161	4,905 4 1,863 6,772	68 321	98.6 % 100.0 % 85.3 %	6,299 - 2,883	6,189 - 729 6,918
3.2 Public Transport Services		,							
Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Actual Appropriation Expenditure	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	9,459	(1,728)	1 1	7,731 1,071	7,394	337	95.6 % 100.0 %	7,896	7,896 1,105
	10,659	(1,857)	1	8,802	8,465	337	96.2 %	9,001	9,001
Goods and services Minor assets	5	4	,	6	6	,	100.0 %		50
Catering: Departmental activities	114	(33)	•	81	81	'		77	121
Entertainment	2 1	' [•	2 2	0 10	١,	100.0 %		7 2
Consumable supplies Consumable: Stationery, printing and	169	(17)		115	115	- '		12	11
office supplies Operating leases	37	(37)	1	1	•	ı			9





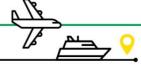


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Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Transport provided: Departmental	3,200	1,691	·	4,891	4,891		100.0 %	3,900	3,900
Travel and subsistence	1,259	(216)		1,043	_	_	% 6.66	954	954
Training and development Venues and facilities	1,209 73	(740) (38)		. 469 . 35	469	. ~	100.0 % 97.1 %	33	33
	6,113	260		- 6,673	6,670	3	100.0 %	5,238	5,233
Compensation of employees	10,659	(1,857)		8,802	8,465	337	96.2 %	9,001	9,001
Goods and services	6,113	260		6,673		3	100.0 %		5,233
Total current payments	16,772	(1,297)		- 15,475	15,135	340	% 8'.26	14,239	14,234
Transfers and subsidies Departmental agencies and accounts Departmental agencies (non-business entities)	•	,	·		,	1	% -	1,500	1,500
Public corporations and private enterprises Public corporations Subsidies on products and production (pc)	136,928	15,474		. 152,402	152,402	,	100.0 %	129,581	129,582
Private enterprises Subsidies on products and production (pe)	411,868			. 411,868	392,461	19,407	95.3 %	409,391	409,391
Public corporations Private enterprises Public corporations and private enterprises subtotal	136,928 411,868 548,796	15,474 - 1 5,474		152,402 411,868 564,270	152,402 392,461 544,863	- 19,407 19,407	100.0 % 95.3 % 96.6 %	129,581 409,391 538,972	129,582 409,391 538,973
Households Social benefits	723	287		1,010	1,010	'	100.0 %		
Departmental agencies and accounts	•						% -	1,500	1,500



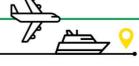




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Public corporations and private enterprises Households	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Households	548,796	15,474	'	564,270	544,863	19,407	% 9.96	538,972	538,973
Total transfers and subsidies	723 549,519	287 15,761	' '	1,010 565,280	1,010 545,873	19,407	100.0 % 96.6 %	540,472	540,473
Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	175 175	1 1		175 175	146 146	29	83.4 % 83.4 %	325	112
Total current payments	16,772	(1,297)	'	15,475	15,135	340	% 8 26	14,239	14,234
Total transfers and subsidies	549,519	15,761	'	565,280	545,873	19,407	% 9.96	2	540,473
Total payments for capital assets	175		'	175	146	29			112
Total	566,466	14,464	•	580,930	561,154	19,776		555,	554,819
Figures in Rand thousand				2019/2020				2018	2018/2019
Α	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	42,351 7,003	(3,368)		38,983 6,867	38,982 6,866	~ ~	100.0 %	37,345 6,579	37,345 6,566
	49,354	(3,504)		45,850	45,848	2	400.0 %	43,924	43,911
Goods and services Administrative fees	- }	(<u>1)</u>	'	' '	1	'	% -		
Advertising	651	<u> </u>	'	644	644	' <	100.0 %	435	435
Minor assets	90	(74)	•	99	79	4	93.9 %		49



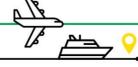




Figures in Rand thousand				2019/2020				2018/	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Catering: Departmental activities	452	(82)		370	367	3	99.2 %	929	929
Communication	29	(32)	'	32		'	100.0 %		29
Contractors	5,111	(498)	'	4,613	4.6	'	100.0 %	4	4,733
Entertainment	4	` '	'	4		•	100.0 %		·
Consumable supplies	243	(80)	'	163	163	•	100.0 %	9 680	089
Consumable: Stationery, printing and	477	(31)	'	446		3	% 8.66	6 419	419
office supplies									
Operating leases	•	•	'	'	•	•	% -	, 15	15
Travel and subsistence	5,275	(151)	•	5,124	5,123	_	100.0 %	4	4,884
Operating payments	134	•	•	134		7	94.8 %	, 125	125
Venues and facilities	401	•	'	401	396	5	% 8.86	33	33
Rental and hiring	2,000	•	'	2,000	2,000	'	100.0 %	.0	•
	14,906	(606)		13,997	13,974	23	% 8.66	, 11,993	11,959
Compensation of employees	70 354	(3 504)		45 850	45 848	0	100 0 %	43 924	43 911
Goods and services	14 906	(908)	•	13 997		2,0			11,050
Total current payments	64,260	(4,413)	•	59,847		25	100.0 %		55,870
Transfers and subsidies									
Departmental agencies and									
accounts									
Social security funds Departmental agencies (non-business	4 752	206		206 4 752	204 4 752	. 2	99.0 % 100 0 %	- 080 8	3 092
entities)				:					
	4,752	206		4,958	4,956	2	100.0 %	3,092	3,092
Households	200	(68)		4		*	6		
Other transfers to households	505,1	(63)	' '	22,1	1,42,1	- 2	% - %	. ~	
	100	170		7007		•	0		Î
	1,305	(81)		1,224	1,221	8	% 8.66		'
Departmental agencies and accounts	4,752	206	'	4,958		2	100.0 %	3,092	3,092
Households	1,305	(81)	'	1,224		က	% 8.66		•
Total transfers and subsidies	6,057	125	•	6,182	6,177	5	% 6.66 %	3,093	3,092



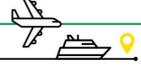




Payments for capital assets Adjusted Payments and subsidies Adjusted Payments for capital assets Payments Payments for capital assets Payments for capital assets Payments for capital assets Payments for capital assets Payments	Figures in Rand thousand				2019/2020				2018/2019	2019
## ments for capital assets ## chinery and equipment ## chinery and		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation		Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
all current payments all current payments all current payments all transfers and subsidies all transfers and services all transfers and advisory all transfers and advisory all transfers and advisory all transfers and advisors all current payments all contributions and services and servic	Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	863 863	£.5				271	% 9.89 9.89	1,231	498 498
Infrastructure Operations 6,057 125 6,182 6,177 234 14,289	Total current payments	64,260	(4,413)	'	. 59,847	59,822	25		2	55,870
Infrastructure Operations	Total transfers and subsidies	6,057	125	•	- 6,182	9	5			3,092
Infrastructure Operations	Total payments for capital assets Total	863 71,180	(1) (4,289)	. '	- 862 - 66,891	591 66,590	271 301	% 9.89 % 9.66	1,231	498 59,460
Adjusted Appropriation ation Shifting of Euchal Appropriation ation Virement Appropriation Final Actual Appropriation Funds Appropriation Funds ation 18,164 (1,826) (194) (1										
Adjusted Appropriation Shifting of Funds Virement Appropriation Final Appropriation Expenditure Actual Appropriation ation 18,164 (1,826) - 16,338 16,337 2,517 (194) - 18,661 18,660 s 70 (70) - 14,661 13,660 ss and advisory 70 (46) - 14 13 ntal activities 70 (70) - 219 219 70 (2) - 219 219 219 8s and advisory 325 (302) - 4,060 4,060 anning services 5,454 (1,394) - 4,060 4,060					2019/2020				2018/	2018/2019
ation ation mployees 18,164 (1,826) - 16,338 1 2,517 (194) - 2,323 2,517 (194) - 18,661 1 s 70 (70) - 14,661 1 s 70 (70) - 14 o (46) - - 14 o (46) - - - o - - - - o - - - - o - - - - o - - - - o - - - - o - - - - o - - - - o - - - - o - - - - o - - - - <tr< th=""><th></th><th>Adjusted Appropriation</th><th>Shifting of Funds</th><th>Virement</th><th>Final Appropriation</th><th></th><th>Variance</th><th>Expenditure as % of final appropriation</th><th>Final Appropriation</th><th>Actual Expenditure</th></tr<>		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation		Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
mployees 18,164 (1,826) - 16,338 1 2,517 (194) - 2,323 20,681 (2,020) - 18,661 1 s 70 (70) - - 60 (46) - - - ntal activities 737 (518) - - 70 (218) - - 68 ss and advisory 325 (302) - 4,060 anning services 5,454 (1,394) - 4,060	Economic classification									
services 20,681 (2,020) - 18,661 1 e fees 70 (70) - - - on 737 (518) - 219 Business and advisory 325 (302) - 68 and planning services 5,454 (1,394) - 4,060	Current payments Compensation of employees Salaries and wages Social contributions	18,164	(1,826)			_	← '	100.0 %	14,894	14,894 2,191
e fees 70 (70) - - - 14 o artmental activities 737 (518) - 219 on Business and advisory 325 (302) - 68 and planning services 5,454 (1,394) - 4,060		20,681	(2,020)			18,660	-	100.0 %	, 17,085	17,085
on 737 (518) - 219	Goods and services Administrative fees Advertising	07	(70)		- 41	- £	—	% 6 66	. 70	- 23
on (2) - 219 on (2) - 219 on (2) - 219 on (302) on (302) - 68 Business and advisory 325 (302) - 23 on (302) on	Minor assets	3 '	(2)	•		2 '	. 1	% -		7 1
indication (2) - 00 - 00 - 00 - 00 - 00 - 00 - 00 -	Catering: Departmental activities	737	(518)	•		219	' +	. 100.0 %		514
cture and planning services 5,454 (1,394) - 4,060	Consultants: Business and advisory	325	(302)			23	- '	98.5 % 100.0 %	468	40
	services Infrastructure and planning services	5,454	(1,394)		4,060		'	. 100.0 %	5,131	5,131



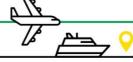




Contractors Agency and support / outsourced	2,220	(679) (216)		1,541	1,540	~ ~	% - % 6 ⁻ 66	1,807 362	1,807
Entertainment Fleet services Consumable stpplies	10 400 1,127	(9) (28) (759) (73)		1 372 368 60	370 368 90	' 7 ' '	100.0 99.5 % 100.0 %	4 747 877 63	2 747 876
office supplies Operating leases Property payments Transport provided: Departmental	300 11,488 500	(300) (1,862) (10)	1 1 1	9,626	9,626 490		100.0 %	7,360	7,360
activity Travel and subsistence	1,558	(388)	1	1,169	1,169	•	100.0 %	515	515
Operating payments Venues and facilities Rental and hiring	60 330 1,000	(60) (273) (594)		- 57 406	- 56 405	' ~ ~	98.2 % 99.8 %	200	181
	26,059	(7,584)		18,475	18,467	8	100.0 %	18,273	18,037
Compensation of employees Goods and services Total current payments	20,681 26,059 46,740	(2,020) (7,584)		18,661 18,475 37 136	18,660 18,467 37 127	-∞ σ	100.0 %	17,085 18,273 35,358	17,085 18,037 35,122
Transfers and subsidies Households Social benefits Other transfers to households	1,030	120 (56)		1,150	1,150	۰ ، –	100.0 %	792	25.65
Households	1,230 1,230	6 4		1,294 1,294	1,293 1,293	- -	% 6.66 % 6.66	792 792	570 570
Payments for capital assets Buildings and other fixed structures Buildings	5,191	(906)	1	4,285	3,007	1,278	70.2 %	8,500	1,858
Machinery and equipment Transport equipment Other machinery and equipment	354 9,587	155 (177)	(8,200)	509 1,210	414	95 770	81.3 % 36.4 %	1,964	654
	9,941	(22)	(8,200)	1,719	854	865	49.7 %	3,298	654



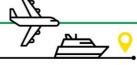




Figures in Rand thousand				2019/2020				2018/2019	/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Buildings and other fixed structures	5,191	(906)	1 6	4,285	င်	1,278	70.2 %	8,500	1,858
Machinery and equipment Total narments for canital assets	9,941	(22)	(8,200)		854 2 864	865		•	654 0 512
otal payments for capital assets	13,132	(070)	(0,2,0)			4,14			
Total current payments	46,740	(9,604)	'	37,136	(,)	o ·	100.0 %	32	35,122
Total transfers and subsidies	1,230	64				_			210
Total payments for capital assets Total	15,132 63,102	(928) (10,468)	(8,200) (8,200)	6,004 44,434	3,861 42,281	2,143 2,153	64.3 % 95.2 %	6 11,798 6 47,948	2,512 38,204
3.5 Scholar Transport									
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	21,100 2,963	(501) 15	1 1	20,599 2,978	20,599 2,978		100.0 % 100.0 %	20,223	20,223 2,907
	24,063	(486)		23,577	23,577		100.0 %	6 23,130	23,130
Goods and services									
Advertising	18	(18)	'	•	•	•	% -		•
Minor assets	•	15	'	15		•	100.0 %		51
Catering: Departmental activities	492	(89)	•	424	424	•	100.0 %	6 110	96
Computer services	3,500	(3,500)	•	•	•	•	% -	.0	•
Consultants: Business and advisory	9,044	(1,087)	'	7,957	7,956	_	100.0 %	1	•
services									
Entertainment	∞ ;	1 9	•	∞ ;	4 ;	4	50.0 %		4
Consumable supplies	30	(6)	•	21	15	ഗ	71.4 %	38	38
office supplies	1,420	720	•	000,1		n	× 0.66		0000
			!						



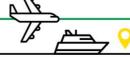




Operating leases	•	51		21	51		100.0 %	4	20
Property payments	1,200	(328)	•	841	840	_	% 6.66	1,040	1,040
Transport provided: Departmental	570,449	4,620	23,900	598,969	593,163	5,806	% 0.66	587,293	586,780
activity									
Travel and subsistence	2,726	848		3,574	3,573	_	100.0 %	1,085	1,085
Operating payments	470	111		581	581		100.0 %	110	86
Venues and facilities	915	(10)	•	902	902	•	100.0 %	_	•
	590,278	824	23,900	615,002	609,180	5,822	99.1 %	590,155	589,562
Compensation of employees	24,063	(486)		23,577	23,577		100.0 %	23,130	23,130
Goods and services	590,278	824	23,900	615,002	609,180	5,822	99.1 %	590,155	589,562
Total current payments	614,341	338	23,900	638,579	632,757	5,822	99.1 %	613,285	612,692
Transfers and subsidies									
Households									
Social benefits	09	(2)	•	28	28	•	100.0 %	80	•
Other transfers to households	•	_	•	~		_	% -	•	•
	09	(1)		29	28	~	98.3 %	8	
Households	09	(1)	-	29	28	1	98.3 %	8	'
Payments for capital assets									
Machinery and equipment						į			
Other machinery and equipment Machinery and equipment	392 392	<u>4</u> 4		406 406	130 130	276 276	32.0 % 32.0 %	888 9 9	303 303
							%-		-
Payments for financial assets									
Total current payments	614,341	338	23,900	638,579	632,757	5,822	99.1 %	613,285	612,692
Total transfers and subsidies	09	(1)	•	29	28	_	98.3 %	80	•
Total payments for capital assets	392	4	•	406	130	276	32.0 %	889	303
Total payments for financial assets		•	•	•	•	•	% -	•	_
Total	614 793	251	22 000	K V O C S	270 075	000	% O O	642 004	2000





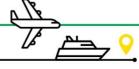


4. Programme 4 - Transport Regulations

Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Sub programme	777	80	(1 575)	6 7 7	0 0 0	đ	90 85 %	ν 7 α	A 675
ncing	.2 15,794	445	(1,97.3)	14,284	14,212	72	% 03.66 89.50 %	14,144	13,633
mits	4.3 11,661 4.4 351,405	(91) (377)	(955) (17,015)	10,615 334,013	10,525 333,605	90 408	99.15 % 99.88 %	11,431 371,574	11,127 365,052
Subtotal	386,607		(21,500)	365,107	364,528	579	% 8.66	402,307	394,487
Economic classification									
Current payments Compensation of employees									
Salaries and wages Social contributions	254,259 42,799	445 697	(18,297) (703)	236,407 42,793	236,407 42,793	1 1	100.0 % 100.0 %	232,489 41,814	232,488 41,200
	297,058	1,142	(19,000)	279,200	279,200	•	100.0 %	274,303	273,688
Goods and services									
Administrative fees	420	(176)	(120)		86	26	% 0.62		25
Advertising	500	(482)	- (000)	7 7 7 9	10	∞ c	55.6 %		188
Minor assets Cataring: Departmental activities	868	764)	(223)	1,136	848 645	288	74.6 %	909	7.77
Communication	1,831	(421)	(1,393)		16	<u> </u>	94.1 %	ĺ	13
Computer services		,			•	'	% -		122
Contractors	1,000	152	(68)	1,063	1,063	'	100.0 %	1,443	1,443
Entertainment	10	(2)	' '	∞ ;	4	4	20.0 %	4	• !
Fleet services	10,270	1,269	543	_	12,082	1 (100.0	19,095	19,095
Consumable supplies	8,055	(84)	(5,191)		2,782	(2)	100.1	6,948	6,933
Consumable: Stationery, printing and	2,547	(108)	(917)	4,522	4,522	'	100.0 %	5,555	5,298
Office supplies	000	9	(040)	400	4 50 7	*	8000		7 100
Operating reases	9208	(15)	(349)	1,390	6,775	-	% 0.001 % 0.001	3,190	29,162
Transport provided: Departmental	400	(400)	(6-1:-)) '	•	% -		70t,t
activity							!		
Travel and subsistence	14,128	2,562	(1,086)	15,	15,604		100.0 %	_	11,024
Operating payments	439	(41)	•	398	396	2	86.5 %	1,349	1,349



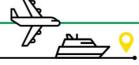




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Venues and facilities Rental and hiring	1,586 492	10 (467)	(456)	1,140	1,140	1 1	100.0 % 100.0 %	1,605	1,501
	58,057	1,589	(10,700)	48,946	48,605	341	% E'66	60,493	59,706
Compensation of employees Goods and services	297,058 58,057	1,142	(19,000) (10,700)	279,200 48,946	279,200 48,605	341	100.0 % 99.3 %	274,303	273,688 59,706
Total current payments	355,115	2,731	(29,700)	328,146	327,805	341	% 6:66	334,796	333,394
Transfers and subsidies Provinces and municipalities Provinces									
Provincial Revenue Funds Provinces		859 859		859 859	859 859	1 1	100.0 % 100.0 %		
Households Social benefits	5.036	236	'	5.272	5.272	,	100.0 %	2.787	2.786
Other transfers to households	120	(20)	'			'	100.0 %		253
	5,156	216		5,372	5	•	100.0 %	3,040	3,039
Provinces and municipalities Households	5,156	859 216		859 5,372	859 5,372		100.0 % 100.0 %	3,040	3,039
Total transfers and subsidies	5,156	1,075		6,231	6,231	•	100.0 %	3,040	3,039
Payments for capital assets Buildings and other fixed structures									
Buildings Other fixed structures	934	(308)	1 1	626	621	5 .	99.2 % -	2,848	1,140
	934	(308)	•	626	621	5	99.2 %	2,876	1,168
Machinery and equipment Transport equipment Other machinery and equipment	12,915 12,487	5,004 (8,502)	8,200	26,119	26,015 3,856	104	% 9.66 % 8.96	51,598	47,796 9,090
	25,402	(3,498)	8,200	30,104	29,871	233	99.2 %	61,522	56,886



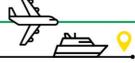




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Software and other intangible	1	'	,	'	'	1	% -	5 73	
assets Buildings and other fixed structures Machinery and equipment Intangible assets	934 25,402	(308) (3,498)	8,200	626 30,104	621 29,871 -	5 233 -	99.2 % 99.2 % -	2,876 61,522 73	1,168 56,886
Total payments for capital assets	26,336	(3,806)	8,200	30,730	30,492	238	99.2 %	64,471	58,054
Total current payments	355,115	2,731	(29,700)	328,146	327,805	341	% 6.66	8	333,394
Total transfers and subsidies Total navments for canital assets	5,156 26,336	1,075	- 000 8	6,231	6,231	- 238	100.0 %	3,040	3,039 58 054
Total	386,607	(200,0)	(21,500)	365,107	364,528	579	99.8 %	4	394,487
4.1 Programme Support									
Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	1,888 302	201	(719) (53)	1,370	1,370	1 1	100.0 %	2,230	2,230 324
	2,190	201	(772)	1,619	1,619	•	100.0 %	2,554	2,554
Goods and services Administrative fees Advertising	10	(10)					%	.0.0	
Minor assets	80	(75)	•	5	2	•	100.0 %		•
Catering: Departmental activities Consultants: Business and advisory	1,568 300	(200)	1 1	1,068	1,063	נט י	% - % -	326	304
SELVICES									



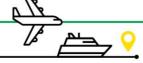




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Entertainment	2	1	1	2	'	2			1
Fleet services		29	'	59	59	•	- 100.0 %	1	•
Consumable supplies	450	(1)	(292)	_	157	•	. 100.0 %		•
Consumable: Stationery, printing and	80	(61)	,		19	•	. 100.0 %	40	39
office supplies									
Transport provided: Departmental activity	400	(400)	•	•	1	•	% -		•
Travel and subsistence	1.276	1.809	(371)	2.714	2.714	•	. 100.0 %	411	379
Operating payments		30	.` 1			_	% 2.96		9
Venues and facilities	510	73	(140)	7	443		. 100.0 %	39	634
Rental and hiring	492	(467)	,			•	. 100.0 %	1	•
	5,468	(143)	(803)	4,522	4,514	8	% 8.66	, 1,456	1,362
Compensation of employees	2.190	201	(772)	1.619	1.619		- 100.0 %	2.554	2.554
Goods and services	5,468	(143)	(803)		,	00			1,362
Total current payments	7,658	58	(1,575)		6,133	80	% 6.66		3,916
Transfers and subsidies Provinces and municipalities									
Provinces									
Provincial Revenue Funds Provinces		9 9	' '	o o	99		- 100.0 % - 100.0 %		' '
Households									
Social benefits	•	•	1	•	•	'	%	73	73
Provinces and municipalities		9	'	9	9	'	. 100.0 %	'	'
Households	•	•	•	•	•	•	% -	73	73
Total transfers and subsidies	-	9		9	9		100.0 %		73
Payments for capital assets Machinery and equipment									
Transport equipment		48	•	48	47	_	% 6'26	0,	989
Other machinery and equipment	88	(88)	'	•	•	•	% -	80	•
	68	(41)	'	48	47	-	% 6.76	1,075	989



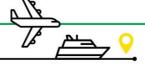




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure appropriation	Actual Expenditure
Machinery and equipment	88	(41)		48	47	_	% 6'26	0, 1,075	989
Total current payments	7,658	28	(1,575)	6,141	6,133	8	% 6.66		3,916
Total transfers and substdies Total payments for capital assets	- 68	(41)		48	47	' ~		1,075	•
Total	7,747	23	(1,575)	6,195	6,1	6			4,
4.2 TRP Admin and Licencing									
Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees		3	į	6			6		
Salaries and wages Social contributions	10,851 1,602	(194) 24	(797) (41)	9,860 1,585	9,860		100.0 %	9,892	9,892 1,641
	12,453	(170)	(838)	11,445	11,445		100.0	11,536	11,533
Goods and services									
Administrative fees	10	(10)	•			'		.0	•
Advertising	200	(191)	•	o ;	2 :		22.2		•
Minor assets	'!'	45	•	45		4 1	91.1	69	
Catering: Departmental activities Entertainment	711	(43)	' '	4,		~ ~			04 '
Consumable supplies	25	(24)	'	ı 	_	'	100.0		•
Consumable: Stationery, printing and	1,450	(88)	(684)	229	229	'	100.0 %	1,232	1,097
office supplies	0	o o		9	0		0		2
Iravel and subsistence	8/1	229	(588)	801	801	'	100.0 %	Ď	817
Operating payments Venues and facilities	- 989	87.	- (134)	28	282		100.0 %	200	5 141
			(+01)	200	100		200		-



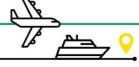




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
	3,311	(55)	(1,117)	2,139	2,119	20	99.1 %	2,400	2,100
Compensation of employees Goods and services	12,453 3,311	(170) (55)	(838) (1,117)	11,445 2,139	11,445 2,119	20	100.0 % 99.1 %	11,536 2,400	11,533
Total current payments	15,764	(225)	(1,955)	13,584	13,564	20	% 6.66	13,936	13,633
Transfers and subsidies Households Social benefits Households	1 1	637		637	637		100.0 %	1 1	
Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	3 30	33 33	1 1	63		52 52	17.5 % 17.5 %	208	
Total current payments Total transfers and subsidies	15,764	(225)	(1,955)	13,584	13,564	20	99.9 %	13,936	13,633
Total payments for capital assets Total	30 15,794	33 445	- (1,955)	63 63 14,284	14,	52 72		208 14,144	13,633
4.3 Operater Licence and Permits Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	5,457 879	4 <u>1</u> 6	(271)	5,300	5,300	1 1	100.0 %	4,948 1,020	4,947



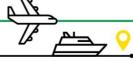




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriatior	Final Actual Appropriation Expenditure
	6,336	120	(327)	6,129	6,129		100.0 %	5,968	5,967
Goods and services									
Administrative fees	100	(1)	'		96	_	80.66		25
Minor assets	82	.	(80)		2	_	% 2'99		
Catering: Departmental activities	273	(61)	` '	212	212	•	100.0 %	2	2
Entertainment	2		•	2	2	•	100.0 %		
Consumable supplies	20	(41)	'	6		6	% -		
Consumable: Stationery, printing and	2,905	(120)	(233)	2,552	2,552	'	100.0 %	3,086	3,035
office supplies						٠			
Operating leases	•	=	1			_	80.06		
Travel and subsistence	1,427	26	(315)	1,1	L, L	•	100.0 %		
Operating payments	•	64	•	64	63	_	98.4 %	(J)	(I)
Venues and facilities	150	(62)	•	71	71	•	100.0 %	27	27
	4,989	(170)	(628)	4,191	4,178	13	% 2.66	4,950	4,738
Compensation of employees	6.336	120	(327)	6 129	6 129	•	100 0 %	5 968	5 967
Goods and services	4 989	(170)	(628)	4 191	4 178	13			
Total current payments	11,325	(20)	(926)	10,320	10,307	13	% 6.66		`
Transfers and subsidies									
Households		7		7	, ,		9		
Social benefits Households		152		152	152		100.0 %	372	372
		701		70	701				
Payments for capital assets									
Machinery and equipment									
Other machinery and equipment	336	(193)	•	143	99	77	46.2 %		
Machinery and equipment	336	(193)	•	143	99	77	46.2 %	141	20
Total current payments	11,325	(20)	(922)	10,320	10,307	13		10,918	10,705
Total transfers and subsidies	•	152	,	152	152	•		372	372
Total payments for capital assets	336	(193)	•	143	99	77	46.2 %	141	20
Total	11,661	(91)	(922)	10,	10,5	06	99.2 %	1,	11,127



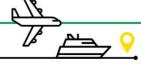




4.4 Law Enforcement Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	236,063 40,016	324	(16,510) (553)	219,877	219,877		100.0 %	6 215,419 6 38,826	215,419 38,215
	276,079	991	(17,063)	260,007	260,007	'	100.0 %	6 254,245	253,634
Goods and services Administrative fees	300	(155)	(120)	25		25		%	
Advertising	3	(6C)	(67.)	67	00	5 -	88.9	208	188
Minor assets	902	520	(143)	1,083	800	283	73.9		797
Catering: Departmental activities	464	(160)	` '	304	303	_	7.66	←	1,811
Communication	1,531	(121)	(1,393)	17	16	_	94.1 %	13	13
Computer services	•			•	•	'	0		122
Contractors	1,000	152	(68)	1,063	1,063	•	100.0 %	Ť	1,443
Entertainment	4	(2)		2	2	'	100.0 %		•
Fleet services	10,270	1,210	543	12,023	12,023	•	100.0 %	49,095	19,095
Consumable supplies	7,530	(18)	(4,899)	2,613	2,624	(11)	100.4		6,933
Consumable: Stationery, printing and	1,112	162		1,274	1,274		100.0 %	1,197	1,127
Onerating leases	1 880	27	(340)	1 585	1 585	'	1000	7 165	7 156
Property payments	8,209	(15)	(1,419)	6.775	6.775	'	100.0 %	4,402	4,402
Travel and subsistence	10,554	468	(101)	10,921	10,921	'	100.0 %	600.6	600'6
Operating payments	439	(163)	` '	276	276	•	100.0 %		741
Venues and facilities	290	, 16	(182)	124	124	'	100.0 %		669



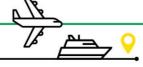




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement /	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
	44,289	1,957	(8,152)	38,094	37,794	300	99.2 %	51,687	51,506
Compensation of employees	276,079	991	(17,063)	260,007	260,007		100.0 %		253,634
Goods and services Total current payments	44,289 320,368	1,957 2,948	(8,152) (25,215)	38,094 298,101	37,794 297,801	300	99.2 % 99.9 %	51,687 305,932	51,506 305,140
Transfers and subsidies Provinces and municipalities Provinces		C		C	c c		2		
Provincial Revenue Funds Provinces		853 853		853	853		100.0 %		
Households Social benefits Other transfers to households	5,036	(553) (20)	1 1	4,483	4,483	' '	100.0 %	2,342	2,341
	5,156	(573)	1	4,583	4,583	'	100.0 %	2,595	2,594
Provinces and municipalities Households	5,156	853 (573)		853 4,583	853 4,583		100.0 %	2,595	2,594
Total transfers and subsidies	5,156	280		5,436	5,436	'	100.0 %		2,594
Payments for capital assets Buildings and other fixed structures Buildings Other fixed	934	(308)	1 1	626	621	יטי	99.2 % -	2,848	1,140
	934	(308)	•	626	621	5	99.2 %	2,876	1,168
Machinery and equipment Transport equipment Other machinery and equipment	12,915 12,032	4,956 (8,253)	8,200	26,071 3,779	25,968 3,779	103	99.6 % 100.0 %	50,603 9,495	47,110 9,040
	24,947	(3,297)	8,200	29,850	29,747	103	% 2.66	860'09	56,150
Software and other intangible assets	•	ı		•	1	•	% -	73	1



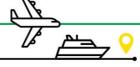




Figures in Rand thousand					2019/2020				2018	2018/2019
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Buildings and other fixed structures Machinery and equipment Intangible assets		934 24,947 -	(308) (3,297)	8,200	626 29,850 -	621 29,747 -	103	99.2 % 99.7 % % -	2,876 60,098 73	1,168 56,150
Total payments for capital assets		25,881	(3,605)	8,200	30,476	30,368	108	% 9.66	, 63,047	57,318
Total current payments Total transfers and subsidies		320,368	2,948	(25,215)	298,101	297,801	300		305,932	305,140
Total payments for capital assets Total		25,881 3 51,405	(3,605) (377)	8,200 (17,015)	ି ଜ	ି ନ	108 408	% 6.66 % 6.66	37.	* ñ
5. Programme 5 - Community Based Programme	ased Pro	ogramme								
Figures in Rand thousand					2019/2020				2018	2018/2019
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure	Actual Expenditure
Sub programme Programme Support	5.1	12,603	(898)	,	11,737	11,735	2	% 86.66	7,650	7,484
ment	5.2	565,769	3,525	30,900	600,194	599,856	338	99.94 %	588,479	582,468
	5. 4.	42,333 8,261	(2,009) 6 0		8,270	29,209 7,973	297	96.41 %	9,508	9,267
Subtotal		628,968		30,900	659,868	658,833	1,035	% 8.66	652,440	642,765
Economic classification										
Current payments Compensation of employees Salaries and wages Social contributions		38,262 4,732	(2,003)		36,259 4,573	36,228 4,489	£ 8	99.9 % 98.2 %	34,439	34,434 3,672
		42,994	(2,162)		40,832	40,717	115	% 2.66	38,022	38,106



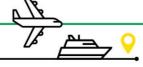




Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Goods and services							ò		1
Advertising	' (' 6	•	7	, 0	' '	% ' ' '	92	7,0
Minor assets	5 000	200	'			0			0 0
Catering: Departmental activities	3,323	(691)	•	2,632	2,623	o	% Z.66	3,663	3,378
Communication	' 0	1 3	'	' (•	% - 00,		1 (1
Computer services	3,300	(434)	'	2,866	2,866	' (2,006	1,979
Collisurants, business and advisory services	110,6	(026,1)	'	, , ,		35	9.78		1,904
Contractors	505,302	10,286	30,900	546,488	546,487	_	100.0 %	544,793	542,750
Entertainment	9			9	9	'	100.0 %		
Fleet services	83	(9)	'	77	51	26		86	64
Inventory: Materials and supplies	6,502	(0,000)	•	502	492	10	% 0.86		•
Consumable supplies	19,339	457	'	19,796	19,693	103		20,116	18,127
Consumable: Stationery, printing and	501	(125)	'	376	296	80		644	290
office supplies									
Operating leases	•	9	•	9	9	•	100.0 %	26	26
Transport provided: Departmental	•	•	'	•	•	•	% -		46
activity									
Travel and subsistence	12,260	(206)	•	12,054	_	38		_	11,447
Training and development	7,829	(200)	•	7,329	7,2	43			6,925
Operating payments	95		•	106		34	% 6'.29	205	92
Venues and facilities	952	(142)	•	810	276	34			902
	562,516	1,234	30,900	594,650	594,235	415	% 6'66	595,335	588,074
Compensation of employees	42,994	(2,162)	1	40,832	40,717	115	% 2'66	38,022	38,106
Goods and services	562,516	1,234	30,900	594,650	4,	415	6.66	595,335	588,074
Total current payments	605,510	(928)	30,900		634,952	530			626,180
Transfers and subsidies									
Departmental agencies and									
Social security funds	•	•	•	•	•	•	% -	6,348	6,348
Departmental agencies (non-business	16,980	(2,259)	•	14,721	14,720	_	100.0 %		•



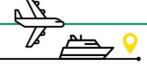




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Actual Appropriation Expenditure	Actual Expenditure
	16,980	(2,259)		- 14,721	14,720	-	100.0 %	6,348	6,348
Households		!				1			;
Social benefits Other transfers to households	121	707		828	769	59	92.9 %	17	11
	- 6	2,002		2,003		- 6	0.001		,
	122	2,769		- 2,891	2,831	09	97.9 %	11	11
Departmental agencies and accounts	16,980	(2,259)	•	- 14,721	14,720		100.0 %	6,348	6,348
Households	122	2,769	•	- 2,891		09	% 6'26		7
Total transfers and subsidies	17,102	510	·	- 17,612	17,551	61	% 2 .66	6,359	6,359
Payments for capital assets Buildings and other fixed structures Buildings Other fixed structures	400 4,709	(120)		280 - 5,033	280 4,966	- 29	100.0 %	- 11,694	- 9,578
	5,109	204		- 5,313	5,246	29	% 2.86	, 11,694	9,578
Machinery and equipment Transport equipment Other machinery and equipment	175 1,072	(57) 271	, '	118	113 971	5 372	95.8 % 72.3 %	87	80
	1,247	214		1,461	1,084	377	74.2 %	1,030	648
Buildings and other fixed structures Machinery and equipment Total payments for capital assets	5,109 1,247 6,356	204 214 418		5,313 1,461 6,774	5,246 1,084 6,330	67 377 444	98.7 % 74.2 % 93.4 %	11,694 1,030 12,724	9,578 648 10,226
Total current payments Total transfers and subsidies	605,510	(928) 510	30,900	8	69	530	% 6.66 % 7.66	9	626,180
l otal payments for capital assets Total	628,968	81.4	30,900	659,868 659,868	658,833 658,833	1,035	93.4 % 99.8 %	652,440	10,226 642,765





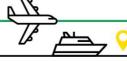


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Figures in Rand thousand				2019/2020				2018/	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Actual Appropriation Expenditure	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure	Actual Expenditure
Economic classification									
Current payments Compensation of employees	!	ļ		,	,				
Salaries and wages Social contributions	10,792 689	(2,266) 880		8,526 1,569	8,526 1,569		- 100.0 % - 100.0 %	6 5,683 6 1,041	5,683 1,041
	11,481	(1,386)		- 10,095	10,095		. 100.0 %	6,724	6,724
Goods and services									
Minor assets	•	_			_		- 100.0 %		'
Catering: Departmental activities	80	(16)		. 64	64		- 100.0 %	, 94	93
Entertainment	2	•		. 2	2		- 100.0 %	,0	'
Consumable supplies	4	•	•	4	4		- 100.0 %	, ,	•
Consumable: Stationery, printing and	25	(25)	•		•		6 -	, ,	'
office supplies									
Operating leases	•	•	•		•		6 -		26
Travel and subsistence	802	175	•	. 980	086		- 100.0 %	u)	561
Operating payments	18	•	•	. 18	17	•	1 94.4 %	, 38	37
Venues and facilities	72	(12)	•		09		- 100.0 %	, ,	•
	1,006	123		1,129	1,128		1 99.9 %	6 720	717
Compensation of employees	11,481	(1,386)	'	10,095	10,095		- 100.0 %	9	6,724
Goods and services	1,006	123	•	1,129	1,128		1 99.9 %		717
Total current payments	12,487	(1,263)		11,224	11,223	,	1 100.0 %	, 7,444	7,441
Transfers and subsidies Households									
Social benefits	•	•			1		% -	, 77	- 7
Households	•						-		=



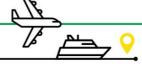




Adjusted Appropriation Funds Appropriation Funds Appropriation Funds Appropriation Funds Appropriation A	Figures in Rand thousand				2019/2020				2018/2019	2019
ents for capital assets and for capital assets 116 387 - 513 512 1 998 % 195 next) and equipment machinery and equipment 116 387 - 513 512 1 998 % 195 next) and equipment 116 387 - 11,224 11,223 1 1000 % 7,444 transfers and equipment 12,603 (866) - 11,737 11,734 11,735 1 1000 % 7,444 transfers and equipment 2010 387 - 11,737 11,734 11,735 1 1000 % 7,444 community Development Adjusted Shifting of Nime Virement Final Actual Actual </th <th></th> <th>Adjusted Appropriation</th> <th>Shifting of Funds</th> <th>Virement</th> <th>Final Appropriation</th> <th></th> <th>Variance</th> <th>Expenditure as % of final appropriation</th> <th>Final Appropriation</th> <th></th>		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation		Variance	Expenditure as % of final appropriation	Final Appropriation	
12.487 1	Payments for capital assets Machinery and equipment Other machinery and equipment Machinery and equipment	116 116	397 397					% 8.66 8.66		32
Community Development Adjusted Shiffing of parameters in Rand thousand Adjusted Shiffing of parameters in Rand thousand Adjusted Adjusted Shiffing of parameters in Rand thousand Adjusted	Total current payments Total transfers and subsidies Total payments for capital assets Total	12,487 - 116 12,603	(1,263) - 397 (866)				- · - a			7,441 11 32 7,484
Adjusted Shifting of Virement Final Actual Variance Expenditure Final Appropriation Expenditure	151				2019/2020			;	2018/	2019
5,676 1,202 - 6,878 6,878 - 100.0 % 5,717 2,251 (1,270) - 7,859 7,859 - 100.0 % 7,18 7,927 (68) - 7,859 7,859 - 100.0 % 6,435 58 - 3 3 - 100.0 % 99.8 % 349 500 (434) - 2,566 2,566 - 100.0 % - 1,971 isory 3,011 (1,520) - 1,491 1,459 32 97.9 % 1,971 2 - - 2 2 2 - 100.0 % 544,793 54 11 (6) - 5 4 1 100.0 % - -	Economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation		Variance	Expenditure as % of final appropriation	Final Appropriation	
artmental activities 602 (202) - 400 399 1 99.8 % 349 inces 3,000 (434) - 2,566 2,566 2,566 - 100.0 % 1,971 1,459 32 97.9 % 1,971 1,459 32 97.9 % 1,971 1,451 1,459 32 97.9 % 1,971 1,451 1,459 32 97.9 % 1,971 1,451 1,459 32 97.9 % 1,971 1,451 1,459 32 97.9 % 1,971 1,451	Current payments Compensation of employees Salaries and wages Social contributions	5,676 2,251 7,927	1,202 (1,270)							5,717 807 6,524
505,302 10,286 30,900 546,488 546,487 1 100.0 % 544,793 542,7 2 2 2 - 100.0 % - 542,7 11 (6) - 5 4 4 1 80.0 % 18	Goods and services Minor assets Catering: Departmental activities Computer services Consultants: Business and advisory	602 3,000 3,011	3 (202) (434) (1,520)				. 1 . 32		-	9 348 - 1,964
	services Contractors Entertainment Fleet services	505,302 2 11	10,286	30,900		546,487 2 4	← ' ←	100.0 % 100.0 % 80.0 %	544,7	542,750 - 11





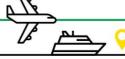


Figures in Rand thousand				2019/2020				2018/	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Inventory: Materials and supplies	000'9	(0000)	1	'			% -	0	'
Consumable supplies	15,329	492	'	15,821	15,801	20	% 6.66	13,455	12,091
Consumable: Stationery, printing and	136	•	'	136		33	75.7 %		227
office supplies									
Operating leases	•	9	'	9		•	100.0 %	. 0	•
Travel and subsistence	2,132	273	'	2,405	2,4	_	100.0 %	2,380	2,114
Operating payments	17	1	•	28	27	_	96.4 %		10
Venues and facilities	•	•	'	•	•	•	% -	. 27	22
	535,542	2,909	30,900	569,351	569,261	06	100.0 %	563,375	559,579
Compensation of employees	7,927	(89)	'	7,859	7,859	'	100.0 %	6,435	6,524
Goods and services	535,542	2,909	30,900	26	569,261	06	100.0 %	26	559,579
Total current payments	543,469	2,841	30,900			06	100.0 %		566,103
Transfers and subsidies Departmental agencies and									
accounts Social security funds	•	,	'	'	'	'	% -	6 348	6.348
Departmental agencies (non-business entities)	16,980	(2,259)	•	14,721	14,720	~	100.0 %		
	16,980	(2,259)	•	14,721	14,720	-	100.0 %	6,348	6,348
Households									
Social benefits	•	200	•	700		7	98.4 %		
Other transfers to households	•	2,062	•	2,062	2,061	~	100.0 %		•
	•	2,762	•	2,762		12	% 9.66		•
Departmental agencies and accounts	16,980	(2,259)	'	14,721	•	_	100.0 %	6,348	6,348
Households	-	2,762	-	2,762	2,750	12	% 9.66	- 0	•
Total transfers and subsidies	16,980	503	1	17,483	17,470	13	% 6.66	6,348	6,348

Payments for capital assets Buildings and other fixed structures







Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation appropriation	Actual Expenditure
Other fixed structures	4,709	324	' 	. 5,033	4,966	29	% 2'86	11,694	9,578
Machinery and equipment Transport equipment Other machinery and equipment	- 119	(143)		- 468	300	168	64.1 %	7 620	7 432
	611	(143)	ľ	. 468		168	64.1 %	627	439
Buildings and other fixed structures	4,709	324	'	5,033	4	67	98.7 %	11,	9,578
Machinery and equipment Total payments for capital assets	611 5,320	(143) 181		5,501	300 5,266	168 235	95.7 %	12,321	439 10,017
Total current payments	543,469	2,841	30,900	4	(1)	06	100.0 %	26	566,103
Total transfers and subsidies	16,980	203	•	. 17,483		13	% 6.66		6,348
Total payments for capital assets Total	5,320 565,769	181 3,525	30,900	5,501 600,194	5,266 599,856	235 338	95.7 % 99.9 %	12,321 588,479	10,017 582,468
Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure ippropriation	Actual Expenditure
Economic classification									
Current payments Compensation of employees Salaries and wages Social contributions	19,736 1,273	(1,106)		- 1,504	18,599 1,504	8.	99.8 %	20,605	20,600
	21,009	(875)		- 20,134	20,103	31	% 8.66	, 21,921	21,916
Goods and services Advertising Minor assets Catering: Departmental activities	- 10 2,322			- 10 1,952	1,948	. 7. 4	 	188	2,366



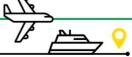




Figures in Rand thousand				2019/2020				2018	2018/2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final as % of final Appropriation	Actual Expenditure
Communication Computer services							% -	29	1 979
Entertainment	5 -			2 -	2 -	'	100.0 %) - -
Consumable supplies	2,010	•	'	2.010	1,939	71	96.5 %	2,352	1,922
Consumable: Stationery, printing and	280	(100)	'	180	176	4	97.8 %		63
office supplies Transport provided: Departmental	1	•	'	•	•	•	% -	20	46
activity Travel and subsistence	7 861	(598)	•	7 263	7 226	37	99 5 %		7 434
Training and development	7,829	(220)	•	7,329	7,286	43	% 5.66 99.4 %	7.406	6,925
Operating payments	09		•	09	28	32	46.7 %		45
Venues and facilities	200	(130)	•	370	368	2	99.5 %	_	820
	20,874	(1,698)	•	19,176	18,978	198	% 0.66	24,862	21,630
Compensation of employees	21,009	(875)	1	20,134	20,103	31	% 8.66		21,916
Goods and services	20,874	(1,698)	'	19,176	18,978	198	% 0.66		21,630
Total current payments	41,883	(2,573)	•	39,310	39,081	229	99.4 %	46,783	43,546
Transfers and subsidies									
Social benefits	121	•	'	121	73	48	60.3 %	'	•
Other transfers to households	_	1	1	_	~	1	100.0 %	'	•
	122		'	122	74	48	% 2.09		
Households	122	-	•	122	74	48	% 2.09	_	•
Payments for capital assets									
Other machinery and equipment	330	(66)	'	235	114	121	48.5 %		,
Machinery and equipment	330	(95)	•	235	114	121	48.5 %		•
Total current payments	41,883	(2,573)	•	39,310	39,081	229	99.4 %	46,783	43,546
Total transfers and subsidies	122	. ;	'	122	74	48	% 2.09		•
Total payments for capital assets	330	(36)	•	235	114	121	48.5 %	20	- 42 64
lotal	42,333	(2,000)		799,667	39,209	980	99.0 %		43,346



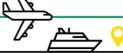




Adjusted Shapropriation Economic classification Current payments Compensation of employees Salaries and wages Social contributions So	Shifting of Funds 167 167	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure	Final	Actual
yees						as % of final appropriation	as % of final Appropriation appropriation	Ä
employees : : : : : : : : : : : : : : : : : :								
al activities			2,225 519	2,225	- 8	100.0 %	2,434	2,434
al activities			2,744	2,660	84	% 6:96	2,942	2,942
S epartmental activities						3		1
partmental activities		'	' !	'!	•	% - 00,	(.5	7.5
		•	97	26	•	100.0 %		•
	(103)	'	216	212	4	98.1 %	572	571
Computer services 300		'	300	300	•	100.0 %		•
Fleet services 72	- 2	'	72	47	25	65.3 %	. 80	23
Inventory: Materials and supplies 502		'	502	492	10	% 0.86		•
Consumable supplies 1,996	3 (35)	'	1,961	1,949	12	99.4 %	4,309	4,114
Consumable: Stationery, printing and 60		•	09	17	43	28.3 %		•
Travel and subsistence	(26)	'	1.406	1.406	•	100.0 %	1.339	1.338
		•	380		32	91.6 %		
5,094	(100)		4,994	4,868	126	% 5.76	6,378	6,148
Compensation of employees 2,577		1	2,744	2,660	84	% 6'96		2,942
Goods and services 5,094	(100)	•	4,994	4,868	126	97.5 %		6,148
Total current payments 7,671		'	7,738	7,528	210	97.3 %	9,320	060'6





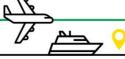


Figures in Rand thousand				2019/2020				2018/2019	2019
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriatior	Final Actual Appropriation Expenditure	Variance	Expenditure as % of final appropriation	Expenditure Final Actual as % of final Appropriation Expenditure appropriation	Actual Expenditure
Transfers and subsidies Households Social benefits Households		7 7		7 7	7 7		100.0 %	1 1	
Payments for capital assets Buildings and other fixed structures Buildings	400	(120)	·	- 280	280	ı	100.0 %		•
Machinery and equipment Transport equipment Other machinery and equipment	175 15	(57) 112		. 118	113	5 82	95.8 % 35.4 %	80	73
	190	22		. 245	158	87	64.5 %	188	177
Buildings and other fixed structures Machinery and equipment Total payments for capital assets	400 190 590	(120) 55 (65)		280 245 525	280 158 438	78	100.0 % 64.5 % 83.4 %	- 188 188	- 177 177
Total current payments	7,671	67		7,738	7,528	210		9,320	060'6
Total payments for capital assets Total	590 8,261	6 (65)		, 525 . 8,270	438 7,973	87 297	83.4 % 96.4 %	188 9,508	9,267









Notes to the Appropriation Statement

Figures in Rand thousand	Note(s)	2019/2020	2018/2019

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

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual financial statements.

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

Detail of these transactions can be viewed in note 1 Annual appropriation to the Annual financial statements.

3. Detail on payments for financial assets

Details of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual financial statements

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

4.1 Per programme

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Programme 1 - Administration	464,442	457,856	6,586	1.4 %
Programme 2 - Transport Infrastructure	2,186,893	2,129,656	57,237	2.6 %
Programme 3 - Transport Operations	1,338,460	1,309,742	28,718	2.1 %
Programme 4 - Transport Regulations	365,107	364,528	579	0.2 %
Programme 5 - Community Based Programme	659,868	658,833	1,035	0.2 %

Programme 2 - The underspending relates to goods and services as well as capital expenditure which is mainly due to late awarding of tenders for construction and reseal key projects and also delays in the appointment of contractor to conduct machinery and plant repairs and maintenance.

Programme 3 - The underspending is mainly on transfers on private enterrprise due to cumulative under expenditure recorded in previous months against the projected expenditure, this is caused by number of factors which includes bus breakdowns, community protests and penalties imposed as a result of standing kilometres

4.2 Per economic classification

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Current payments Compensation of employees Goods and services Interest and rent on land	1,008,041 2,695,296	998,709 2,668,926 196	9,332 26,370 (196)	1 % 1 % - %
Transfers and subsidies Provinces and municipalities Departmental agencies and accounts Public corporations and private enterprises Households	4,767 19,679 564,270 42,084	3,858 19,676 544,863 40,864	909 3 19,407 1,220	19 % - % 3 % 3 %
Payments for capital assets Buildings and other fixed structures Machinery and equipment Intangible assets Payments for financial assets	481,739 198,412 482	456,879 187,277 233 2	24,860 11,135 249 (2)	5 % 6 % 52 % - %





Notes to the Financial Statements

Figures in Rand thousand	Note(s)	2019/2020	2018/2019

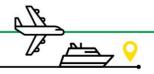
4.3 Per conditional grant

Figures in Rand thousand	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
Public Transport Operations Grant	252,115	252,115	-	- %
Expanded Public Works Programme	81,821	81,019	802	1 %
Provincial Roads Maintanance	1,553,772	1,509,668	44,104	3 %

The underspending is mainly on goods and services under contractors due to the disaster grant that was intially errorneously gazzetted to the Joe Gqabi District Municipality on the division of revenue (DORA) and later corrected to reflect to the Eastern Cape Department of Transport. This error adversely affected the departmental spending as no procurement could be initiated until funding was confirmed through the DORA.

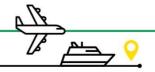
Statement of Financial Performance

Figures in Rand thousand	Notes	2019/2020	2018/2019
Revenue			
Annual appropriation	1	5,014,770	4,901,304
Departmental revenue	2	-	-
Aid assistance	3	-	1,856
Total revenue		5,014,770	4,903,160
Expenditure			
Current expenditure			
Compensation of employees	4	998,709	970,430
Goods and services	5	2,651,240	2,302,076
Interest and rent on land	6	196	5,949
Aid assistance	3	266	1,413
Total current expenditure		3,650,411	3,279,868
Transfers and subsidies			
Transfers and subsidies	8	609,263	586,334
Expenditure for capital assets			
Tangible assets	9	660,972	945,959
Intangible assets	9	233	30
Total expenditure for capital assets		661,205	945,989
Payments for financial assets	7	2	278
Total expenditure	_	4,920,881	4,812,469
Surplus for the year		93,889	90,691
Reconciliation of Net Surplus/(Deficit) for the year	_		
Voted funds			
Annual appropriation		49,249	77,868
Conditional grants		44,906	12,380
		94,155	90,248
Aid assistance	3	(266)	443
Surplus for the year		93,889	90,691



Statement of Financial Position as at 31 March 2020

Figures in Rand thousand	Notes	2019/2020	2018/2019
Assets			
Current Assets			
Cash and cash equivalents	10	132,701	121,736
Prepayments and advances	11	6,783	6,783
Receivables	12	4,650	3,507
		144,134	132,026
Non-Current Assets			
Investments	13	610,358	610,358
Receivables	12	153,706	146,697
		764,064	757,055
Total Assets		908,198	889,081
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	14	94,155	90,248
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	29,459	15,339
Payables	16	11,103	23,730
Aid assistance repayable	3	2,194	2,460
		136,911	131,777
Non-Current Liabilities			
Payables	17	152,815	138,857
Total Liabilities		289,726	270,634
		618,472	618,447
Represented by:			
Capitalisation reserve		610,358	610,358
Recoverable revenue		8,114	8,089
Total		618,472	618,447



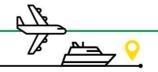
Statement of Changes in Net Assets

Figures in Rand thousand	Note	2019/2020	2018/2019
Capitalisation reserves			
Opening balance		610,358	610,358
Recoverable revenue			
Opening balance		8,089	10,001
Transfers:			
Debts revised		-	(1,931)
Debts recovered (incl in dept receipts)		(582)	(455)
Debts raised		607	474
Closing balance		8,114	8,089
Total		618,472	618,447



Cash Flow Statement

Figures in Rand thousand	Notes	2019/2020	2018/2019
Cash flows from operating activities			
Cash nows from operating activities			
Receipts			
Annual appropriated funds received	1.1	5,014,770	4,901,304
Departmental revenue received	2	687,485	652,358
Aid assistance received	3	<u> </u>	1,856
		5,702,255	5,555,518
Not (increase)/decrease in working conite!		(42.770)	(420.240)
Net (increase)/decrease in working capital Surrendered to Revenue Fund		(13,770) (777,647)	(129,249) (654,675)
Current payments		(3,650,215)	(3,273,919)
Interest paid	6	(196)	(5,275,919)
Payments for financial assets	-	(2)	(278)
Transfers and subsidies paid		(609,263)	(586,334)
Net cash flow available from operating activities	18	651,162	905,114
Cash flows from investing activities			
Payments for capital assets	9	(661,205)	(945,989)
Proceeds from sale of capital assets	2.3	14,034	-
(Increase)/decrease in non-current receivables	12	(7,009)	-
Net cash flows from investing activities		(654,180)	(945,989)
Cash flows from financing activities			
Increase/(decrease) in net assets		25	(1,912)
Increase/(decrease) in non-current payables		13,958	138,857
Net cash flows from financing activities		13,983	136,945
Cash and cash equivalents at beginning of period		121,736	25,666
Net increase/(decrease) in cash and cash equivalents		10,965	96,070
Cash and cash equivalents at the end of the year	19	132,701	121,736



Summary of significant accounting policies

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

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

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

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Comparative information

3.1 Prior period comparative information

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

3.2 Current year comparison with budget

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

4. Revenue

4.1 Appropriated funds

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

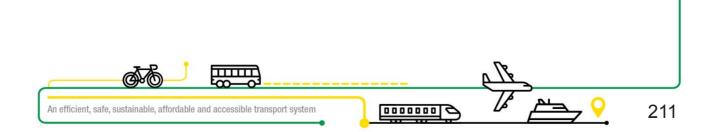
Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

4.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.



4.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

5. Expenditure

5.1 Compensation of employees

5.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

5.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

5.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

5.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

5.4 Leases

5.4.1 Operating leases

Operating lease payments made during the reporting date are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

5.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.



6. Aid assistance

6.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

6.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

7. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

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

8. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

9. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

10. Investments

Investments are recognised in the statement of financial position at cost.

11. Financial assets

12. Payables

Payables recognised in the statement of financial position are recognised at cost.

13. Capital assets

13.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

13.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1 -.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1 -

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use. Repairs and maintenance is expensed as current goods and services in the statement of financial performance.

13.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

13.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

14. Provisions and contingents

14.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

14.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

14.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

14.4 Commitments

Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

15. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial position; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

16. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are derecognised when settled or subsequently written-off as irrecoverable.

17. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

18. Changes in accounting policies, accounting estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

19. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

20. Principal-Agent arrangements

The department is party to a principal-agent arrangement for. In terms of the arrangement the department is the principal or the agent . All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

21. Departures from the MCS requirements

Management has concluded that the financial statement present fairly the departments primary and secondary information that the department complied with the standard with no exception.

22. Capitalisation reserve

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

23. Recoverable revenue

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

24. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

25. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement

The cost of inventories is assigned by using the FIFO cost formula.

26. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

Figures in Rand thousand	Note	2019/2020	2018/2019

2019/2020

2018/2019

1. Annual appropriation

1.1 Annual appropriation

Figures in Rand thousand

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

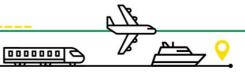
rigures in Naria triousaria	2019/	2020	2010/	2019
	Final	Actual Funds	Final	Appropriation
	Appropriation	Received	Appropriation	received
Programme 1 - Administration	464,442	464,442	356,698	356,698
Programme 2 - Transport Infrastructure	2,186,893	2,186,893	2,203,471	2,203,471
Programme 3 - Transport Operations	1,338,460	1,338,460	1,286,388	1,286,388
Programme 4 - Transport Regulations	365,107	365,107	402,307	402,307
Programme 5 - Community Based Programme	659,868	659,868	652,440	652,440
		•		
Total	5,014,770	5,014,770	4,901,304	4,901,304
1.2 Conditional grants				
Total grants received		37	1,878,208	1,787,895
Provincial grants included in total grants received			1,878,208	1,787,895
2. Departmental revenue				
Tax revenue			653,803	627,971
Sales of goods and services other than capital assets		2.1	21,659	12,805
Fines, penalties and forfeits		2.2	11,115	10,925
Sales of capital assets		2.3	14,034	· -
Transactions in financial assets and liabilities		2.4	908	657
Total revenue collected			701,519	652,358
Less: Own revenue included in appropriation		15	701,519	652,358
Departmental revenue collected			-	-
2.1 Sales of goods and services other than capital assets	5			
Sales by market establishment			914	840
Administrative fees			20,745	11,965
			 .	
Sales of goods and services produced by the department			21,659	12,805
2.2 Fines, penalties and forfeits				
Penalties			11,115	10,925
2.3 Sales of capital assets				
Tangible assets				
Machinery and equipment		32	14,034	-
2.4 Transactions in financial assets and liabilities				
Receivables			908	657
-				





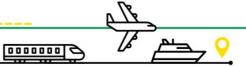
Figures in Rand thousand	Note(s)	2019/2020	2018/2019
2.5 Cash received not recognised (not included in the main note) - 2019	0/2020		
Cash received not recognised (not included in the main note) - 2018/2019			
Name of entity		Amount	Balance
Eastern Cape Government Fleet Management Services		received 111,968	111,968
In terms of GRAP MCS 18(g) cash received for another entity then surrendered departmental revenue note.	to revenue	fund does not roll up	to the main
3. Aid assistance			
Opening balance		2,460	2,017
Transferred from statement of financial performance Closing balance		<u>(266)</u> 2,194	2,460
3.1 Analysis of balance by source			
Aid assistance from other sources		2,194	2,460
3.2 Analysis of balance			
Aid assistance repayable	3	2,194	2,460
3.3 Aid assistance expenditure per economic classification			
Current		266	1,413
4. Compensation of employees			
4.1 Salaries and wages			
Basic salary		667,626	650,686
Performance award Service based		5,913 3,446	5,482 2,773
Compensative/circumstantial		56,864	54,707
Other non-pensionable allowances		120,826	116,445
Total		854,675	830,093





Figures in Rand thousand	Note(s)	2019/2020	2018/2019
4.2 Social contributions			
Employer contributions			
Pension		85,913	86,161
Medical		57,778	53,910
UIF		26	33
Bargaining council		247	233
Insurance		70	
Total		144,034	140,337
Total compensation of employees		998,709	970,430
Average sumber of smalleyees	_	2.640	0.544
Average number of employees		2,619	2,544
5. Goods and services			
Administrative fees		335	580
Advertising		5,398	4,879
Minor assets	5.1	3,367	1,220
Bursaries (employees)		2,764	7,661
Catering		13,405	11,242
Communication	F 0	8,437	9,651
Computer services	5.2	23,267	19,659 8,030
Consultants: Business and advisory services Infrastructure and planning services		13,980 72,110	43,722
Legal services		3,854	4,596
Contractors		1,057,045	1,075,651
Agency and support / outsourced services		28	362
Entertainment		70	97
Audit cost - external	5.3	14,539	11,113
Fleet services		84,672	74,079
Inventory	5.4	28,423	31,867
Consumables	5.5	38,148	44,099
Operating leases		12,525	7,547
Property payments	5.6	19,777	15,489
Rental and hiring		532,473	236,301
Transport provided as part of the departmental activities		605,802	597,938
Travel and subsistence	5.7	86,598	69,420
Venues and facilities		8,110	14,264
Training and development	F 0	12,922	9,185
Other operating expenditure	5.8	3,191	3,424
Total		2,651,240	2,302,076

Figures in Rand thousand	Note(s)	2019/2020	2018/2019
5.1 Minor assets			
Tangible assets Machinery and equipment		3,367	1,220
machinery and equipment		3,307	1,220
5.2 Computer services			
SITA computer services		23,267	19,659
5.3 Audit cost - external			
Regularity audits		14,539	11,113
5.4 Inventory			
Fuel, oil and gas		23,296	31,023
Materials and supplies		5,127	844
Total	5	28,423	31,867
5.5 Consumables			
Uniform and clothing		19,558	26,780
Household supplies		1,378	1,795
Building material and supplies IT consumables		6,411 187	5,238 146
Other consumables		327	203
Consumable supplies Stationery, printing and office supplies		27,861 10,287	34,162 9,937
Total	5	38,148	44,099
5.6 Property payments			
Municipal services		2,499	2,238
Other		17,278	13,251
Total	5	19,777	15,489
5.7 Travel and subsistence			
Local Foreign		86,566 32	69,420
Total	5	86,598	69,420
5.8 Other operating expenditure			
Professional bodies, membership and subscription fees		57	71
Resettlement costs		1,228	2,471
Other		1,906	882
Total	5	3,191	3,424

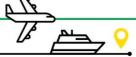


Figures in Rand thousand	Note(s)	2019/2020	2018/2019
6. Interest and rent on land			
Interest paid		196	5,949
7. Payments for financial assets			
Other material losses	7.1	2	278
7.1 Other material losses			
Nature of other material losses Incident Disciplinary steps taken/ Criminal proceedings Staff debt Other losses		2	278
8. Transfers and subsidies			
Provinces and municipalities Departmental agencies and accounts Public corporations and private enterprises Households	Annexure 1B Annexure 1D Annexure 1G	3,858 19,677 544,864 40,864	4,112 10,940 538,973 32,309
Total		609,263	586,334
9. Expenditure for capital assets Tangible assets Buildings and other fixed structures Machinery and equipment	34 32	473,697 187,275	606,122 339,837
	_	660,972	945,959
Intangible assets Software	33	233	30
Total		661,205	945,989
The following amounts have been included as project costs in Expenditure for capital assets Compensation of employees	_	24,665	20,620
Goods and services		23,066	13,365
Total		47,731	33,985
9.1 Analysis of funds utilised to acquire capital assets - 2019/2020)		
Figures in Rand thousand		Voted funds	Total
Tangible assets Buildings and other fixed structures Machinery and equipment		473,697 187,275	473,697 187,275
		660,972	660,972
Intangible assets Software		233	233
Total		661,205	661,205

Included in tangible assets is advance payment made for the purchase of assets from GFMS in terms of the agreement.

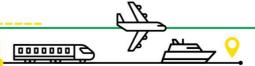






Figures in Rand thousand		Note(s) 2	2019/2020	2018/2019
9.2 Analysis of funds utilised to acquire cap	oital assets - 2018/2019			
Figures in Rand thousand			Voted funds	Total
Tangible assets				
Buildings and other fixed structures Machinery and equipment			606,122 339,837	606,122 339,837
			945,959	945,959
Intangible assets				
Software Total			945,989	945,989
9.3 Finance lease expenditure included in 6	expenditure for capital assets			
Tangible assets Machinery and equipment			44,026	46,140
10. Cash and cash equivalents				
Consolidated paymaster general account			132,701	121,736
11. Prepayments and advances				
Prepayments (Not expensed)		11.1	6,783	6,783
11.1 Prepayments (Not expensed)				
Figures in Rand thousand		Note	Balance	Balance
			2019	as at 31 March 2020
Capital assets			6,783	6,783
Figures in Rand thousand	Note	Balance as at 01 April	Add: Current year	Balance as at 31 March
Capital assets		2018	prepayments 6,783	2019 6,783
11.2 Advances paid (Expensed)		-		
Figures in Rand thousand	Amount Less:	Add or Less:	Add:	Amount
Tiguloo iii Kana alousana	as at 01 April Received in the 2019 current year			as at 31 March 2020
Other institution	28,921 (28,921)	-	79,500	79,500
Advance payment were made for the purchase of	of asset from GFMS in terms of t	he agreement.		
Figures in Rand thousand		Amount	Add:	Amount
Other institution		as at 01 April 2018	advances	as at 31 March 2019
Other institution			28,921	28,921





	nd			١	lote(s)	2019/2020	2018/2019
12. Receivables							
Figures in Rand thousand			2019/2020			2018/2019	
inousand	Note	Current	Non- current	Total	Current	Non- current	Total
Claims recoverable	12.1	3,855		3,855	1,2		1,248
Staff debt Fruitless and wasteful expenditure	12.2 12.4	790 -	8,005 98	8,795 98	78	81 440 - 98	1,221 98
Other debtors	12.3	5	145,603	145,608	1,4	78 146,159	147,637
Total		4,650	153,706	158,356	3,5	07 146,697	150,204
						3,835 20	-
Provincial departments Public entities Private enterprises						,	347 - 901
Public entities Private enterprises					12	,	901
Public entities Private enterprises Total					12	20	-
Public entities	loyees and	l other staff debt			12	20	901 1,248
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex emp	loyees and	l other staff debt			12	3,855	901 1,248
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex empletes 12.3 Other debtors Other debtors	loyees and	l other staff debt			12	3,855 8,795	901 1,248 1,221
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex empl 12.3 Other debtors Other debtors Dishonoured cheques	loyees and	l other staff debt			12	3,855	901 1,248 1,221
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex emp 12.3 Other debtors Other debtors Dishonoured cheques Sal: Tax debt Scholar transporters		d other staff debt			12	3,855 8,795	901 1,248 1,221 40 2 2 1,434
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex empl 12.3 Other debtors Other debtors Dishonoured cheques Sal: Tax debt Scholar transporters Hlumisa Savings Accou	int - IDT				12	3,855 8,795 - 2 3 - 19,641	901 1,248 1,221 40 2 2 1,434 19,638
Public entities Private enterprises Total 12.2 Staff debt Leave gratuity - ex emp 12.3 Other debtors Other debtors Dishonoured cheques Sal: Tax debt Scholar transporters	int - IDT int - Clark L				12	3,855 8,795	901 1,248 1,221 40 2 2 1,434

The Hlumisa fund was initiated by the Department of Roads and Public Works (DRPW) in 2002/03 financial year for household contractors (household contractor programme). This was to provide an exit strategy for the beneficiaries to start livelihood project so that when they exit the programme they are able to support themselves.

The agreement between the two parties i.e. employer and employee was to deduct R20 per month from the stipend of the beneficiary. The employer contributes the same R20 per month. These monies would be paid to a trust. At the exit stage the R40 (R20 plus R20) would be paid out following a distribution strategy. Interest was earned during the investment period of which a distribution strategy would be implemented to effect the distribution. The capital contributions by both parties ended in March 2017 and now is awaiting a conclusion of distribution strategy. The funds were deposited to IDT from August 2011 which were later deposited to PWC's Clark Laing. PWC was appointed to manage the funds as well to keep a record of the beneficiaries in order to effect payment inclusive of arranging training for co-operatives. To-date an amount of R4, 068,711 have been paid to PWC. The idea of creating co-operatives at their exit date was changed through an MEC resolution on 11 June 2018 to let the beneficiaries make their own choice in relation to monies due to them.

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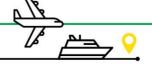
As at 31 March 2020 the verification of the beneficiaries is as follows:

Confirmed = R90,775,042 (Capital and interest)

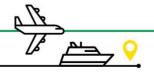
Unconfirmed = R78,765,590 (Capital and interest)

The project is still ongoing and beneficiaries have not been paid yet.





Figures in Rand thousand Note(s)	2019/2020	2018/2019
12.4 Fruitless and wasteful expenditure		
Opening balance	98	98
13. Investments		
Non-Current		
Shares and other equity	249.256	040.056
Mayibuye Transport Corporation EC Government Fleet Management Services	248,356 362,002	248,356 362,002
Total	610,358	610,358
Analysis of non-current investments		
Opening balance	610,358	610,358
13.1 Impairment of investment		
Estimate of impairment of investment	146,385	144,932
The impairment of R146,385 million is as a result of adjusting the investment to the net a Corporation which led to the net asset value being less than the cost of the investment.	sset value of Mayibuye	e Transport
14. Voted funds to be surrendered to the Revenue Fund		
Opening balance Transferred from statement of financial performance (as restated) Paid during the year	90,248 94,155 (90,248)	6,265 90,248 (6,265)
Closing balance	94,155	90,248
15. Departmental revenue and NRF Receipts to be surrendered to the Revenue F	und	
Opening balance Own revenue included in appropriation 2 Paid during the year	15,339 701,519 (687,399)	11,391 652,358 (648,410)
Closing balance	29,459	15,339



Figures in Rand thousand		Note(s) 20	019/2020	2018/2019
16. Payables - current				
Clearing accounts		16.1	2,434	2,972
Other payables		16.2	8,669	20,758
Total			11,103	23,730
16.1 Clearing accounts				
Sal: GEHS Refund			253	102
Sal: ACB			88	33
Sal: Income Tax Sal: Pension Fund			1,923 161	2,625 212
Sal: UIF			9	-
Total		16	2,434	2,972
16.2 Other payables				
Enatis (RTMC)			8,669	12,625
Department of Public Works Scholar Transporters			-	7,212 921
Total		16	8,669	20,758
17. Payables - non-current				
Figures in Rand thousand		2019/	2020	2018/2019
	Note	One to two	Total	Total
Other payables	17.1	years 152,815	152,815	138,857
17.1 Other payables				
Department of public works			7,212	-
Hlumisa Savings Account beneficiaries			145,603	138,857
Total		17	152,815	138,857

The Hlumisa fund was initiated by the Department of Roads and Public Works (DRPW) in 2002/03 financial year for household contractors (household contractor programme). This was to provide an exit strategy for the beneficiaries to start livelihood project so that when they exit the programme they are able to support themselves.

The agreement between the two parties i.e. employer and employee was to deduct R20 per month from the stipend of the beneficiary. The employer contributes the same R20 per month. These monies would be paid to a trust. At the exit stage the R40 (R20 plus R20) would be paid out following a distribution strategy. Interest was earned during the investment period of which a distribution strategy would be implemented to effect the distribution. The capital contributions by both parties ended in March 2017 and now is awaiting a conclusion of distribution strategy. The funds were deposited to IDT from August 2011 which were later deposited to PWC's Clark Laing. PWC was appointed to manage the funds as well to keep a record of the beneficiaries in order to effect payment inclusive of arranging training for co-operatives. To-date an amount of R4, 068,711 have been paid to PWC. The idea of creating co-operatives at their exit date was changed through an MEC resolution on 11 June 2018 to let the beneficiaries make their own choice in relation to monies due to them.

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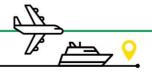
As at 31 March 2020 the verification of the beneficiaries is as follows:

Confirmed = R90,775,042 (Capital and interest)

Unconfirmed = R78,765,590 (Capital and interest)

The project is still ongoing and beneficiaries have not been paid yet.





Figures in Rand thousand	Note(s)	2019/2020	2018/2019
18. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		93,889	90,691
Add back non cash/cash movements not deemed operating acti	vities		
(Increase)/decrease in receivables		(1,143)	(139,248)
(Increase)/decrease in prepayments and advances		-	(6,783)
Increase/(decrease) in payables – current		(12,627)	16,782
Proceeds from sale of capital assets		(14,034)	-
Expenditure on capital assets		661,205	945,989
Surrenders to Revenue Fund		(777,647)	(654,675)
Own revenue included in appropriation		701,519	652,358
Net cash flow generated by operating activities		651,162	905,114
19. Reconciliation of cash and cash equivalents for cash t	low purposes		
Consolidated paymaster general account		132,701	121,736
20. Contingent liabilities and contingent assets			
20.1 Contingent liabilities			
Liable to Nature			
Claims against the department	Annex 3B	203,500	202,856
Other	Annex 3B	2,215	2,215
Total		205,715	205,071

Other consists of:

- 1. HROPT This relates to outstanding grievances in respect of undue promotions and notch advancements.
- 2. Camping Allowances This relates to amounts possibly owed to employees for camping allowances. Currently the amount is disputed and has been disclosed as contingent.

All these matters are pending as at reporting period.

20.2 Contingent assets

Nature of contingent asset		
Industrial strike	391	391
HROPT	4,420	4,420
Total	4,811	4,811

- 1. Industrial strike There is no change in R 391 thousand from prior year due to unresolved matters / disputes.
- 2. HROPT This relates to a dispute for employees overpaid and those who did not qualify for rank promotion.



Figures in Rand thousand	Note(s)	2019/2020	2018/2019
21. Capital commitments			
Building and other fixed structures		1,176,114	332,839

In the previous year, the department had current commitments amounting to R1,230,895 billion amount. However, due to a change in disclosure which requires only capital commitments to be disclosed, the balance of the previous year commitments has decreased from R1,416,878 billion to R332,839 million amount.

Total commitments exceeding one year amounts to R1,176,114 billion relating to roads infrastructure

22. Accruals and payables not recognised

22.1 Accruals

Figures in Rand thousand		2019/2020		2018/2019
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	23,567	7,873	31,440	44,128
Transfers and subsidies	11,991	335	12,326	12,210
Capital assets	7,948	2,233	10,181	-
Total	43,506	10,441	53,947	56,338
Listed by programme level				
Programme 1 - Administration			3,055	4,265
Programme 2 - Transport Infrastructure			19.642	20,348
Programme 3 - Transport Operations			25,541	17,478
Programme 4 - Transport Regulations			4,635	6,184
Programme 5 - Community Based Programme			1,074	8,063
Total			53,947	56,338
22.2 Payables not recognised				
Figures in Rand thousand		2019/2020		2018/2019
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	9,884	2,602	12,486	15,014
Transfers and subsidies	238	-	238	221
Capital assets	47	1,684	1,731	-
Total	10,169	4,286	14,455	15,235
Listed by programme level			400	4.004
Programme 1 - Administration			438 1,731	1,084 1,169
Programme 2 - Transport Infrastructure Programme 3 - Transport Operations			9,822	6,423
Programme 4 - Transport Regulations			9,622	2,509
Programme 5 - Community Based Programme			2,347	4,050
Total			14.455	15.235

Included in the R14,455 million is payables for Scholar Transport amounted to R8,984 million approximately.



Figures in Rand thousand	Note(s)	2019/2020	2018/2019
23. Employee benefits			
Leave entitlement		62,015	57,109
Service bonus (Thirteen cheque)		28,176	27,846
Performance awards		5,040	7,299
Capped leave commitments		95,853	108,475
Other		7,921	8,889
Total		199,005	209,618

Included in the leave entitlement amount of R62,015 million is negative leave days amounting to R272,601 affecting 42 employees. The figure has not been adjusted for cut off leave as the impact of such is immaterial. The value of negative capped leave commitment was R171,366 and 151 days

The performance bonus is estimated based on 0.5% of the budgeted cost of employment. This is an allowed alternative per the National Treasury reporting guidelines

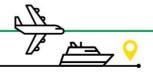
Included in Other is long service award. It is based on the encashments as per the 2019/20 financial year as this is the most reliable estimates that is available to the department as at year end. The estimates is required based on the DPSA Circular 11 of 2019. The 2020/21 encashments is not yet available

24. Lease commitments

24.1 Operating leases

2019/2020

Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	1,268	1,268
Later than 1 year and not later than 5 years	635	635
Total lease commitments	1,903	1,903
2018/2019		
Figures in Rand thousand	Buildings and other fixed structures	Total
Not later than 1 year	1,372	1,372
Later than 1 year and not later than 5 years	1,245	1,245
Later than five years	529	529
Total lease commitments	3,146	3,146

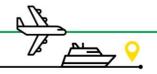


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Figures in Rand thousand	Note(s)	2019/2020	2018/2019
24.2 Finance leases			
2019/2020			
Figures in Rand thousand		Machinery and equipment	Total
Not later than 1 year		21,311	21,311
Later than 1 year and not later than 5 years		18,593	18,593
Total lease commitments		39,904	39,904
2018/2019			
Figures in Rand thousand		Machinery and equipment	Total
Not later than 1 year		22,751	22,751
Later than 1 year and not later than 5 years		24,317	24,317
Total lease commitments		47,068	47,068

The R39,904 million in the current year relates to the leasing of cellphone lines, photocopiers and motor vehicles. GFMS undertakes to maintain the vehicles in accordance with the manufacturer's specifications.

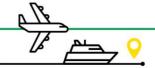
Figures in Rand thousand Note(s)	2019/2020	2018/2019
25. Accrued departmental revenue		
Tax revenue Sales of goods and services other than capital assets Sale of capital assets	59,039 1,091 -	73,716 659 13,381
Total	60,130	87,756
The department has a principal - agent arrangement with the municipalities and SAPO to department. The agent retains 19% of the collected fees as agency fees and pay over the month. Included in accrued departmental revenue is tax revenue not received at year end (2018/19: R 73,716 million).	balance by the end o	of the following
25.1 Analysis of accrued departmental revenue		
Opening balance Less: Amounts received Add: Amounts recognised Less: Amounts written-off/reversed as irrecoverable	87,756 (652,893) 625,267	76,641 (627,970) 655,712 (16,627)
Total	60,130	87,756
25.2 Accrued department revenue written off		
Nature of losses Sale of capital assets		16,627
25.3 Impairment of accrued departmental revenue		
Estimate of impairment of accrued departmental revenue	1,034	108
26. Irregular expenditure		
26.1 Reconciliation of irregular expenditure		
Opening balance Add: Irregular expenditure - relating to prior year 26.2	264,000 84,694	153,687
Add: Irregular expenditure - relating to current year 26.2	4,659	110,313
Closing balance	353,353	264,000
Analysis of awaiting condonation per age classification Current year	4,659	110,313
Prior year	348,694	153,687
Total	353,353	264,000



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Figures in Rand thousand		Note(s)	2019/2020	2018/2019
26.2 Details of current and prior year investigation)	ar irregular expenditure – added curren	t year (und	er determination a	and
Figures in Rand thousand Incident Sole Sourcing of Bailey Bridges Scholar Transport - Non bidders Upgrade of traffic officers Roads Contractors Overtime exceeding 30% Roads contractors Overpayment of a conditional grant SCM processess not followed AB350 rates not included in the SLA	Disciplinary steps taken/ Criminal p Under Assessment Under forensic investigation With the condoning authority Under assessment by DPW Under assessment Under assessment Under assessment Under assessment Under assessment Under assessment	roceedings	5	2019/2020 49,181 8,247 10,277 11,898 3,251 292 2 1,406 4,799 89,353
	es under assessment (not included in t	he main no	ote)	2010/2020
Figures in Rand thousand Incident SCM - deviations Overpayment - AB350 Algoa Bus contract				2019/2020 148 1,875 2,121,031
Total				2,123,054
27. Fruitless and wasteful expendice 27.1 Reconciliation of fruitless and Opening balance Fruitless and wasteful expenditure - rel Less: Amounts written off	wasteful expenditure	27.2	6,353 196 	411 5,960 (18)
Closing balance			6,549	6,353
27.2 Details of current and prior year and investigation)	ar fruitless and wasteful expenditure –	added curr	ent year (under de	etermination
Figures in Rand thousand Incident Interest on late payment	Disciplinary steps taken/ Criminal p Under determination	roceedings	S	2019/2020
27.3 Details of fruitless and wastefu	ul expenditures under assessment (not	included i	n the main note)	
Figures in Rand thousand				2019/2020
Incident Payment of fire engine for mthatha airpand the supplier got liquidated, the department investigating the matter	port			4,493





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Figures in Rand thousand	Note(s)	2019/2020	2018/2019
28. Related party transactions			
Revenue received			
Sales of goods and services other than capital assets		36,319	34,368
Payments made			
Goods and services		61,801	58,832
Expenditure for capital assets Transfers		30,832 152,402	31,139 129,581
Total		245,035	219,552
Year end balances arising from revenue/payments			
Receivables from related parties Payables to related parties		70 (576)	(5,878)
Total		(506)	(5,878)
In kind goods and services provided/received List in kind goods and services between the department and party	the related		
Rental Municipal services		34,326 4,338	23,581 2,603
Total		38,664	26,184
Mayibuye Transport Corporation	The department h	as 100% share inve	stment in the
Eastern Cape Government Fleet Services	salaries are paid t	ontrol of the departn o employees as part	
Department of Safety and Liaison	Resource function Under the departn	nents MEC's portfoli	0
The department occupies Stellenbosch Park and other buildings fr of Public Works (DPW) and they also pay municipal services. T and have been disclosed as related party transactions.	ree of charge. These prop he municipal services inc	perties are leased by curred by the DPW	the Department can be identified
29. Key management personnel			
	No. of		
Political office bearers (provide detail below)	Individuals 1	1,978	1,978
Officials: Level 15 to 16	2	3,144	3,443
Level 14 (incl. CFO if at a lower level) Acting Chief Directors, District Managers and Secondment	5 11	6,705 13,615	7,525 8,014
Total		25,442	20,960
There were managers acting at key management level in the 19/2	0 financial year.		
30. Provisions			
Retentions Provision for other payables		31,439	22,633
Provision for other payables Total		23,938 55,377	58,434 81,067
i otal		30,311	01,007





Figures in Rand thousand	Note(s)	2019/2020	2018/2019

30.1 Reconciliation of movement in provisions - 2019/2020

Closing balance	31,439	23,938	55,377
Change in provision due to change in estimation of inputs	11,551	(34,496)	(22,945)
Settlement of provision	(6,310) -	(6,310)
Increase in provision	3,565	-	3,565
Opening balance	22,633	58,434	81,067
			provisions
Figures in Rand thousand	Retentions	Other payables	Total

30.2 Reconciliation of movement in provisions - 2018/2019

Figures in Rand thousand	Performance bonus	Retentions	Other payables	Total provisions
Opening balance	8,453	-	_	8,453
Increase in provision	-	22,633	58,434	81,067
Settlement of provision	(5,482)	-	_	(5,482)
Unused amount reversed	(2,971)	-	-	(2,971)
Closing balance	-	22,633	58,434	81,067

- 1. Retentions are amounts withheld for work done and not paid until satisfaction of conditions specified in the awarded contracts. Once all conditions specified in the contract have been met and the retention amount is paid, the department will record the payment as capital expenditure and add it to the cost of the asset.
- 2. Provision for other payables relates to the following
- (a)The Hlumisa fund beneficiaries = R23,938 million;

The timing of the setlement of the provision is not certain because the cash is not readily available to the department. The department would need to undergo a process of requesting and motivating for funding from the Provincial Treasury. The period between the request and actual settlement of the provision cannot be determined reliably.

31. Non-adjusting events after reporting date

The World Health Organisation declared COVID-19 a pandemic on 11 March 2020. In response, the South African Government classified COVID-19 as a national disaster and issued additional regulations and directions to curtail the disaster. Since the pronouncement of the Lock Down in March 2020 the departmental budget for 2020/2021 has been reduced by R365,125 million (R246,780 million of the Provincial Roads Maintenance Grant; and R118,345 million of the voted funds which includes R32,439 millon) reduced in terms of Section 25 of the PFMA.

The COVID -19 pandemic has and will negatively impact on the strategic implementation of the Department and adherence to set targets. It is going to affect mostly key service delivery areas which include roads infrastructure projects and programmes which aims at increasing job opportunities for people.

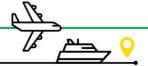
Subsequent to the year end, the department transferred through S42, roads with completion costs of R410 million to the Eastern Cape Department of Public Works. These roads will be included in the asset register and disposed in the 2020/21 financial year end.

AB350 Pty Ltd - Scannia (Liquidation matter) - In around May 2020, Scannia lodged in the high court a liquidation proceeding against AB350 Pty Ltd. This was due to outstanding balance of R64 million from the sale of buses. Following negotiations and interim agreements, the case has since been temporarily withdrawn. Both parties agreed that AB350 Pty Ltd must pay R10 million upfront and R1.9 million monthly to ensure continuity of bus services. Both conditions have since been met. As of 30 September 2020 a total payment amounting to R20.1million has been made towards the debt. The department still provides support to AB350 Pty Ltd through it's subsidy to ensure that service delivery is not negatively impacted.

Subsequent to year end, one of our major contractors informed the department in a letter dated 22 July 2020, that the company is under going voluntary business rescue. The primary purpose of the voluntary business rescue is to permit the company to restructure its financial affairs. At this stage the department cannot quantify the impact this will have on service delivery as investigations are still underway.







Figures in Rand thousand	Note(s)	2019/2020	2018/2019
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32. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2020

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment				
Transport assets	195,235	13,726	-	208,961
Computer equipment	26,721	5,069	98	31,692
Furniture and office equipment	14,958	3,710	-	18,668
Other machinery and equipment	519,498	68,681	7	588,172
	756,412	91,186	105	847,703
Total movable tangible capital assets	756,412	91,186	105	847,493

Movable tangible capital assets under investigation

Figures in Rand thousand
Machinery and equipment

Number
Value
43
5,667

The above assets were stolen or lost and reported to the lost control unit which is undertaking the investigation process.

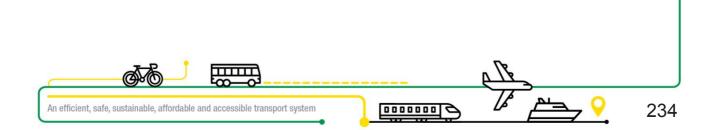
32.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2020

32.2 Disposals

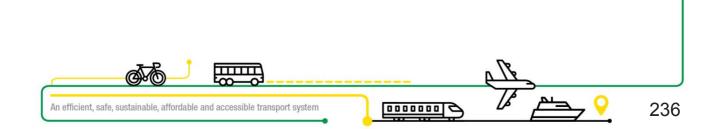
Disposals of movable tangible capital assets per asset register for the year ended 31 March 2020

Figures in Rand thousand	Non-cash disposal	Total disposals
Machinery and equipment Computer equipment Other machinery and equipment	98 7	98 7
Total disposals of movable tangible capital assets	105	105



Figures in Rand thousand		Note(s)	2019/2020	2018/2019
32.3 Movement for 2018/2019				
Movement in movable tangible capital assets per asset re	egister for the year	ended 31 Ma	rch 2019	
Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Machinery and equipment			_	
Transport assets	43,622	151,613		195,235
Computer equipment Furniture and office equipment	18,704 9,779	8,06 ² 5,179	` ,	26,721 14,958
Other machinery and equipment	38,520	480,978		519,498
Total movable tangible capital assets	110,625	645,83		756,412
32.4 Minor assets				
Movement in minor assets per the asset register for the y	ear ended as at 31	March 2020		
Figures in Rand thousand			Machinery and equipment	Total
Opening balance Additions			18,401 3,368	18,401 3,368
Total minor assets			21,769	21,769
Figures in Rand thousand			Machinery and equipment	Total
Number of R1 minor assets			15,496	15,496
Number of minor assets at cost			12,353	12,353
Total number of minor assets			27,849	27,849
Movable tangible capital assets under investigation				
Figures in Rand thousand Machinery and equipment			Number 22	Value 60
Movement in minor assets per the asset register for the y	ear ended as at 31	March 2019		
Figures in Rand thousand			Machinery and equipment	Total
Opening balance Additions			10,158 8,243	10,158 8,243
Total minor assets			18,401	18,401
Figures in Rand thousand			Machinery and equipment	Total
Number of R1 minor assets			15,496	15,496
Number of RT minor assets				
Number of minor assets at cost			10,814	10,814

Figures in Rand thousand			Note(s) 2	2019/2020	2018/2019
33. Intangible Capital Assets					
Movement in intangible capital assets per asset	register for th	ne year ended	31 March 2020)	
Figures in Rand thousand			Opening	Additions	Closing
Software			balance 73	158	balance 231
33.1 Additions					
Additions to intangible capital assets per asset	register for the	e year ended	31 March 2020		
Figures in Rand thousand Software				Cash 158	Total 158
33.2 Movement for 31 March 2019					
Movement in intangible capital assets per asset	register for th	ne year ended	31 March 2019)	
Figures in Rand thousand			Opening	Additions	Closing
Software			balance 43	30	balance 73
34. Immovable Tangible Capital Assets					
Movement in immovable tangible capital assets	per asset reg	ister for the ye	ear ended 31 N	larch 2020	
Figures in Rand thousand			Opening balance	Additions	Closing balance
Buildings and other fixed structures Non-residential buildings			1,043	,	4,249
Other fixed structures			300,322		1,251,964
Total immovable tangible capital assets			301,365	954,848	1,256,213
34.1 Additions					
Additions to immovable tangible capital assets	per asset regi	ster for the ye	ar ended 31 M	arch 2020	
Figures in Rand thousand Buildings and other fixed structures	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
Non-residential buildings Other fixed structures	6,462	664 750	(3,256)		3,206
Total additions to immovable tangible capital assets	467,233 473,695	661,758 661,758	(165,434)	·	951,642 954,848



Figures in Rand thousand	Note(s)	2019/2020	2018/2019
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34.2 Movement for 2018/2019

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2019

Figures in Rand thousand	Opening balance	Additions	Disposals	Closing balance
Buildings and other fixed structures				
Non-residential buildings	462	581	-	1,043
Other fixed structures	-	1,038,617	(738,295)	300,322
Total immovable tangible capital assets	462	1,039,198	(738,295)	301,365

34.3 Capital work-in-progress

Capital work-in-progress as at 31 March 2020

Figures in Rand thousand	Note	Opening balance 01 April 2019	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2020
Buildings and other fixed structures Machinery and equipment		1,173,298 4,493	1,122,828 4,133	(954,177) (7,090)	, ,
Total	Annexure 7	1,177,791	1,126,961	(961,267)	1,343,485

The fire truck engine project has been terminated from the Capital work in progress as the supplier has file for business rescue. The matter is still under investigation.

gures in Rand thousand Number of projects			2019/2020
Age analysis on ongoing projects	Planned,	Planned, Planned,	
	Construction	Construction	
	not started	started	
0 to 1 Year	-	6	51,667
1 to 3 Year(s)	4	7	388,036
3 to 5 Years	-	2	28,857
Longer than 5 Years	-	6	874,925
Total	4	21	1,343,485

Figures in Rand thousand Note(s) 2019/2020 2018/2019

- 1. DIV RD 08041: COFIMVABA-ASKETON • Initially this was to be a low volume road as the strategy then was to use alternative stabilisation methods and thereafter blacktop (surface). This strategy was based on the traffic volumes on that stretch of a gravel road (Low traffic volumes). A distance of 3km was surfaced using this strategy during the 2012/13 financial year .• During the 2012/13 financial year, a decision was taken (after observing an increase in traffic volumes when this 3km was opened) to properly design the road for increased traffic volumes The road was designed in phases (5km phases) by the In-House Design team up to km 15 and thereafter BVI Consulting assisted the In-House design technicians to design the remainder of 50.2km (35.2km). This process contributed to the delays Whilst the In House designers were finishing designs (2015/16FY), a Regraveling of the entire 50.2km took place to make the road accessible The road will be completed after 2023/24 FY
- 2. WCM:COFFEE BAY TO ZITHULELE-INH WCM:ZITHULELE/COFFEE BAY PH1 CAP ZITHULELE HOSP ROAD PH 1&2 CAP • Financial Year 2011/12 was dedicated to site establishment and also moved into 2013/14 FY During 2013/14, maintenance of the road between Mqanduli and Coffeebay was resealed to create access for communities along the route to Coffeebay before commencement of the Coffeebay to Zithulele project Three major bridges were rehabilitated and completed between 2014/15 and 2015/16 Financial years Budget allocations for the In House Construction Unit for the actual upgrade of this road are not sufficient The road will be completed by In House Construction in 202/23 Financial Year
- 3. WCM:MADWALENI HOSP RD(PH2)IN-HOU

 2011/12 was for site establishment and 2012/13

 Regraveling of the entire 17km to make it accessible for communities along the road and the hospital •
 The first 8km of the 17km was completed by a private contractor and the remaining 9km will be completed in March 2021 by the In-House Construction Unit The delays are attributed to procurement a bid was advertised for a private contractor to complete the last 9km in 2016 but was cancelled due to administrative reasons (Expiry of validity) and In-House Construction was instructed in 2018 to commence with completion of this 9km section
- 4. **SLA ENOCH MGIJI(ZOLA-T/HILL)PH4** This Service Level Agreement [SLA] is between the Department of Transport [DoT] and the erstwhile Tsolwana Local Municipality [TLM] which has been incorporated into the Enoch Mgijima Local Municipality [EMLM]. The contract has been divided into 5 separate phases i.e.

Phase 1_Upgrading of DR12732 from Thornhill en route to Tsolwana Nature Reserve [+/- 12.4 km]

Phase 2_Upgrading of internal streets in Tarkastad [8.5 km]

Phase 3_Upgrading of internal streets in Hofmeyer [4.5 km]

Phase 4_Upgrading of DR12732 and DR12733 from Phase 1 en route to Tsolwana Nature Reserve [8.0 km]

Phase 5 Upgrading of DR 02541 from end Phase 4 to past Tsolwana nature Reserve

The initial period of the SLA was until the 31st March 2018 which was also the period when the Roads Infrastructure Branch relocated from the Department of Roads and Public Works [DRPW] to the Department of Transport [DoT]. Currently three phases of the 5 phased project have been completed.

The DoT in discussion with the EMLM agreed to continue with the SLA and due to the length of the contract the EMLM approach the courts who issued a court order for the project to be continued until the year 2021. The DoT subsequently signed a new SLA with EMLM extending the contract until the completion of Phases 4 and 5.

Currently Phase 4 is in progress. The extension of this SLA is thus based on a court order

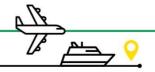
Payables not recognised relating to Capital WIP

Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress

1,684



Figures in Rand thousand				Note(s)	2019/2020	2018/2019
Capital work-in-progress as at 31 I	March 2019					
Figures in Rand thousand	Note	Opening balance 01 April 2018	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2019
Buildings and other fixed structures Machinery and equipment		303,155 4,493	15,000 -	1,894,022	2 (1,038,879)	1,173,298 4,493
Total	Annexure 7	307,648	15,000	1,894,022	(1,038,879)	1,177,791
Figures in Rand thousand					Number of projects	2018/2019
Age analysis on ongoing projects					Planned, Construction started	Total
0 to 1 Year					9	88,569
1 to 3 Year(s)					3	312,878
3 to 5 Years					2	21,318
Longer than 5 Years					7	755,026
Total					21	1,177,791



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Figures in Rand thousand	Note(s)	2019/2020	2018/2019	
35. Principal-agent arrangements				
35.1 Department acting as the principal				
Municipalities South African Post Office		73,697 74.111	73,095 79.584	
Hlumisa Development Fund - PWC / Clark Laing Municipality relating to construction - Enoch Mgjima		1,449 1,552	1,964	
Total		150,809	154,643	

- 1. The Department uses IDT: Roads and SANRAL, National Department of Public Works as implementing agents for:
- (a) Facilitation of the delivery of infrastructure through the provision of expertise and specialist competencies; and
- (b) Provision of contract development programmes and providing support and guidance to emerging contractors.

On the date of termination, all amounts not contractually committed or paid out to the Programme from the Agent's bank account, on demand, be reimbursed to the Department, net of normal banking costs and the rights and obligation in terms of any Agreement entered into by the Agent, shall revert to the Department. The project implemented by SANRAL has been completed and funds are due to be paid to the department

- The Department uses SAPO as an implementing agent for: Facilitation of the payment of the EPWP beneficiaries
- 3. The Department used IDT as an implementing agent for: Administration of the savings of the Hlumisa EPWP beneficiaries.

The SLA expired on the 31 March 2014, however IDT has not completed its obligation by paying over all the monies due to the department on behalf of the Hlumisa EPWP beneficiaries.

- 4. The Department uses PricewaterHouse Coopers and Clark Laing as implementing agents:
- a) The nature of the activities includes the administration of the savings of the Expanded Public Works Programme beneficiaries.
- 5. Various municipalities are used as implementing agents for maintaining, resurfacing and ancillary work on the Department's behalf. The municipalities claim monies back from the department on an invoice basis.

Apart from the expertise provided, the Department has entered into these agreements to ensure that service delivery does take place and to circumvent capacity constraints.

- 6. Various Municipalities and the South African Post Office are used as implementing agents to collect revenue on behalf of the department. The agent retains 19% of the collected fees as agency fees and pay over the balance by the end of the following month
- 7. Resources that are under the custodianship of the agents:

Some of the agents have receivable balances at year end which are detailed in the payables and receivables reconciliation below.

IDT: Savings and Pricewaterhouse Coopers have a receivable balance of R19 640 594 and R125 962 052 (2018/19: R19 638 452 and R125 443 792) respectively, as the amounts are due to the Department from the implementing agents, however there is also a payable balance of R19 640 594 and R125 962 05 (2018/19: R19 638 452 and R125 443 792) as the Department is liable to the contract workers for the same amounts. This is reflected on the Statement of Financial Position.

Nature of the activities of principals:

Road Traffic Management Corporation (RTMC):

The eNatis system used by the department and registration authorities is the property of RTMC.

Administration fees are charged on each transaction which is paid by the registration authorities to the department.



Figures in Rand thousand	Note(s)	2019/2020	2018/2019
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RTMC appointed the department to collect these administration fees and pay them over to RTMC monthly. Funds due to RTMC for fees collected in March 2020 is held in the books of the department.

35.2 Department acting as the agent

35.2.1 Revenue received for agency activities

Road Traffic Management Corporation (RTMC)

59,610

63,650

35.2.2 Reconciliation of carrying amount of receivables and payables - 2019/2020

Receivables

Total	158,999	6,746	165,745
Hlumisa Development Fund - IDT	19,638	2	19,640
Hlumisa Development Fund - PWC / Clark Laing	119,218	6,744	125,962
IDT	6,783	-	6,783
SANRAL	13,360	-	13,360
	01 April 2019	entitled to	31 March 2020
	balance	principal is	balance
Name of principal entity	Opening	Revenue	Closing
Figures in Rand thousand			

Payables

Figures in Rand thousand				
Name of principal entity	Opening	Expenses	Cash paid on	Closing
	balance	incurred on	behalf of the	balance
	01 April 2019	behalf of the	principal	31 March 2020
		principal		
Road Traffic Management Corporation (RTMC)	12,624	59,610	63,566	8,668

Reconciliation of carrying amount of receivables and payables - 2018/2019

Receivables

Figures in Rand thousand			
Name of principal entity	Opening balance 01 April 2018	Revenue principal is entitled to	Closing balance 31 March 2019
SANRAL	14,108	(748)	13,360
IDT	6,783	-	6,783
Hlumisa Development Fund	119,218	-	119,218
Hlumisa Development Fund - IDT	19,638	-	19,638
Total	159,747	(748)	158,999



Figures in Rand thousand			Note(s)	2019/2020	2018/2019
Payables					
Figures in Rand thousand Name of principal entity	Note	Opening balance 01 April 2018	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal	Closing balance 31 March 2019
Road Traffic Management Corporation		6,285	57,831	51,492	12,624
(RTMC) Total		6,285	57,831	51,492	12,624

Figures in Rand thousand	Note(s)	2019/2020	2018/2019
36. Prior period errors			
36.1 Correction of prior period errors			
Figures in Rand thousand	Amount bef error correction	2018/2019 Prior period error	Restated amount
Expenditure: (E.g. Compensation of employees, Goods and services, Tangible capital assets, etc.) Goods and services - Transport of scholars	588,246	S 451	588,697
Figures in Rand thousand	Amount bef error correction	2018/2019 Prior period error	Restated amount
Assets: (E.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)	Correction		
Receivables Capital work in progress	150,204 1,162,791	(' '	148,832 1,177,791
Net effect	1,312,995	13,628	1,326,623

- 1. Prior year misstatement of Scholar Transport overpayments
- 2. Expenditure for 2018/19 relating to 4 projects which were errosneously not included

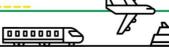
Figures in Rand thousand	Amount bef error correction	2018/2019 Prior period error	Restated amount
Liabilities: (E.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)			
Capital commitments	185,983	146,856	332,839
Payables	23,730	(921)	22,809
Provision	103,930	(22,863)	81,067
Net effect	313,643	123,072	436,715

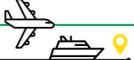
- 1. In the prior financial year the department erroneously disclosed capital commiments as current commitments due to misinterepration of the classification of contracts in the current year it was clarified that the contracts were capital in nature. The necessary adjustments has been made to capital commitments.
- 2. Prior year misstatement of Scholar Transport underpayments.
- 3. Provision consists of: (a) Provision for retention was erronesously disclosed as current projects; (b) Performance awards and long service awards were previously disclosed as provisions in terms of MCS however the AFS template is reflecting them as employee benefits. All the necessary adjustments have been made to provisions.

Figures in Rand thousand Other: (E.g. Irregular expenditure, Fruitless and wasteful expenditure, etc.)	Amount bef error correction	2018/2019 Prior period error	Restated amount
Employee benefits	199,179	10,439	209,618

Performance awards and long service awards were previously disclosed as provisions in terms of MCS however the AFS template is reflecting them as employee benefits. All the necessary adjustments have been made to employee benefits.







Statement of Conditional grants received

37.

Figures in Rand thousand

Figures in Rand thousand	Grant allocation	roite		, tuen	ţ		2018/2019	2019
- gares III ivalia tilousalla	Glaire	OCATION		200	115		70107	200
Name of grant	Division of	Total	Amount	⋖	Under /	% of available Division of Amount spent	Division of A	Amount spent
	Revenue Act/	Available	received by	by	(Overspen-	(Overspen-funds spent Revenue Act	Revenue Act	by
	Provincial		department	department department	ding)	þý		department
	Grants				i	department		
Public Transport	252,115	252,115	252,115	252,115	'	% -	238,745	238,745
Expanded Public Works Program	81,821	81,821	81,821		802	% -	66,821	66,788
Provincial Roads Maintenance	1,553,772	1,553,772	1,544,272	7,	44,104	% 86	1,482,329	1,469,982
	1,887,708	1,887,708	1,878,208	1,842,802	44,906		1,787,895	1,775,515

All transfers in terms of this Act were deposited into the primary bank account of the province.



Figures in Rand thousand	Note(s)	2019/2020	2018/2019

38. Broad based black economic empowerment performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

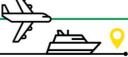
Annexure 1B

Statement of transfers to Departmental Agencies and Accounts

Figures in Rand thousand	Transfer allocation	allocation .	Transfer	sfer	2018/2019
Departmental agency / Account	Adjusted Appropriation	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
Provincial Department Agency - Taxi Council (SANTACO)	4.752	4.752	4.752	100 %	
Unemployment Insurance Fund	14,927	14,927	14,925	100 %	10,727
Total	19,679	19,679	19,677		15,319



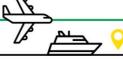




Figures in Rand thousand				Note(s) 201	2019/2020	2018/2019
Annexure 1D						
Statement of transfers/subsidies to Public Corporations and Private Enterprises	es					
Figures in Rand thousand	Transfer allocation	llocation		Expenditure		2018/2019
	Adjusted Appropriation Act	Total Available	Actual Transfer	% of Available funds	Current	Final Appropriation
Name of Public Corporations/ Private Enterprise				Transferred		
Public corporations Transfers Mayibuye Transport Corporation	152,402	152,402	152,402	100 %	•	129,581
	152,402	152,402	152,402	400 %		129,581
Subsidies Algoa Bus Company (Pty) Ltd	252,115	252,115	252,115	100 %	252,115	238,745
	252,115	252,115	252,115	100 %	252,115	238,745
Subtotal	404,517	404,517	404,517	100 %	252,115	368,326
Private enterprises Subsidies Africa Best 350 Ltd	159,753	159,753	140,347	87.9 %	•	170,647
Total	564,270	564,270	544,864	% 9.96	252,115	538,973



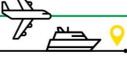




Figures in Rand thousand		Note(s)	2019/2020	2018/2019
Annexure 1G				
Statement of transfers to Households				
Figures in Rand thousand Tr	Transfer Allocation		Expenditure	2018/2019
Adju. Approp	sted Total Availak riation	le Actual Trar	Adjusted Total Available Actual Transfer % of Available poropriation	Final Appropriation
Households	+-		Transferred	·
Transfers Social benefits	42,072 42,072	.2 40,864	364 97 %	36,485







Figures in Rand the	ousand	2019/2020	2018/2019
Annexure 1H			
Statement of gifts Received in kind	, donations and sponsorships received		
Old Mutual	Various	•	

Figures in Rand thousand	Note(s)	2019/2020	2018/2019
Annexure 1I			
Name of donor Purpose	Opening Ralance	Expenditure	Closing
Figures in Rand thousand	במפוס		
Received in cash			
Transport Education & Training (TETA)	1,388	8 266	1,122
Transport Education & Training (TETA) Flaship Programme		_	_
Public Sector Education Training Authority (PSETA)	43	3	43
Road Traffic Management Corporation (RTMC)	1,028		1,028
Total	2,460	0 266	2,194



Cash

Figures in Rand thousand	2019/2020	2018/2019
Annexure 1J		
Statement of gifts, donations and sponsorships made		
Nature of gifts, donations and sponsorships made (Group major categories but list material items including name of organisation) Made in kind		

Annexure 1K

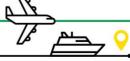
Statement of actual monthly expenditure per grant

Grant Type	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Figures in Rand thousand	2019	2019	2019	2019	2019	2019	2019	2019	2019	2020	2020	2020	2020
Algoa Bus		21,732	22,891	19,858	24,028	22,940	21,094	24,689	22,837	15,782	21,932	34,330	252,113
EPWP	4,446	18,908		8,715	4,408	3,614	22,561	4,788	8,938		4,636	4	81,018
PRMG	10,314	113,830	124,535	82,303	98,077	97,075	85,862	113,248	241,536	40,263	110,450	392,174	1,509,667
Total	14,760	154,470	147,426	110,876	126,513	123,629	129,517	142,725	273,311	56,045	137,018	426,508	1,842,798







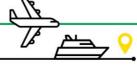


Figures in Rand thousand							Note(s)	2019/2020		2018/2019
Annexure 2A Statement of investments in and amounts owing by/to national/provincial public entities	/to national/prc	vincial publi	c entities							
Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	0	0	Number of	Number of shares held	Cost of investment	vestment	Net Asset value of investment	Net Asset Profit/(Loss) Losses value of for the year guaranteed nvestment	Losses
Figures in Rand thousand		2019/2020	2019/2020 2018/2019 2019/2020 2018/2019 2019/2020 2018/2019 2018/2019 2018/2019	2019/2020	2018/2019	2019/2020	2018/2019	2018/2019		Yes/No
National/Provincial Public Entity Mayibuye Transport Corporation EC Government Fleet Management Service (GFMS)	Schedule 3D Treasury Regulations	100 % -	100 % -	248,356	248,356	248,356 362,002	248,356 362,002	103,473 1,157,468	(4,200) 124,432	No oN
Total				248,356	248,356	610,358	610,358	610,358 1,260,941	120,232	







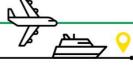


Figures in Rand thousand		2	Note(s) 20	2019/2020	2018/2019
Annexure 2B					
Statement of investments in and amounts owing by/to entities (continued)	()				
Name of Public Entity	Nature of business	Cost of investment	estment	Net Asset value of Investment	Net Asset Amounts owing value of to Entities investment
Figures in Rand thousand		2019/2020	2018/2019	2018/2019	2018/2019
Controlled entities Mayibuye Transport Corporation EC Government Fleet Management Services	Public Bus Transport Service Provincial Government Fleet	248,356 362,002	248,356 362,002	103,473 1,157,468	. (5,878)
Total		610,358	610,358	1,260,941	(5,878)
		`	,		

Figures in Rand thousand	Note(s)	2019/2020	2018/2019
Annexure 3B			
Statement of contingent liabilities as at 31 March 2020			
Nature of Liability	Opening		Closing
	Balance	incurred	Balance
	01 April 201	01 April 2019 during the year 31 March 2020	31 March 2020
Figures in Rand thousand			
Claims against the department			
Claims against the state	202,856	644	203,500
Other			
HROPT	1,65	-	1,651
Camping allowance	99	4	564
Subtotal	2,215	2	2,215
Total	205,071	1 644	205,715







Figures in Rand thousand

2018/2019

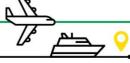
2019/2020

Note(s)

Annexure 4				
Claims recoverable				
Government Entity	Unconfirmed balance outstanding	90	Total	lal
Figures in Rand thousand	2019/2020 2018/20	2019 20	2018/2019 2019/2020	2018/2019
Department EC: Department of Health		27	'	
EC: Department of Social Development		5 5 8	•	296
Department of Public Works - Limpopo	20		20	•
Subtotal	20	323	20	323
Other Government Entities				
Government Fleet Management Services	02	٠	70	
Subtotal	70		70	
Total	06	323	06	323





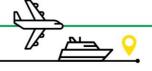


Figures in Rand thousand	z	Note(s) 20	2019/2020	2018/2019
Annexure 5				
Inter-Government payables				
Government Entity	Unconfirmed balance outstanding	d balance nding	Total	tal
Figures in Rand thousand	2019/2020	2019/2020 2018/2019 2019/2020 2018/2019	2019/2020	2018/2019
Other Government Entity Current EC Government Fleet Management Services (GFMS)	575	5,878	575	5,878



Figures in Rand thousand	Note(s)	2019/2020	2018/2019
Annexure 6			
Inventories			
Inventories for the year ended 31 March 2020			
Figures in Rand thousand		Insert major category of inventory	Total
Add: Additions/Purchases - Cash (Less): Issues		28,423 (28,423)	28,423 (28,423)
Closing balance			



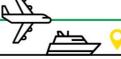


Figures in Rand thousand				Note(s)	2019/2020	2018/2019
Annexure 7						
Movement in capital work-in-progress						
Movement in capital-work-in progress for the year ended 31 March 2020						
Figures in Rand thousand	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance		
Machinery and equipment Transport assets	4,493	4,133		1,536		
	4,493	4,133	(2,090)	1,536		
Buildings and other fixed structures Non-residential buildings Other fixed structures	5,248 1,168,050	5,791 1,117,037	(2,535) (951,642)	8,504 1,333,445		
	1,173,298	1,122,828	(954,177)	1,341,949		
Total	1,177,791	1,126,961	(961,267)	1,343,485		







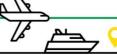


Figures in Rand thousand					Note(s)	2019/2020	2018/2019
Movement in capital work-in-progress for the year ended 31	31 March 2019						
Figures in Rand thousand	Opening balance	Prior period errors	Current year Capital WIP	Ready for use (Asset register)	Closing balance		
Machinery and equipment Transport assets	4,493	'	,	terminated -	4,493		
	4,493	•	•		4,493		
Buildings and other fixed structures Non-residential buildings Other fixed structures	3,151 300,004	15,000	2,678 1,891,344	(581) (1,038,298)	5,248 1,168,050		
	303,155	15,000	1,894,022	(1,038,879)	1,173,298		
Total	307,648	15,000	1,894,022	(1,038,879)	1,177,791		











Report of the auditor-general to the Eastern Cape Provincial Legislature on Eastern Cape Government Fleet Management Services

Report on the audit of the financial statements

Opinion

- 1. I have audited financial statements of the Eastern Cape Government Fleet Management Services (EC GFMS) set out on pages 273 to 312 which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
- In my opinion, the financial statements present fairly, in all material respects, the financial
 position of the EC GFMS as at 31 March 2020, and its financial performance and cash flows
 for the year then ended in accordance with South African Standards of Generally Recognised
 Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance
 Management Act, 1999 (Act No. 1 of 1999) (PFMA).

Basis for opinion

- I conducted my audit in accordance with the International Standards on Auditing (ISAs). My
 responsibilities under those standards are further described in the auditor-general's
 responsibilities for the audit of the financial statements section of this auditor's report.
- 4. I am independent of the trading entity in accordance with sections 290 and 291 of the Code of ethics for professional accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes) as well as 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 codes.
- 5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Irregular expenditure

14. As disclosed in note 28 to the financial statements, the entity incurred irregular expenditure of R3,9 million, as it did not follow a proper tender process.







Restatement of corresponding figures

15. As disclosed in note 25 to the financial statements, the corresponding figures for 31 March 2019 have been restated as a result of errors identified in the financial statements of the entity at, and for the year ended, 31 March 2020.

Responsibilities of the accounting officer for the financial statements

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

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

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

Report on the audit of the annual performance report

Introduction and scope

- 11. 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 on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
- 12. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the trading entity. I have not evaluated the completeness and appropriateness of the performance indicators / measures included in the planning documents. My procedures do not examine whether the actions taken by the trading entity enabled service delivery. My procedures also do 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.

13. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the Trading entity for the year ended 31 March 2020:

Programme	Pages in the annual performance report
Fleet developments and operations	70 - 71

- 14. 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.
- 15. I did not raise any material findings on the usefulness and reliability of the reported performance information for the fleet development and operations programme.

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

17. Refer to the annual performance report on pages 70. to 7.1 for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a number of targets.

Report on the audit of compliance with legislation

Introduction and scope

- 18. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the trading entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 19. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements, performance and annual reports

20. Financial statements were not submitted for auditing within two months after the end of financial year, as required by section 40(1)(c)(i) of the PFMA, read together with section 3 of Treasury note 437 dated 31 March 2020.







- 21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) (b) of the PFMA.
- 22. Material misstatements of non-current assets, liabilities, revenue and disclosure item identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

23. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3

Other information

- 24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
- 25. 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.
- 26. 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.
- 27. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

- 28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, And the findings on compliance with legislation included in this report.
- 29. Leadership did not adequately review the monthly reports and the financial statements before submitting them for auditing, which resulted in material misstatements identified by the external auditors.
- 30. The controls over daily and monthly processing and reconciling of transactions did not always operate effectively as material misstatements were identified.







- 31. The entity had capacity issues as there were two key vacant positions during the year and junior staff are employed on one year contracts which resulted in slow response to audit findings.
- 32. The internal audit unit is not adequately and appropriately resourced relative to the size of the entity and the nature of its operations.
- 33. Although internal audit and the audit committee executed their legislative mandate during the financial year under review, the trading entity had material findings on their annual financial statements that were reviewed by the internal audit and audit committee, resulting in material non-compliance reported above.

Auditor-General

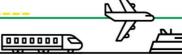
30 September 2020

East London

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence





Annexure – Auditor-general's responsibility for the audit

 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 trading entity's compliance with respect to the selected subject matters.

Financial statements

- 2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether
 due to fraud or error; design and perform audit procedures responsive to those risks; and
 obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.
 The risk of not detecting a material misstatement resulting from fraud is higher than for one
 resulting from error, as fraud may involve collusion, forgery, intentional omissions,
 misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit
 procedures that are appropriate in the circumstances, but not for the purpose of
 expressing an opinion on the effectiveness of the trading entity'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 relating to events or conditions that may cast significant doubt on the ability of the EC GFMS to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
 - obtain sufficient appropriate audit evidence regarding the financial information of the
 entities or business activities within the group to express an opinion on the consolidated
 financial statements. I am responsible for the direction, supervision and performance of the
 group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

- 3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- 4. I also 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, actions taken to eliminate threats or safeguards applied.







Accounting Officer's Report

The Accounting Officer submits his report for the year ended 31 March 2020.

1. Review of activities

Main business and operations

To provide vehicles on a full maintenance lease (FML) to the Eastern Cape provincial departments. In addition provide managed maintenance services to vehicles owned by provincial departments.

2. Going concern

The Accounting Officer is believing that the entity has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The Accounting Officer has satisfied himself that the entity is in sound financial position and that it has access to sufficient financial resources to meet its foreseeable cash requirements. The Accounting Officer is not aware of any new material changes that may adversely impact the entity. The Accounting Officer is also not aware of any material non- compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the entity.

3. Subsequent events

As at the date of signing the annual financial statements, the entity was subjected to the circumstances of the Covid -19 pandemic and a National State of Disaster as declared by the South African Government on 15 March 2020. The stakeholder's attention is drawn to the fact that the future impact on the economy in the short term is uncertain and thus an estimate of the financial impact on the business cannot be determined at this point in time.

The Accounting Officer is not aware of any other material event which occurred after the reporting date and up to the date of this report.

4. Accounting Officer

The Accounting Officer of the entity during the year and to the date of this report is as follows:

Name Mr M Mafani Nationality South African

5. Establishment of the entity

The Entity is established by Treasury Regulation No.19 of the Public Finance Management Act, 1 of 1999 (as amended) The Executive Committee of the Province of the Eastern Cape resolved at its 26th Executive Council meeting held on 30 June 2010 (minute no.26, item 2.2.2) that the Department of Transport (DoT) establish a Trading Entity in line with Treasury Regulation No.19.

6. State of affairs

The entity was established in February 2012, with the sole purpose to ensure that fleet provision in the province is done economically. For this purpose it continues to invest in improving its systems for efficient provision of its services to the provincial departments.

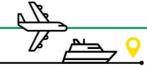
Surrender of funds to Provincial Treasury

The Trading entity was established in accordance with Regulation 19 of the PFMA Treasury Regulation. Consequently it was allocated an initial capital amount to finance its establishment by the Eastern Cape Provincial Treasury. The intention was that it would sustain itself going forward.

In order to sustain itself, the entity charges rentals to provincial departments. The rental (lease) fee is determined through a rate card approved by the Treasury and comprises among other things, a fee for replacement cost of the vehicles leased. The vehicles have to be replaced at various stages when they reach their useful lives e.g. 4 years or 150 000 km, consequently, the replacement funds accumulate between 1 and 4 years whilst the vehicle is leased. These funds are kept as reserves to be utilised when vehicles are due for replacement.







Accounting Officer's Responsibilities and Approval

The Accounting Officer is required by the Public Finance Management Act (Act 1 of 1999) as amended, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the year and the results of its operations and cash flows for the period then ended.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any Interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the entity and places considerable Importance on maintaining a strong control environment. To enable the Accounting Officer to meet these responsibilities, the Accounting Officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in ail reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risks across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records can be relied on for the preparation of the annual financial statements.

The Accounting Officer has reviewed the entity's cash flow forecast for the year to 31 March 2021 and, in the light of this review and the current financial position, he is satisfied that the entity has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 4 to 45, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 July 2020 and were signed by:

Mr M. Mafani

Head of Department





Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2020.

Audit Committee and attendance

The Audit Committee consists of the members listed hereunder and should meet per the schedule of meetings as per its approved Audit Committee terms of reference.

The contract of the two members ended and another two members were appointed.

Name of member

Ms. T. Cumming (CA) SA - Chairperson

Mr. N. Ravgee - Member

Mr T. A. Africa- Member

Audit and Risk Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a)(ii) and 77 of the Public Finance Management Act. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee terms of reference, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices as this function was performed by the internal audit.

The Effectiveness of Internal Control and Financial Concerns

Management presents to the Audit Committee an audit tracking document whereby all the items raised by the previous internal audit and Auditor General Reports are monitored. Recommendations are not always implemented by the Entity.

Quarterly Financial and Performance Reports

The Audit Committee reviews the quarterly finance and performance reports. In terms of the financial reporting, the Committee recommends that the Entity establish a Capital Replacement Reserve for replacing all vehicles in order to ensure that there are sufficient funds available to capitalize the Entity adequately. Such a fund will ensure that the entity continues to meet its core mandate, and also to annually update the rate card







Internal Audit

The Entity has a functioning internal audit unit which has presented the reports to the

Committee during the year including the following: -

- Financial Statements Review
- Annual Performance Report
- Performance Information Quarterly Reviews
- **Ethics Management**
- Annual Performance Plan
- Fleet Development and Provision
- Audit Intervention Plan
- Assets and inventory Count

Other Matters

Structure of the Entity

The Committee is concerned over the Structure of the Entity as it has been in a process of reviewal for two financial years and it has not been finalised. The committee will continuously monitor the process of finalising the structure.

Key Vacancies within the Trading Entity and Contract employees

The Committee continues to be concerned with the number of key vacancies in place at the Trading Entity as well as employees who are on one-year contracts. This leads to a disruptive working environment and creates uncertainty.

Risk Management

Risk management has not been properly monitored throughout the financial year. Action plans on both strategic and operational risk registers remain unimplemented, directly impacting on the quality of performance against the overall achievement of the entity's goals.

Evaluation of Financial Statements and Performance Information

The Audit Committee met to perform a review and discussion of the unaudited annual financial statements and the annual performance report. Matters were highlighted for review and correction made by Management.

Auditor General's report

The Audit Committee has met with the Auditor General and accepts the findings of the Auditor General for the year ended 31 March 2020.

Ms T. Cumming

Audit Committee Chairperson



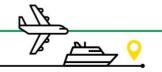




Accounting Officer's Report

Treasury Regulation 19.7.1 requires that an accounting officer of a department operating a trading entity, must at the end of each financial year and after books of account have been closed, declare any surplus or deficit to the relevant treasury. In compliance with this requirement, the Trading entity has determined that, after the books were closed, it did not have any surplus to declare to the Provincial Treasury for the financial year ended 31 March 2020.

The Provincial Treasury has unfortunately, in previous years misconstrued the accumulated funds at the end of each financial year as a surplus and forced the Trading entity to surrender a huge chunk of funds. This poses a major risk to the operations of the entity, as the accumulated funds are specifically for the replacement of vehicles leased by the entity to provincial departments as agreed in an agreement signed with them.



Statement of Financial Position as at 31 March 2020

Figures in Rand	Note(s)	2020	2019 Restated*
Assets			
Current Assets			
Inventories	4	100,804,820	89,715,643
Finance lease receivables	3	159,422,357	161,172,047
Receivables from exchange transactions	5	371,829,772	255,907,425
Cash and cash equivalents	6	269,721,219	376,347,540
		901,778,168	883,142,655
Non-Current Assets			
Property, plant and equipment	7	149,633,599	116,605,671
Intangible assets	8	602,129	4,590
Finance lease receivables	3	492,369,829	455,186,706
		642,605,557	571,796,967
Total Assets		1,544,383,725	1,454,939,622
Liabilities			
Current Liabilities			
Payables from exchange transactions	9	196,591,429	262,457,186
Provisions	10	26,115,424	26,532,810
		222,706,853	288,989,996
Total Liabilities		222,706,853	288,989,996
Net Assets		1,321,676,872	1,165,949,626
Reserves			
Capital contribution		362,001,648	
Accumulated surplus		959,675,224	803,947,978
Total Net Assets		1,321,676,872	1,165,949,626

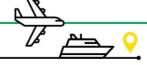




Statement of Financial Performance

Figures in Rand	Note(s)	2020	2019 Restated*
Revenue			
Revenue from exchange transactions			
Rendering of services	11	488,263,971	420,485,086
Interest earned	12	80,030,416	80,629,235
Other income	13	5,652,614	6,362,973
Derecognition of assets		21,846,090	28,402,777
Total revenue from exchange transactions		595,793,091	535,880,071
Expenditure			
Personnel costs	14	(36,326,621)	(33,580,024)
Fleet running costs	15	(353,926,465)	(343,728,581)
Depreciation on property, plant and equipment	7	(28,816,341)	(24,534,037)
Inventory write down	16	(1,245,301)	(355,268)
Bad debts written off		(9,000)	
Movements in provisions		1,703,010	818,081
Loss on disposal of asset		(2,652,279)	2
Administration costs	17	(18,792,849)	(22,978,547)
Total expenditure		(440,065,846)	(424,358,376)
Surplus for the year		155,727,245	111,521,695





Statement of Changes in Net Assets

Capitalisation contribution	Accumulated surplus	Total net assets
362,001,648	767,946,261	1,129,947,909
	36,448,022	36,448,022
362,001,648	804,394,283	1,166,395,931
-	(111,968,000)	(111,968,000)
-	(111,968,000)	(111,968,000)
-	111,521,695	111,521,695
) ,	(446,305)	(446,305)
	(446,305)	(446,305)
362,001,648	760,986,445	1,122,988,093
-	42,961,534	42,961,534
362,001,648	803,947,979	1,165,949,627
-	155,727,245	155,727,245
-	155,727,245	155,727,245
362,001,648	959,675,224	1,321,676,872
	362,001,648 - 362,001,648 - 362,001,648 - 362,001,648	contribution surplus 362,001,648 767,946,261 - 36,448,022 362,001,648 804,394,283 - (111,968,000) - (111,968,000) - (111,968,000) - (111,521,695) - (446,305) - (446,305) 362,001,648 760,986,445 - 42,961,534 362,001,648 803,947,979 - 155,727,245 - 155,727,245

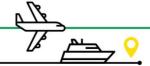




Cash Flow Statement

Cash flows from operating activities			
Receipts			
Sale of goods and services		372,332,624	311,663,804
Other receipts		5,652,614	6,362,973
Interest earned	12	80,030,416	80,629,235
		458,015,654	398,656,012
Payments			
Employee costs		(36,326,621)	(33,580,024)
Suppliers		(657,661,957)	(325,749,726)
		(693,988,578)	(359,329,750)
Net cash flows from operating activities	20	(235,972,924)	39,326,262
Cash flows from investing activities			
-	7	(17 941 962)	4 560 756
Purchase of property, plant and equipment	7 8	(17,941,962) (597,539)	4,560,756
Purchase of property, plant and equipment Purchase of other intangible assets		(17,941,962) (597,539) (18,539,501)	4,560,756 - 4,560,756
Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities		(597,539)	(28)
Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities Cash flows from financing activities		(597,539)	(28)
Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities Cash flows from financing activities Finance lease receipts		(597,539) (18,539,501)	4,560,756
Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities Cash flows from financing activities Finance lease receipts Surrender of surplus		(597,539) (18,539,501)	4,560,756 146,427,809
Cash flows from investing activities Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities Cash flows from financing activities Finance lease receipts Surrender of surplus Net cash flows from financing activities Net increase/(decrease) in cash and cash equivalents		(597,539) (18,539,501) 147,886,104 - 147,886,104 (106,626,321)	4,560,756 146,427,809 (111,968,000) 34,459,809
Purchase of property, plant and equipment Purchase of other intangible assets Net cash flows from investing activities Cash flows from financing activities Finance lease receipts Surrender of surplus Net cash flows from financing activities		(597,539) (18,539,501) 147,886,104 - 147,886,104	4,560,756 146,427,809 (111,968,000) 34,459,809





Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis		Reference
Figures in Rand					actual	
Statement of Financial Performs	ance					
Revenue						
Revenue from exchange transactions						
Rendering of services	733,997,153	-	733,997,153	488,263,971	(245,733,182)	30
Interest received	77,093,611		77,093,611	80,030,416	2,936,805	30
Other income	75,426,960	-	75,426,960	5,652,614	(69,774,346)	30
Total revenue from exchange transactions	886,517,724		886,517,724	573,947,001	(312,570,723)	
Expenditure						
Personnel costs	(45,922,856)	-	(45,922,856)	(36,326,621)		30
Fleet running costs	(346,432,795)	(12,560,000)	(358,992,795)	(353,926,465)		30
Depreciation and amortisation	-	·	ē. 	(28,816,341)		30
mpairment of assets	-	· ·	-	(1,245,301)		
_ease rentals on operating lease	(2,379,175)	300,000	(2,079,175)		2,079,175	30
Bad debts written off	-	: ·		(9,000)		
Movements in provisions	(00 400 040)	44 700 000	** ***********************************	1,703,010	1,703,010	30
Administration costs	(90,480,012)	11,700,000	(78,780,012)	(:=;:==;::-)	59,987,163	30
Fotal expenditure	(485,214,838)	(560,000)	(485,774,838)	(437,413,567)	48,361,271	
Operating surplus Gain/Loss on sale of inventory neld for sale	401,302,886	(560,000)	400,742,886	136,533,434 (2,652,279)	(264,209,452) (2,652,279)	
Derecognition of assets	-	10	74	21,846,090	21,846,090	
	14 F	82		19,193,811	19,193,811	
Surplus for the year	401,302,886	(560,000)	400,742,886	155,727,245	(245,015,641)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	401,302,886	(560,000)	400,742,886	155,727,245	(245,015,641)	







1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999) as amended.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historica cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity,

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Receivables from exchange transactions

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 10 - Provisions.

Gross investment in lease - residual value

Residual values used in the calculation of the gross investment in lease are based on management's estimation, vehicle condition and expected use of the leased vehicles.

These residuals are calculated using a rate determined with reference to the potential decline in the value of fleet vehicles over the lease period as per trade value data. As the entity does not trade in the open market, the outcome as per the trade value data is reduced further by taking into account our operational environment. The residual values are aligned to those used for pricing as per approved rate card which are based on regression analysis of vehicle's market value, age and kilometres.

Depreciation and amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets is determined based on the useful lives and residual values of the underlying items. The residual values and useful lives are based on managements' estimation of the asset condition, its current use and expected future use of the asset.







1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Operating lease are vehicle that exceeded the maximum kilometers or lease period per the rate card but are still being used by the User departments and are transferred to property, plant and equipment at deemed cost.

The cost of a tracker and installation cost is recognised when a tracker has been fitted in the vehicle. Before the tracker is installed in the vehicle it it classified as inventory.

Subsequent measurement

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

.Operating lease vehicles are subsequently measured at the deemed cost less accumulated depreciation and impairment over the remaining useful life.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives.



The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	4-7 years
Motor vehicles/Leased vehicles/Relief vehicles	Straight line	5 years
Office equipment	Straight line	4-7 years
Computer equipment	Straight line	3 years
Fleet Tracker	Straight line	3 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

Operating lease vehicles returned by user departments are derecognised from property, plant and equipment and transferred at their carrying amount when they cease to be rented and become held for sale.

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

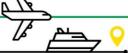
Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.









1.5 Intangible assets

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software licenses	Straight line	Indefinite

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note).

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types
 of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash:
- · a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- · the entity designates at fair value at initial recognition; or
- are held for trading.

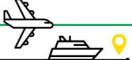
Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives:
- combined instruments that are designated at fair value;









1.6 Financial instruments

- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Cash and Cash equivalents
Receivables from exchange transactions
Finance lease receivables

Category

Financial asset measured at amortised cost Financial asset measured at amortised cost Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Payables from exchange transactions

Category

Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

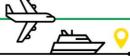
The entity measures all financial assets and financial liabilities after initial recognition at amortised cost.

Trade and other recivables from exchange transsactions - are measured at amortised cost less provision for impairment. Trade and other receivables are impaired where objective evidence of impairment exists, either individually or collectively for recivables that are not individually significant. If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP104. Trade and other receivables comprise provincial departments and are considered to be fully recoverable. As a results these receivables have not been impaired.









Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

Derecognition thus occurs when recivables from exchange transactions are settled by the client, and when cash balances are withdrawn from the bank or disbursed. Finance lease receivables are derecognised when the leased vehicles either reach predetermined kilometers or their lease period whichever occurs earlier.

Financial liabilities

The Entity derecognises financial liabilities when the obligation under the liability is discharged or cancelled or expires. Derecognition thus occurs when the liability has been paid.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessor

The entity recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the entity's net investment in the finance lease.

The finance lease receivable is derecognised when the vehicles either reach pre-determined kilometres or their economic life/lease period, whichever occurs earlier.

Operating leases - lessor

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.8 Inventories

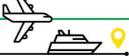
Initial measurement

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.









1.8 Inventories

Vehicles returned by user departments to the entity at the end of the lease arrangement are transferred from property, plant and equipment and recognised separately as inventory held for sale.

Inventory held for sale are recognised in inventory at carrying value when they cease to be rented and become held for sale.

Subsequent measurement

Subsequently inventories are measured at the lower of carrying value and net realisable value. Vehicles that are being made ready for leasing to departments are classified as inventory. This category of inventory is not subsequently measured at lower of cost or net realisable value, this is because the economic benefits will be fully realised once they are leased.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Each inventory item is measured at its actual costs

Inventory held for sale are subsequently measured at the lower of carrying value or net realisable value.

Derecognition

Vehicles (new) inventory are derecognised when they are issued to user department or written off.

Vehicles issued to user department are recognised as finance leases and derecognised as inventory at their carrying amounts.

Amount of any inventory write off is recognised as deficit in the Statement of Financial Performance

Inventory held for sale are derecognised on disposal or when they are written off.

1.9 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

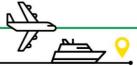
Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.









1.9 Impairment of cash-generating assets

Identification

When the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and is written down to its recoverable amount. The reversal of the loss is recognised as part of surplus/deficit in the statement of financial performance.

The entity assesses at each reporting date whether there is any indication that assets may be impaired. If any such indication exists when annual impairment testing for assets is required, the entity estimates the assets recoverable amount.

1.10 Contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Consideration received for the establishment of the entity shall be recognised directly in equity as capital contributions.

1.11 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for services rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

An entity has a defined benefit plan which is then accounted for as contribution plan (see Note 22).

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the
 absences is due to be settled within twelve months after the end of the reporting period in which the employees
 render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting
 period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered services to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

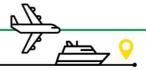
- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the
 undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent
 that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- · as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

An efficient, safe, sustainable, affordable and accessible transport system





Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

1.12 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficit.

No obligation arises as a consequence of the sale or transfer of an operation until the entity is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 23.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Revenue for utilization charge is recognised as kilometers travelled by user departments.

Revenue is billed at estimated kilometers travelled throughout the year. The entity bills actual kilometers when the vehicle has been returned back by the user department.

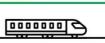
Fuel revenue is billed as the actual cost incurred by user departments.

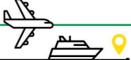
Revenue for fixed rental charges is measured at the rate determined with reference to the approved rate card.

Revenue for managed maintenance vehicles is billed at a fixed rate as per the approved rate card. Expenditure relating to the running of these vehicles is recovered in full from the user department.









Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest

Revenue arising from the use by others of entity assets yielding interest or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
 and
- The amount of the revenue can be measured reliably.

Measurement

Interest on outstanding debtors - It is measured as a percentage of long outstanding debtors using the effective interest rate at the reporting period.

Interest earned on current and call account - It is recognised on a time -proportion basis using the effective interest method.

Interest on leases - Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the entity's net investment in the finance leases.

1.14 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.15 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.16 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

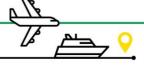
1.17 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.







1.18 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including

- this Act; or
- (b) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.19 Budget information

The Entity is subject to budget authorisations, which is given effect through authorising legislation.

General purpose financial reporting by the entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification.

The approved budget covers the fiscal period from 01/04/2019 to 31/03/2020.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.20 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.







Accounting Policies

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships in terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities which are members of the same economic entity are considered to be related parties

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date);
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.22 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.23 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Commitments are disclosed for goods and services and capital assets when orders are issued but delivery has not occurred Further disclosure is done for vehicles that have or will reach the kilometers/ year threshold that will be replaced within the next financial year.

Figures in Rand 2020 2019

New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2020 or later periods:

Standard	d/Interpretation:	Effective date: Years beginning on or after	Expected impact:
•	IGRAP 20: Accounting for Adjustments to Revenue	01 April 2020	Unlikely there will be a material impact
•	GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	Unlikely there will be a material impact
•	GRAP 37: Joint Arrangements	01 April 2020	Unlikely there will be a material impact
•	GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	Unlikely there will be a material impact
•	GRAP 110 (as amended 2016): Living and Non-living Resources	01 April 2020	Unlikely there will be a material impact
•	IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue	01 April 2020	Unlikely there will be a material impact

The effective date of the standard is for years beginning on or after 01 April 2019.

Finance lease receivables

Gross investment in the lease due - within one year - in second to fifth year inclusive	204,683,689 539,253,235	202,992,915 497,675,948
less: Unearned finance revenue	743,936,924 (92,144,738)	700,668,863 (84,176,856)
Present value of minimum lease payments due - within one year - in second to fifth year inclusive	159,422,357 492,369,829	161,172,047 455,319,960
meeesila te man year medalive	651,792,186	616,492,007
Non-current assets Current assets	492,369,829 159,422,357	455,186,706 161,172,047
	651,792,186	616,358,753

The entity entered into material finance leasing arrangements with provincial departments. The agreement between the entity and the user departments requires the entity to maintain the vehicles during the lease period and to replace these as directed by the rate card and the service level agreement when they reach predetermined kilometres or the period.

Unguaranteed residual values used in the calculation of the gross investment in lease are based on management's estimation, vehicle condition and expected use of the leased vehicles.

These residual values are calculated using a rate determined with reference to the potential decline in the value of fleet vehicles over the lease period as per trade value data. As the entity does not trade in the open market, the outcome as per the trade value data is reduced further by taking into account our operational environment. The residual values are aligned to those used for pricing as per approved rate card which are based on regression analysis of vehicle's market value, age and kilometres.







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H	ure	C 11	าษ	'or	าศ

	2020	2019
4. Inventories		
New motor vehicles		
Vehicles held for sale	25,027,543	46,534,179
	75,777,277	43,181,464
	100,804,820	89,715,643
Reconciliation of new motor vehicles 31 March 2020: Opening Balance		
Additions	46,534,179	105,048,584
Transfers to finance lease receivables	277,461,366	179,382,503
	(298,954,042)	(237,896,908)
	25,041,503	46,534,179

The inventory balance for the year relates to 108 (PY:104) motor vehicles acquired by the Entity not yet distributed to the provincial departments which were still stationed at the Entity's premises as at 31 March 2020.

	75,777,277	43,232,231
Inventory write down	(1,245,301)	(355,268)
Less: write offs	(718,765)	(48,969)
Less: Disposals	(11,418,778)	-
Transfer from leases	47,037,525	31,970,678
Opening Balance	42,122,596	11,665,790

The inventory held for sale relates to vehicles which have reached the end of the leasing period in terms of the lease agreement between the user department and the trading entity and have been returned to the entity for disposal.

Receivables from exchange transactions

Trade debtors	366,894,415	252,566,841
Accrued Revenue	1,761,858	3,009,807
Prepaid expenses	196,187	9-6
Department of Transport	1,324,202	*
Staff debtors	75,771	100,724
Department of Education	428,640	-
Department of Home Affairs	12,547	12,547
Ford SA	1 %	217,506
Department of Co-Op Gov & Trad Aff	366,600	120
Tshomose Trading	1,380	3 + 3
Human Settlements	148,520	-
MM Motor vehicles	619,652	-
	371,829,772	255,907,425

These balances are not secured by any collateral.

Cash and cash equivalents

Cash and cash equivalents consist of:

Current account	148,480,911	252,908,318
Call account - Reserve Bank	121,240,308	123,439,222
	269,721,219	376,347,540



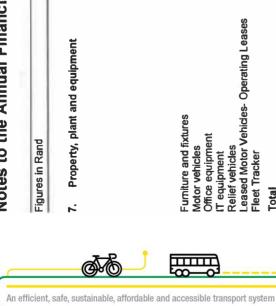




Figures in Rand

Property, plant and equipment 7.

	2020			2019	
Cost / Valuation	Accumulated depreciation and accumulated impairment	Accumulated Carrying value depreciation and accumulated impairment	Cost / Valuation	Accumulated depreciation and accumulated impairment	Accumulated Carrying value depreciation and accumulated impairment
2,252,432	(1,394,245)	858,187	2,272,271	(1,107,350)	1,164,921
2,440,669	(1,496,184)	944,485	2,224,290	(1,176,491)	_
330,547	(264,419)	66,128	353,946	(250,149)	103,797
1,583,741	(1,433,884)	149,857	1,635,897	(1,468,437)	167,460
33,873,142	(6,828,329)	27,044,813	17,678,821	(4,007,150)	13,671,671
157,610,497	(40,811,239)	_	134,764,531	(34,314,508)	_
4,073,491	(302,620)	3,770,871	į.	(*)	
202,164,519	(52,530,920)	149,633,599	158,929,756		(42.324.085) 116,605,671





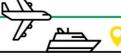
Figures in Rand

Reconciliation of property, plant and equipment - March	Opening	Additions	Write offs	Transfers In	Transfers out	Depreciation	Total
2020	balance 1,164,921	ř	(2,667)	•		(304,067)	858.187
Furniture and fixtures	1,047,799	463,002	4	-()	(20,552)	(545,764)	944,485
Motor vehicles	103,797		-	100		(37,669)	66,128
Office equipment	167,460	117,417	(4,737)		3	(130,283)	149,857
Computer Equipment	13,671,671	16,388,295	(132,097)	10	×	(2,883,056)	27.044,813
Relief vehicles	100,450,023	*	(2,960,742)	90,443,070	(46,520,212)	(24,612,881)	116,799,258
Laesed Motor Vehicles - Operating Leases	(1)	4,073,491	140	([0])	(87)	(302,620)	3,770,871
Fleet Tracker	116,605,671	21,042,205	(3,100,243)	90,443,070	(46,540,764)	(28,816,340)	149,633,599









Figures in Rand

Reconciliation of property, plant and equipment -March 2019

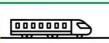
	Opening	Additions	write offs	Transfers in	Transfers out	Depreciation	Total
	balance						
Fumiture and fixtures	1,454,042	32,690	ż	*	•	(321,811)	1,164,921
Motor vehicles	1,221,417	.*	2.	*	9	(173,618)	1.047.799
Office equipment	130,520	24,099	ī	*	**	(50,822)	103,797
Computer Equipment	378,000	14,855		(*	•	(225,395)	167,460
Relief Vehicles	11,371,213	4,669,815	(232,248)	28	Ĭ	(2,137,109)	13.671.671
Leased Motor Vehicles - Operating Laeses	112,856,138	*	(7,688,438)	48,444,995	(32,696,851)	(20,465,821)	100,450,023
Fleet Tracker	1,486,315	i	(329,251)	A		(1,157,064)	,
	128,897,645	4,741,459	(8,249,937)	48,444,995	(32,696,851)	(24,531,840)	116,605,671

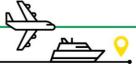
Leased Motor Vehicles (Operating Leases) relates to those motor vehicles currently being used by the user for service delivery which have exceeded maximum kilometers per the rate card and thus are beyond the lease term. These have been classified as operating leases on a month to month basis.





Figures in Rand					2020	20)19
8. Intangible assets							
	_	2020			2019	9	
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumula amortisati and accumulat impairme	on	ng value
Computer software	602,129	-	602,129	4,5	90	ă	4,590
Reconciliation of intangible	e assets - March 20	20		Opening	Additions	Total	
Computer software				balance 4,590	597,539	602,129	
Reconciliation of intangible	e assets - March 20	19					
					Opening balance	Total	
Computer software					4,590	4,590	





Figures in Rand	2020	2019
9. Payables from exchange transactions		
Trade payables	86,931,298	118,042,805
Auction Proceeds Payable to User Departments	7,794,820	7,043,860
Accrued leave pay	1,280,464	831,709
Accrued bonus	527,609	398,334
Other payables	97,860,816	123,300,017
Accrued expense	2,196,422	12,840,461
	196,591,429	262,457,186
Trade Payables comprise of the following: Standard Bank		25 044 724
Ford SA	217,771	35,944,734 781.062
Nissan	217,771	2,840,696
Volkswagen	4,244,023	15,726,339
Isuzu Trucks	4,368,984	4,075,389
Hyundai	4,300,904	3,971,908
Bell Equipment	-	22.231.000
ABSA Bank	34,725,345	22,231,000
Barloworld Equipment	22,882,155	9.
Toyota	2,487,881	12,700,361
Isipho Capital Motors	9.778.653	12,700,00
UD Truck - Volvo Group	1,433,986	2,179,418
Vodacom	4,721,247	2,170,410
Mercedes - Benz	1,622,748	2
Man Centurion	1,022,140	16,962,085
Debtor with credit balance- Economic Affairs		565
Other Trade Payable	448,505	629,250
	86,931,298	118.042.807

Bonus accrual - relates to the portion of the annual service bonus payable which would have accrued to employees as at 31 March 2020.

Leave pay accrual - relates to the liability which would arise when the employee exit the employment of the Trading Entity and the related charge will need to be paid out at reporting date, due to past event of the rendering services as an employee of the Entity and based on the monthly salary of each employee.

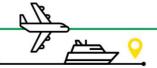
Below is the list of Other Payables, and included in the list are the following payables to Department of Transport:

Construction Vehicles (Yellow Fleet) - Department of Transport has requested Government Fleet Management Services to procure yellow fleet on their behalf since GFMS is participating on the RT57 contract, under condition that DOT will transfer the money to GFMS's bank account upon receipt of invoice from GFMS. Department of Transport transferred the money as agreed to GFMS but, as at end of March 2020 not all vehicles ordered were delivered, hence we have a liability to Department of Transport

Other payables

	97,860,816	123,300,017
Department of Transport - Construction vehicles(yellow fleet)	90,770,652	77,952,673
Department of Transport - Fleet Africa	m	13,133,868
Department of Transport - Salaries & Wages and licencing fees	6,253,867	1,979,488
Other Payable - Accrued Revenue	836,297	30,233,988





Figures in Rand	2020	2019

10. Provisions

Reconciliation of provisions - March 2020

	Opening Balance	Additions	Reversed during the year	Total
Provision of insurance claim	10,184,137	1	(39,381)	10,144,756
Provision for performance bonus	497,291		(3,981)	493,310
Provision for maintanance of vehicles	14,565,568	7	- (377,815)	14,187,753
Provision for capped leave	1,285,814	3,79		1,289,605
	26,532,810	3,791	(421,177)	26,115,424

Reconciliation of provisions - March 2019

	Opening	Additions	Reversed	Total
	Balance		during the year	
Provision of insurance claim	11,564,124	-	(1,379,987)	10,184,137
Provision for performance bonus	552,156	497,291	(552,156)	497,291
Provision for maintanance of vehicles	13,444,917	12	1,120,651	14,565,568
Provision for capped leave	1,844,559		(558,745)	1,285,814
	27,405,756	497,291	(1,370,237)	26,532,810

The provision for the maintenance of motor vehicles relates to the estimated costs associated with the maintenance of vehicles based on usage of vehicles during the time which has elapsed from the previous service interval to financial year end.

The provision for insurance claims relates to claims incurred prior to year end that have not yet been settled and have be actuarially valued.

The provision for capped leave relates to leave accumulated by employees before 1st July 2000, the leave was then set aside and will only be payable to the employees at retirement

11. Revenue

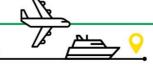
Rendering of services	488,263,971	420,485,086
The amount included in revenue arising from exchanges of goods or services are as follows:		
Rendering of services	488,263,971	420,485,086
Revenue from the rendering of services comprises the following:		
Full maintanance lease charge - fixed charge	158,818,923	130,770,475
Full maintanace lease charge - utilization charge	329,445,048	289,714,610
	488,263,971	420,485,085
12. Interest earned		
Interest earned comprises the following:		
Interest on outstanding debtors	11,384,359	12,019,096
Interest portion on finance lease receivables	53,922,635	51,334,549
Interest earned on current and call account	14,723,422	17,275,590
	80,030,416	80,629,235
13. Other income		
Other income	5,652,614	6,362,973





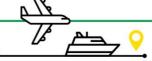
Figures in Rand	2020	2019
14. Employee related costs		
Basic	24,864,701	24,117,866
Bonus	1,118,639	946,188
Medical aid - company contributions	803,762	676,015
Other payroll levies	6,554	5,653
Leave pay provision charge	1,738,360	(422,485)
Performance bonus	6,719	6,443
Pension contributions	1,876,387	1,675,222
Fuel claim and subsistence & travel allowances	99,632	125,002
Overtime payments	79,281	
Long-service awards	1000	62,357
Acting allowances	74,468	257,726
Car allowance	221,418	301,448
Housing benefits and allowances	565,219	582,892
Non pensionable cash allowance	4,401,296	4,645,440
Ressetlement allowance	26,193	28,857
Leave gratuity	443,992	571,400
	36,326,621	33,580,024
15. Fleet running costs		
Fleet running costs comprises the following:		
Motor vehicle - fuel and oil	202,012,217	197,467,473
Motor vehicle - repairs & maintenance	94,702,191	106,572,541
Motor vehicle - other vehicle expenses	57,212,057	39,688,567
	353,926,465	343,728,581
16. Inventory write down		
Impairments Inventory held for sale This relates to inventory held for sale that was reassessed to market value / trade value at year end. The assessment is done at the end of the financial year.	1,245,301	355,268





Figures in Rand	2020	2019
17. Administration costs		
Advertising	118,197	122,611
Auditors fees	2,535,346	2,427,508
Bank charges	41,416	19,232
Cleaning	536,228	508,161
Commission paid	499,973	48,415
Consulting and professional fees	1,175,291	1,177,409
Consumables	39,044	2,470
Entertainment	6,434	8,899
Fines and penalties	E	(78,772
Licensing fees	68,886	56,988
Rental of office equipment and building	1,987,285	460,044
Hiring of venues and equipment	26,850	39,589
Third party claims - accidents FML	906,633	892,328
Repairs and maintenance - motor vehicles	1,546,995	287,073
Tracker rentals	652,829	7,869,220
Fuel and oil	452,031	424,433
Wellness	101,099	60,003
Kitchen appliances	2,536	2,352
Printing and stationery	114,337	137,066
Repairs and maintenance- Office building	907,676	1,852,746
Security (Guarding of entity's property)	3,204,805	3,349,412
Subscriptions and membership fees	197,522	156,993
Telephone, fax and data	705,043	765,954
Training	42,715	168,059
Electricity and water	1,495,664	1,222,651
Audit Committee Fees	244,089	253,395
Catering	119,307	100,615
Accommodation and travel	854,653	577,853
Qualification verification	(90)	1,905
Recruitment expenses	210,055	63,935
	18,792,849	22,978,547
18. Profit/Loss on disposal of inventory	-	
Proceeds received	8,766,500	
Carrying amount of vehicle sold	(11,418,779)	
	(2,652,279)	
19. Auditors' fees		
Fees	2,535,346	2,427,508

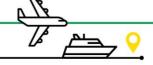




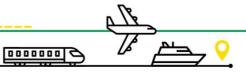
Figures in Rand	2020	2019
20. Cash generated from/ (used in) operations		
Surplus	155,727,245	111,521,695
Adjustments for: Depreciation and amortisation	28,816,341	24,534,037
Gain/Loss on disposal of assets	2,652,279	24,554,057
Derecognition of assets	(21,846,090)	(28,402,777
nventory write down	1,245,301	355,268
Bad debts written off Movements in provisions	9,000 (417,386)	(872,946
Changes in working capital:	(417,300)	(872,940
nventories	(220,960,047)	(150,070,044
Receivables from exchange transactions	(115,931,347)	(108,654,336
Payables from exchange transactions	(65,268,220)	190,915,365
	(235,972,924)	39,326,262
21. Financial instruments disclosure		
Categories of financial instruments		
March 2020		
Financial assets		
	At amortised	Total
Trade and other receivables from evaluation transactions	cost	274 920 772
Trade and other receivables from exchange transactions Cash and cash equivalents	371,829,772 269,721,219	371,829,772 269,721,219
Finance lease receivable	651,792,186	651,792,186
	1,293,343,177	
-inancial liabilities		
	At amortised	Total
Trade and other neverties from evaluations	cost	06 024 200
Trade and other payables from exchange transactions Accrued expense	86,931,298 2,196,422	86,931,298 2,196,422
Other payables	97,860,816	97,860,816
Accrued Bonus	527,609	527,609
Accrued leave pay	1,280,464	1,280,464
Non fleet vehicle auctioned	7,794,820	7,794,820
	196,591,429	196,591,429
March 2019		
Financial assets		
	At amortised cost	Total
Other receivables from non-exchange transactions	252,566,841	252,566,841
Cash and cash equivalents	376,347,540	376,347,540
Finance lease receivables	616,358,753	616,358,753
	1,245,273,134	1,245,273,134







Figures in Rand	2020	2019
•		
Financial liabilities		
	At amortised	Total
Trade and other payables from exchange transactions	cost 118,042,808	118,042,808
Accrued expenses	12,840,461	12,840,461
Other Payables	123,300,017	123,300,017
Accrued Bonus	398,334	398,334
Accrued leave pay	831,709	831,709
Non Fleet vehicle auctioned	7,043,860	7,043,860



262,457,189

262,457,189

Figures in Rand	2020	2019

22. Commitments

Operating lease commitment - Office building rental

The entity has entered into an Operating Lease arrangement with ESDA Properties for rental of an office space for a period of 5 years which ends 31 August 2024.

The lease is payable in advance every 1st of the month starting from 01 September 2019. Escalation clause is 7% every 1st October of each year.

The Property is in no ERF 18933, East London 25 Castellano Building, Woodbrook.

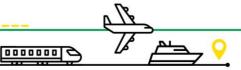
Minimum lease payments due - within one year - in second to fifth year inclusive	2,436,644 9,667,722	(36) (78)
	12,104,366	
Operating leases - as lessee		
Minimum lease payments due - within one year	299,987	96,587
- in second to fifth year inclusive	450,425	34,529
	750,412	131,116

Operating lease payments represent rentals payable by the entity for printing and photocopy machines. Leases are negotiated for an average of 36 months. Konica Minolta and Bytes Document Solution agreement has an option of 24 months extension with an additional of 25% of current rental. Escalation clause is 0% in all of our contracts. No contingent rent is payable.

Authorised capital expenditure

Contracted for but not yet commenced	459,223,563	302,956,402
Contracted for but not yet completed	34,761,673	39,567,028
Not yet contracted for	199,965,894	222,241,319
Goods and services		
Contracted for but not yet commenced	8,405,962	3,264,686
Contracted for but not yet completed	83,440,410	1,676,465





Figures in Rand	2020	2019

23. Contingencies

Contingent liabilities

Case 1

Third Party Claims - Government owned vehicles are not insured by insurance companies. The State carries its own accident risk and accepts liability for any expenditure arising from claims instituted by third parties that would ordinarily be payable by an insurer, including damages to State owned vehicles. As at end of the financial year the Entity has a possible obligation/contingent liability arising from third party claims amounting to R255 042,74.

Case 2

Ndamase was awarded a contract to render security services at the Mthatha government garage. Various vehicle parts were stolen during the subsistence of the contract as a result the GFMS withheld payment to Ndamase. Ndamase has now issued summons for the release of the payment amounting to R63 250. The GFMS is defending the matter and will file a counterclaim to the value of the parts stolen.

Figures in Rand 2020 2019

24. Related parties

Relationships Controlling entity Members of key management

Eastern Cape Department of Transport

Mr. K Gazi(Head of Entity)

Mr. F Narkadien (Senior Manager: Fleet Maintanance

& SMME Development)

Ms. N Mafumbu(Senior Manager: Finance)
Mr. M Mboya(Acting Head of Entity)

Services provided by Department of Transport

The Trading Entity enjoys the benefit of free services being delivered by the Department of Transport in respect of its Human Resources. The costs relating to these functions cannot be reliably measured and is therefore not disclosed.

Head of Entity Mr K Gazi was seconded to Mayibuye Transport Corporation effective 01 July 2019 and Mr Mboya has been acting as Head of Entity since then

Related party balances

Amounts included in Trade receivable regarding related parties

Eastern Cape Department of Transport

3,353,268

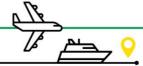
668,066

Amounts included in Trade payable regarding related parties

Eastern Cape Department of Transport

(97,886,785) (93,066,019)





Revenue received from related parties in terms of lease agreements

Figures in Rand	2020	2019
Related party transactions		
Salaries paid to employees by related parties on behalf of the trading entity of the Human Resources function -reimbursement		
Eastern Cape Department of Transport	36,326,622	33,580,024

31,980,851

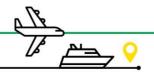
27,759,415

305

Remuneration of management

Eastern Cape Department of Transport

Figures in Rand	2020	2019
Audit Committee		
2020		
Name L Smith V Tshangana T Africa	Fees paid 138,726 57,805 47,559	Total 138,726 57,805 47,559
	244,090	244,090
2019		
Name L Smith V Tshangana	Fees paid 164,600 88,795	Total 164,600 88,795
	253,395	253,395



Figures in Rand

2020	2019

Executive management

2020

	Basic salary	Bonuses and performance related payments	Other short- term employee benefits	Total
Name K Gazi	220,908	_	100.612	321,520
F Narkadien	683,434	56,952	•	1,165,230
M Mboya	954,815	79,567	359,562	1,393,944
N Mafumbu	740,128	15,039	265,483	1,020,650
	2,599,285	151,558	1,150,501	3,901,344

2019

1,262,424
1,082,844
157,753
670,102
1,311,637
83,865
4,568,625

^{*}Other short term employee benefits comprise of medical aid, pension fund, motor car allowance , non pensionable cash allowance, housing allowance and bargain council. "

25. Prior period errors

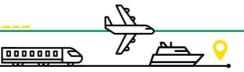
The following prior period errors were identified during the year:

Error 1: Trade receivables

The balances owed by Departments were restated as there were unexplained variances in the opening balances of the previous financial years. Accumulated surplus and Trade receivables have been restated to correct this.

Error 2: Revenue





Figures in Rand	2020	2019
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25. Prior period errors (continued)

The entity did not bill some client department for some vehicles that were relesed in the prior year which resulted in understement of Revenue.

Error 3: Computer equipment

An amount of consumables that were bought were incorrectly included under cost of computer equipment and that resulted in the computer equipment and depreciation being ovestated.

Error 4: Operating Lease

A decrease was due to vehicles which were incorrectly classified as operating leases but should have been transfered to inventory held for sale as the vehicles had been returned.

Error 5: Finance Leases

The error was due to vehicles that were realised to Departments based on theorder amount . The cost price reduced once invoices were obtained from suppliers, affecting the value of finance leases as the amount transfered in were to high and had to be reversed resulting in a decrease in finance leases

Error 6. Increased due to vehicles which were incorrectly classified as operating leases but should have been transfred to inventory held for sale.

Error 7. Depreciation

The decrease was due to vehicles which were incorrectly classified as operating leases but should have been transfered to inventory held for sale. These vehicles were incorrectly being depreciated and as such the depreciation was reversed.

The depreciation error was due to incorrect calculation of depreciation in the 201819 financial year.

The follwing is the impact of the correction of errors in the prior year.

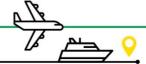
Statement of financial position		
Increase in Trade and other receivables	1855	39,548,169
Increase in inventory		3,256,269
Decrease in finance leases	3#6	(132,973)
Opening Accumulated Surplus or Deficit	-	(42,961,534)
Increase in PPE	`₩	1,203,452
Statement of Financial Performance		

Increase in Revenue	-	(3,219,625)
Increase of expenses	y. 	2,470
Decrease in depreciation	1 2 1	(3,370,233)
Decrease in derecognition of asset	151	59,975

Cash flow statement

Cash flow from operating activities Sale of goods and services and increased in interest earned Increase in suppliers		(255,012) 1,284,384
	\ 	1,029,372
Cash flow from investing activities Increase PPE		1,057,146





Figures in Rand	2020	2019

26. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), and liquidity risk.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments.

Current assets Finance lease receivable Inventories Receivables from exchange transactions Cash and cash equivalents	159,422,357 97,511,745 380,822,609 269,721,219	161,172,047 88,656,775 255,975,253 376,347,540
	907,477,930	882,151,615
Current Liabilities Payables from exchange transactions	213,101,595	262,468,528
27. Fruitless and wasteful expenditure		
Opening balance as previously reported	166,872	193,661
Opening balance	166,872	193,661
Less: Amount written off - prior period	Ē	(133)
Less: Branding incorrectly classified as fruitless	*	(25,736)
Expenditure that was incorrectly included on opening balance	-	(920)
Closing balance	166,872	166,872

Comments

Included in the opening balance of Fruitless and Expenditure is an amount of R157 715 which relates to cost of fitting and removing decals on 17 vehicles due to wrong branding used. This case is still under investigation and there are no disciplinary action taken yet.

Staff training - R8 280 Two official did not attend training that was confirmed due to reasons communicated to their respective supervisors. The training fees was based on a confirmed number of attendees. The matter is still not yet resolved

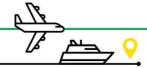
Leasing charges - R876.98 A payment was made in respect of utilization of a photocopy machine with expired contract. Disciplinary action to be taken by a superviso

28. Irregular expenditure

3,900,287	1,303,753
	2,596,534
3,900,287	3,900,287
3,900,287	3,900,287
	3,900,287







Figures in Rand

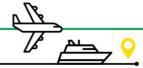
Incidents/cases identified in the prior year include those listed below:

GFMS had a contract with Afrirent to install The case has been finalised but awaiting condonment by Acting Head of trackers to the leased vehicles. Contract came to Department. an end on 31 January 2018. Provincial Treasury

3,900,287

an end on 31 January 2018. Provincial Treasury granted approval to GFMS to deviate from normal procurement processes for March and April 2018. Expenditure for the month of February 2018 was incurred without prior approval by Provincial Treasury. Treasury furthur grants an Entity another 2 months extention being up to September 2018, but the approval clearly stated that the 2 months extention should be reported as irregular expenditure which amounted to R2 596 534.





Figures in Rand

2020 2019

29. Budget variances

Material differences between budget and actual amounts

Material differences between budget and actual amounts

Rendering of services

Variance in Revenue from rendering of services was as a result of the following:

Additional vehicles' that were planned to be procured in the financial year were only ordered towards the end of the financial year and not much revenue was generated on these.

There were vehicles that were write offs and could not be replaced on time.

The entity projected higher rates as per the proposed new rate card as it was anticipated that it would be approved on time, but the rate card was not approved

Goods and services: The following are the main items that contributed to variances on goods and services:-

Personnel costs:

Most positions were vacant for most of the financial year due to expiry of contracts and could not be filled on time. Budget also included amounts for performance bonus was not fully utilised in the current year.

Office building maintenance

The budget was for building renovations for Mthatha garage. The first phase of project was supposed to kick-start in March 2020 but was affected by National lockdown after the long delay by Department of Public Works who are implementing the project on behalf of GFMS

Professional Services

Variances were as a result of:

Consultant for Needs analysis: The item was not on the original 2019/20 procurement plan, it was then included in the amended procurement plan. However the amended procurement plan was not approved and the procurement could not proceed.

Consultant for implementation of Human Resource strategy: This project could not commence due to non-availability of an approved organisational structure as most posts are contract posts and there will be no stability and continuity

Internal Audit Consultants: All positions in the internal audit unit were vacant during the financial year and there was no one to attend to the specifications in preparation for appointing the consultants.

Auction Commission

The auction tender was advertised but subsequently cancelled as it was non-responsive. It was later re-advertised and closed late in March 2Tracker costs:

The budget for this project was underspent mainly due to the following:

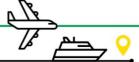
The contract was only signed in October 2019 and installation of tracking units started in November 2019. Only Department of Health Emergency Management Services vehicles were prioritized due high risk nature of these vehicles. As at the end of March 2020, 900 of the 2882 vehicles that were budgeted for were fitted.

Further delays were caused by client departments that did not avail vehicles as soon as was required for installation of tracking units.









Figures in Rand	2020	2019
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ICT Infrastructure

Budget for this project could not be spent as the data centre bid advertised had to be cancelled due to inconsistencies subsequently found on the specification. The specification is being reviewed for re-advertisement during the 2020/2021 financial year

- # The following items were not budgeted for.
- Other Income
- Depreciation and Impairment
- Movement in provisionGain on sale of inventory held for sale
- Derecognition of assets
- Bad debts