public works & roads

Department:
Public Works and Roads
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

Vote 11

ANNUAL REPORT

2024/25

2030 NDP

INDEX

LIST OF TABLES

LIST OF FIGURES

PART A: GENERAL INFORMATION

DEPARTMENT - GENERAL INFORMATION

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LIST OF ABBREVIATIONS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
APP	Annual Performance Plan
C-AMP	Custodian Asset Management Plan
COGTA	Department of Cooperative Governance and Traditional Affairs
CSD	Central Supplier Database
DALRRD	Department of Agriculture, Land Reform & Rural Development
DBSA	Development Bank of Southern Africa
DDM	District Development Model
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPW&R	Department of Public Works and Roads (provincial)
EPWP	Expanded Public Works Programme
FIDPM	Framework for Infrastructure Delivery and Procurement Management
GIAMA	Government Immovable Asset Management Act
HDI	Historically disadvantaged individuals
HOD	Head of Department
IEHW	Integrated Employee Health and Wellness (IEHW)
MCS	Modified Cash Standards
MEC	Member of the Executive Council
MPSA	Minister of Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NACH	National Anti-Corruption Hotline
NATMAP	National Transport Master Plan
NDP	National Development Plan
NIP	National Infrastructure Plan
NDPW&I	National Department of Public Works and Infrastructure
MCS	Modified Cash Standard
PFMA	Public Finance Management Act
PIA	Provincial Internal Audit
PICC	Presidential Infrastructure Coordinating Committee
PPAC	Provincial Public Accounts Committee
PPP	Public private partnerships
PPPMU	Project, Programme and Portfolio Management Unit
PRMG	Provincial Road Maintenance Grant
RAMS	Road Asset Management System
RISFSA	Road Infrastructure Strategic Framework for South Africa
RWOPS	Remunerative work outside of the Public Service
SANDF	South African National Defence Force
SANRAL	South African National Roads Agency SOC Ltd
SARS	South African Revenue Services
SBD	Supplier database
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SHERQ	Safety, Health, Environment, Risk and Quality
SIP	Strategic integrated projects
SMS	Senior Management Service
TMH	Technical Methods for Highways
TRH	Technical recommendation for highways
U-AMP	User Asset Management Plan
UIF	Unauthorized, irregular and fruitless / wasteful expenditure
VCI	Visual Condition Index

1. FOREWORD BY THE MEC

The financial year 2024/25 marked the end of the sixth Administration in the North West Province, a time defined by both significant challenges and foundational progress.

Financial and wage bill austerity measures were introduced which resulted in a significant reduction in the budget available for core service delivery programmes as well as in challenges in filling of critical vacancies. However, these challenges were not unique to our Department, and we used it as an opportunity to reflect on how we can sustain service delivery and continue to contribute towards critical Government priorities in adverse circumstances.

As such, the Department was able to create just under 10 000 job opportunities through the Expanded Public Works Programme (EPWP). We are continuously striving to offer our participants training that will enable them to exit the programme with training and certificates that will allow them to be industrious.

The Department was also able to complete strategic road infrastructure projects, some of which were officially opened and handed over to communities during October Transport Month. We recognise that conducive road infrastructure plays a pivotal role in economic and social development as they grant communities access to social amenities while also serving as economic routes that contribute to the province's gross domestic product.

We also paid serious attention to the building infrastructure arm of the Department in order to ensure that we offer services to communities in state buildings that are fit for purpose. The condition assessments that we continue to implement will give us a clear picture of the maintenance needs of these buildings and come up with strategic ways of funding.

The cashflow challenges experienced by the provincial government that resulted in Departments not being able to pay service providers on time. This mostly affected our infrastructure projects (both roads and buildings) as this led to some contractors invoking contractual clauses by suspending works on various sites.

The situation was further exacerbated by torrential rains that resulted in flood damage to a number of roads and bridges, putting more pressure on the Department regarding maintenance of our ailing infrastructure.

The Department's continued commitment to accountable and sound corporate governance also resulted in an unqualified audit opinion for the second year in a row. This commitment by management and staff members is deeply appreciated but it also sets the bar high for the future.

Appreciation is also extended to our strategic partners, especially the mining houses that opened their doors for us and heeded our calls for assistance by funding some of the road infrastructure projects in the Bojanala District. Your contribution is highly appreciated.

In conclusion, we note that the country is facing the challenge of a shrinking economy that adversely affects our fiscus and subsequent budget allocations. The Department will therefore continue to pursue alternative funding and service delivery methodologies in the interest of leveraging resources for optimal output.

The Department is committed to continue to strive towards bettering the lives of the citizens of the Province and we will continue to build on our successes and learn from areas where we have not achieved as planned.

HONOURABLE S E MOKUA
MEMBER OF THE EXECUTIVE COUNCIL
DEPARTMENT OF PUBLIC WORKS AND ROADS

2. REPORT OF THE ACCOUNTING OFFICER

2.1 GENERAL OVERVIEW OF PERFORMANCE AND THE STATE OF FINANCIAL AFFAIRS

2.1.1 Overview of the operations of the Department

General

The Department's mandate is derived from the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). Mandates that are exclusive to provinces as well as functional areas that share concurrent responsibility are outlined in schedules 4, 5 and 6 of the Constitution, as follows:

- Schedule 4: functional areas of concurrent national and provincial legislative competence - public works only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law.
- Schedule 5: functional areas of exclusive provincial legislative competence - provincial roads and traffic.
- Schedule 6: transitional arrangements - registration of immovable property owned by the state.

The operations and activities of the Department during the period under review were guided by the above mandates as they pertain to the following:

- management of the life cycle of the provincial road network;
- management of the life cycle of provincial building infrastructure;
- provision of service delivery and office accommodation requirements of all Provincial Departments;
- championing the creation of work opportunities for unskilled and semi-skilled beneficiaries through the Expanded Public Works Programme (EPWP).

Financial overview

Following the introduction of financial austerity measures by National Treasury in the 2023/24 financial year, the Department's equitable share allocation was reduced by R100 million in the 2023/24 Adjustment Budget, while the Provincial Road Maintenance Grant allocation was reduced by R53 million and the EPWP Incentive Grant allocation was reduced by R3 499 million.

The budget reductions resulted in payables and accruals amounting to R595 million as at the end of the 2023/24 financial year. The budget available for the 2024/25 financial year thus was negatively impacted by these factors and required of the Department to review its plans and targets.

Audit outcome

The Department obtained an unqualified audit opinion in relation to the 2023/24 financial year's audit as conducted by the Auditor General of South Africa. The Department registered significant strides in good corporate governance by improving its audit outcomes. This outcome also means that the Department achieved Outcome 1 of the 2020 – 2025 Strategic Plan.

Governance

The filling of vacancies was negatively impacted by the introduction of cost containment / austerity measures by National Treasury, which was followed by Circular 49 of 2023 that was issued by the Department of Public Service and Administration. This circular outlined control measures for the management of the wage bill, i.e. for the filling of vacancies. In response, the Department reprioritized its vacant positions in order to identify those critical for the operations of the Department. As a result, only fifty (50) positions were filled during the period under review.

Service delivery commitments

The performance of the Department was negatively impacted by the combined effect of accruals from the 2023/24 financial year and the reduction in the budget for 2024/25 financial year.

The budgetary pressures required of the Department to table a revised Annual Performance Plan wherein some of the targets were adjusted downward in light of the budgetary pressures. However, the implementation and completion of many projects were negatively impacted by the combination of accruals, budgetary reductions and subsequent cash flow management procedures that were implemented by Provincial Treasury.

The heavy rainfalls that the country as a whole, and the Province in particular experienced over the past MTEF period resulted in extensive damage to provincial infrastructure – seventeen (17) renovation and repair projects in relation to school infrastructure projects were under implementation during the period stemming from flood damage in the 2022/23 financial year, while repairs to road infrastructure damaged during the period under review is estimated to cost in excess of R2,7 billion.

The funding available for the maintenance of our provincial road network is clearly not adequate; the backlog will continue to grow, and the economy and communities remain affected.

The Department however remains committed to exploring all possible means of expanding the funding envelope, as a safe and trafficable road network is key to economic growth.

2.1.2 Overview of the financial results of the Department

Departmental receipts

Table 2.1: Departmental receipts 2023/24 and 2024/25

DEPARTMENTAL RECEIPTS	2023/24			2024/25		
	Estimate R'000	Actual amount collected R'000	(Over)/Under collection R'000	Estimate R'000	Actually amount collected R'000	(Over)/Under collection R'000
	41 012	33 056	7 956	42 858	33 842	9 016

Departmental expenditure

Table 2.2: Departmental expenditure 2023/24 and 2024/25

PROGRAMME	2023/24				2024/25			
	Final appropriation	Actual expenditure	Over/under expenditure	Exp as a % of final appropriation	Final appropriation	Actual expenditure	Over/under expenditure	Exp as a % of final appropriation
Prog 1: Administration	266,084	254,516	11,568	95.7%	372,738	351,414	21,324	94.3%
Prog 2: Public Works Infrastructure	1,059,484	1,020,794	38,690	96.3%	954,135	922,399	31,736	96.7%
Prog 3: Transport Infrastructure	2,326,025	2,307,938	18,087	99.2%	2,397,296	2,383,556	13,740	99.4%
Prog 4: Community-Based Programme	224,054	205,570	18,484	91.8%	340,449	317,521	22,928	93.3%
TOTAL	**3,875,647**	**3,788,818**	**86,829**	**97.8%**	**4,064,618**	**3,974,890**	**89,728**	**97.8%**

Virements

Virements were requested through the Adjustment Budget process and approval was granted.

Unauthorized / fruitless and wasteful expenditure

No unauthorized expenditure was incurred in the financial year under review.

In terms of fruitless and wasteful expenditure, an amount of R518 000.00 was incurred during the 2024/25 financial year compared to an amount of R1 454 000.00 that was incurred in the prior year.

2.1.3 Future plans of the Department / strategic focus over the short to medium term

The Department's Strategic Plan 2025 – 2030 outlines the Outcomes that the Department intends to achieve over the next five years.

An Annual Performance Plan (APP) was also developed for the 2025/26 – 2027/28 MTEF period that outlines the budget and performance targets for the MTEF period.

2.1.4 Public private partnerships (PPP)

None.

2.1.5 Discontinued activities

None.

2.1.6 New / proposed activities

None.

2.1.7 Supply Chain Management

During the year under review, the Department finalized the appointment of panels of service providers, which will allow the Department to respond effectively and efficiently in terms of service delivery challenges. The following panels were finalized:

- Panel of Contractors - implementation of projects across all disciplines
- Panel of Consultants - project designs
- Panel of Attorneys - legal matters

2.1.8 Gifts and donations

The North West Province received the following energy equipment, amounting to R22 575 million, that was allocated from the donation by the People,s Republic of China to the Republic of South Africa:

Table 2.3 Donation received 2024/25

ITEM	QUANTITY	AMOUNT R'000
150 KVA Diesel generator	8 units	R1 759
100 KW Off-grid photovoltaic energy storing power supply system	7 units	R11 816
200 KW Off-grid photovoltaic energy storing power supply system	5 units	R9 000
TOTAL	20 units	R22 575

2.1.9 Exemptions and deviations received from Treasury

No exemptions or approval of deviations were obtained from Treasury.

2.1.10 Events after the reporting date

None.

2.1.11 Conclusion and approval

The Department remains committed to following sound corporate governance principles in the interest of promoting accountability and transparency.

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MR M I KGANTSI
HEAD OF DEPARTMENT
DEPARTMENT OF PUBLIC WORKS AND ROADS

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

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

- All information and amounts disclosed throughout the Annual Report are consistent.
- The Annual Report is complete, accurate and is free from any omissions.
- This Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.
- The annual financial statements have been prepared in accordance with the Modified Cash Standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgments 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 performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.
- In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2025.

MR M I KGANTSI
HEAD OF DEPARTMENT
DEPARTMENT OF PUBLIC WORKS AND ROADS

2.3 STRATEGIC OVERVIEW

VISION

Delivery and maintenance of quality infrastructure for sustainable growth and development.

MISSION

To provide quality provincial infrastructure and ensure better service delivery.

OUR VALUES

The vision and mission statements of the Department are underpinned by the following values:

- *Client focus*
- *Professionalism*
- *Integrity*
- *Commitment*
- *Valuing of staff and mutual respect at all levels of the organization*
- *Accountability*
- *Compliance to the Public Service Code of Conduct*

2.4 LEGISLATIVE AND OTHER MANDATES

The Department's mandate is derived from the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). Mandates that are exclusive to provinces as well as functional areas that share concurrent responsibility are outlined in schedules 4, 5 and 6 of the Constitution, as follows:

- Schedule 4: functional areas of concurrent national and provincial legislative competence - public works only in respect of the needs of provincial government departments in the discharge of their responsibilities to administer functions specifically assigned to them in terms of the Constitution or any other law.
- Schedule 5: functional areas of exclusive provincial legislative competence - provincial roads and traffic.
- Schedule 6: transitional arrangements - registration of immovable property owned by the state.

2.4.1 Legislative mandates

The Acts, Regulations and Frameworks that underpin the legislative mandate of the Department include, but are not limited to the following:

Table 2.4 List of key legislative mandates

KEY LEGISLATIVE MANDATES	
Advertising on Roads and Ribbon Development Act, Act 21 of 1940	The Act regulates the display of advertisements outside certain urban areas at places visible from public roads, and the depositing of disused machinery or refuse and the erection of structures near certain public roads.
Construction Industry Development Board Act, Act 38 of 2000	The Act provides for the establishment of the Board to promote the contribution of the construction industry in meeting national construction demand and provides strategic leadership to the construction industry stakeholders to stimulate sustainable growth and reform.
Green Building Framework, 2001	The Framework promotes, inter alia, sustainable development, energy efficiency, reduction of greenhouse gas emissions etc.
Government Immovable Asset Management Act, Act 19 of 2007	The Act promotes a uniform, efficient and effective management of state immovable assets.
Infrastructure Development Act, Act 23 of 2014	The Act provides for the facilitation and coordination of public infrastructure planning, implementation and development and aims to improve the management of such infrastructure during all life-cycle phases.
National Building Regulations and Building Standards Act, Act 103 of 1997	The Act provides for the promotion of uniformity in the law relating to the erection of buildings and for the prescribing of building standards.
National Public Works Quantity Surveying Profession Act, Act 49 of 2000	The Act provides for the establishment of the Council for quantity surveying profession and incidental matters.
National Space Planning Norms and Standards, Notice 1665 of 2005	The framework provides minimum standards for office accommodation used by the state.
North West Land Administration Act, Act 4 of 2001	The Act regulates the acquisition and disposal of immovable property owned by the Provincial Government within the geographical area of the North West Province.
Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, Act 19 of 1998	The Act provides for the prohibition of unlawful eviction and further provides for procedures for the eviction of unlawful occupiers.
Property Valuation Act, Act 17 of 2014	The Act provides for the establishment of the Office of the Valuer General whose responsibility will be to provide valuation services to Government.
Property Valuers Profession Act, Act 47 of 2000	The Act provides for the establishment of the Council for the property valuers profession and incidental matters.
Restitution of Land Rights Act, Act 22 of 1994	The Act provides for the restitution of land rights to persons or communities dispossessed of such rights after 19 June 1913 as a result of past racially discriminatory laws or practices.
South African National Roads Agency Limited and National Roads Act, Act 7 of 1998	The Act provides for a national roads agency to manage and control the Republic's national roads system and take charge, amongst others, of the development, maintenance and rehabilitation of national roads within the framework of government policy.
Spatial Planning and Land Use Management Act, Act 16 of 2013	The Act provides a framework for developmental, equitable and efficient spatial planning and land use management.
State Land Disposal Act, Act 48 of 1961	The Act provides for the disposal of certain state land and to prohibit the acquisition of state land by prescription.

Table 2.5 List of transversal public sector acts / frameworks

TRANSVERSAL PUBLIC SECTOR ACTS / FRAMEWORKS	
Basic Conditions of Employment Act, Act 75 of 1997	The Act aims to give effect to the right to fair labour practices referred to in section 23(1) of the Constitution, 1996 by establishing and making provision for the regulation of basic conditions of employment.
Broad-based Black Economic Empowerment Act, Act 53 of 2000	The Act aims to address the historical imbalances of the past, to promote the achievement of the constitutional rights to equality and to increase broad-based participation of black people in the economy.

TRANSVERSAL PUBLIC SECTOR ACTS / FRAMEWORKS	
	It also seeks to promote a higher growth rate, increased employment and a more equitable income distribution.
Children's Act, Act 38 of 2005	The Act aims to give effect to certain constitutional rights of children, set out principles related to the care and protection of children, to define parental obligations and rights and to make further provision for children's courts.
Employment Equity Act, Act 55 of 1998	The Act aims to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination and by implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce.
Framework for Infrastructure Delivery and Procurement Management	The framework prescribes minimum requirements for effective governance of infrastructure delivery and procurement management.
Framework on gender-responsive planning, budgeting, monitoring, evaluation and auditing, 2018	Gender-responsive planning, budgeting, monitoring, evaluation and auditing (GRPBMEA) is an imperative in achieving the country's constitutional vision of a non-sexist society. It is aimed at ensuring better outcomes for women and girls and more tangible gender impacts in South Africa.
Gender Equality Strategic Framework	The Framework aims to spearhead the creation of an enabling environment that would facilitate the development of strategies, mechanisms, and interventions by government departments and provincial administrations to achieve the strategic objective of women's empowerment and gender equality.
Guidelines on the implementation of the Expanded Public Works Programme (EPWP)	The objective of the EPWP is to create short-term and medium-term work opportunities for the poor and unemployed as part of Government's Anti-Poverty Strategy. These work opportunities are combined with training with the aim to increase the employability of the lowly skilled beneficiaries within the formal employment market. The programme targets four main sectors namely infrastructure, environment & culture, social and non-state.
Intergovernmental Relations Framework Act, Act 13 of 2005	The Act provides a framework for a coordinated and integrated alignment of developmental priorities and objectives between the three spheres of government.
JobAccess Strategic Framework on the recruitment, employment and retention of persons with disabilities in the public service	The framework aims to ensure that measures are put in place by all government departments (public service) that are aimed at accelerating the recruitment and employment into, and the retention of persons with disabilities in the Public Service.
Labour Relations Act, Act 66 of 1995	The Act aims to advance economic development, social justice, labour peace and the democratization of the workplace.
Ministerial Determination: Expanded Public Works Programme and Code of Good Practice for Public Works Programmes	The determination provides for standard terms and conditions for workers employed in the elementary occupations within the Expanded Public Works Programme.
National Youth Policy, 2020 - 2030	The National Youth Policy for 2020 - 2030 is a cross-sectoral policy aimed at effecting positive youth development efforts from local, provincial and national levels in South Africa. It is developed collaboratively by multiple stakeholders in consultation with young people, for all young people in South Africa with the intent to redress the wrongs and injustices of the past and to deal decisively with persistent, new and emerging challenges of the country's diverse youth.

TRANSVERSAL PUBLIC SECTOR ACTS / FRAMEWORKS	
Older Persons Act, Act 13 of 2006	The Act aims to deal with the plight of older persons by establishing a framework aimed at the empowerment and protection of older persons and at the promotion and maintenance of their rights, status, well-being, safety and security.
Preferential Procurement Policy Framework Act, Act 5 of 2000 and related Regulations	The Act and related Regulations provide for the use of public procurement as an instrument to promote the development of small, micro and medium enterprises (SMMEs) and to broaden participation in the economy in order to bring about socio-economic transformation.
Public Finance Management Act, Act 1 of 1999	The Act aims to regulate financial management in the national government and provincial governments, to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively, to provide for the responsibilities of persons entrusted with financial management in those governments, and to provide for matters connected therewith.
Public Service Act, Act 103 of 1994	The Act provides for the organization and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service.
Road Infrastructure Strategic Framework for South Africa (RISFSA)	The policy provides for the planning and development of road infrastructure and provides guidelines for the redefinition of the South African road network. It assists roads authorities in the reclassification of existing road networks.
Skills Development Act, Act 97 of 1998	The Act provides for an institutional framework to devise and implement national, sector and workplace strategies with the aim of developing and improving the skills of the South African work force.
White Paper on the rights of persons with disabilities, 2016	The White Paper defines the rights and responsibilities of disabled persons and guarantees their protection and inclusion in the workplace.

2.4.2 UPDATES TO POLICIES AND STRATEGY MANDATES

The Strategic Plan for 2020 - 2025 and the Annual Performance Plan for 2024/25 both were guided by the following strategies and policy pronouncements:

Table 2.6 List of national priorities

NATIONAL PRIORITIES	
DOCUMENT	**PRIORITIES**
National Development Plan (NDP) The tangible aim or outcome of the NDP is to (i) reduce the number of people who live in households with a monthly income below R419 per person from 39% to zero and (ii) a reduction in inequality as measured by the Gini coefficient, from 0.69 to 0.6 (i.e. a decent standard of living).	• Uniting all South Africans around a common programme to achieve prosperity and equity. • Promoting active citizenry to strengthen development, democracy and accountability. • Bring about faster economic growth. • Higher investment and greater labour absorption, focusing on key capabilities of people and the state. • Building a capable and developmental state. • Encouraging strong leadership throughout society to work together to solve problems.
Medium Term Strategic Framework (MTSF) The MTSF 2019 - 2024 is the implementation plan for achieving the goals and priorities of the NDP.	• A capable, ethical and developmental state. • Economic transformation and job creation. • Education, skills and health. • Consolidation of the social wage and provision of quality basic services.

NATIONAL PRIORITIES	
DOCUMENT	**PRIORITIES**
	• Spatial integration, human settlements & local government. • Social cohesion and safe communities. • A better Africa and the world.
National Infrastructure Plan and SIP 4 The New Growth Path identified specific structural problems in the economy and pointed to opportunities in specific sectors and markets to create work opportunities, one of which is infrastructure as means of achieving higher growth, inclusivity and job creation. In order to address these challenges and goals, eighteen (18) strategic integrated projects (SIPs) were developed under the guidance of the Presidential Infrastructure Coordinating Commission (PICC). Subsequently, SIP 4 was launched in the North West Province.	• Acceleration of investments in road, rail, bulk water, water treatment and transmission infrastructure. • Enabling reliable supply and basic service delivery. • Facilitating the development of mining, agricultural activities and tourism opportunities. • Opening up of beneficiation opportunities.
District Development Model The National Cabinet approved the District Development Model (DDM) in August of 2019 as a means of improving integrated planning and delivery across the three spheres of Government.	The model aims at enhancing coherence and integration in planning, budgeting and implementation of service delivery projects in all districts and metros by all three spheres of Government.

Table 2.7 List of sectoral priorities

SECTORAL PRIORITIES	
DOCUMENT	**PRIORITIES**
Public Works sector - National Infrastructure Plan (NIP) 2050 The plan provides a specific roadmap for the use of critical infrastructure to drive social and economic transformation in the country.	NIP 2050 envisages an initial focus on delivering critical energy, transport, water and digital communications infrastructure in South Africa by 2050. It is linked to the NDP, which is critical for long-term economic and social objectives. NIP identifies four (4) critical network sectors namely energy, freight transport, water and digital communications.
Transport sector – National Transport Master Plan 2050 (NATMAP) 2050 NATMAP 2050 constitutes a long-term and sustainable transportation systems framework. It aims at using transport infrastructure in support of Government's economic transformation processes.	• Greater mobility options. • A non-motorized transport network. • A transport system that promotes better integration between land use planning and transport planning.. • Better infrastructure and better maintained road and rail networks with proper management and operations practices that link and provide interchangeable opportunities for different modes of transport. • A transport system that is consistent with the real needs of people living in different parts of South Africa and with differing abilities to afford travel. • A transport system that charges the traveler a fair reflection of the costs of making a journey or transporting a product. • A transport system that supports focused funding of transport priorities. • A transport system that has sufficient human capital to drive the vision of transport. • A transport system that enables and supports rural development.

Table 2.8 List of provincial priorities

PROVINCIAL PRIORITIES	
DOCUMENT	**PRIORITIES**
Provincial priorities	• Job creation through public employment programmes that create work opportunities in the public, small businesses and social sectors. • Building an inclusive economy that drives economic growth, and which creates opportunities for the youth and unemployed persons. • Make basic services affordable. • Improving health services and education outcomes. • Good corporate governance and improved service delivery.

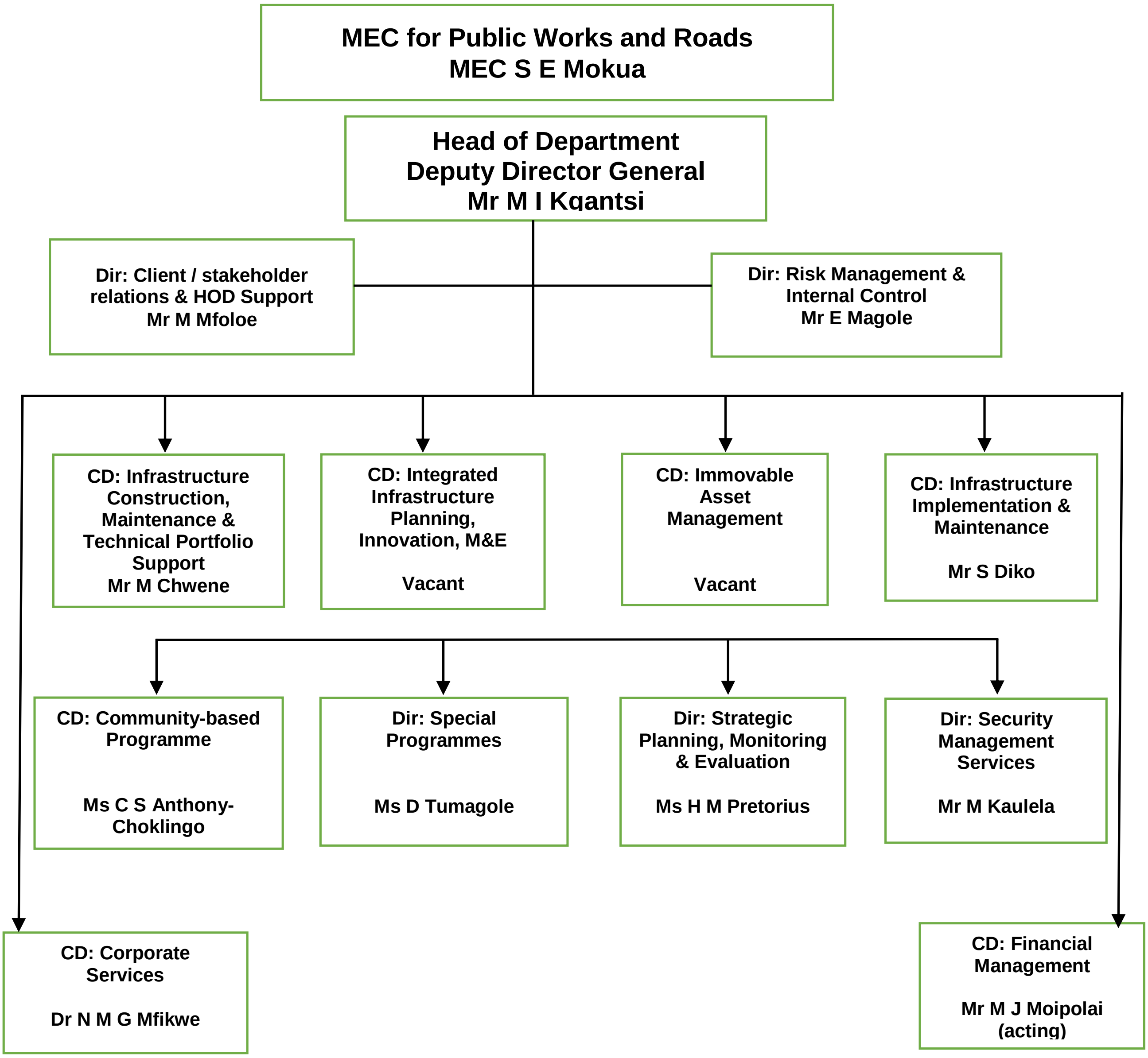
The response of the Department of Public Works and Roads and alignment in terms of its mandate and planned activities for the period under review, aimed at the achievement of the priorities outlined in section 2.4 above, is as follows:

Table 2.9 Department's response to national, provincial and sectoral priorities

MTSF / NATIONAL PRIORITIES	OUTCOMES	NDP	7th ADMINISTRATION PRIORITIES	PROV PROGRAMME OF ACTION	SECTOR OUTCOMES	DEPARTMENT'S CONTRIBUTION / RESPONSE
A capable, ethical & developmental state	Honest and capable state with professional and meritocratic public servants	Chapters 13 & 14	Public accountability Combatting corruption	Good corporate governance		Adherence to the principles of good governance, the Public Service Code of Conduct and regulatory frameworks aimed at combatting fraud and corruption.
			Build a capable and developmental state			
Economic transformation and job creation	Creating more decent jobs Inclusive economic growth	Chapters 3 & 11	Create work opportunities	Massification of job creation with emphasis on designated groups	Optimized job opportunities & continued skilling	Champion the EPWP Programme in the Province through public employment programmes over five years.
						Develop 160 emerging contractors through participation in the departmental Contractor Development Programme. The elements of the programme will include: • contract implementation • theoretical training
				Gender-responsive planning, budgeting and reporting		Targeted public procurement from women, youth, persons with disabilities and military veterans. Mainstreaming of programmes aimed at economic empowerment, equality & societal transformation targeting women, youth, persons with disabilities, children and elderly persons.
			Stimulate economic growth through Infrastructure investment	Investment in road infrastructure to support economic growth	Sustainable infrastructure investment SIP 4 NIP 2050 NATMAP 2050	Road infrastructure that supports socio-economic development priorities. The provincial road network in its entirety supports rural development as it serves as the main artery of access to socio-economic opportunities and services.
				Strategic social / economic infrastructure implemented to create jobs / reduce poverty		Road and building infrastructure projects implemented.
Education, skills and health	Improved training, education and skills development	Chapters 9 & 10	Improvement in health services & education outcomes	Indirect contribution through the provision of office accommodation and building infrastructure required by Provincial Departments to render services	Sustainable infrastructure investment Dignified user experience	Building infrastructure and maintenance projects implemented for Client Departments. Fit-for-purpose office accommodation is available for Government Departments through construction of new offices and multi-tenancy buildings, leasing of additional required space and maintenance of the existing property portfolio.
Consolidating the social wage and providing quality basic services	Comprehensive social security coverage	Chapters 3 &11				

2.5 ORGANIZATIONAL STRUCTURE

The top-level view of the new structure is as follows:



2.6 ENTITIES REPORTING TO THE MEC

None.

PART B: PERFORMANCE INFORMATION

3. AUDITOR GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

Refer to Part F, page 159 of this document.

4. OVERVIEW OF DEPARTMENTAL PERFORMANCE

4.1 SERVICE DELIVERY ENVIRONMENT

4.1.1 Employment and poverty alleviation

The Department of Public Works and Roads is a key role player in responding to the strategic priorities of the 7th Administration as relating to (i) inclusive growth and job creation and (ii) reducing poverty.

Statistics that were released by Statistics South Africa indicates that South Africa's unemployment rate was at 31.9% in quarter 4 of 2024[1]. The number of unemployed persons totaled 8 million for the same period. According to the expanded definition of unemployment (i.e. including those discouraged from seeking work), the unemployment rate was at 41.9% at the end of quarter 4.

The rate of unemployment is especially alarming for the North West Province; the official unemployment rate at the end of quarter 4 was at 41.3% and at 52.8% in terms of the expanded definition of unemployment.

Women, youth and persons with disabilities are disproportionately affected by unemployment and poverty, with youth still at the highest risk with the unemployment rate for the group 15 to 24 years of age being 59.6% and the rate for the group 25 to 34 years of age being 39.4%. Social and economic barriers, including limited access to education and financial exclusion persist. Specific, targeted interventions are required.

The Expanded Public Works Programme is one of Government's key interventions aimed at providing poverty and income relief through the implementation of public employment programmes. It is also the programme through which work opportunities will be created that target unskilled and semi-skilled persons. The Department of Public Works and Roads is the provincial champion of the EPWP. The Department is also the biggest contributor to the creation of work opportunities in the infrastructure sector. By fostering community-driven development and equipping participants with skills and resources, the programme strives to:

- create long-term, inclusive economic growth
- enhance the quality of life for vulnerable populations

[1] Statistics SA: Quarterly Labour Force Survey Q4 of 2024

- contribute to the overall improvement of public infrastructure in rural and underdeveloped areas
- build resilient communities, promote economic self-sufficiency and ensure that local development is inclusive and sustainable.

The financial year 2023/24 was the final year of Phase IV of the EPWP implementation programme. The North West Province performed well and exceeded the EPWP Phase IV targets as follows:

Table 4.1 Provincial performance EPWP Phase IV

PROVINCIAL PERFORMANCE EPWP PHASE IV											
2019/20		2020/21		2021/22		2022/23		2023/24		5-YEAR TOTAL	
Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
23 637	23 708	24 576	30 347	25 211	25 985	25 882	25 980	26 611	27 496	**125 917**	**133 516**

Phase V of the EPWP was launched in the North West Province in May of 2024.

The targets set for both the Province and the Department are outlined in the table below:

Table 4.2 Provincial and DPW&R targets EPWP Phase V

PROVINCIAL						
SPHERE	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL PHASE V TARGETS
Departments	19 079	20 216	20 859	21 532	22 235	**103 921**
Municipalities	7 541	7851	8 161	8 471	8 782	**40 806**
TOTAL	26 620	28 067	29 020	30 003	31 017	144 727
DEPARTMENT OF PUBLIC WORKS AND ROADS						
SECTOR	2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL PHASE V TARGETS
Transport Infrastructure sector	14 000	9 000	12 979	16 498	16 769	69 246
Public Works sector	1 800	1 000	3 838	4 029	4 316	14 983
TOTAL	15 800	10 000	16 817	20 527	21 085	84 229

The work opportunities are created mainly through Programme 2: Public Works Infrastructure, Programme 2: Immovable Asset Management and Facility Operations and Programme 3: Transport Infrastructure through activities such as:

Transport Infrastructure:

- Itirele Road Maintenance Programme
- National Youth Service Programme
- Transport infrastructure projects

Building infrastructure:

- Brick-making plants
- Employment of assistant boiler operators
- Building infrastructure projects
- Bricklaying projects
- Facilities maintenance

The performance of the Department is outlined in sections 4.3 to 4.6 of this document.

4.1.2 Under representation of women in the labour force

Women still face many institutional barriers that impede their socio-economic empowerment and financial independence. The significance of female participation in the labour force does not only pertain to individual independence but is also a key component of broader economic development and gender equality.

As women represent a substantial portion of potential human capital, their active participation in labour markets can lead to considerable economic gains and higher economic growth rates.

The findings in a report released by the Commission on Gender Equality[2] suggest that progress in relation to the economic empowerment of women is slow. The report states that trends show lower labour force participation as the unemployment rate during the period covered by the analysis (2023) was higher amongst females (35.7%) compared to males (30%) and the labour absorption rate for males was 45.4% as compared to 34.9% for females. The report also indicates that the construction industry employed 1 304 000 people in 2023 with 88% being men and 12% being women.

The construction and infrastructure development sector holds potential to address the critical issue of unemployment among women in South Africa, as it provides opportunities for skills development. To this end, the targets that the Department has set for broadening access to the economy through targeted public procurement, targeted public employment programmes and targeted participation in the Contractor Development Programme are all intended to remove barriers to participation and increase the sustainability of achieved outcomes over the medium to long term.

4.1.3 Disruption of activities on construction sites

While the incidence of disruption of construction activities on site has decreased in the year under review when compared to prior years, some projects were still affected and delayed as a result of these disruptions.

[2] Women in the South African Economy, Commission on Gender Quality, 2024

The Department has adopted a two-pronged approach in dealing with these disruptions. The first intervention relates to improvement in communication and liaison with communities and ensuring that social facilitators are appointed to assist in this regard. The second intervention relates to working with the South African Police Service to ensure that incidences of a criminal nature are reported.

4.2 SERVICE DELIVERY IMPROVEMENT PLAN 2023/24 – 2027/28

Problem statement:

The mandate of the Department is to provide and manage the life cycle of building and transport infrastructure required for service delivery and to champion the creation of work opportunities. In relation to building infrastructure, the Department is responsible for the provision of office accommodation for all Provincial Departments in order to locate public servants in adequate, fit-for-purpose offices.

The demand for the services rendered by the Department in this regard is driven by the following:

- condition of buildings as per building condition assessments
- office accommodation requirements of Provincial Government Departments
- office accommodation that meets space norms and standards.

The Department is required to conduct technical condition assessments every five years for all provincially owned office buildings and state domestic facilities (clinics, hospitals, schools, early learning centres etc.). These assessments inform the maintenance needs and prioritization for maintenance-related interventions.

The Department experienced challenges in providing adequate building infrastructure largely due to inadequate budgetary allocations from the fiscus.

Other challenges are:

- capacity in relation to technical skills in the built environment
- inadequate financial resources to complete condition assessments for the entire immovable asset portfolio
- lack of an integrated provincial building maintenance plan that is funded
- maintenance budgets are located with Client Departments and not with the Department of Public Works and Roads
- inadequate planning (late submission by Client Departments of U-AMPs and / or incomplete U-AMPs)
- lack of adequate capacity to implement and complete projects on time.

The objective of the Service Delivery Improvement Plan is to establish a sustained improvement in ensuring that all Provincial Departments are adequately accommodated and that office accommodation, whether state-owned or leased is habitable and fit-for-purpose.

The progress in respect of Year 2 of the SDIP is outlined in the table below:

Table 4.3 SDIP progress Year 2

MAIN SERVICES	BENEFICIARIES	CURRENT / ACTUAL STANDARD OF SERVICE	DESIRED STANDARD OF SERVICE	ACTUAL ACHIEVEMENT YEAR 2
Provision of fit-for purpose state-owned and leased office accommodation throughout the North West Province.	A total of thirteen (13) Provincial Departments (as per budget votes) Political office bearers Government employees	10% of office accommodation meets norms and standards.	25% of office accommodation meets norms and standards.	In respect of leased office accommodation, fifty-nine (59) bids were advertised for tender.
Condition of infrastructure should improve / be maintained.		47% of properties assessed were in a fair condition	75% of properties assessed are in a fair condition	Condition assessments were conducted on 47 state-owned office accommodation.
		Technical condition assessments conducted in order to inform maintenance plans = 92 out of 117 facilities were assessed.	117 facilities assessed	Condition assessments were conducted on 47 state-owned office buildings during the year, which brings overall performance to 105 as at the end of the financial year.
Call centre facility that is computerized and which enables logging of complaints and follow-ups.		Call centre is planned and piloted operationalized.	Complaints are responded to in time.	The development of a computerized complaints and monitoring system is still in planning.
Facilitate the leasing of office accommodation where the state-owned accommodation is not adequate.		New lease dispensation approved but not fully implemented.	All leases renewed and a costed building infrastructure plan in place.	The rollout of the new lease dispensation commenced but was not completed. Fifty-nine (59) bids were advertised for tender.
Technical condition assessment outcomes are not used by Client Departments to inform their maintenance activities (each Department has its own maintenance budget as opposed to it being allocated to the DPW&R as the preferred implementing agent.)		Technical condition assessments conducted to inform maintenance plans = 2 772 of 4 045 assessed	Technical condition assessments conducted to inform maintenance plans = 4 045 assessed	Condition assessments were conducted on 47 state-owned office accommodation.
Planning documents are submitted as per stipulated deadlines in June and March annually, which includes the U-AMPs, IPMP, Table B5 project lists and C-AMP.		User Departments submit planning documents late.	Treasury deadlines are met.	All Departments had submitted their planning documents by the 31st of March 2024 for the year under review and had also complied with the deadline of the 31st of March 2025 for the new financial year.

Table 4.4 SDIP information tools and complaints mechanisms

SERVICE DELIVERY INFORMATION TOOL		
Current / actual information tools	**Desired information tools**	**Actual achievement**
Share information through: ✓ One-on-one sessions with Client Departments ✓ GIAMA Forum meetings	Share information through: ✓ Quarterly newsletters. ✓ One-on-one sessions with Client Departments. ✓ GIAMA Forum meetings feedback / service assessment questionnaire.	No GIAMA meetings were held during the period under review. The rollout of the newsletter is in planning stage.
SERVICE DELIVERY COMPLAINTS MECHANISM		
Current / actual complaints mechanism	**Desired complaints mechanism Year 1**	**Actual achievement Year 2**
No computerized system in place.	✓ Service Charter ✓ Integrated complaints and monitoring system	The Service Charter is in place. The development of a computerized complaints and monitoring system is still in planning. The Department is in the process of procuring systems that would support these functions. The Department also entered into Service Level Agreements (SLAs) with Client Departments as pertaining to state-owned office accommodation. The following Departments however had not yet signed the SLAs: • Department of Economic Development, Environment, Conservation and Tourism • Department of Health • Department of Agriculture and Rural Development

Table 4.5 Batho Pele commitments and progress

BATHO PELE ARRANGEMENTS WITH BENEFICIARIES			
Batho Pele standard	**Current / Actual arrangements**	**Desired arrangements Year 2**	**Actual Achievement Year 2**
Professional standards by public servants	Public Service Code of Conduct	Public Service Code of Conduct	In place.
Working environmental standards	Public Service Code of Conduct Service Delivery charter	Public Service Code of Conduct Service Delivery Charter.	In place.
Access standards	Access service, facilities and information in a manner which meet the requirements and be responsive to the needs of persons with disabilities.	Access service, facilities and information in a manner which meet the requirements.	To date, utilization inspections were undertaken for 104 out of 117 state-owned accommodation to monitor compliance and identify remedial actions required.
Information standards	All strategic documents, e.g. Strategic Plan, Annual Performance Plan, Annual Report and Service Charter are uploaded onto the departmental website.	All strategic documents, e.g. Strategic Plan, Annual Performance Plan, Annual Report and Service Charter are uploaded onto the departmental website.	In place.

BATHO PELE ARRANGEMENTS WITH BENEFICIARIES			
Batho Pele standard	**Current / Actual arrangements**	**Desired arrangements Year 2**	**Actual Achievement Year 2**
Redress standards	No system is in place for managing complaints.	Call centre concept implemented. Reports analyzed. Response times monitored.	The development of a computerized complaints and monitoring system is still in planning.
Consultation standards	Planning documents of Client Departments are assessed. Planning documents of Clients and DPW&R are discussed. Maintenance requirements are communicated.	Planning documents of Client Departments are assessed. Planning documents of Clients and DPW&R are discussed. Maintenance requirements are communicated.	Documents are assessed.
Openness & transparency standards	Information in respect of building infrastructure provision and maintenance is available. Expectations in terms of occupation and leasing are shared. GIAMA meetings are held quarterly.	Information in respect of building infrastructure provision and maintenance is available. Expectations in terms of occupation and leasing are shared. GIAMA meetings are held quarterly.	The rollout of the new lease dispensation commenced but was not completed. Fifty-nine (59) bids were advertised for tender, and 38 properties were successful and issued with letters of intent to occupy. The following Departments have not yet signed the SLAs: • Department of Economic Development, Environment, Conservation and Tourism • Department of Health • Department of Agriculture and Rural Development No GIAMA meetings were held during the period under review. The meetings will be re-introduced in the 2025/26 financial year.
Service standards	Client Departments' requests for implementation of maintenance projects confirmed. Office and residential accommodation for the Provincial Government will be acquired, leased and managed within the agreed timeframes as per regulations and guidelines.	Client Departments' requests for implementation of maintenance projects confirmed. Office and residential accommodation for the Provincial Government will be acquired, leased and managed within the agreed timeframes as per regulations and guidelines.	Done. The rollout of the new lease dispensation commenced but was not completed. Fifty-nine (59) bids were advertised for tender, and 38 bids were successful and issued with letters of intent to occupy.

4.3 ORGANIZATIONAL ENVIRONMENT

4.3.1 Programme 1: Administration

4.3.1.1 Human resource capacity

The total number of positions on the approved post establishment was 2 833 as at the end of March 2025. The Department's vacancy rate was 20% and the vacancies per Programme are outlined in the table below:

Table 4.6 Employment and vacancies per Programme as at 31 March 2025

EMPLOYMENT AND VACANCIES PER PROGRAMME AS AT 31 MARCH 2025			
Programme	**Number of posts on approved establishment**	**Number of posts filled**	**% Vacancy rate**
Prog 1: Administration	263	251	4%
Prog 2: Public Works Infrastructure	1 407	1 016	27%
Prog 3: Transport Infrastructure	1 156	991	14%
Prog 4: Community-Based Programme	7	7	0
TOTAL	**2 833**	**2 265**	**20%**

The vacancy rate per salary band was as follows:

Table 4.7 Employment and vacancies by salary bands as at 31 March 2025

EMPLOYMENT AND VACANCIES BY SALARY BANDS, 31 MARCH 2025			
Salary band	**Number of posts on approved establishment**	**Number of posts filled**	**% Vacancy rate**
Lower skilled (levels 1 - 2)	426	374	12%
Skilled (levels 3 - 5)	1 536	1 250	19%
Highly skilled production (levels 6 - 8)	567	428	25%
Highly skilled supervision (levels 9 - 12)	269	190	29%
Senior Management (levels 13 - 16)	35	23	34%
TOTAL	**2 833**	**2 265**	**20%**

From the above, the challenge in relation to high vacancy rates at levels in the organization that are core to the mandate is clear. The filling of vacancies was impacted by the announcement of financial austerity measures by the Minister of Finance in the Medium-Term Budget Policy Statement of November 2023. One of the measures introduced related to the management of the public sector wage bill with the effect that not all vacant posts could be filled; only those that were identified as critical could be filled with the concurrence of Provincial Treasury and the Office of the Premier.

In response, the Department reprioritized all vacancies and identified a total of one hundred and three (103) critical vacant posts from the two hundred and twenty (220) positions that had been advertised already. Fifty (50) posts were filled during the period under review inclusive of four (4) key strategic management positions.

The Department filled the following vacant management positions during the period under review:

- Director: EPWP Provincial Coordination and Reporting
- Director: Health Infrastructure Construction, Implementation and Maintenance
- Chief Director: Community-Based Programme
- Director: Security Management Services

The following additional positions were vacated during the 2024/25 financial year and the process to fill them commenced:

- Chief Director: Immovable Asset Management and Facility Operations
- Chief Director: Transport Infrastructure
- Director Bojanala District
- Director Ngaka Modiri Molema District
- Director: Dr Kenneth Kaunda District
- Director: Communication
- Director: Planning and Information
- Director Financial Accounting
- Director: Provincial Infrastructure Construction, Implementation and Other Provincial Departments

4.3.1.2 Gender and employment equity

Section 20 of the Employment Equity Act, Act 55 of 1998 requires that a designated employer prepares and implements an Employment Equity Plan that will achieve reasonable progress towards employment equity. The Department complies with this requirement.

Females in the entire workforce is currently under-represented by 17%. The attraction of suitably qualified female applicants in the technical disciplines particularly remains a challenge. One of the attributing reasons is the under-representation of women in the construction industry as a whole (according to the CIDB Construction Monitor[3] published in October of 2023, the construction industry employed approximately 1 304 000 people, of which only 12% were women).

The Department is pursuing interventions to address these challenges, which include the following:

- expanding participation in the Executive Development Programme initiative to build internal capacity with preference given to females at middle management level and persons with disabilities;
- introduction of a declaratory statement in all advertisements in support of representation;

[3] CIDB, Construction Monitor, October 2023

- strict application of the prescripts of the departmental Employment Equity Plan during recruitment and selection processes.

4.3.1.3 Societal transformation and mainstreaming programmes focusing on women, youth, persons with disabilities, moral regeneration and social cohesion

The Department has several programmes that focus on societal transformation, gender equity and protection of the rights of vulnerable groups. Activities in this regard during the year under review included the following:

Gender-based Violence Programme: the purpose of the programme is to provide a multi-sectoral approach in responding to gender-based violence by strengthening efforts, as guided by the National Strategic Plan on Gender-based Violence and Femicide, 2020. Engagements implemented during the year focused on the following issues:

- information sharing on the goals and objectives of the National Strategic Plan on Gender-based Violence and Femicide and strengthening coordination modalities
- sexual harassment in the workplace
- family values
- drug and substance abuse

Strengthening the Raising of the Boy-Child Campaign: the purpose of this programme is to empower the boy-child as envisaged in the Children's Act, Act 38 of 2005. Engagements implemented during the year focused on the following issues:

- promotion of the Take a Child to Work Campaign
- career guidance
- motivational talks in respect of the Boy Child Campaign
- gender-based violence
- drug and substance abuse

Moral Regeneration and Social Cohesion: the purpose of this programme is aimed at mobilizing communities to work together to combat moral degeneration and revive positive societal values. It also aimed at addressing issues of development and nation building. Engagements implemented during the year focused on the following issues:

- content, objectives and protections enshrined in the Domestic Violence Act, Act 116 of 1998
- mental health
- financial management
- drug and substance abuse
- sexual harassment in the workplace

Gender Mainstreaming: the purpose of this programme is to advocate for the human rights of men and women, youth, persons with disabilities and LGBTQIA+ [4] communities through integrating gender equality perspectives at all stages and levels of policies, programmes, activities, systems and projects. Engagements implemented during the year focused on the following issues:

- implementation of the Gender Equality Strategic Framework
- advocacy for economic participation of designated groups in procurement
- implementation / mainstreaming of gender-responsive budgeting
- implementation of the HOD's 8 Principles Action Plan
- sexual harassment in the workplace
- gender-based violence and femicide

Disability Mainstreaming: the purpose is to advocate for the inclusion of persons with disabilities in the workplace and removing barriers that prevent their successful participation in employment. Engagements implemented during the year focused on the following issues:

- implementation of the JobAccess Strategic Framework as relating to the recruitment, employment and retention of persons with disabilities in the work place
- Reasonable Accommodation Policy
- legislative frameworks on disability

Youth Empowerment Programme: the purpose of this programme is to advocate for the mainstreaming and implementation of youth empowerment programmes through policies, programmes, activities, systems and projects. Engagements held during the year focused on the following issues:

- personal development focusing on bursaries, constitutional values and entrepreneurial skills
- gender-based violence
- promotion of mental and sexual health
- financial management.

Rights of Older Persons: the purpose of this programme is to advocate for the empowerment and protection of older persons through the promotion and maintenance of their status, rights, well-being, safety and security as enshrined in the Older Persons Act, Act 13 of 2016. Engagements implemented during the year focused on the following issues:

- wills and testaments
- financial management

[4] Lesbian, gay, bisexual, transgender, queer/questioning, intersex, asexual, and other gender and sexual identities

- pension readiness and debt management
- active ageing
- mental health
- health promotion and gender-based violence.

The Department implemented the following targeted interventions in relation to women, youth and persons with disabilities:

- Targeted procurement from suppliers / service providers that are majority-owned by women, youth and persons with disabilities and military veterans. The performance achieved was as follows:
  - ✓ Women: 24,7% against the target of 20%
  - ✓ Youth: 22% against the target of 15%
  - ✓ Persons with disabilities: 0% against the target of 5%
  - ✓ Military veterans: 0,3%

  While the Department did well in relation to women and youth, it was not successful in meeting the target in relation to persons with disabilities and military veterans. The challenge in relation to mainstreaming of persons with disabilities within the infrastructure construction sector is not only relevant to the North West Province however, and for this reason the National Department of Public Works and Infrastructure is reviewing the Ministerial Determination and policies to expand on the processes to follow in aiding the recruitment of persons with disabilities.

  The Department has reviewed the plans and strategy towards the achievement of these targets in the 2025/26 financial year, inclusive of developing a database and reviewing the departmental procurement policy in the interest of ensuring alignment with the objective of the indicator. The inclusion of targets for these groups in the new intake of the Contractor Development Programme is another intervention aimed at mainstreaming the participation of this group in the infrastructure sector.

- The Department had planned to create 15 800 work opportunities through the Expanded Public Works Programme. A total of 9 800 work opportunities were created in the two infrastructure programmes. The performance is discussed in greater detail under sections 4.3.4 and 4.6.4 of this document.

4.3.1.4 Financial management

Following the introduction of financial austerity measures by the National Treasury in the 2023/24 financial year, the Department's equitable share allocation was reduced by R100 million in the 2023/24 Adjustment Budget, while the Provincial Road Maintenance Grant allocation was reduced by R53 million and the EPWP Incentive Grant allocation was reduced by R3 499 million.

The budget reductions resulted in payables and accruals amounting to R595 million as at the end of the 2023/24 financial year. The budget available for the 2024/25 financial year thus was negatively impacted by these factors and required of the Department to review its plans and targets.

4.3.1.5 Audit outcome in respect of the 2023/24 financial year

The Department obtained an unqualified audit opinion in relation to the 2023/24 financial year's audit as conducted by the Auditor General of South Africa. The Department registered significant strides in good corporate governance by improving its audit outcomes. This outcome also means that the Department achieved Outcome 1 of the 2020 – 2025 Strategic Plan.

The overall performance on audit matters for the financial years 2019/20 to 2023/24 is outlined in the table below:

Table 4.8 Audit outcomes 2019/20 to 2023/24

FINANCIAL YEAR	AUDIT OUTCOME	BASIS FOR OPINION
2019/20	Qualified	Prepayments
		Goods and services
		Irregular expenditure
2020/21	Qualified	Irregular expenditure
2021/22	Qualified	Irregular expenditure
2022/23	Qualified	Consultants
		Fleet services
		Capital commitments
		Unauthorized expenditure
		Accruals and payables
		Immovable tangible capital assets
2023/24	Unqualified	N/A

4.3.2 Programme 2: Public Works Infrastructure and Immovable Asset Management and Facility Operations

4.3.2.1 Construction and maintenance

The Department is responsible for construction of new building infrastructure, upgrading, refurbishment and maintenance of existing infrastructure as well as the management of the immovable building assets of the North West Provincial Government.

The Department completed two hundred and thirty-two (232) construction and one hundred and ninety-one (191) maintenance projects over the period 2019/20 to 2024/25. While the achievement is significant, the performance by the Department was impacted by the following challenges:

- capacity of emerging contractors to deliver projects on time, mostly due to cash flow challenges
- disruptions of projects by communities

- lack of alignment of planning, budgeting and infrastructure plans, both internally and externally (in relation to Client Departments)
- loss of mandate, to the extent that Client Departments have their own infrastructure units and budgets
- reduction in budget allocations impacts the Department's ability to undertake maintenance of the building infrastructure portfolio in a holistic manner with a resultant sustained impact.

The Department further completed repairs to schools that were damaged by heavy rains and floods in the 2022/23 financial years.

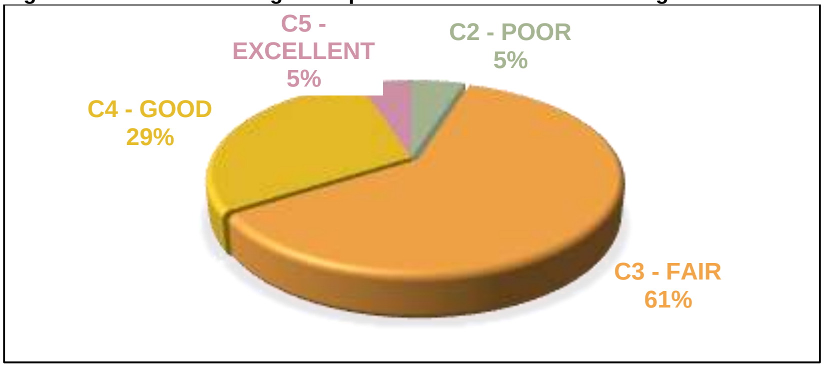
4.3.2.2 Asset management

The Department is required to conduct technical condition assessments every five years for all provincially owned office buildings and state-domestic facilities. The Department has assessed 105 out of 117 state-owned office buildings during the 2022/23 to 2024/25 financial years.

The condition assessment ratings are as outlined in the table and figure below:

CONDITION RATING	TOTAL %
C2 - POOR	5
C3 - FAIR	75
C4 - GOOD	20
C5 - EXCELLENT	5

Figure 4.1: Condition rating % for provincial state-owned buildings



These assessments determined that 66% of the assessed buildings are in a Fair and Poor condition while 34% are assessed to fall in the categories of Good and Excellent.

All of the buildings considered to be in a Fair and Poor condition require maintenance interventions to be habitable and fit-for-purpose, while ongoing scheduled maintenance is required at buildings considered to be in a Good or Excellent condition to maintain the condition of those buildings. These assessments will also form the basis for determination of maintenance priorities for the new MTEF.

The Department disposed of twenty-one (21) non-core state-owned houses during the period under review. These disposals contribute to revenue generation as well as to reduction in the burden of paying rates and taxes in respect of these properties.

4.3.3 <u>Programme 3: Transport Infrastructure</u>

4.3.3.1 Provincial road infrastructure management

The road network of the North West Province is ranked as the fourth smallest in the country, and it represents 10% of the country's total network. The provincial paved network accounts for 11% of the total paved network and the provincial unpaved network accounts for 10% of the total unpaved network[5].

The Province's road network is approximately 19 684.08 kilometres in length, of which 5 556.85 km are paved (surfaced) while 14 127.23 km are unpaved (gravel). Dr. Ruth Segomotsi Mompati District has the largest unpaved network, while the Bojanala District has the largest paved network.

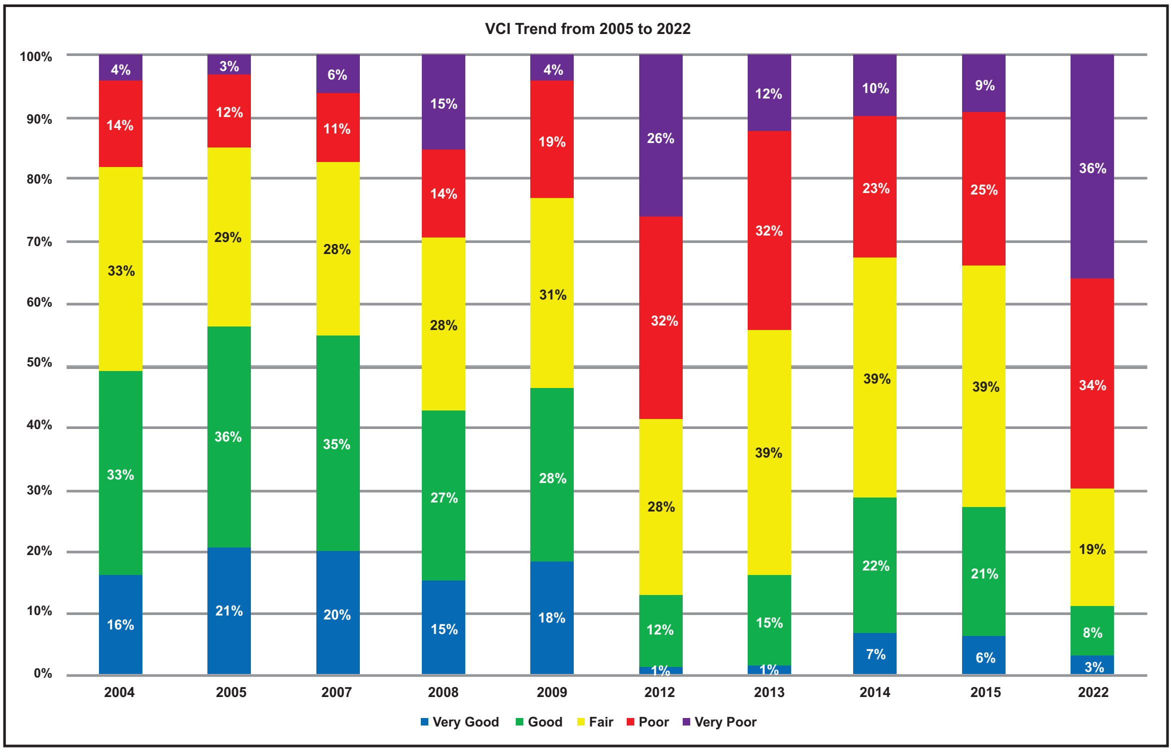
The condition of the road network, as measured through visual condition assessments and expressed in terms of the visual condition index (VCI) is categorized as follows:

VCI CATEGORY	INDEX
Very Good	85 - 100
Good	70 - 85
Fair	50 - 70
Poor	30 - 50
Very Poor	0 - 30

[5] Source: Road Asset Management Plan 2023 - 2033

The figure below represents the trends with regard to the condition of the provincial road network as measured over the period from 2004 to 2022:

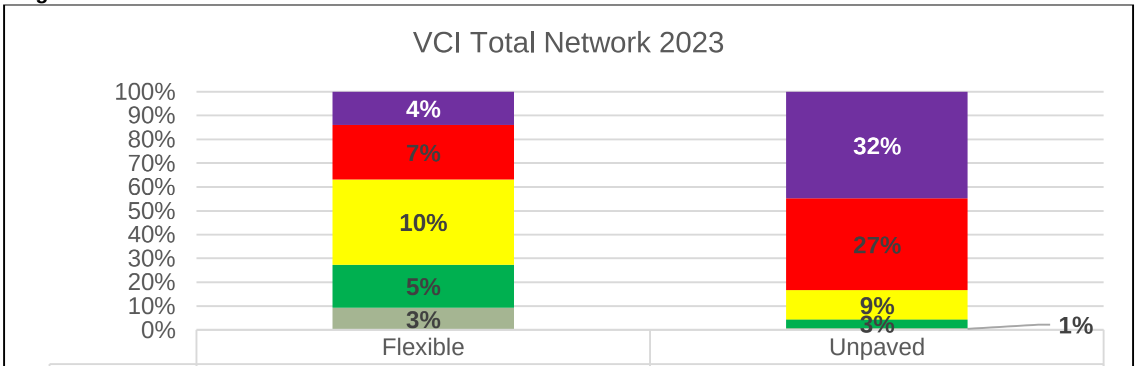
Figure 4.2 Road network condition 2004 - 2022



Source: Road Asset Management Plan 2023 - 2033

The outcome of the most recent condition assessment, as concluded in 2023/24 is outlined in the graph below.

Figure 4.3 Road network assessed 2023/24



	Flexible	Unpaved
Very Poor	4%	32%
Poor	7%	27%
Fair	10%	9%
Good	5%	3%
Very Good	3%	1%

The costs associated with the maintenance needs for surfaced roads were estimated at R16 995 860 131,00 and at R3 797 113 888,00 for the gravel road network.

Further to this, the heavy rainfalls that the country as a whole and the Province in particular experienced over the past MTEF period resulted in extensive damage to provincial road infrastructure; repairs to road infrastructure that were damaged due to floods and excessive rainfall during the period under review are estimated to cost in excess of R2.7 billion.

The funding available for the maintenance of our provincial road network is clearly not adequate; the backlog will continue to grow and the economy and affected communities remain affected.

The performance against our targets in relation to upgrading and maintenance of the provincial road network during the period under review was impacted by the reduction in budgetary allocations and restrictive cash flow management processes that were introduced following the introduction of financial austerity measures by the Minister of Finance in the Medium-Term Budget Policy Statement in November 2023.

The Department is exploring means of expanding the funding envelope for the upgrading and maintenance of the provincial road network. One of these strategies is pursuing partnerships with the mining houses and community structures to foster a collaborative approach to road infrastructure delivery and maintenance. These agreements with external stakeholders from the private sector are of a collaborative nature and do not result in the rights and obligations of Public Private Partnerships for financial reporting purposes i.e. there is no exchange of risks and rewards between the parties to the agreement.

The Memorandums of Agreement that the Department has entered into are outlined in the table below:

Table 4.9 List of Memorandums of Agreement

AGREEMENT	PURPOSE	OUTPUTS	CURRENT VALUE OF THE AGREEMENT	END DATE OF THE AGREEMENT
Memorandum of Agreement between the DPW&R and the Noordwes Kooperasie	To collaborate on road maintenance	Safe and trafficable roads	0	Upon completion of relevant roads
Memorandum of Agreement between the DPW&R and the Batlatsi Development Trust	To contribute towards the development of roads in the Baphalane community, Ramokokastad	Safe and trafficable roads	R20 million	Upon completion of relevant roads
Memorandum of Agreement between the DPW&R and Ditsobotla Local Municipality	To provide technical support and skills transfer to the municipality in line with MuniMec initiative.	Safe, trafficable roads and skills transfer	0	A period not exceeding 12 months from the commencement of the agreement

AGREEMENT	PURPOSE	OUTPUTS	CURRENT VALUE OF THE AGREEMENT	END DATE OF THE AGREEMENT
Memorandum of Agreement between the DPW&R and Lafarge Cement	To assist with technical support for the donation of a tribal office in the Bodibe village	Technical support	0	Upon completion of the construction of the tribal office
Memorandum of Agreement between the DPW&R and Royal Bafokeng Platinum	To contribute towards the development of roads in the Bafokeng community, Chaneng	Safe and trafficable roads	R37 million	Upon completion of the maintenance project
Memorandum of Agreement between the DPW&R and Anglo Platinum	To contribute towards the development of roads in Dikweipi	Safe, trafficable roads and skills transfer	R93 million	Upon completion of the capital project

4.3.4 <u>Programme 4: Community-Based Programme</u>

4.3.4.1 Creation of work opportunities through public employment programmes

The Department undertook a review of the implementation modalities of this Programme with the aim of enhancing operational and monitoring activities. Progress registered during the period under review includes:

- commissioning the development of a payment system that is intended to address current challenges in relation to the Persal system, e.g. payment of UIF contributions is not possible through the Persal system
- physical verification of beneficiaries to ensure that the data on beneficiaries is credible and that confirmed beneficiaries have valid contracts.

As a result of the budgetary reductions and accruals from the prior year, the Department, however, had to suspend recruitment and the targets set for the 2024/25 financial year were not attained. The Department also adjusted its targets for the 2025/26 financial year to ensure that the Department's expenditure in this regard is aligned with the budgetary allocation.

The budgetary challenges also affected the two infrastructure Programmes to the effect that several planned projects were not implemented or were suspended during the year under review and this also contributed to under-performance as the bulk of the planned work opportunities were to be created by Programmes 2 and 3.

4.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

4.4.1 Austerity measures

National Treasury issued guidelines in the 2023/24 financial year that outlined cost containment measures aimed at managing fiscal sustainability. As a result, departmental budgets were reduced during the 2023/24 budget adjustment process and the 2024/25 budget process.

Following the issuing of these guidelines, the Department of Public Service and Administration issued Circular 49 in October 2023. This circular outlined control measures for the management of the wage bill, i.e. for the filling of vacancies. This impacted on the Department's ability to fill critical vacant positions. These measures were still in place during the period under review.

4.4.2 Medium Term Development Plan 2025 – 2029

Following the general elections in May 2024, the Government of National Unity for the 7^{th} Administration was announced on the 30^{th} of June 2024. The strategic priorities of the 7^{th} Administration were subsequently outlined by the President in his address at the opening of Parliament as follows:

- drive inclusive growth and job creation;
- reduce poverty and tackle the high cost of living;
- build a capable and ethical developmental state.

These strategic priorities informed the development of the Medium-Term Development Plan (MTDP) that in turn guides Government entities in the setting of priorities and alignment of activities. The Strategic Plan 2025 – 2030 and the Annual Performance Plan 2025/26 that were developed during the period under review were both aligned to these priorities.

4.5 PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The performance of the Department in respect of achieving the targets / objectives as set for Year 5 of the Strategic Plan for 2020 - 2025 was as follows:

Table 4.10 Progress against Strategic Plan objectives and targets

OUTCOME	OUTCOME INDICATOR	2019/20 BASELINE	2024/25 TARGET	PROGRESS AS AT YEAR 5 - 2024/25	MTSF PRIORITY	CONTRIBUTION TOWARDS THE MTSF 2019 - 2024
Outcome 1: Good corporate governance ensured	Improved audit outcomes	Five (5) qualification areas	Unqualified audit opinion	Achieved	A capable, ethical & developmental state	Adherence to principles of good governance, the Public Service Code of Conduct and regulatory frameworks aimed at combatting fraud and corruption.
Outcome 2: Provincial building infrastructure condition improved	Percentage reduction of service delivery building infrastructure in poor condition	30% of building infrastructure is in a poor condition	20% of building infrastructure is in a poor condition	A total of 105 out of 117 buildings have been assessed. Of the buildings assessed, 66% were found to be in a Fair and Poor condition while 34% were assessed to fall in the categories of Good and Excellent.	✓ Economic transformation ✓ Job creation ✓ Education, skills and health ✓ Consolidating the social wage and providing quality basic services	Provide and manage the life cycle of building infrastructure required by Departments to deliver services.
Outcome 3: Provincial road network condition improved	Percentage of road network improved to an acceptable condition	6% of the road network is in a very good condition	21% of the road network is in a very good condition	In respect of the paved network, 8% of the paved network falls within the condition categories of Good and Very Good, while 21% of the paved network falls within the categories of Fair, Poor and Very Poor. In relation to the unpaved roads, 4% falls within the categories of Good and Very Good, while 68% of the roads assessed falls within the categories of Fair, Poor and Very Poor.	✓ Economic transformation ✓ Job creation	Provide and manage the life cycle of the provincial road infrastructure, thereby supporting equitable access to social and economic opportunities.
Outcome 4: Poverty alleviation through optimized work opportunities	Public Employment Programmes implemented	12 000	60 000	73 767	✓ Job creation	Champion the EPWP Programme provincially and departmentally.

4.6 PROGRAMME PERFORMANCE INFORMATION

The performance against the targets set out in the 2024/25 Annual Performance Plan is outlined below.

4.6.1 Programme 1: Administration

Purpose:

The purpose of the Programme is to provide leadership and support in creating a capable and skilled workforce by means of creating the necessary good governance framework.

List of sub-programmes and their purpose

Office of the MEC

The sub-programme is responsible for the management and administration of support services provided to the MEC, as well as to ensure that the programme of the MEC is executed.

Management of the Department

The sub-programme provides strategic advice and administrative support services to the Accounting Officer.

Corporate Support

The sub-programme manages and provides administrative / governance and financial support services to the Department.

Contribution to institutional priorities and outcomes

- National Development Plan: Directly to Chapter 13 (Building a Capable and Developmental State).
- MTSF 2019 - 2024: Directly to Priority 1 (Capable, Ethical and Developmental State).
- Provincial Priorities: A Capable and Developmental State.

4.6.1.1 *Outcome, outputs, output indicators, targets and actual achievements of Programme 1: Administration as per the original APP tabled in March 2024, covering the period April to June 2024*

Table 4.11 Performance Programme 1: Original APP Qtr 1

PROGRAMME 1: ADMINISTRATION									
OUTCOME: GOOD CORPORATE GOVERNANCE ENSURED									
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25**	**Actual achievement 2024/25 as at Qtr 1**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**	**Reasons for revisions to outputs / output indicators / annual targets**
SUB-PROGRAMME: FINANCIAL MANAGEMENT									
Unqualified audit report	1.1.1	Percentage of audit findings addressed	New indicator	New indicator	100%	No target set for quarter 1	N/A	N/A	No revisions
SUB-PROGRAMME: SUPPLY CHAIN MANAGEMENT									
Economic opportunities	1.2.1	Percentage of public procurement from women, youth and persons with disabilities	Women - 8% Youth - 10% Persons with disabilities - 0%	New indicator	Women - 20% Youth - 15% Persons with disabilities - 5%	No target set for quarter 1	N/A	N/A	The output indicator and target were revised to include a category for military veterans.
SUB-PROGRAMME: SPECIAL PROGRAMMES									
Targeted programmes	1.3.1	Number of mainstreaming programmes targeting women, youth and persons with disabilities	New indicator	New indicator	44	11	-33	The achievement reflects Quarter 1 outputs only.	The output indicator was revised to include programmes related to children, elderly persons, social cohesion and moral regeneration.

4.6.1.2 *Outcome, outputs, output indicators, targets and actual achievements of Programme 1: Administration as per the revised APP covering the entire period April 2024 to March 2025*

Table 4.12 Performance Programme 1: Revised APP

PROGRAMME 1: ADMINISTRATION								
OUTCOME: GOOD CORPORATE GOVERNANCE ENSURED								
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25, revised**	**Actual achievement 2024/25**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**
SUB-PROGRAMME: FINANCIAL MANAGEMENT								
Unqualified audit report	1.1.1	Percentage of audit findings addressed	New indicator	New indicator	100%	100%	0	Target achieved
SUB-PROGRAMME: SUPPLY CHAIN MANAGEMENT								
Economic opportunities	1.2.1	Percentage of public procurement from women, youth, persons with disabilities and military veterans	New indicator	New indicator	Women: 20% Youth: 15% Persons with disabilities: 5% Military veterans: 1%	Women: 24,7% Youth: 22% Person with disabilities: 0% Military veterans: 0,3%	Women: +4,7% Youth: +5% Persons with disabilities: -5% Military veterans: -0.7%	Persons with disabilities and military veterans did not participate as expected in bids advertised or quotations sourced for services / goods procured by the Department.
SUB-PROGRAMME: SPECIAL PROGRAMMES								
Targeted programmes	1.3.1	Number of mainstreaming programmes targeting women, youth, persons with disabilities, children, elderly persons, social cohesion and moral regeneration	New indicator	New indicator	44	44	0	Target achieved

Strategies to overcome areas of under-performance

OUTPUT INDICATOR	COMMENT ON DEVIATIONS	STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE
1.2.1	Persons with disabilities and military veterans did not participate as expected in bids advertised or quotations sourced for services / goods procured by the Department.	The Department has reviewed the plans and strategy towards the achievement of these targets in the 2025/26 financial year, inclusive of developing a database for these groups and reviewing the departmental procurement policy in the interest of ensuring alignment with the objective of the indicator. The challenge in relation to mainstreaming of persons with disabilities within the infrastructure construction sector is not only relevant to the North West Province however, and for this reason the National Department of Public Works and Infrastructure is reviewing the Ministerial Determination and policies to expand on the processes to follow in aiding the recruitment of persons with disabilities. In addition, the rollout of the new intake under the Contractor Development Programme is another intervention planned, as specific targets were set for the number of persons with disabilities to be included in the new intake.

Performance in relation to standardized outputs and output indicators

There were no standardized outputs and output indicators in relation to Programme 1 for the period under review.

4.6.2 Programme 2: Public Works Infrastructure

Purpose:

The purpose of the Programme is to avail land and provide building infrastructure and facilities for Provincial Government Departments that are accessible, safe, fit-for-purpose and environmentally sensitive.

List of sub-programmes and their purpose

Programme Support

The purpose of the sub-programme is to provide general operational support to the Programme, which includes programme management and support personnel as well as their operational expenditure related to financial, procurement and administrative support.

Planning

The purpose of the sub-programme is to plan infrastructure development based on demand, to monitor performance and to ensure the enforcement of built sector and property management norms and standards.

Design

The purpose of the sub-programme is to design plans related to refurbishment, rehabilitation and renovations required for existing building infrastructure as well as to design plans for new infrastructure in line with applicable architectural standards and frameworks.

Construction

The purpose of the sub-programme is to upgrade and refurbish buildings and construct new building infrastructure within the parameters of reasonable cost, quality and time.

Maintenance

The purpose of the sub-programme is to implement routine, periodic and preventative maintenance based on condition assessment reports in order to ensure the optimum performance of infrastructure assets throughout their respective life cycles.

Immovable Asset Management

The purpose of the sub-programme is to manage the property portfolio of the Provincial Government through the provision of residential and office accommodation and by providing integrated property management services to Client and Users Departments throughout the life cycle of respective properties / assets.

Facility Operations

The purpose of the sub-programme is to provide facility management services such as cleaning, landscaping, gardening, security and day-to-day building maintenance.

Contribution to institutional priorities and outcomes

The planned outputs and activities contribute to the following objectives and priorities:

- National Development Plan: Indirectly to Chapter 9 (Improving Education, Training and Innovation) and Chapter 10 (Health Care for All) through the delivery of fit-for-purpose building infrastructure as required by the DPW&R and other Government Departments.
- MTSF 2019 - 2024: Indirectly to Priority 3 (Education, Skills and Health) and indirectly to Priority 2 (Economic Transformation and Job Creation) through the provision of building infrastructure, the development of contractors and job creation by means of implementation of projects with EPWP targets attached

- Provincial Priorities: Unemployment and Health.

Outcome 2 and outputs support the creation, management and maintenance of the building infrastructure required by Provincial Government Departments to deliver services e.g. office accommodation, schools, libraries, sanitation facilities at schools, health facilities etc.

4.6.2.1 Outcome, outputs, output indicators, targets and actual achievements of Programme 2: Public Works Infrastructure per the original APP tabled in March 2024, covering the period April to June 2024

Table 4.13 Performance Programme 2: Original APP Qtr 1

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE									
OUTCOME: PROVINCIAL BUILDING INFRASTRUCTURE CONDITION IMPROVED									
Output	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25 as at Qtr 1	Deviation from planned vs actual achievement	Reason for / comment on deviations	Reasons for revisions to outputs / output indicators / annual targets
SUB-PROGRAMME: CONSTRUCTION									
Infrastructure delivered	2.1.1	Number of new construction projects completed - DPW&R	0	18	19	3	-16	The achievement reflects Quarter 1 outputs only.	Not revised.
	2.1.2	Number of new construction projects completed - Client Depts	2	6	11	1	-10	The achievement reflects Quarter 1 outputs only.	Not revised.
SUB-PROGRAMME: MAINTENANCE									
Infrastructure maintained	2.2.1	Number of planned maintenance projects completed - DPW&R	13	10	20	2	-18	The achievement reflects Quarter 1 outputs only.	The target was revised due to budgetary challenges.
	2.2.2	Number of planned maintenance projects completed - Client Depts	7	26	21	8	-13	The achievement reflects Quarter 1 outputs only.	Not revised.
SUB-PROGRAMME: IMMOVABLE ASSET MANAGEMENT									
Facilities	2.3.1	Number of facilities provided	230	223	225	No target set for Qtr 1	N/A	N/A	Not revised.
Inspections conducted	2.3.2	Number of utilization inspections conducted for office accommodation	67	93	10	3	-7	The achievement reflects Quarter 1 outputs only.	Not revised.
Disposals	2.3.3	Number of properties disposed of	3	13	20	10	-10	The achievement reflects Quarter 1 outputs only.	Not revised.
Vested land	2.3.4	Number of land parcels donated to the Department	New indicator	New indicator	30	No target set for Qtr 1	N/A	N/A	The target was adjusted to reflect an accurate baseline.

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE									
OUTCOME: PROVINCIAL BUILDING INFRASTRUCTURE CONDITION IMPROVED									
Output	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25 as at Qtr 1	Deviation from planned vs actual achievement	Reason for / comment on deviations	Reasons for revisions to outputs / output indicators / annual targets
Condition assessment reports	2.3.5	Number of condition assessments conducted on state-owned buildings	New indicator	New indicator	40	0	-40	The achievement reflects Quarter 1 outputs only.	Not revised.
Infrastructure maintained	2.3.6	Number of Prestige Houses maintained	New indicator	New indicator	32	18	-14	The achievement reflects Quarter 1 outputs only.	Not revised.

4.6.2.2 Outcome, outputs, output indicators, targets and actual achievements of Programme 2: Public Works Infrastructure per the revised APP covering the entire period April 2024 to March 2025

Table 4.14 Performance Programme 2: Revised APP

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE								
OUTCOME: PROVINCIAL BUILDING INFRASTRUCTURE CONDITION IMPROVED								
Output	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024/25, revised	Actual achievement 2024/25	Deviation from planned vs actual achievement	Reason for / comment on deviations
SUB-PROGRAMME: CONSTRUCTION								
Infrastructure delivered	2.1.1	Number of new construction projects completed - DPW&R	0	18	19	12	-7	Reasons for deviation included the following: ✓ Cash flow management challenges ✓ Poor contractor performance ✓ Changes in scope and design.
	2.1.2	Number of new construction projects completed - Client Depts	2	6	11	6	-5	Reasons for deviation included the following: ✓ Cash flow constraints experienced by contractors ✓ Poor contractor performance ✓ Late payment by the Client Dept ✓ One project was planned for re-advertisement and implementation, but the Client Dept had not confirmed/budgeted for the project in the period under review.
SUB-PROGRAMME: MAINTENANCE								
Infrastructure maintained	2.2.1	Number of planned maintenance projects completed - DPW&R	13	10	11	7	-4	Reasons for deviation included the following: ✓ Cash flow management challenges ✓ Cash flow constraints experienced by the contractor.
	2.2.2	Number of planned maintenance projects completed - Client Depts	7	26	21	16	-5	Reasons for deviation included the following: ✓ Cash flow management challenges ✓ Three planned projects were not budgeted for by the Client Dept and were erroneously included ✓ Community disruptions and poor contractor performance.

PROGRAMME 2: PUBLIC WORKS INFRASTRUCTURE								
OUTCOME: PROVINCIAL BUILDING INFRASTRUCTURE CONDITION IMPROVED								
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25, revised**	**Actual achievement 2024/25**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**
SUB-PROGRAMME: IMMOVABLE ASSET MANAGEMENT								
Facilities	2.3.1	Number of facilities provided	230	223	225	225	0	Target achieved.
Inspections conducted	2.3.2	Number of utilization inspections conducted for office accommodation	67	93	10	11	+1	One (1) additional inspection was completed.
Disposals	2.3.3	Number of properties disposed of	3	13	20	21	+1	One (1) additional property was disposed of.
Vested land	2.3.4	Number of land parcels donated to the Department	New indicator	New indicator	10	9	-1	The target was not achieved due to the signed Deed of Donation for one property not received in time.
Condition assessment reports	2.3.5	Number of condition assessments conducted on state-owned buildings	New indicator	New indicator	40	34	-6	The service providers delayed in the finalization and submission of the final reports.
Infrastructure maintained	2.3.6	Number of Prestige Houses maintained	New indicator	New indicator	32	33	+1	One additional house was added to the portfolio of Prestige Houses during the period under review and maintenance was performed in respect of the additional house as well.

Strategies to overcome areas of under-performance

OUTPUT INDICATOR	COMMENT ON DEVIATIONS	STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE
2.1.1 – 2.2.2	Cash flow management challenges resulted in planned projects not being implemented or progress being delayed as a result of late payment. Client Departments were under similar pressure during the year under review.	Projects were reprioritized for implementation in the 2025/26 financial year, and targets were reviewed to ensure that planned targets are fully funded. Improved of cash flow management processes will be implemented.
	Poor contractor performance impacted a number of projects, mostly due to cash flow constraints.	Poor performance is addressed through the application of contractual stipulations, including approval of extension of time in instances where performance was impacted by events beyond the control of the contractor such as late payment of invoices. The Department will also, through regular focus group meetings, engage with Client Departments to ensure that contractors are paid on time.

OUTPUT INDICATOR	COMMENT ON DEVIATIONS	STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE
	Disruptions by the community or local SMMEs affected a number of projects.	Social facilitators are appointed in the interest of improved liaison and communication with communities. Incidences of a criminal nature are reported to SAPS.
2.3.4	The Deed of Donation was not signed off.	The outstanding document will be obtained and processed in the 2025/26 financial year.
2.3.5	Number of condition assessments conducted on state-owned buildings	The monitoring of the performance of service providers will be improved to ensure that reports on completed assessments are submitted timeously.

Performance in relation to standardized outputs and output indicators

There were no standardized outputs and output indicators in relation to Programme 2 for the period under review.

4.6.3 Programme 3: Transport Infrastructure

Purpose

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

List of sub-programmes and their purpose

Programme Support Infrastructure

The purpose of the sub-programme is to provide general operational support to the Programme, which includes programme management and support personnel as well as their operational expenditure related to procurement, financial and administrative support (inclusive of RAMS components).

Infrastructure Planning

The purpose of the sub-programme is to provide planning services in support of an integrated transport infrastructure network and to promote and improve road safety and data collection.

Infrastructure Design

The purpose of the sub-programme is to provide for the design of transport infrastructure including support functions such as environmental impact assessments, transport impact assessments, surveys, expropriations, material investigations and testing, road classification and upgrading of geographic information systems.

Construction

The purpose of the sub-programme is to provide for the construction of new roads as well as for the upgrading and rehabilitation of existing road infrastructure.

Maintenance

The purpose of the sub-programme is to provide for the maintenance and repair of the provincial road network by using internal and outsourced capacity.

Contribution to institutional priorities and outcomes

The planned outputs and activities contribute to the following objectives and priorities:

- National Development Plan: Directly to Chapter 4 (Economic Infrastructure) and indirectly to Chapter 3 (Economy and Employment) and Chapter 6 (Inclusive Rural Economy).
- MTSF 2019 - 2024: Directly to Priority 2 (Economic Transformation and Job Creation).
- Provincial Priorities: Spatial Integration, Land and Housing (rural roads) and Unemployment.

Outcome 3 and the outputs support the improvement, management and maintenance of the provincial road network as a precondition for economic growth. The road network supports access by residents and communities of socio-economic opportunities by providing a safe and integrated means of movement and travel.

4.6.3.1 Outcome, outputs, output indicators, targets and actual achievements of Programme 3: Transport Infrastructure as per the original APP tabled in March 2024, covering the period April to June 2024

Table 4.15 Performance Programme 3: Original APP Qtr 1

PROGRAMME 3: TRANSPORT INFRASTRUCTURE									
OUTCOME: PROVINCIAL ROAD NETWORK CONDITION IMPROVED									
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25**	**Actual achievement 2024/25 as at Qtr 1**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**	**Reasons for revisions to outputs / output indicators / annual targets**
SUB-PROGRAMMES: PLANNING AND DESIGN									
Infrastructure Plan	3.1.1	Number of consolidated infrastructure plans developed	1	1	1	No target set for Qtr 1	N/A	N/A	Not revised.
Condition assessment	3.1.2	Number of km of surfaced roads visually assessed as per the applicable TMH Manual	Not planned for 2022/23	5 476.32	0	N/A	N/A	N/A	Not revised.
	3.1.3	Number of km of gravel roads visually assessed as per the applicable TMH Manual	Not planned for 2022/23	13 155.86	0	N/A	N/A	N/A	Not revised.
SUB-PROGRAMME: CONSTRUCTION									
Bridges	3.2.1	Number of bridges constructed	0	2	0	N/A	N/A	N/A	Not revised.
Bridges maintained	3.2.2	Number of bridges repaired	0	0	9	No target set for Qtr 1	N/A	N/A	Not revised.
Surfaced roads	3.2.3	Number of km of gravel roads upgraded to surfaced roads	31.20	65.45	42	2	-40	The achievement reflects Quarter 1 outputs only.	The target was revised based on expected output of projects under implementation and those planned.
Roads rehabilitated	3.2.4	Number of square metres of surfaced roads rehabilitated	394 000	930 046.40	840 000	130 906	-709 094	The achievement reflects Quarter 1 outputs only.	The target was adjusted due to reprioritization that resulted from budget reductions.
Roads resealed	3.2.5	Number of square metres of surfaced roads resealed	12 284	573 037	1 116 000	5 427	-1 110 573	The achievement reflects Quarter 1 outputs only.	The target was adjusted due to reprioritization.
SUB-PROGRAMME: MAINTENANCE									
Gravel roads re-gravelled	3.3.1	Number of km of gravel roads re-gravelled	100.6	468.03	165	39.38	-125.62	The achievement reflects Quarter 1 outputs only.	The target was adjusted due to reprioritization that resulted from the budget reductions

PROGRAMME 3: TRANSPORT INFRASTRUCTURE									
OUTCOME: PROVINCIAL ROAD NETWORK CONDITION IMPROVED									
Output	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25 as at Qtr 1	Deviation from planned vs actual achievement	Reason for / comment on deviations	Reasons for revisions to outputs / output indicators / annual targets
Gravel roads bladed	3.3.2	Number of km of gravel roads bladed	31 903.61	15 570.41	14 000	3 536.06	-10 463.94	The achievement reflects Quarter 1 outputs only.	Not revised.
Blacktop patching	3.3.3	Number of square metres of blacktop patching on provincial roads	151 353.21	138 014.74	71 000	15 955.93	-55 044.07	The achievement reflects Quarter 1 outputs only.	Not revised.
	3.3.4	Number of square metres of blacktop patching on municipal roads	New indicator	New indicator	19 000	3 949.27	-15 050.73	The achievement reflects Quarter 1 outputs only.	The target was introduced to monitor blacktop patching on municipal streets.

4.6.3.2 Outcome, outputs, output indicators, targets and actual achievements of Programme 3: Transport Infrastructure as per the revised APP covering the entire period April 2024 to March 2025

Table 4.16 Performance Programme 3: Revised APP

PROGRAMME 3: TRANSPORT INFRASTRUCTURE								
OUTCOME: PROVINCIAL ROAD NETWORK CONDITION IMPROVED								
Outputs	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024//25, revised	Actual achievement 2024/25	Deviation from planned vs actual achievement	Reason for / comment on deviations
SUB-PROGRAMMES: PLANNING AND DESIGN								
Infrastructure Plan	3.1.1	Number of consolidated infrastructure plans developed	1	1	1	1	0	Target achieved.
Condition assessment	3.1.2	Number of km of surfaced roads visually assessed as per the applicable TMH Manual	Not planned for 2022/23	5 476.32	0	N/A	N/A	N/A
	3.1.3	Number of km of gravel roads visually assessed as per the applicable TMH Manual	Not planned for 2022/23	13 155.86	0	N/A	N/A	N/A
SUB-PROGRAMME: CONSTRUCTION								
Bridges	3.2.1	Number of bridges constructed	0	2	0	N/A	N/A	N/A
Bridges maintained	3.2.2	Number of bridges repaired	0	0	9	0	-9	The National Department of Public Works and Infrastructure is the lead Department and programme manager for the Welisizwe Rural Bridges Programme, and the SANDF is the implementing agent.

PROGRAMME 3: TRANSPORT INFRASTRUCTURE								
OUTCOME: PROVINCIAL ROAD NETWORK CONDITION IMPROVED								
Outputs	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024//25, revised**	**Actual achievement 2024/25**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**
								Based on this arrangement and the advice from the Auditor General, the provincial Department of Public Works and Roads will no longer plan for, or report on the Welisizwe Programme as it is not within the Department's mandate.
Surfaced roads	3.2.3	Number of km of gravel roads upgraded to surfaced roads	31.20	65.45	53.8	24.20	-29.60	The target was not achieved due to cash flow management challenges.
Roads rehabilitated	3.2.4	Number of square metres of surfaced roads rehabilitated	394 000	930 046.40	664 000	683 677	+19 677	Target achieved and exceeded due to the resuscitation of work on Road P152/1 Setlagole to Delareyville and increased production on Road P13/2 Wolmaransstad / Wesselsbron.
Roads resealed	3.2.5	Number of square metres of surfaced roads resealed	12 284	573 037	614 110	104 790.36	-509 319.64	The target was not achieved due to cash flow management challenges.
SUB-PROGRAMME: MAINTENANCE								
Gravel roads re-gravelled	3.3.1	Number of km of gravel roads re-gravelled	100.6	468.03	130	90.38	-39.62	The target was not achieved due to poor contractor performance on the project Re-gravelling of Road D2430 Delareyville to Migdol.
Gravel roads bladed	3.3.2	Number of km of gravel roads bladed	31 903.61	15 570.41	14 000	19 377.09	+5 377.09	Target achieved and exceeded as a result of additional work undertaken due to the poor road conditions following the heavy and prolonged rainfall experienced during the period under review.
Blacktop patching	3.3.3	Number of square metres of blacktop patching on provincial roads	151 353.21	138 014.74	71 000	90 680.68	+19 680.68	Target achieved and exceeded as a result of additional work undertaken due to the poor road conditions following the heavy and prolonged rainfall experienced during the period under review.
	3.3.4	Number of square metres of blacktop patching on municipal roads	New indicator	New indicator	19 000	14 187.95	-4 812.05	The work done on municipal roads is dependent on the needs identified by the seven adopted, and other local municipalities, and the rollout of service delivery interventions such as the Thuntsa Lerole programme.

Strategies to overcome areas of under-performance

OUTPUT INDICATOR	COMMENT ON DEVIATIONS	STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE
3.2.2	The bridges planned for repair resort under the Welisizwe Rural Bridges Programme. The South Africa National Defence Force (SANDF) did not complete the bridges as planned.	The National Department of Public Works and Infrastructure is the lead Department and programme manager for the Welisizwe Rural Bridges Programme, and the SANDF is the implementing agent. Based on this arrangement and the advice from the Auditor General, the provincial Department of Public Works and Roads will no longer plan for, or report on the Welisizwe Programme as it is not within the Department's mandate.
3.2.3 & 3.2.5	The under-performance is due to cash flow constraints (cash flow management procedures introduced by Provincial Treasury contributed to cash flow constraints).	Projects were reprioritized for implementation in the 2025/26 financial year, and targets were reviewed to ensure that planned targets are fully funded. On the issue of cash flow management processes, the Department will engage Provincial Treasury to ensure that payments can be made according to planned project schedules.
3.3.1	The Department underperformed due to poor contractor performance on the project Re-gravelling of Road D2430 Delareyville to Migdol.	Poor performance is addressed through the application of contractual stipulations.
3.3.4	The output was derived from assistance to local municipalities as per identified needs, requests for assistance and initiatives such as the Thuntsa Lerole Programme (Accelerated Service Delivery programme focusing on local municipalities).	The Department will continue to assist local municipalities within the context of available resources and identified needs.

Performance in relation to standardized outputs and output indicators

There were no standardized outputs and output indicators in relation to Programme 3 for the period under review.

4.6.4 Programme 4: Community-Based Programme (EPWP)

Purpose:

The purpose of the Programme is to manage and coordinate the implementation of the Expanded Public Works Programme, both departmentally and provincially. The management of the implementation of programmes and strategies is intended to lead to the development and empowerment of previously disadvantaged communities and contractors.

List of sub-programmes and their purpose

Programme Support: Community-Based

The purpose of the sub-programme is to provide operational support to the Programme.

Community Development

The purpose of the sub-programme is to measure the creation of work opportunities, develop and assist emerging contractors with guidance and support to ensure that they develop into sustainable enterprises.

Innovation and Empowerment

The purpose of the sub-programme is to develop new training programmes and identify new opportunities for job creation and skills development.

EPWP Coordination and Monitoring

The purpose of the sub-programme is to coordinate and monitor the implementation of EPWP-related plans and strategies. The sub-programme is intended to monitor the operation of the projects, provide advice and to identify new and innovative ways of increasing opportunities, productivity and sustainability.

The planned outputs and activities contribute to the following objectives and priorities:

- National Development Plan: Directly to Chapter 3 (Economy and Employment) and indirectly to Chapter 6 (Inclusive Rural Economy) and Chapter 11 (Social Protection).
- MTSF 2019 - 2024: Directly to Priority 2 (Economic Transformation and Job Creation) with specific bias towards women, youth and persons with disabilities.
- Provincial Priorities: Unemployment.

The outcome and outputs support the creation of work opportunities and poverty reduction. The planned activities relate to the implementation of public employment programmes and use of labour-intensive methods in project implementation (as is feasible) with the purpose of creating work opportunities and skills transfer.

One work opportunity is equal to paid work created for an individual on an EPWP project that has EPWP targets attached, for any period of time. It is assumed that an employment opportunity presents a participant with paid work resulting in the reduction of unemployment and poverty alleviation.

4.6.4.1 ***Outcome, outputs, output indicators, targets and actual achievements of Programme 4: Community-Based Programme as per the original APP tabled in March 2024, covering the period April to June 2024***

Table 4.17 Performance Programme 4: Original APP Qtr 1

PROGRAMME 4: COMMUNITY-BASED PROGRAMME									
OUTCOME: POVERTY ALLEVIATION THROUGH OPTIMIZED WORK OPPORTUNITIES									
Output	APP Ref number	Output indicator	Audited performance 2022/23	Audited performance 2023/24	Planned annual target 2024/25	Actual achievement 2024/25 as at Qtr 1	Deviation from planned vs actual achievement	Reason for / comment on deviations	Reasons for revisions to outputs / output indicators / annual targets
SUB-PROGRAMME: COMMUNITY DEVELOPMENT									
Paid work opportunities created	4.1.1	Number of EPWP work opportunities created – Transport Infrastructure Sector	13 019	14 339	14 000	9 010	-4 990	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.2	Number of EPWP work opportunities created – Public Works Infrastructure Sector	763	690	1 800	624	-1 176	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.3	Number of youth employed (18 – 35) - Transport Infrastructure Sector	7 227	3 384	7 700	5 228	-2 472	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.4	Number of youth employed (18 – 35) – Public Works Infrastructure Sector	459	364	990	521	-469	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.5	Number of women employed - Transport Infrastructure Sector	8 549	8 457	8 400	6 006	-2 394	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.6	Number of women employed - Public Works Infrastructure Sector	451	377	1 080	329	-751	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.7	Number of persons with disabilities employed - Transport Infrastructure Sector	65	59	280	43	-237	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.1.8	Number of persons with disabilities employed - Public Works Infrastructure Sector	4	6	36	14	-22	The achievement reflects Quarter 1 outputs only.	Not revised.

PROGRAMME 4: COMMUNITY-BASED PROGRAMME									
OUTCOME: POVERTY ALLEVIATION THROUGH OPTIMIZED WORK OPPORTUNITIES									
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25**	**Actual achievement 2024/25 as at Qtr 1**	**Deviation from planned vs actual achievement**	**Reason for / comment on deviations**	**Reasons for revisions to outputs / output indicators / annual targets**
SUB-PROGRAMME: INNOVATION AND EMPOWERMENT									
Departmental contractor development programme implemented	4.2.1	Number of contractors participating in the departmental Contractor Development Programme – Transport Infrastructure Sector	0	0	120	44	-76	The achievement reflects Quarter 1 outputs only.	Not revised.
	4.2.2	Number of contractors participating in the departmental Contractor Development Programme – Public Works Infrastructure Sector	0	0	40	7	-33	The achievement reflects Quarter 1 outputs only.	Not revised.
SUB-PROGRAMME: EPWP COORDINATION AND MONITORING									
Participation by public bodies in the EPWP	4.3.1	Number of public bodies reporting on EPWP targets in the Province	35	35	36	31	5	The following public bodies did not report as required: ✓ National Department of Cooperative Governance and Traditional Affairs ✓ SANRAL ✓ Ditsobotla Local Municipality ✓ Kagisano Molopo Local Municipality ✓ Kgetleng Local Municipality	The target was revised to correctly reflect the number of public bodies that are expected to report on work opportunities created.

4.6.4.2 Outcome, outputs, output indicators, targets and actual achievements of Programme 4: Community-Based Programme as per the revised APP covering the entire period April 2024 to March 2025

Table 4.18 Performance Programme 4: Revised APP

PROGRAMME 4: COMMUNITY-BASED PROGRAMME								
OUTCOME: POVERTY ALLEVIATION THROUGH OPTIMIZED WORK OPPORTUNITIES								
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25, revised**	**Actual performance 2024/25**	**Deviation between planned vs actual achievement**	**Reason for / comment on deviations**
SUB-PROGRAMME: COMMUNITY DEVELOPMENT								
Paid work opportunities created	4.1.1	Number of EPWP work opportunities created – Transport Infrastructure Sector	13 019	14 339	14 000	9 176	-4 824	Austerity measures introduced by National Treasury in the 2023/24 financial year and the reduction in the 2024/25 departmental budget allocation, as well as accruals from the 2023/24 financial year affected the Department's ability to recruit the planned number of beneficiaries.
	4.1.2	Number of EPWP work opportunities created – Public Works Infrastructure Sector	763	690	1 800	624	-1 176	
	4.1.3	Number of youth employed (18 – 35) - Transport Infrastructure Sector	7 227	3 384	7 700	5 325	-2 375	

PROGRAMME 4: COMMUNITY-BASED PROGRAMME								
OUTCOME: POVERTY ALLEVIATION THROUGH OPTIMIZED WORK OPPORTUNITIES								
Output	**APP Ref number**	**Output indicator**	**Audited performance 2022/23**	**Audited performance 2023/24**	**Planned annual target 2024/25, revised**	**Actual performance 2024/25**	**Deviation between planned vs actual achievement**	**Reason for / comment on deviations**
	4.1.4	Number of youth employed (18 – 35) – Public Works Infrastructure Sector	459	364	990	521	-469	
	4.1.5	Number of women employed - Transport Infrastructure Sector	8 549	8 457	8 400	6 071	-2 329	
	4.1.6	Number of women employed - Public Works Infrastructure Sector	451	377	1 080	329	-751	
	4.1.7	Number of persons with disabilities employed - Transport Infrastructure Sector	65	59	280	43	-237	
	4.1.8	Number of persons with disabilities employed - Public Works Infrastructure Sector	4	6	36	14	-22	
SUB-PROGRAMME: INNOVATION AND EMPOWERMENT								
Departmental contractor development programme implemented	4.2.1	Number of contractors participating in the departmental Contractor Development Programme – Transport Infrastructure Sector	0	0	120	44	-76	The target was not achieved. The intake of new learner contractors did not proceed as planned. The evaluation process was done per District. Three Districts completed the evaluation, while the evaluation in respect of the Ngaka Modiri Molema District was not yet complete due to procedural matters.
	4.2.2	Number of contractors participating in the departmental Contractor Development Programme – Public Works Infrastructure Sector	0	0	40	7	-33	The target was not achieved. The intake of new learner contractors did not proceed as planned. The evaluation process was done per District. Three Districts completed the evaluation, while the evaluation in respect of the Ngaka Modiri Molema District was not yet complete due to procedural matters.
SUB-PROGRAMME: EPWP COORDINATION AND MONITORING								
Participation by public bodies in the EPWP	4.3.1	Number of public bodies reporting on EPWP targets in the Province	35	35	35	35	0	Target achieved.

Strategies to overcome areas of under-performance

OUTPUT INDICATOR	COMMENT ON DEVIATIONS	STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE
4.1.1 – 4.1.8	Austerity measures introduced by National Treasury in the 2023/24 financial year and the reduction in the 2024/25 departmental budget allocation, as well as accruals from the 2023/24 financial year affected the Department's ability to recruit the planned number of beneficiaries.	The planned targets were adjusted for the 2025/26 financial year to reflect a realistic baseline within the available budget allocation.
4.2.1 – 4.2.2	The evaluation process was not yet completed for the Ngaka Modiri Molema District due to procedural matters.	The process will be finalized in the 2025/26 financial year.

Performance in relation to standardized outputs and output indicators

There were no standardized outputs and output indicators in relation to Programme 4 for the period under review.

4.7 LINKING PERFORMANCE WITH BUDGETS

4.7.1 Expenditure for the financial year 2024/25, Programme 1: Administration

Table 4.19 Expenditure 2024/25 Programme 1

SUB-PROGRAMMES	2023/24				2024/25			
	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation
Office of the MEC	14,056	13,035	1,021	92.7%	12,990	12,132	858	93.4%
Management of the Department	34,121	32,733	1,388	95.9%	184,726	169,949	14,777	92.0%
Corporate Support	208,961	201,105	7,856	96.2%	166,848	162,392	4,456	97.3%
Departmental Strategy	8,946	7,643	1,303	85.4%	8,174	6,941	1,233	84.9%
TOTAL	**266,084**	**254,516**	**11,568**	**95.7%**	**372,738**	**351,414**	**21,324**	**94.3%**

The filling of vacancies was impacted by the announcement of financial austerity measures by the Minister of Finance in the Medium-Term Budget Policy Statement of November 2023. One of the measures introduced related to the management of the public sector wage bill with the effect that not all vacant posts could be filled; only those that were identified as critical could be filled with the concurrence of Provincial Treasury and the Office of the Premier. In response, the Department reprioritized all vacancies and identified a total of one hundred and three (103) critical vacant posts from the two hundred and twenty (220) positions that had been advertised already. Fifty (50) posts were filled during the period under review inclusive of four (4) key strategic management positions namely:

- Director: EPWP Provincial Coordination and Reporting
- Director: Health Infrastructure Construction, Implementation and Maintenance
- Chief Director: Community-Based Programme
- Director: Security Management Services

Following the introduction of financial austerity measures, the Department's equitable share allocation was reduced by R100 million in the 2023/24 Adjustment Budget, while the Provincial Road Maintenance Grant allocation was reduced by R53 million and the EPWP Integrated Grant allocation was reduced by R3 499 million. The budget reductions resulted in payables and accruals amounting to R595 million as at the end of the 2023/24 financial year. The budget available for the 2024/25 financial year thus was negatively impacted by these factors and required of the Department to review its plans and targets.

The Department registered a significant achievement in obtaining an unqualified audit opinion in relation to the 2023/24 financial year.

As part of the Department's commitment towards the economic empowerment and mainstreaming of vulnerable groups, targets were set for procurement of services / goods from companies or service providers that are majority-owned by the targeted groups. The Department performed well in relation to procurement from women (24,7% against the target of 20%) and youth (22% against the target of 15%). The targets in relation to persons with disabilities and military veterans were not met, however. The reasons and interventions are set out under section 4.6.1 of this document.

The Department also developed and implemented specific programmes and interventions to deal with the rights, legislative protection and mainstreaming of youth, women, persons with disabilities. Engagements related to societal transformation and dealing with social cohesion and moral regeneration were also undertaken and a total of forty-four engagements were completed during the year under review.

Following the general elections in May 2024, a new Executing Authority was appointed in the portfolio and Honourable S E Mokua joined the Department in June 2024. The MEC met with employees at Head Office and Districts during which time she outlined her vision and expectations for performance and achievements over the MTEF.

4.7.2 Expenditure for the financial year 2024/25, Programme 2: Public Works Infrastructure

Table 4.20 Expenditure 2024/25 Programme 2

SUB-PROGRAMMES	2023/24				2024/25			
	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation
Programme Support	12,641	8,542	4,099	67.6%	9,939	7,806	2,133	78.5%
Planning	14,387	7,009	7,378	48.7%	11,937	9,162	2,775	76.8%
Design	3,966	3,314	652	83.6%	8,189	3,180	5,009	38.8%
Construction	59,605	64,270	(4,665)	107.8%	74,731	61,680	13,051	82.5%
Maintenance	416,297	373,742	42,555	89.8%	357,091	360,410	(3,319)	100.9%
Immovable Asset Management	15,962	78,698	(62,736)	493.0%	29,813	26,625	3,188	89.3%
Facility Operations	536,626	485,219	51,407	90.4%	462,435	453,536	8,899	98.1%
TOTAL	**1,059,484**	**1,020,794**	**38,690**	**96.3%**	**954,135**	**922,399**	**31,736**	**96.7%**

The Programme completed eighteen (18) new construction projects, which relates to new infrastructure and upgrades or additions. Of the completed projects (refer to section 8.2 for the list of projects), six (6) projects were infrastructure implemented on behalf of Client Departments:

- three (3) libraries
- two (2) schools
- one (1) tribal office

Twenty-three (23) building maintenance projects were completed of which sixteen (16) were flood-damaged school projects that started in the 2022/23 financial year, but which were not completed in the 2023/24 financial year.

The Programme achieved the planned target in relation to the disposal of non-core housing stock owned by the Provincial Government, which will result in savings for the Department in relation to the payment of rates and taxes levied for these properties.

The condition assessment reports for thirty-four (34) properties were received from service providers during the year under review. These assessments are done in compliance with the GIAMA Act, 2007 and will form the basis for the determination and prioritization of building maintenance projects over the next MTEF period.

Performance against targets were negatively affected by budgetary pressures and cash flow management constraints. While the Programme had adjusted some of the planned targets downward, the budgetary pressures were compounded by the strict cash flow management directives that were issued by Provincial Treasury during the year under review. Processing of invoices had to comply with the quantum number of payables per week, irrespective of the cumulative number of invoices on hand. This resulted in late payments which in turn resulted in contractors not being able to proceed with projects as per project schedules. Projects already under implementation were prioritized and as a result some of the projects not yet under implementation were reprioritized for implementation in the 2025/26 financial year.

The Programme contributed as follows the creation of work opportunities under the EPWP programme (note that the disaggregation for women, youth and persons with disabilities relates to demographic representation and not a mathematical disaggregation):

- Total: 624
- Women: 329
- Youth: 521
- Persons with disabilities: 14

4.7.3 Expenditure for the financial year 2024/25, Programme 3: Transport Infrastructure

Table 4.21 Expenditure 2024/25 Programme 3

SUB-PROGRAMMES	2023/24				2024/25			
	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation
Programme Support	69,149	61,996	7,153	89.7%	60,600	65,030	(4,430)	107.3%
Planning	2,012	940	1,072	46.7%	3,339	1,794	1,545	53.7%
Design	2,676	1,207	1,469	45.1%	7,334	3,873	3,461	52.8%
Construction	1,861,673	1,844,418	17,255	99.1%	1,915,846	1,899,734	16,112	99.2%
Maintenance	390,515	399,377	(8,862)	102.3%	410,177	413,125	(2,948)	100.7%
TOTAL	**2,326,025**	**2,307,938**	**18,087**	**99.2%**	**2,397,296**	**2,383,556**	**13,740**	**99.4%**

Thirteen (13) projects were completed during the period under review (refer to section 8.2 of this document).

One of the significant projects that reached practical completion stage during the period under review is phase 1 of the special maintenance project implemented on a section of Nelson Mandela Road in Mahikeng. This road is a key economic arterial route to the Botswana border and was pronounced by the Honourable Premier in the State of the Province address 2024. The Department is at an advanced stage with planning and design processes for phase 2, which will entail stormwater construction, the rehabilitation of the Nelson Mandela road and the creation of non-motorized transportation infrastructure.

The Programme met and exceeded the target in relation to rehabilitation activities and reported an annual output of 683 677 square metres against the target of 664 000 square metres. In respect of blading of gravel roads, an output of 19 377 kilometres was achieved against the target of 14 000 kilometres. The planned target for blacktop patching (pothole patching) was also met and exceeded, due to the additional demand following the heavy rainfall during the period under review which resulted in damage to the provincial road network.

Performance against other targets were negatively affected by budgetary pressures and restrict cash flow management processes that were introduced by Provincial Treasury. Projects that were already under implementation were prioritized and as a result some of the projects not yet under implementation were reprioritized for implementation in the 2025/26 financial year.

The Programme contributed as follows the creation of work opportunities under the EPWP programme (note that the disaggregation for women, youth and persons with disabilities relates to demographic representation and not a mathematical disaggregation):

- Total: 9 176
- Women: 6 071
- Youth: 5 325
- Persons with disabilities: 43

4.7.4 Expenditure for the financial year 2024/25, Programme 4: Community-Based Programme

Table 4.22 Expenditure 2024/25 Programme 4

SUB-PROGRAMMES	2023/24				2024/25			
	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation	Final appropriation R'000	Actual expenditure R'000	Over/under expenditure R'000	Expenditure as a % of final appropriation
Programme Support	9,072	8,791	281	96.9%	9,595	8,555	1,040	89.2%
Community Development	178,444	173,942	4,502	97.5%	316,324	306,718	9,606	97.0%
Innovation and Empowerment	4,768	2,796	1,972	58.6%	13,627	1,947	11,680	14.3%
EPWP Coordination and Monitoring	31,770	20,041	11,729	63.1%	903	301	602	33.3%
TOTAL	**224,054**	**205,570**	**18,484**	**91.8%**	**340,449**	**317,521**	**22,928**	**93.3%**

The Programme is responsible for providing oversight and coordination in relation to the implementation of the EPWP programme within the Province, as well as in the Department. The Department created a total of 9 800 work opportunities during the period under review, against the planned target of 15 800.

The recruitment of new beneficiaries was suspended due to the effect of the budgetary reductions and accruals from the prior year. During the development of the Annual Performance Plan for 2025/26, the Department adjusted the targets to ensure that the Department's expenditure in this regard is aligned with the budgetary allocation – this may impact on the Department's ability to meet the targets set at national level for EPWP Phase V.

During the period under review, the Programme undertook a review of the implementation modalities of the EPWP programme with the aim of enhancing operational and monitoring activities. Progress registered during the period under review includes:

- commissioning the development of a payment system that is intended to address current challenges in relation to the Persal system, e.g. payment of mandatory deductions such as the UIF contributions is not possible through the Persal system;
- physical verification of beneficiaries was undertaken in order to ensure that the data on beneficiaries is credible and that confirmed beneficiaries have valid contracts.

5. TRANSFER PAYMENTS

5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

The Department transferred R284 million to local municipalities as payment of rates and taxes for state-owned buildings within their jurisdiction.

The Department also transferred R174 million to the National Department of Public Works and Infrastructure. This allocation for the Welisizwe Rural Bridges Programme project originated from the National Department of Transport.

5.2 TRANSFER PAYMENTS TO ORGANIZATIONS OTHER THAN PUBLIC ENTITIES

None.

6. CONDITIONAL GRANTS

The table below details the conditional grants received during the period 1 April 2024 to 31 March 2025:

6.1 EXPANDED PUBLIC WORKS PROGRAMME INCENTIVE GRANT FOR PROVINCES

Table 6.1 EPWP Grant Expenditure 2024/25

TRANSFERRING DEPARTMENT	NATIONAL DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE
Purpose of the grant	To incentivize Provincial Departments to expand work creation efforts through the use of the labour-intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: ✓ Road maintenance and maintenance of buildings ✓ Low traffic volume roads and rural roads ✓ Other economic and social infrastructure ✓ Tourism and cultural industries ✓ Sustainable land-based livelihood ✓ Waste management
Expected output of the grant	15 800 work opportunities
Actual output achieved	9 800
Amount per amended DORA (R'000)	R20 610
Amount Received (R'000)	R20 610
Reasons if amount as per DORA was not received	All the allocated funds have been received.
Amount spent by the Department (R'000)	R14 190
Reasons for the funds unspent by the entity	Planned training for new beneficiaries was not implemented as planned.
Reasons for deviations on performance	Budgetary challenges.
Measures taken to improve performance	Targets for the 2025/26 financial year were revised within available budget.
Monitoring mechanism by the receiving department	In-year monitoring on a monthly, quarterly and annual basis.

6.2 PROVINCIAL ROAD MAINTENANCE GRANT

Table 6.2 PRMG Grant Expenditure 2024/25

TRANSFERRING DEPARTMENT	NATIONAL DEPARTMENT OF TRANSPORT
Purpose of the grant	Support road infrastructure activities as follows: ✓ To supplement provincial investment for routine, periodic and special maintenance. ✓ To ensure all roads are classified as per RISFSA and the technical recommendation for highways (TRH 26), and road classification and access management guidelines. ✓ To implement and maintain road asset management systems (RAMS) as per technical methods for highways (TMH 22). ✓ To supplement provincial projects for the repair of roads and bridges damaged by declared natural disasters. ✓ To improve the state of the broad network serving electricity generation infrastructure. ✓ To improve road safety with special focus on pedestrian safety in rural areas.
Expected output of the grant	✓ Fully functional RAMS in line with minimum requirements for a provincial road authority. ✓ Network condition assessment and determination of project list from the RAMS. ✓ Submission of updated road condition data (paved and unpaved), traffic data, and bridge condition report. The following was measured against 2024/25 targets defined in the final Road Asset Management Plan (RAMP) for the Province: ✓ Number of bridges repaired = 9 ✓ Number of km of gravel roads upgraded to surfaced standard = 53.8 ✓ Number of m^2 of surfaced roads rehabilitated = 664 000 m² ✓ Number of m^2 of surfaced roads resealed = 614 110 m² ✓ Number of km of gravel roads bladed = 14 000 km ✓ Number of km of gravel roads re-gravelled = 130 km ✓ Number of square metres of blacktop patching = 71 000 m²
Actual output achieved	✓ Number of bridges repaired = 0 ✓ Number of km of gravel roads upgraded to surfaced standard = 24.20 km ✓ Number of m^2 of surfaced roads rehabilitated = 683 677m² ✓ Number of m^2 of surfaced roads resealed = 104 790.36 m² ✓ Number of km of gravel roads bladed =19 377.09 km ✓ Number of km of gravel roads re-gravelled = 90.38 km ✓ Number of square metres of blacktop patching = 90 680.68 m²
Amount per amended DORA (R'000)	R 1 589 853
Amount Received (R'000)	R 1 589 853
Reasons if amount as per DORA was not received	All the allocated funds have been received.
Amount spent by the Department (R'000)	R 1 584 211
Reasons for the funds unspent by the entity	99% of the allocated funds were spent.
Reasons for deviations on performance	Cash flow management challenges.
Measures taken to improve performance	Targets for the 2025/26 financial year were revised within available budget and projects not completed were reprioritized accordingly.
Monitoring mechanism by the receiving department	In-year monitoring on a monthly, quarterly and annual basis.

7. DONOR FUNDS RECEIVED

None.

8. CAPITAL INVESTMENT

8.1 PROGRESS MADE ON IMPLEMENTING THE CAPITAL, INVESTMENT AND ASSET MANAGEMENT PLAN

The Department of Public Works and Roads is the sole custodian of provincial state-owned immovable assets (land, building and facilities) and is responsible for the implementation of the Government Immovable Asset Management Act, 2007 (GIAMA). In the period under review, the Department compiled its own departmental User Asset Plan (U-AMP), Custodian Asset Management Plan (C-AMP) and submitted the Infrastructure Programme Implementation Plan (IPMP) with the Table B5 project lists to Provincial Treasury for project funding and implementation purposes.

The departmental Immovable Asset Management Plans (U-AMP, C-AMP and IPMP) and the Road Asset Management Plan are produced with input from the internal and external stakeholders which further assist in devising strategies for addressing infrastructure needs.

The Department is in the process of resuscitating the provincial GIAMA Forum to serve as a consultative forum that includes Provincial Treasury, the National Department Public Works and Infrastructure and all provincial User Departments. The Forum meetings will be scheduled quarterly to ensure a uniform framework for the management of immovable assets used by Provincial Departments in support of its service delivery objectives.

The expenditure on infrastructure for the year under review was as follows:

Table 8.1 Infrastructure spending 2024/25

Infrastructure projects						
	Final appropriation R'000	Actual Expenditure R'000	(Over)/Under expenditure R'000	Final appropriation R'000	Actual Expenditure R'000	(Over)/Under expenditure R'000
New and replacement assets	25,000	11,233	13,767	1,000	500	500
Existing infrastructure assets	835,858	855,653	(19,795)	10,400	2,350	8,050
Upgrades and additions	332,128	324,295	7,833	873,430	746,916	126,514
Maintenance and repairs	618,117	547,854	70,263	947,029	1,115,917	(168,888)
Non-Infrastructure	19,165	25,584	(6,419)	78,762	21,736	57,026
Infrastructure transfer	181,000	176,508	4,492	-	-	-
Total	**2,011,268**	**1,941,127**	**70,141**	**1,910,621**	**1,887,419**	**23,202**

8.2 INFRASTRUCTURE PROJECTS COMPLETED DURING THE YEAR

Public Works Infrastructure projects:

PROJECT DESCRIPTION
RSM B02 23/24 Construction of a perimeter wall at DPW&R mechanical workshop, Ganyesa sub-district
PWR 002/2023 Construction of a perimeter wall at DPWR sub-district office, Mogwase (Phase 1)
BDPWR 001/23 Construction of a perimeter wall at Rustenburg District Office in Bojanala (Phase 1)
PWRT 148/10B Completion of major renovations and upgrades of the hostels and research building, Potchefstroom Agricultural College Cluster B (completion contract)
BDPWR 005/22 Installation of a steel elevated water tank at DPW&R sub-district office, Brits
PWR 112/22 Installation of a steel elevated water tank at DPW&R sub-district office, Ditsobotla
RSM B04/2023.24 Construction of a perimeter wall at mini-Garona offices, Vryburg (Phase1)
PWR 101/22 Paving and plumbing at Bontle flats, Mahikeng
BDPWR005/2023 Construction of an ablution block at DPW&R stores, Rustenburg District Office
BDPWR04/23 PWR Construction of a perimeter wall at DPW&R sub-district office, Brits
BDPWR 002/2024 Construction of a perimeter wall at DPW&R sub-district office, Mogwase (Phase 2)
PWR 39/21 Construction of a perimeter wall at the Geo sciences building, Mahikeng
PWR 1614 Construction of the Bahurutshe Ba Ga Suping Traditional Offices
PWR 61/17 Construction of the Dinokana Community Library
PWR 168/14 Upgrades and additions to Mamodibo Secondary School
PWR154/14 - RFP 042/2020 Construction of Tlakgameng Primary School
PWR 75/22 Construction of a modular library at Madibe Makgabana village, Mahikeng
PWR 64/17 Construction of Wolmaransstad Community Library
RSM B08 23/24 Maintenance of roof at DPW&R sub district office, Taung
RSM B09/ 23/24 Maintenance of the training workshop at DPW&R offices at 20 Malt street, Vryburg
PWR 97/23 Maintenance at DPW&R Kameeldoring road depot
BDPWR 007/2022 Minor repairs and renovations of Swartruggens Service Point
PWR 21.23 Maintenance and repairs to the roof at DPW&R offices at 131 Kruis street, Potchefstroom
PWR 03.24 Repairs and renovations at Matooster service point
Arch 05/24-25 Sealing of the concrete roof slab at DPW&R sub-district office, Wolmaransstad
PWR 63/22 Borakanelo Secondary School: Major Renovations & Repairs Part 2
PWR 65/22 Cocekani Comprehensive School: Major Renovations & Repairs
PWR 61/22 Thuto-Boswa Secondary School: Major Renovations & Repairs
PWR 66/22 Thuto-Tsebo High School: Major Renovations
PWR 62/22 Tlokwe Secondary School: Major Renovations & Repairs Part 1
PWR 64/22 Zamukulunga Primary School: Renovations & repairs
PWR 85/22 RA Kobue Secondary School: Renovations & repairs
PWR89/22 Renovations and repairs at J.M Mosiane Primary School
PWR 92/22 Renovations at Boitumelo Primary School
PWR 95/22 Renovations and repairs: Marumoloa Middle School
PWR 90/22 Renovations and repairs to Jangjo Secondary School
PWR 48/22 Repairs to storm-damaged schools: Mmadikete Lion Secondary School
PWR 58/22 Renovations: Tidimane Secondary School
PWR 45/22 Renovations: Charles Mamogale Primary School
PWR 51B/22 Repairs to storm-damaged schools: Letlopi Primary School Part B
PWR 55B/22 Renovations Block B Montsamaisa Primary School

Transport Infrastructure projects

PROJECT DESCRIPTION
PWR 30/15 Upgrading from gravel to surface standard of Road P66/1 (Kgomo-Kgomo to P65/1) and D614 / Z614 (P65/1 to Lebotlwane to Tlhowe) and Road Z619 Tlholwe to Ga-Habedi and D639 from Moretele to Ga-Habedi - Phase 3
PWR 46/16: Upgrading from gravel to surface standard of Road P124/1 (Dwarsberg to Limpopo border) - D53 (P124/1 to Molatedi to Madikwe) Phase 3
PWR 32/21 Upgrading from gravel to surface standard of Road Z431 from end of tar to Kgora entrance (including Kgora training centre internal road (2 km)
Rehabilitation of Road Z431 from N18 to end of tar
PWRT 90-13 Special Maintenance of Road P34/5 (R506) from Schweizer Reneke to Christiana Phase 2
PWR 124/20D/FA01 Special maintenance on the section of Nelson Mandela Road between Danville and Dada motors in Mahikeng town

PROJECT DESCRIPTION
PWR 120/20C -FA1 Special maintenance on critical sections of Road P34/6 from Jan Kempdorp to Christiana (border with Free State Province) Phase 2
PWR 124/20A-FA13 Special maintenance on Road D625 and D626 in Maubane
PWR 124/20A-FA16 Patch and reseal of Road D521 from Road P51/1 in Segwaelane to Wonderkop
PWR 124/24A-FA15 Sectional patch and rehabilitation of Road P63/1 from Maboloka to Fafung
PWR 124/20B-FA9 Re-gravelling and culverts installation on Road D437 from Welgegund to Kommandodrift
RWR 125/20D Re-gravelling, culverts and storm water management D3553 from N18 to Mayaiyane (Phase 1) Delareyville
PWR 124/20A Re-gravelling of Road D5111 from Magong to Road P50/1 in Lekubung

8.3 PLANS TO CLOSE DOWN OR DOWN-GRADE ANY CURRENT FACILITIES

The Department is not intending to close any facilities and is not in possession of any list of facilities that provincial User Departments are planning to close.

8.4 PROGRESS MADE ON THE MAINTENANCE OF INFRASTRUCTURE

The Department did not meet its planned targets for building and road maintenance and the main reasons for underperformance are as follows:

- cash flow management challenges
- poor contractor performance.
- community disruptions impacted project implementation.

The details of road maintenance and building maintenance projects completed during the 2024/25 financial year are captured under section 8.2 of this document.

The intervention / remedial plans are outlined under sections 4.6.2 and 4.6.3 of this document.

8.5 DEVELOPMENTS RELATING TO THE ABOVE THAT ARE EXPECTED TO IMPACT ON THE DEPARTMENT'S CURRENT EXPENDITURE

The Department is in the process of developing a consolidated building maintenance plan which will guide budgetary planning over the MTEF.

8.6 DETAILS AS TO HOW ASSET HOLDINGS HAVE CHANGED OVER THE PERIOD UNDER REVIEW, INCLUDING INFORMATION ON DISPOSALS

The Department is currently processing the first batch of hundred-and-fifty (150) non-core housing stock that was earmarked for disposal.

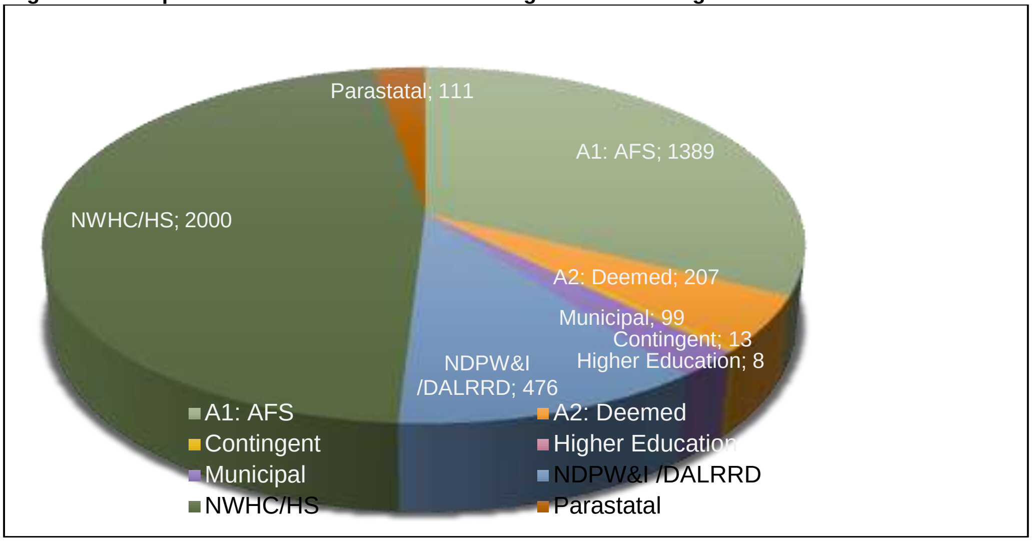
Twenty-one (21) properties were disposed of during the year under review. An amount of R12,1 million was collected from the sale of the properties. The disposal process will also result in a saving on rates and taxes.

8.7 MEASURES TAKEN TO ENSURE THAT THE DEPARTMENT'S ASSET REGISTER REMAINED UP TO DATE DURING THE PERIOD UNDER REVIEW

The Department registered progress in creating and maintaining a credible immovable asset register (buildings) and, as a result, has been receiving unqualified audit opinions on immovable assets (land and buildings).

Currently, the Department has a total portfolio of 4 305 land parcels contained in the Immovable Asset Register database, of which 1 389 (Value: R4 847 135 383.64) are disclosed in 2024/25 Annual Financial Statements. The composition of the Immovable Asset Register is illustrated in the figure below:

Figure 8.1 Composition of the Immovable Asset Register for buildings



The land parcels in the current Immovable Asset Register are categorized as follows:

- **A1**: Registered and vested in the name of the Province or former Model C Schools
- **A2:** Deemed provincial due to function
- **Contingent**: Provincial function on non-state land or un-surveyed land
- **Municipality**: Provincial function on municipal land
- **NDPW&I /DALRRD**: Provincial function on national land
- **Human Settlement (HS)**: North West Housing Corporation and HS properties
- **Parastatals**: National Housing Board, NW Provincial Housing Development Board, NW Development Corporation, etc.

8.8 THE CURRENT STATE OF THE DEPARTMENT'S CAPITAL ASSETS

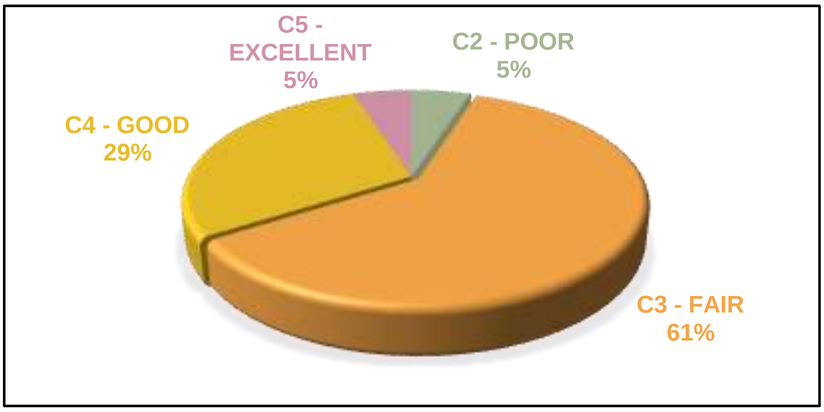
Building infrastructure

The requirements and prioritization of maintenance of building infrastructure are informed by condition assessments, which the Department is required to conduct every five years for all provincially owned office buildings and state-domestic facilities. The Department has assessed 105 out of 117 state-owned office buildings during the 2022/23 to 2024/25 financial years.

The condition assessment ratings are as outlined in the table and figure below:

CONDITION RATING	TOTAL
C2 - POOR	5
C3 - FAIR	75
C4 - GOOD	20
C5 - EXCELLENT	5

Figure 8.2: Condition rating % for provincial state-owned buildings



These assessments determined that 66% of the assessed buildings are in a Fair and Poor condition, while 34% are assessed to fall in the categories of Good and Excellent.

All of the buildings considered to be in a Fair and Poor condition require maintenance interventions in order to be habitable and fit-for-purpose while ongoing scheduled maintenance is required at buildings considered to be in a Good or Excellent condition in order to maintain the condition of those buildings.

Transport infrastructure (road network)

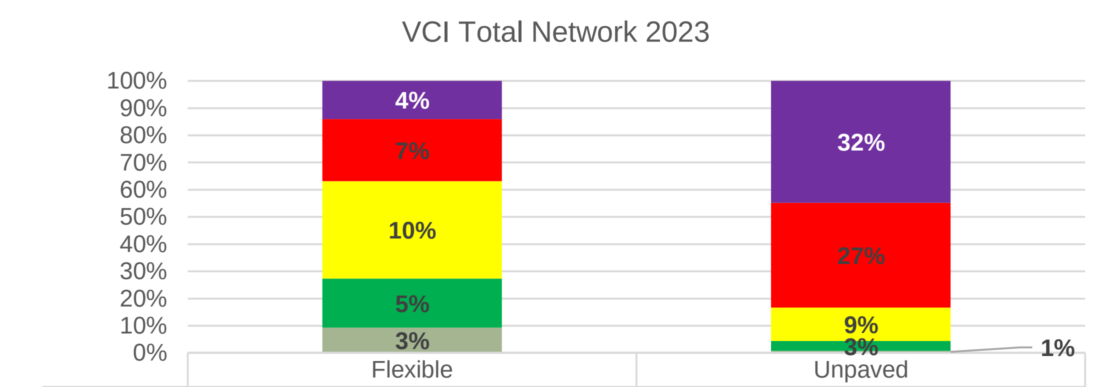
The North West Province's road network is approximately 19 684.08 kilometres in length, of which 5 556.85 km are paved (surfaced) while 14 127.23 km are unpaved (gravel). Dr. Ruth Segomotsi Mompati District has the largest unpaved network, while the Bojanala District has the largest paved network

The condition of the road network, as measured through visual condition assessments and expressed in terms of the visual condition index (VCI) is categorized as follows:

VCI Category	Index
Very Good	85 - 100
Good	70 - 85
Fair	50 - 70
Poor	30 - 50
Very Poor	0 - 30

The outcome of the most recent condition assessment, as concluded in 2023/24 is outlined in the graph below.

Figure 8.3: Road network assessed 2023/24



	Flexible	Unpaved
Very Poor	4%	32%
Poor	7%	27%
Fair	10%	9%
Good	5%	3%
Very Good	3%	1%

The national target is not to have more than 10% of roads having a visual condition index of less than 45% (depending on road class). From these assessments, the urgent need to address the condition of the unpaved network is clear.

The funding requirements, however, are extensive, as outlined in the table below:

Table 8.2 Financial costing related to road maintenance requirements

ROAD TYPE AND MAINTENANCE NEED	LENGTH (KM)	LENGTH %	MAINTENANCE NEED COST	MAINTENANCE NEED COST
Flexible				
Heavy Rehab	874.98	4.7%	7,563,293,100.00	36.4%
Light Rehab	712.94	3.8%	4,334,747,400.00	20.8%
Resurfacing	794.11	4.3%	951,224,508.00	4.6%
Routine maintenance	1,200.82	6.5%	110,393,811.00	0.5%
Special maintenance	1,829.01	9.9%	4,036,201,312.00	19.4%
Flexible Total	**5,411.86**	**29.1%**	**16,995,860,131.00**	**81.7%**
Unpaved				
Construct track to gravel	4,389.42	23.6%	2,687,874,045.00	12.9%
Form	3,521.73	19%	621,480,793.00	3.0%
Normal blading	654.60	3.5%	2,323,589.00	0%
Regravel	240.12	1.3%	113,645,424.00	0.5%
Reshape	541.87	2.9%	54,801,094.00	0.3%
Rework	2.029.67	10.9%	302,691,915.00	1.5%
Routine maintenance	1,778.28	9.6%	14,297,028.00	0.1%
Unpaved Total	**13,155.69**	**70.9%**	**3,797,113,888.00**	**18.3%**
Total	**18,567.55**	**100%**	**20,792,974,019.00**	**100%**

The current budgetary allocations are inadequate to address the maintenance backlog in a holistic manner. The reduction in budgetary allocations since the introduction of financial austerity measures by the Minister of Finance in the Medium-Term Budget Policy Statement in November 2023 further exacerbated the challenges regarding adequate funding for management of the provincial road network.

8.9 MAJOR MAINTENANCE PROJECTS COMPLETED DURING THE YEAR UNDER REVIEW

Maintenance projects completed during the period under review are included in the list of all projects completed as outlined under section 8.2 of this document.

8.10 PROGRESS MADE IN ADDRESSING THE MAINTENANCE BACKLOG DURING THE PERIOD UNDER REVIEW

The performance against maintenance projects that were planned for implementation in the 2024/25 financial year is set out under sections 4.6.2, 4.6.3 and 8.2 of this document.

PART C: GOVERNANCE

9. GOVERNANCE IN THE DEPARTMENT

9.1 GENERAL

Good governance is essential for the effective, efficient and economical management of public finances and resources, which are entrusted to the Department by the citizens of the North West Province. As stewards of public infrastructure and assets, the Department recognizes that transparency, accountability and ethical leadership are fundamental to achieving service delivery objectives and maintaining public trust.

To this end, governance structures have been established and are continuously strengthened to ensure proper oversight, compliance with legislative frameworks and sound financial management. These include robust internal controls, risk management systems, audit committees and performance monitoring mechanisms; all designed to safeguard public resources and ensure accountability.

As a result of these efforts, the Department achieved an unqualified audit opinion for the 2023/24 financial year following the audit conducted during the reporting period - an outcome reflecting our governance practices' effectiveness. This is a clear indication that good corporate governance was ensured and that the Department remains dedicated to upholding integrity, efficiency and accountability in the use of public funds.

9.2 RISK MANAGEMENT

During the 2024/25 financial year, the Department undertook a comprehensive review and approval of its Risk Management Policy, Risk Management Strategy and Risk Management Implementation Plan. These foundational documents have provided a strategic framework for implementing and strengthening risk management practices across the Department.

In alignment with the approved Risk Management Strategy, the Department conducted comprehensive risk assessments to evaluate the effectiveness of existing mitigation strategies and to identify new and emerging risks. These assessments informed the development of the Departmental Risk Register, which consists of the following components:

- Strategic Risk Register
- Operational Risk Register
- Fraud Risk Register
- ICT Risk Register

In developing these registers, both internal and external conditions that could affect the achievement of the Department's Strategic Plan and Annual Performance Plan (APP) targets were carefully analyzed.

Risks were identified, treatment plans were implemented and continuous monitoring was conducted. A formal review of the effectiveness of treatment plans was undertaken to inform refinements for the 2025/26 planning cycle.

A Risk Management Committee is in place to provide strategic advice and oversight on the Department's overall risk management framework, with particular focus on mitigating high-risk exposures. The Committee, chaired by an independent Chairperson appointed for a three-year term, operates under an approved Charter and convenes on a quarterly basis.

The Committee has played a fundamental role in reducing the risk of financial mismanagement and supporting management in addressing emerging risks, particularly in areas such as procurement processes and project execution. Its strategic input and oversight have contributed significantly to improving the Department's capacity to manage risk effectively and proactively.

In addition, the Audit Committee provided independent oversight of the Department's risk management system. It continuously monitors the adequacy and effectiveness of the internal control environment and reinforces the Department's commitment to sound governance and accountability.

As at 31 March 2025, the overall implementation rate of risk treatment plans stands at 76%. Despite steady progress, several risk ratings have not improved due to the following challenges:

- implemented treatment plans have not fully reduced some risk ratings; additional measures are needed;
- dependency on external stakeholders as some risk responses rely on external parties, affecting timelines and effectiveness;
- in-progress treatment plans, i.e. certain actions are underway but did not yield measurable results due to complexity, limited internal capacity or coordination challenges;
- budget constraints resulted in delays or the scaling down of the implementation of some treatment plans.

The Department proactively identifies and addresses emerging risks through quarterly reviews, which include analysis of global and local risk trends. This enables the Department to anticipate potential threats to infrastructure delivery and operational efficiency, thereby enhancing its preparedness, resilience, and strategic decision-making.

While significant progress has been made in implementing formal risk management processes, the Department acknowledges that its risk management maturity is still developing. As a result, the full integration of risk management into operational decision-making is ongoing.

To accelerate this progress, the Department is intensifying its efforts in awareness-raising and capacity-building initiatives. These efforts aim to embed risk management into the Department's culture and ensure it becomes a standard part of planning and performance management.

As part of the review informing the development of the Strategic Risk Register for the 2025/26 financial year, the Department adopted a structured and participatory process involving both employees and senior management. Key guiding principles included:

- risk clarity and relevance: all risks are clearly defined and linked to strategic outcomes and operational realities;
- alignment with APP output indicators and targets: treatment plans are directly aligned with the Department's APP indicators and performance targets;
- budget alignment: risks and treatment plans are cost-effective and aligned with the budget (as reflected in Table B5 infrastructure plans)
- SMART treatment plans: all plans follow the SMART criteria i.e. specific, measurable, achievable, realistic and time bound;
- portfolio of evidence (PoE): each risk mitigation measure includes clearly specified PoE requirements and target submission dates to support accountability and track progress.

The Department recognizes that effective risk management is an ongoing and evolving process that must be embedded across all levels of the organization. It remains committed to strengthening the integration of risk management into strategic planning, operational execution and service delivery. Continued improvement in governance, accountability and coordination is essential to enhance the Department's ability to anticipate and respond to risks. By promoting a culture of proactive risk management and continuous learning, the Department seeks to build organizational resilience and ensure responsible and efficient utilization of public resources.

9.3 FRAUD AND CORRUPTION

The Department is committed to promoting a culture of integrity, transparency and accountability. As part of this commitment, the Department has implemented a comprehensive Fraud Prevention Strategy designed to prevent, detect, and address fraud and corruption, both internally and externally.

The Department maintains a zero-tolerance stance towards fraud and corruption in all its forms, whether perpetrated internally by employees or externally by third parties. The Department is resolute in pursuing and prosecuting any individuals or parties involved in fraudulent or corrupt activities, utilizing all legal means available to uphold ethical standards and ensure public trust.

The Department has a Whistle-Blowing Policy in place to allow officials and stakeholders to report allegations of fraud, corruption or unethical conduct without fear of victimization or discrimination. Following the introduction of the Protected Disclosure Act, Act 5 of 2017, individuals who report such matters are protected from any form of victimization, which can include occupational detriment, unfair dismissal or harassment. Whistle-blowers are encouraged to report any incidents of harassment or victimization related to reports made to the Department, ensuring a safe and supportive reporting environment.

To raise awareness of fraud and corruption and promote ethical behavior within the Department, the following initiatives were implemented:

a. Anti-Corruption, Fraud, and Ethics Workshops that are designed to assist in the prevention, detection and reporting of fraud and corruption by educating employees on the manifestations of fraudulent behavior and how they can contribute to curbing it.
b. A fraud Risk Assessment was completed and the Department developed a Fraud Risk Register as part of its Anti-Corruption and Fraud Prevention Strategy.
c. The Department encourages safe reporting of fraud and corruption via the National Anti-Corruption Hotline (NACH) and includes a Safe Reporting Tool within the Whistle-Blowing Policy.
d. The Directorate: Security Management Services handles internal prevention, detection and preliminary investigations. External investigations, if necessary, are referred to the Provincial Anti-Corruption / Forensic Unit or the Public Service Commission.
e. All Senior Management Service members (SMS) had submitted their financial interest disclosures by April 2024. These submissions were reviewed by the Ethics Officer and the Head of Department to identify instances of non-submission, incomplete disclosures, or discrepancies that could suggest potential conflicts of interest or undisclosed financial interests.
f. Lifestyle audits were conducted for all Senior Management Service (SMS) members in alignment with their 2023/24 financial year disclosures. No irregularities or red flags were identified during this process. To curb and manage the risk of employees doing business with the state, the Department conducted ethics training covering essential topics such as eDisclosure, RWOPS and doing business with the state.
g. In cases where employees were suspected of engaging in business with the Department, the Department took proactive steps to verify the employee's employment status by liaising with the relevant government entity. Preliminary investigations into the transaction were also conducted to ensure compliance with ethical standards and regulations.

Furthermore, the Department regularly observes International Fraud Awareness Week as part of its ongoing efforts to raise awareness about the risks of fraud and corruption and the importance of maintaining a transparent and ethical work environment.

All officials who received gifts complied fully with the Departmental Gifts Policy. Each gift was appropriately reported and recorded in the departmental gift register. Ethics officers conducted assessments and valuations to ensure that the value of gifts remained within the prescribed threshold of R500.

In the fourth quarter, the Department received a substantial donation of energy equipment from the People's Republic of China to the Republic of South Africa. The donation, aimed at enhancing service delivery in key public sectors, comprised the following:

- 8 × 150kWh Diesel Generators
- 7 × 100kWh Off-Grid Photovoltaic (PV) Energy Storage Systems
- 5 × 200kWh Off-Grid Photovoltaic (PV) Energy Storage Systems

All donated items were recorded in the Department's official gift register in line with applicable governance and compliance protocols. This process supported transparency, accountability and adherence to governance requirements.

9.4 MINIMIZING CONFLICT OF INTEREST

The Department has a Conflict of Interest Policy in place that outlines the standards and measures for managing conflicts of interest within the Department. This policy addresses potential conflicts that may arise from the following situations:

- financial interests of employees;
- employees holding a position in any company, close corporation or partnership that does business with the Department;
- employees having a private interest or share in any contract, agreement, tender, asset or investment linked to the State, National or Provincial Government, any municipality or any public entity;
- the relationship of employees with suppliers or service providers in companies, bodies or organizations that do business with the Department and the relationship of employees with suppliers or service providers to whom they are related, with whom the Department does business.

To mitigate and manage the risk of employees engaging in business with the state, the Department conducts regular ethics training. This training includes important topics such as e-Disclosure, RWOPS (restrictions on outside work) and doing business with the state.

These sessions aim to ensure that employees understand the ethical standards and requirements associated with their roles and business dealings.

In instances where employees are suspected of engaging in business with the Department, the following actions are taken:

a. As a proactive measure, the Department conducts quarterly reviews of payment vouchers to ensure that no business transactions are conducted with government officials.
b. The Department engages with the relevant Government entity to verify the employment status of the suspected employee.
c. A preliminary investigation is conducted into the transaction in question to assess the legitimacy and integrity of the business dealings.
d. CSD Deregistration: Employees are encouraged to deregister from the Central Supplier Database (CSD), ensuring no potential conflicts arise due to their involvement in departmental business.

To further prevent conflicts of interest, the Internal Control sub-directorate conducts sample-based checks on service providers who have engaged in business with the Department. These checks are designed to verify the accuracy of the declaration of interest forms, ensuring transparency and compliance with conflict of interest protocols.

9.5 CODE OF CONDUCT

Advocacy sessions were held to familiarize employees with the provisions of the Public Service Code of Conduct. New employees were required to sign the Code of Conduct with their supervisors as a way of demonstrating to them the importance of adherence to same.

9.6 HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Department identified occupational health and safety risks and developed recommendations to be implemented as interventions to ensure a safe, healthy and conducive working environment.

Interventions to be implemented include, repairs and maintenance of non-functional ablution facilities, air-conditioners, procurement of protective clothing, etc.

9.7 PORTFOLIO COMMITTEES

Table 9.1 Portfolio Committee engagements

REF	QUESTION	RESPONSE
Meeting to consider APP 2024/25, as revised, held 19 July 2024	Which municipalities do not participate in the EPWP?	All municipalities are participating in Expanded Public Works Programme; hence all have been allocated EPWP Incentive Grants for the financial year 2024/25. The challenge relates to the reporting, i.e. poor reporting of work opportunities on the EPWP Reporting System. This matter is dealt with at the level of the EPWP Steering Committee.
	The Committee wanted to know what the challenges towards the upgrading of gravel roads are in the Province.	The upgrading of provincial roads is financed utilizing the equitable share budget allocated by Provincial Treasury. In previous financial years, the allocated budget could only be used to upgrade approximately 40 to 45 km of over 14 000 km of the gravel road network. In the 2024/25 financial year, the allocation was reduced and only R305 million was allocated for upgrading of gravel roads to surface standard. This allocation is used for planning, design and construction with an estimated all-inclusive cost of R10 million/km. Thus, the main challenge that the Department is facing is limited budget allocations to keep up with the growing community demands and the huge backlog for the upgrading of strategic socio-economic gravel routes. The Department has prioritized strategic road networks for maintenance to link the Province with the neighboring countries and Provinces. Due to the current condition in the Division of Revenue Act (DORA) that only 25% of the allocated Provincial Road Maintenance Grant (PRMG) may be used for rehabilitation, only a limited number of strategic roads can be rehabilitated and/or reconstructed to the required standard to accommodate the additional envisaged traffic loads to keep up with the socio-economic growth and urbanization trends in the different areas of the Province. The Department has since requested funding from the Budget Facilitation for Infrastructure (BFI) through Infrastructure South Africa and have also written to the National Department of Transport for additional funding for major capital projects (Rehabilitation and Special Maintenance).
	The Committee wanted to know out of the 180 Contractors, how many are women, youth and people with disabilities?	The target for the Contractor Development Programme is 160, and the disaggregation is 60% women, 55% youth and 2% persons with disabilities.
	The Committee asked how dilapidated buildings are being utilized and also wanted to know if properties have been invaded, how people will be removed.	Government-owned houses situated at 52 Nelson Mandela street and 57 Tillard street in Mahikeng have been illegally occupied and have since been subjected to legal processes. Rationalized schools – to be disposed in line with their ownership status; farm schools built on farm land will be handed over to farm owners and those buildings on tribal land will be handed over to tribal authorities. Other redundant assets identified as not required for service delivery will be disposed of following consultation with the Executive Council. The Department's mandate in relation to management of the life cycle of Government's building infrastructure is severely underfunded (i.e. maintenance).
	The Committee wanted to know what the situation on construction mafia in the Province is.	There are currently projects implemented by the Department that are under threat from the so-called "construction mafia". The interventions implemented by the Department include intensified stakeholder engagements and the involvement of the South African Police Service.

REF	QUESTION	RESPONSE
		The Department has also taken the initiative, through social facilitation, to encourage communities to take ownership of projects intended to provide services to such communities.
	The Committee wanted to know when the Lowe Parliamentary Village will be ready for Members to move into the houses.	The keys were handed to the NW Provincial Legislature on the 20th of July 2024.
	The Department must submit a status quo report on the Employment Equity plan for the Department, within 7 days.	The report was attached to the responses submitted to the Portfolio Committee.
	The Department to submit a report on the vacancy rate at the Department, within 7 days.	The report was attached to the responses submitted to the Portfolio Committee.
	The Department to submit a detailed report on departmental properties, indicating who resides at that property and how much is paid on rent, within 7 days.	The report was attached to the responses submitted to the Portfolio Committee.
	The Department must submit a detailed report on redundant properties in the Province, within 7 days.	The report was attached to the responses submitted to the Portfolio Committee.
	The Department must ensure that blading of gravel roads is done on a quarterly basis.	The Department does have quarterly targets for blading, as indicated in the presentation made on 19 July 2024.
	The Department to submit a detailed report on office space in the Province, including the lease value.	The register for state-owned office accommodation and register for leased office accommodation was submitted to the Portfolio Committee. The total annual expenditure on leased office accommodation is R330 million, which is paid by the Client Departments who occupy the leased office accommodation.
	The Department to submit a comprehensive report on the condition assessments of government-owned buildings.	The conditional assessment report was submitted to the Portfolio Committee.
	The Department was requested to submit a report on the Vukhupile Contractor Development Programme.	The existing cohort of participants in the Vukhupile Contractor Development Programme are in the final process of exiting. A series of meetings to discuss their exit pathway were held as recently as 13 May 2024. The exiting participants will be given accredited training, offered by the National Department of Public Works and Infrastructure (NDPWI). It is anticipated that the training will commence by the end of July 2024. The service provider has already been introduced to the learners. The exiting contractors will be included in the departmental panel of service providers for CIBD (Construction Industry Development Board) levels 2 to 9. A formal report on the Vukhupile Contractor Development Programme was submitted to the Portfolio Committee.

REF	QUESTION	RESPONSE
Meeting to consider first quarter performance report 2024/25 held 22 August 2024	The Committee enquired if there are foreign nationals that are employed at the Department and are any contractors foreign, if so have they been cleared by the State Security Agency.	The names of two (2) foreign nationals employed by the Department were provided. The information on foreign nationals was submitted to Office of the Premier in July 2023 per their request on behalf of the State Security Agency (SSA) for the purpose of verification process. To date, no feedback has been received from the SSA. Both persons listed have permanent residence permits.
	The Committee wanted to know if there are any plans in place for people who disrupt work at construction sites.	The Department has established a stakeholder liaison office. This office acts as a central point for communication, allowing community members to voice their concerns and seek assistance. By providing a structured pathway for addressing grievances, the stakeholder liaison office enhances transparency and accountability in the Department's initiatives. Further to this, the Department has appointed social facilitators for each project as standard procedure and compliance. These signifies a proactive approach to addressing community issues. These facilitators serve as vital links between the Department and the community, ensuring that the voices of local stakeholders are heard and considered in project development and implementation. Their role encompasses not only the identification of community needs but also the mediation of conflicts that may arise during the project lifecycle. This facilitates a more inclusive decision-making process, ultimately fostering trust and cooperation between the Department and the community it serves.
	The Committee enquired whether the Department has a Risk Assessment Plan in place.	The Department has a Risk Management Strategy that was approved by the Head of Department for implementation in the 2024/25 financial year. As one of the initiatives in the Risk Management Strategy, there is a departmental Strategic Risk Register that is being monitored. The 2024/25 Strategic Risk Register (as attached to the responses) was discussed at the departmental Strategic Lekgotla and management's input was factored and included in the Annual Performance Plan. Those risks that are critical areas for the Department were prioritized and monitored and included: a. Late confirmation of appropriated budget by Client Departments b. Inadequate provision of safe and fit-for-purpose office accommodation c. Delayed project implementation d. Leakage of confidential departmental information There are strategies being implemented to treat the risks.
	The Committee raised concern on late payments to contractors, is this due to delayed processes at the Department, or are Client Departments making late payments.	The construction of the Tigane Secondary Schools was at 73% and was implemented under the Vukhupile Contractor Development Programme - the contractor was appointed from a panel of developing contractors in order to empower small contractors. The majority of the small contractors appointed under this programme are experiencing financial constraints and thus the Department had to assist, e.g. by issuing cessionary agreements in order to assist in purchasing building materials for the service provider to start with construction works. However, in some instances payments were delayed due to reasons ranging from calculation errors on payment certificates and supporting documentation submitted with the payment certificates were incomplete, thus disempowering the service provider which later on affected progress on site.

REF	QUESTION	RESPONSE
		In the case of Dirang ka Natla Primary School, progress is at 68%. The service provider was appointed through normal supply chain processes. However, during construction, the contractor started experiencing financial constraints and the project was delayed due to community unrests in the area. The Department had to assist in issuing cessionary agreements thus appointing a sub-contracting service provider to continue and complete outstanding works. The cessionary is also not performing as expected. The Department is having continuous engagements with the cessionary and the main contractor so as to resolve contractual project matters. The municipal main sewer line needs to be upgraded to enable school connection. The contractor has submitted a letter for intention for termination of contract. With regards to late payments on the Development Bank of Southern Africa (DBSA) projects namely i) Mamodibo High School, ii) Tlakgameng Primary School, iii) Tlokwe Secondary School, iv) Monchusi Primary School, v) Kagiso Barolong Secondary School Phase 2 and vi) Coligny Special School, it should be noted that they were all negatively affected by late tranche payment from the Client Department. The Client Department pays DBSA tranche payments directly, and it is often delayed. It is unfortunate that the tranche payments paid to DBSA was inconsistent with 30 days' payment policy of Government. The May and June 2024 tranche of R 107 498 226 were delayed for two months from the tranche date of request. Only 50% (R 71 514 402) was paid, and, to date, the balance is still unpaid. Delayed payments to the DBSA resulted in progress being hampered on site including payments to sub-contractors.
	The Committee wanted to know if the Department spent the budget for 2023/24 financial year and if not, how much was rolled over.	The Department spent 98.7% of its allocated budget. Subsequently, the Department obtained a roll-over approved of R22.4 million.
	The Committee wanted to know which programme incorporates grass cutting.	Grass cutting is one of the activities under the Routine Road Maintenance project. It is incorporated under Programme 3: Transport Infrastructure, Districts and Programme 4: Community-Based Programme.
	The Department must submit a remedial action plan on the EPWP programme with regards to job creation with targets for EPWP.	The Department is currently developing a comprehensive remedial action plan on the alleviation of poverty and the creation of job opportunities. The plan is intended to explore more sustainable options on creating jobs for persons with disabilities over and above on construction sites only. The plan is not complete as yet, since the Department awaits its 2nd Quarter Provincial Steering Committee on EPWP meeting on 19 September 2024 at which platform other provincial Departments are expected to make inputs. A further endeavor is for stakeholders in the disability sector to present options on resolving the anomaly of an individual receiving a stipend as well as being a recipient of the SASSA Disability Grant and the confusion and resistance it results in among identified persons with disabilities out of fear of losing the latter grant.

REF	QUESTION	RESPONSE
		The employment of participants with disabilities is a challenge across the Provinces and for this very reason, the National Department of Public Works and Infrastructure is also reviewing the Ministerial Determination and policies to expand on the processes to follow in aiding the recruitment of persons with disabilities. The review will thus form part of the North West Plan. The plan will also incorporate aligning participants already recruited, within the Itirele Road Maintenance Programme, to actual projects within the new intake of the Contractor Development Programme 2024, to ensure effective and efficient practical onsite training on roads infrastructure maintenance. The plan will further incorporate the CETA funding for training of participants within the National Youth Service (NYS) for practical training as plumbers, electricians, boiler operators and painters within the building infrastructure maintenance. A comprehensive plan will be presented to EXTECH in the coming four weeks, after which it will be submitted to the Executive Council and ultimately to the Portfolio Committee.
	The Department must ensure that people who have capacity are appointed to complete projects.	In relation to building infrastructure projects, it was noted that the Department does not have a signed Memorandum of Agreement with the Department of Education but both Departments have agreed to have a signed Memorandum of Agreement in order to ensure that they comply with Infrastructure Delivery Management System (IDMS) and Framework for Infrastructure Delivery and Procurement Management (FIDPM). With regards to poor contract management and monitoring, the Department is committed to ensuring that quality of the works is not compromised by regularly attending to site and technical project meetings and focus group meetings as and when invited. The Department has recently appointed the services of a Project, Programme and Portfolio Management Unit to assist in building internal capacity and to fast-track implementation of building infrastructure projects. The Department intends to utilize the services of PPPMU where technical constraints and blockages are being experienced in the technical disciplines of programme such as project management, architecture, civil / structural / electrical / mechanical engineering and quantity surveying.
	The Department must ensure that blading of gravel roads is done on a quarterly basis and a schedule per quarter of roads that will be bladed must be forwarded to the Committee.	The Department acknowledges the importance of maintaining the extensive unpaved road network within the North West Province, which spans over 14 127 kilometers. These roads are critical for connecting rural communities and facilitating socio-economic development. Currently, the majority of this unpaved network is in a state that requires more than routine blading. A significant portion of the roads need re-gravelling or upgrading due to the depletion of suitable gravel materials. Blading alone is insufficient for roads where the gravel layer is either too thin or completely eroded, resulting in inadequate road performance and user dissatisfaction. Additionally, the Department faces funding constraints. The PRMG and equitable share allocated for the maintenance of gravel roads, procurement of new yellow plant equipment, and repairs of existing machinery is insufficient to meet the growing demands of our infrastructure.

REF	QUESTION	RESPONSE
		The limited budget affects the frequency and quality of road maintenance activities, further exacerbating the condition of the gravel road network. The Department is exploring several measures to address these challenges: • Prioritization Framework: Roads with high socio-economic importance and high traffic volumes are prioritized for re-gravelling and upgrading, within the limits of available resources. • Collaborative partnerships: Engaging with the private sector (such as mining houses) and other stakeholders to secure additional resources and technical support for road maintenance and upgrades. • Advocacy for increased funding: Presenting the case for increased provincial funding to enable sustainable road maintenance programs, procurement of modern equipment, and capacity building. • Innovative maintenance approaches: Researching and implementing alternative methods for maintaining gravel roads, such as stabilizing existing materials or applying low-cost surface treatments to reduce the reliance on traditional re-gravelling.
	The Department to submit a report on all rural bridge projects for the Province that must include timeframes, stakeholders and clarification of roles.	The report was attached to the responses submitted to the Portfolio Committee.
	The Department to submit a report on the following roads: Geysdorp, Road R377, and Stella - Amalia road.	The Department has engaged the services of Ndlati Consulting Engineers to provide assistance in the design and subsequent supervision of the project. The project is currently at Stage Initiation/Pre-feasibility, with only the scoping report completed and approved by the Department. Progression to subsequent design stages has been hindered by budget constraints. This project is part of the Department's efforts to secure funding from the Budget Facility for Infrastructure (BFI). The project is financed through the equitable share, which is insufficient to meet the funding requirements for the Department's upgrading initiatives. In respect of the upgrading of Road P23/23 (R504) from Amalia to Myra, it was noted that the Department has enlisted the expertise of Akwethu Engineering and Development to assist in the design and subsequent oversight of the project. The first stage, which involves scoping, was approved and the consultant is currently advancing to the second stage of the design process which is concept and viability.
	The Department must submit a report on construction mafia projects in the Province.	As and when there are disruptions on our projects, the Department lodges formal cases with SAPS for their assistance and support. The majority of interventions relate to management of disruptions and reporting of any unlawful actions. To this end, the Department reported three cases with the following details: CAS J1577/27- Court Interdict for EPWP, CAS 185/08/24- Vryburg Security Tender Disruption and CAS 101/4/24 Gate. SAPS in the Province has established a specialized and dedicated team which support the Province, in particular Departments that deals with infrastructure projects.

<table>
<tr><th>REF</th><th>QUESTION</th><th>RESPONSE</th></tr>
<tr><td rowspan="6">Meeting to consider the Annual Report for 2023/24 FY held 1 November 2024</td><td>The Department must submit a plan on the progress with the maintenance plan relating to building infrastructure.</td><td>The Department has conducted technical condition assessments on 91 out of 117 office buildings in order to determine maintenance and budgetary requirements needed to repair provincial properties. Currently, the Department is in the process of drafting a consolidated building maintenance plan which will provide guide on maintenance priorities in line with the allocated maintenance budget.<table>
<tr><th>Condition Rating</th><th>Condition Outcome</th><th>Total Facilities</th></tr>
<tr><td>C 2</td><td>Poor</td><td>5</td></tr>
<tr><td>C 3</td><td>Fair</td><td>61</td></tr>
<tr><td>C 4</td><td>Good</td><td>20</td></tr>
<tr><td>C 5</td><td>Excellent</td><td>5</td></tr>
</table></td></tr>
<tr><td>The Department must submit a plan on management of community disruptions in order to prevent them from delaying project implementation.</td><td>The Department has established a stakeholder liaison office within the Department. This office acts as a central point for communication, allowing community members to voice their concerns and seek assistance. By providing a structured pathway for addressing grievances, the stakeholder liaison office enhances transparency and accountability in the department's initiatives.

Further to this, the Department appoints social facilitators for each project as standard procedure and compliance. These signifies a proactive approach to addressing community issues. These facilitators serve as vital links between the department and the community, ensuring that the voices of local stakeholders are heard and considered in project development and implementation. Their role encompasses not only the identification of community needs but also the mediation of conflicts that may arise during the project lifecycle. This facilitates a more inclusive decision-making process, ultimately fostering trust and cooperation between the department and the community it serves.</td></tr>
<tr><td>The Department must submit a report on the status of the yellow fleet and the plans to address ageing fleet and frequent breakdowns or any plan to procure a new yellow fleet.</td><td>The Department intends to dispose of the aged yellow fleet through the auctions. The process of sourcing an auctioneer is currently ongoing. The Department further intends to procure new yellow fleet with the allocated budget of R80 million. Details on the status of the yellow fleet, disposal of aged fleet and procurement of new fleet were included in the responses submitted to the Portfolio Committee.</td></tr>
<tr><td>The Department must submit a detailed report on the building infrastructure condition assessments and how they are planning to address the ones that are in poor condition.</td><td>The Department has conducted a technical condition assessment on 91 out of 117 office buildings in order to determine maintenance and budgetary requirements needed to repair provincial properties. Currently, the department is in the process of drafting a consolidated Building Maintenance Plan which will provide guide on maintenance priorities in line with the allocated maintenance budget.</td></tr>
<tr><td>The Department must pay the contractors on time.</td><td>The Department was unable to pay contractors on time due to budgetary and cash flow challenges and the concern by the Committee is noted.</td></tr>
<tr><td>Department to submit a report on the properties that are being disposed of and who are the beneficiaries.</td><td>The Department has disposed of a total of 37 houses since 2022 to date and a total of R16.3 million was collected as revenue from the sale of these properties.

The Department has embarked on the disposal of non-core immovable assets in the form of houses and vacant residential sites as part of the revenue enhancement strategy. Subsequently, the Executive Council approved the disposal of 476 houses of which the Department is disposing through a phased-out approach.</td></tr>
</table>

REF	QUESTION	RESPONSE
		The occupants who are legal tenants are given first preference in buying the houses and the Offer to Purchase is given to tenants once the valuation of the properties is concluded. There are no provincial properties that are occupied or rented out to foreigners by the Department.

9.8 PROVINCIAL PUBLIC ACCOUNTS COMMITTEE RESOLUTIONS

The questions posed and responses of the Department are outlined in the table below:

Table 9.2 Provincial Public Accounts Committee resolutions

Auditor General's report Reference	Question	Response	Resolved Yes / No
Meeting of the Provincial Public Accounts Committee on the Annual Report 2022/23, held on 2 August 2024	**Par 3 Consultants, business and advisory services**		
	Why did the Department not have adequate systems to ensure that goods and services as disclosed in note 6 to the financial statements are correctly classified, which resulted in consulting fees being overstated by R38 341 782, while expenditure for contractors was understated by R9 240 370 and expenditure for capital assets as disclosed in note 10 to the financial statements was understated by R28 776 048.	Due to the pressure that was experienced to pay for contactors, the Department utilized funds from consulting fees as there were savings to pay contractors. This reallocation of funds resulted in the misclassification of funds. In the current year, a correcting journal has been processed to rectify the classification of the reallocated funds.	Y
	Par 4 Fleet services		
	Why did the Department not have adequate systems to ensure that expenditure was correctly classified, which resulted in expenses relating to fleet services being incorrectly classified as expenditure for capital assets and inventory?	Due to the pressure that was experienced for fleet services, the Department utilized funds from capital assets and inventory as there were savings to pay for fleet services. This reallocation of funds resulted in the misclassification of funds. In the current year, a correcting journal has been processed to rectify the classification of the reallocated funds.	Y
	Par 5 Capital commitments		
	Why were capital commitments not recorded as required by Chapter 14 of the MCS, Provisions and Contingencies, which resulted in capital commitments, disclosed in note 25 to the financial statements, being understated by R2 549 187 286 (2022: R1 410 020 365)?	The qualification paragraphs relating to unauthorized expenditure, capital commitments, immovable tangible capital assets all relate to the misclassification of rehabilitation expenditure as goods and services instead of capital expenditure. Due to the incorrect interpretation of MCS, management was of the view that the expenditure incurred was not capital in nature and hence capital commitments were understated as the expenditure was classified as goods and services instead of capital expenditure.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
		Subsequently, the Department held consultations with the National Department of Transport, the AGSA and the Provincial Treasury and it was concluded that, based on Sections 6.2 of MCS 11, the rehabilitation expenditure is considered capital in nature and therefore capital commitments have been reclassified appropriately as capital in nature.	
	Par 6 Unauthorized expenditure		
	Why was unauthorized expenditure not recorded in accordance with paragraph 7.6 of National Treasury Instruction Note No. 4 of 2022-23 – PFMA Compliance and Reporting Framework?	Subsequent to the consultation held with the AGSA and the Provincial Treasury, it was confirmed that the Department has not incurred unauthorized expenditure as there was no overspending within the vote or main division of the vote.	Y
	Why did the Department incorrectly calculate unauthorized expenditure in the current year relating to the spending of the PRMG grant, resulting in the current year's unauthorized expenditure as disclosed in note 30 to the financial statements being understated by R72 244 106?		
	Par 7 Accruals and payables not recognized		
	Why were accruals and payables not recognised for goods and services received but not yet paid for, recorded as required by Chapter 9 of the MCS, General departmental assets and liabilities, which resulted in accruals and payables not recognised as disclosed in note 26 to the financial statements, being understated by R39 305 563?	The Department's suppliers brought invoices after the cut-off date and others even after the financial statements were already finalized. Hence, the Department could not account for the payables/accruals. The Department has undertaken a process of revisiting all payments made in the 2023/24 period to identify all payables which were omitted and will process a prior period adjustment in the 2023/24 financial statements to rectify the understatement. For the current year, a notification was sent out to all staff for year-end closure and all staff were encouraged to submit any unpaid invoices by service providers to ensure that we do not have an understatement in the current year. All payments in April and May will be reviewed prior to finalization of the AFS to ensure completeness of the accruals/payables disclosed. The Department is looking into the possibility of centralizing an entry point for submission of all invoices to the Department. This will ensure that invoices are captured on the system at a central point, therefore avoiding delays that might be created by end user not submitting an invoice on time.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
	Par 8 Immovable tangible capital assets		
	Why were immovable intangible capital assets not recorded as required by Chapter 11 of the MCS, Capital Assets, which resulted in immovable tangible capital assets as disclosed in note 39 to the financial statements, being understated by R444 892 802 (2022: R267 971 868) and capital work-in-progress as disclosed in note 39.2 to the financial statements being understated by R1 474 072 851 (2022: R772 361 529)?	Due to the incorrect interpretation of MCS, management was of the view that the expenditure incurred was not capital in nature and hence immovable tangible capital assets and work-in-progress were understated as the expenditure was classified as goods and services instead of capital expenditure. Subsequently, the Department held consultations with the National Department of Transport, the AGSA and the Provincial Treasury and it was concluded that based on Sections 6.2 of MCS 11, the rehabilitation expenditure is considered capital in nature therefore capital expenditure has been correctly capitalized and immovable assets for completed projects and work-in-progress for incomplete projects at the end of financial year 2023/24.	Y
	Par 13 Irregular and fruitless and wasteful expenditure		
	As disclosed in note 30 to the financial statements, why were irregular expenditure, and fruitless and wasteful expenditure of R689 359 000 and R537 000 respectively incurred in the year under review?	The departmental Unauthorized, Irregular and Fruitless and Wasteful Expenditure (UIF) committee has not been functioning in the last year and this led to fruitless and wasteful expenditure not being investigated and dealt with in terms of section 32 of PFMA and the framework. A significant amount included in the fruitless and wasteful expenditure register relates to interest charges for late payments of invoices for utilities e.g. Eskom and municipal accounts. The Department has since implemented an invoice tracking system (Reapatala) to help ensure that invoices are paid on time and avoid late payments of invoices. The Department has resuscitated the UIF committee to ensure that investigations into the UIF expenditure are expedited and dealt with in accordance with Treasury frameworks. The Department will have officials going directly to the municipalities and Eskom to obtain invoices from them, instead of waiting for invoices to arrive at the department late, resulting in late payments and ultimately interest.	Y
	Par 14 Underspending of the budget		
	As disclosed in the appropriation statement, why did the Department materially underspend the budget on Programme 3: Transport Infrastructure with R204 988 000 due to inadequate planning and project management?	National Treasury had placed a moratorium on procurement following the Supreme Court's ruling on the promulgation of regulations 3(b), 4 and 9 of the Preferential Procurement Regulations, 2017. This led to the underspending by Programme 3. The moratorium was lifted on the 31st of May 2022 therefore the Department had to implement interventions which included the following: • Revision of the Procurement Plan 2022/23. • Development of a sourcing strategy. • Appointment of an additional Bid Evaluation Committee to deal with the large volume of bids to be evaluated.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
		Based on the above, projects were reprioritized and were planned for implementation in the 2023/24 financial year. Subsequently the Department obtained approval for the rollover of unspent funds to the 2023/24 financial year.	
	Par 41 Financial statements		
	Why were the financial statements submitted for auditing not prepared in accordance with the prescribed financial reporting framework and/or supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA?	Due to the misinterpretation of MCS, the Department received findings related to misclassification issues which resulted in the impairment of the quality of the financial statements that were submitted for audit. The findings have been resolved in the 2023/24 financial year, therefore ensuring compliance with the financial reporting framework and quality of financial statements.	Y
	Par 42 Expenditure management		
	Why were effective and appropriate steps 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 a qualified opinion, the value as disclosed in note 30 of the financial statements does not reflect the full extent of the irregular expenditure incurred.	The departmental Unauthorized, Irregular and Fruitless and Wasteful departmental Unauthorized, Irregular and Fruitless and Wasteful Expenditure (UIF) committee has not been functioning in the last year and this led to fruitless and wasteful expenditure not being investigated and dealt with in terms of section 32 of PFMA and the framework. A significant amount included in the fruitless and wasteful expenditure register relates to interest charges for late payments of invoices for utilities e.g. Eskom and municipal accounts. The Department has since implemented an invoice tracking system (Reapatala) to help ensure that invoices are paid on time and avoid late payments of invoices. The Department has resuscitated the UIF committee to ensure that investigations into the UIF expenditure are expedited and dealt with in accordance with Treasury frameworks. The Department will have officials going directly to the municipalities and Eskom to obtain invoices from them, instead of waiting for invoices to arrive at the department late, resulting in late payments and ultimately interest.	Y
	Why were effective steps not taken to prevent fruitless and wasteful expenditure, as disclosed in note 30 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1?	The finding primarily relates to the sourcing of legal services by the Department. Due to the nature and sensitivity of the subject matter, it was not feasible to follow the quotation process. The Department is in the process of appointing a Panel of Attorneys.	Y
	Par 44 Procurement and contract management		
	Why were some of the goods and services of a transaction value of R2 000 but not exceeding R1 000 000 procured without following quotation process, as required by Treasury Regulation 16A6.1 and paragraph 3.2.1 of NTI 02 of 2021/22?	The finding primarily relates to the sourcing of legal services by the Department. Due to the nature and sensitivity of the subject matter, it was not feasible to follow the quotation process. The Department is in the process of appointing a Panel of Attorneys.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
	Why were some of the contracts awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017 and 2022?	There was a disagreement between the Department and the AGSA regarding interpretation of section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017 and 2022. Included in the affected bids was the following statement: "The Department reserves the right to not accept or appoint any bid that is unreasonably low or high and pricing alone is not a determining factor". Based on this, the Department's Adjudication Committee conducted its due diligence and found that the bidders recommended had unreasonably low quotations, which posed a serious financial risk to the Department. It was therefore concluded that the likelihood of the bidder completing the project is very slim. Subsequently, the Department implemented an objective criterion in order to comply with section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017 and 2022.	Y
Questions of the Provincial Public Accounts Committee on the Annual Report 2023/24	**Par 7 Irregular expenditure**		
	As disclosed in Note 31 to the Financial Statements, how did the Department allow irregular expenditure of R310 052 000 to be incurred in the year under review?	An amount of R17.1 million was incurred as the result of not sourcing the required number of quotations. The additional irregular expenditure incurred was due to the following two major reasons: • Overspending of PRMG by R170 million. The Department spent its allocated conditional grant as approved by Treasury and relevant National Department. However, the issue of 25% spending on capital expense using the grant was exceeded. This therefore resulted in the expense being irregular. • Multi-year contracts that were deemed to be irregular in prior years amount to R122.6 million. • Instances where the required number of quotations were not sourced amount to R17.1 million.	Y
	What is the progress registered in investigating Irregular expenditure of prior years of R 748 740 000?	The amount of R748 740 000 of irregular expenditure relates to the 2022/23 financial year and cumulatively totals R5.27 billion. In addressing the expenditure the Department, during the 2023/24 financial year, embarked on a process of evaluating the register for accuracy of the amounts included in the register. This exercise resulted in reversal of R340 million out of the register and was also audited and accepted by the Auditor General. Currently the Department is engaged in making necessary submission for condonation to Treasury and National Department of Transport (for the PRMG).	In progress
	Par 8 Fruitless and Wasteful Expenditure		
	As disclosed in Note 31 to the Financial Statements, how did it happen that the Department incurred Fruitless and Wasteful Expenditure of R 1 454 000?	The main cost driver of fruitless and wasteful expenditure is because of interest charged largely by Eskom and municipalities. Our initial investigation indicates that these entities falsely levy interest on the accounts even when paid on time (income stream). We are in the process of finalizing the departmental reconciliation so that the monies can be recouped.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
	What is the progress registered in investigating Fruitless and Wasteful Expenditure of prior years of R 537 000? Question 3 Par 10 Underspending of Budget 3.1 What is the explanation for the material underspending of R 38 690 000.	The Department is in the process of finalizing the departmental reconciliation so that the monies can be recouped.	Y
	Par 23-29 Annual Performance Report		
	What were the challenges that made the Department not to avail to the audit process verified performance information evidence?	• In relation to Programme 2: Immovable Asset Management and Facility Operations, the findings pertain to leased office buildings that Client Departments had vacated without following appropriate procedures in respect of notification of the Department of Public Works and Roads, hence the deviation on under-performance could not be substantiated with specific documentation by the Programme. • In relation to Programme 3: Transport Infrastructure, the lack of an integrated performance reporting system between Head Office and Districts contributed to the misstatement in the Annual Report with regards to the deviations between planned and reported performance information. • In relation to Programme 4: Community-Based Programme, the findings pertain to differences between the data in the EPWP Reporting System (national) and the Persal report on payments made to beneficiaries, for which no supporting documentation was available. The national reporting system is also not within the control of the provincial Department, and it closes for reporting mid-May, which leaves little time for final verification of the quarter 4 reported evidence. This also contributed to the deviation in numbers verified by the Directorate: Planning, Monitoring and Evaluation and the final statistics on the EPWP Reporting System. • On a broader level, the lack of an integrated performance information management system that is integrated with project management systems, the asset management system etc. contributes significantly to the challenges in integration of planning, reporting and submission of the required portfolios of evidence (PoEs).	In progress
	What are the interventions to address the challenges especially with regard to the lack of information system to account for performance achievement?	Steps taken to address the challenges: • An ICT project is currently under implementation that entails the development of a performance management information system that will provide the functionalities required to improve the integration of reporting across all implementing units. It will also shorten the turnaround time for the Directorate: Planning, Monitoring and Evaluation to assess PoEs and provide feedback to Programmes. Further benefits are (i) that PoEs will be stored on a centralized server and (ii) the Department will be able to track performance in real time.	In progress

Auditor General's report Reference	Question	Response	Resolved Yes / No
		• As part of the initiative towards the review of the EPWP implementation model, a physical verification of all EPWP beneficiaries was undertaken. This exercise will enhance the credibility and accuracy of the performance reported in the Annual Performance Report. • New, barcoded contracts will be operationalized as well, which will benefit the Department in respect of ensuring that the required supporting documentation is available for all EPWP beneficiaries. • As part of the ICT project, an EPWP payment management system is in an advanced stage of development. This system will bring about an improvement in stipend payments and allow for the mandatory deductions to be effected, e.g. UIF. It will also assist in the verification of the information on the national EPWP Reporting System and allow for variances to be investigated and dealt with. • All Programme Managers are required to nominate officials in each respective Programme (at both Head Office and at District Offices) to coordinate the collection of PoEs on a monthly basis. These Performance Information Coordinators provide feedback to their respective Programme Managers on the status of PoE submission monthly, and they are to ensure that such PoEs are submitted to the Directorate: Planning, Monitoring and Evaluation in a timely manner. • The Directorate: Planning, Monitoring and Evaluation evaluates PoEs submitted on a monthly basis and provides feedback both in writing and through one-on-one engagements with Programmes.	
	Par 31 Achievement of planned targets		
	What is the explanation for the significantly high expenditure in critical service indicators whilst the achievements against planned targets are poor?	• Community-Based Programme achieved 110% performance against target. The Programme created 15 211 work opportunities against a set target of 13 800 (110%) • The 92% rate of expenditure was based on the overall Programme allocation inclusive of Cost of Employees, Goods and services, Machinery and Equipment that is not necessarily aligned to performance of the core mandate.	Y
	Par 48-51 Internal control deficiencies		
	How did it happen that the Post Audit Action Plan was crafted in a manner that was not useful as the planned actions failed to prevent recurrence of reported misstatements?	The 2023/24 Post Audit Action Plans have addressed 2022/23 audit qualification areas, which is an improvement given the fact that the Department obtained an unqualified audit opinion in the 2023/24 financial year.	Y
	What are the interventions to address inadequate budgeting processes and the lack of budgeting tools?	The following interventions have been adopted: • Alignment of the Table B5 to the allocated budget. • Alignment of the procurement plan to the Table B5. • Monthly monitoring of expenditure against the budget by the Departmental Budget Committee.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
	Status of previously reported material irregularities		
	Is there any significant progress registered in addressing previously reported material irregularities?	The Department has had several engagements with the Auditor General to ensure that the material irregularities are adequately addressed. Management is still waiting for the Auditor General's conclusion on the matter. However, the budget allocation still remains a challenge to address the maintenance / upgrading / rehabilitation backlog affecting the gravel road network of the North West Province. The budget can only cater for less than 250 km (combined) per annum.	In progress
	Post Audit Action Plan for 2022/23		
	Has the Department registered progress in implementing the 2022/23 Post Audit Action Plan?	The Department registered significant progress in implementing the Post Audit Action Plan relating to 2022/23. The 2023/24 unqualified audit outcome is a true reflection of the hard work which the Department has shown ensuring that we improve the audit outcome to an unqualified audit opinion.	Y
	Working towards clean audit		
	What is the Department's plan to work towards clean audit? - share some interventions already initiated and those still to be initiated.	A clean audit relates to three aspects mentioned below and the Department is very aware that we should ensure that the following are addressed: • The financial statements are free from material misstatements. • There are no material findings on the annual performance report. • There are no material findings on non-compliance with key legislation. The Department has appointed two consultants to assist with review of information feeding into the preparation of the Annual Financial Statements. Both consultants are working with the departmental officials to ensure proper transfer of skills.	Ongoing
	Departmental Bid Committees		
	When were the Departmental Bid Committees appointed and if changes were effected during the course of the financial year under review, kindly provide details? (For each Bid Committee provide names and the substantive posts of members).	The information was provided as an annexure to the responses submitted to the PPAC.	Y
	Is there any bid awarded for implementation during 2023/24 that was challenged in Court?	Yes: • The Raubex matter • The Lechenry matter	Y
	Bids above R10 million		
	Did the Department subject all bids above R10 million to pre-audit assessment by the Provincial Internal Audit? (Kindly provide the list and the advice from Provincial Internal Audit for each Bid).	The review / findings from the Provincial Internal Audit were provided as an annexure to the responses submitted to the PPAC. However, in instances where the bid adjudication was concluded outside the prescribed two weeks before the bid validity period, the pre-audit was not done.	Y

Auditor General's report Reference	Question	Response	Resolved Yes / No
	Use of external service providers for disciplinary matters		
	How much of your allocated budget for 2023/24 was spent on external service providers in relation to handling of disciplinary cases involving Departmental employees?	There were no monies spent on external service providers for disciplinary cases involving departmental employees where the allocated budget for 2023/24 was affected.	Y
	Audit Action Plan for 2023/24		
	Did the Department finalize the Post Audit Action Plan for 2023/24? (Kindly provide a copy of the plan for 2023/24).	The information was provided as an annexure to the responses submitted to the PPAC.	Y
	Recommendations of the Provincial Internal Audit Committee		
	What is the extent to which recommendations or advice of the Provincial Internal Audit Committee have been implemented by the Department? Kindly provide performance update (actual implementation) against key recommendations for each Quarter of the financial year under review.	The PIA recommendations are activity based and are implemented as and when they arise.	Y

9.9 INTERNAL CONTROL

During the 2024/2025 financial year, the Internal Control sub-directorate undertook several key responsibilities aimed at enhancing governance, accountability, and regulatory compliance by playing a central role in managing irregular expenditure by performing assessment and determination tests on identified cases and submitting quarterly reports to the Provincial Treasury.

To address legacy issues of unauthorized expenditure, the Department also revived its Unauthorized, Irregular, and Fruitless Expenditure (UIFW) Committee. Additionally, the sub-directorate coordinated the Department's annual regulatory audit process and developed the 2023/24 Post Audit Action Plan, which was submitted to the Provincial Treasury and monitored quarterly. The unit also continued to support the development and refinement of Standard Operating Procedures (SOPs), ensuring improved internal controls and consistency.

The sub-directorate monitored the implementation of the Department's 2023/24 Culture Shift Plan, which focuses on issues such as UIFW expenditure and compliance with legislation, including the 30-day payment requirement for suppliers. This initiative is geared toward addressing repeat findings related to expenditure management and supply chain management (SCM) and improving audit outcomes. To strengthen the SCM environment, several actions were undertaken. These include updating the SCM Compliance Register template and mapping the SCM Policy against the compliance universe to identify and close regulatory gaps. While the SCM Policy undergoes its final reviews scheduled for approval by the end of the first quarter of 2025, interim circulars and addendums are being issued to address emerging issues.

The Department's Financial Delegations Framework has been approved for implementation in the 2025/26 financial year. A comprehensive post-award compliance monitoring initiative was also conducted, involving a review of payment vouchers from April 2024 to February 2025 to detect and prevent irregular, fruitless, and wasteful expenditure. To reinforce financial accountability, revised pre- and post-audit checklists were implemented, further strengthening payment process controls and documentation standards. Overall, the unit's work continues to be integral in steering the Department toward improved governance and compliance with public finance legislation.

As part of its oversight role, inventory management inspections were conducted. These inspections were carried out after stock counts were completed at both the Districts and Head Office. The aim was to validate the accuracy of the reported inventory figures and to assess adherence to inventory management procedures. Where discrepancies or irregularities were identified, they were investigated and reported for corrective action.

These efforts are part of the unit's broader commitment to enhancing transparency, operational efficiency, and compliance within the Department.

9.10 PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department obtained an unqualified audit opinion in the prior year (2023/24 financial year).

9.11 PROVINCIAL INTERNAL AUDIT

Provincial Internal Audit (PIA) helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management and control processes.

Treasury Regulation (TR) 3.2 read with sections 38(1)(a)(ii) and 76(4)(d) of the Public Finance Management Act, Act No 1 of 1999 (PFMA) mandates PIA to assist the accounting officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

PIA reports functionally to the Provincial Audit Committee (AC) and administratively to the Accounting Officer of the Provincial Treasury and functions in compliance with the Internal Audit Charter endorsed by the Accounting Officer of the Provincial Treasury and approved by the AC.

Vision and strategy

PIA aspires to make a positive, impactful contribution to governance, risk management and internal control processes in the Department through effective and efficient internal audit assurance and advisory services. The internal audit strategy is aligned to support Departmental strategies.

Charter, methodology and internal audit plans

The internal audit charter, rolling 3-year strategic internal audit plan and annual plan for the first year of the rolling 3-year internal audit plan were reviewed and approved by the AC as prescribed by Treasury Regulation 3.2.7(a)-(c).

Independence and objectivity

Through the functional reporting line established by the Internal Audit and Audit Committee Charters, PIA achieves organizational independence and has operated freely in exercising its independence from the Department. Internal audit services were also performed with objectivity as required by the Internal Audit Charter and the Internal Audit Standards (Standards) set by the Institute of Internal Auditors.

Internal audit modality

PIA is fully in-sourced (no consultants utilized) and was set up as a shared internal audit function of the North West Provincial Administration under sections 38(1) (a) (ii) and 76 of the PFMA and paragraph 3.2.3 of the Treasury Regulations.

Staffing

PIA has the collective knowledge, skills, and experience needed to perform its responsibilities. The function also has extensive training and development plans, and internal audit staff are fully supported to obtain professional certification.

The departmental audit team has an approved structure of nine (9) internal audit staff members of which three (3) position was vacant during the period under review. Budget permitting the vacant positions will be filled during the 2025/26 financial year.

Quality assurance and improvement program

A Quality Assurance and Improvement Program with continuous internal assessment is in place. Furthermore, PIA also underwent the prescribed five (5) yearly external independent quality assurance assessment. The external assessment was concluded in December 2024. The assessment outcomes generally conform and are generally effective.

This is the highest ratings that can be achieved, which means that PIA has charter, policies, and processes, and the execution and results of these are judged to be in conformance with the Standards and effective.

The assessment also considered feedback from key stakeholders on the performance and value-add of PIA.

Stakeholder relationships

PIA maintains relationships with various stakeholders. This includes the AC, oversight functions, management of the Department, the Provincial Treasury and other internal as well as external assurance providers. For the 2025/26 financial year a specific strategy has been determined to enhance the management of stakeholder interaction and expectations.

Summary of audit work done

Planned and completed audits, roll-overs and ad-hoc projects

For the period under review the approved annual internal audit plan for the Department included fifteen (15) audit engagements that were planned to be performed. This comprised of fifteen (15) assurance engagements.

All planned assignments were successfully completed and reported on. In addition, one (1) ad-hoc audit was initiated and completed relating to AGSA direct assistance.

Internal audit recommendations

Treasury Regulation 3.1.12 requires that the audit committee must report and make recommendations (inclusive of internal audit recommendations) to the accounting officer, but the accounting officer retains responsibility for implementing such recommendations.

For the year under review, fifty-one (51) internal audit recommendations were made by PIA.

Based on follow up audits performed by PIA, the status of implementation of internal audit recommendations was thirty-four (34) percent of the recommendations due for implementation at the date of the follow up audit. The Department reported the status of implementation of recommendations, as at 31 March 2025, to the AC as thirty-four (34) percent.

This includes recommendations made during previous financial years.

Value add

The outcome of the independent external quality assurance assessment indicated that there is an appreciation from stakeholders of the contribution and value that PIA adds. PIA continuously reflects on its efficient and effective functioning and therefore at all times seeks to improve the quality of the service that it renders.

Limitations

There were no limitations not already mentioned elsewhere (if applicable) that impacted on the optimal performance of internal audit.

9.12 PROVINCIAL AUDIT COMMITTEE

Protecting the independence of the internal audit function

The Audit Cluster Committee (AC) has reviewed the organizational positioning, and all aspects related to the independence of PIA, including safeguards in place to protect the independence of internal auditors and to protect PIA from threats and victimization. Safeguards include the Internal Audit and Audit Committee Charters as well as the functional reporting line of PIA to the AC. The AC confirms that there were no instances during the period under review, where the AC was required to protect internal auditors.

Performance against statutory duties

Refer to Part 1 of the Audit Committee Report.

Composition of the audit committee

Refer to Part 2 of the Audit Committee Report.

Meeting attendance

Refer to Part 2 of the Audit Committee Report.

Combined assurance
Refer to Part 3 of the Audit Committee Report.

Resolution of audit committee recommendations
Refer to Part 3 of the Audit Committee Report.

Audit committee performance evaluation

The AC has conducted an annual evaluation of its own performance and effectiveness for the period under review. The evaluation comprised of a self-evaluation and an evaluation performed by the accounting officers of the departments. The evaluation outcomes were very positive.

Remuneration of audit committee members

Rates

Chairperson of the Provincial Audit Committee:	R2 557 per hour
Chairperson of the Cluster Audit Committee:	R2 307 per hour
Cluster Audit Committee Member:	R 2 007 per hour

The remuneration paid to audit committee members has been determined through the application of Treasury Regulation 3.1.6.

Remuneration of audit committee members who worked or are working for an organ of state

For the period under review no audit committee member worked for an organ of state.

Total audit committee expenditure for the reporting period.
The total Audit Committee expenditure for the Social Cluster AC for the period under review amounted to R792 659. This Cluster AC provides AC oversight over three (3) departments. The average AC cost per department in the Cluster is R264 219.

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

Table 9.3 List of Central and Cluster Audit Committees' members

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Term of appointment		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	Other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc., whether in this or any other institution(s)
			Start date	End Date					
Central Audit Committee									
Ms P. Mzizi	CA(SA)	SAICA	14 February 2022	31 October 2025	6	Yes	No	4	3
Mr P. Tjie	B.Com, PMD	IOD(SA)	14 February 2022	31 October 2025	6	Yes	No	2	2
Mr. L. Ally	CA(SA)	SAICA	14 February 2022	31 October 2025	6	Yes	No	1	3
Cluster Audit Committee									
Ms. P. Mzizi	CA(SA)	SAICA	14 February 2022	31 October 2025	9	Yes	No	4	3
Mr. V. Makaleni	M.P.A B. Com (Hons)	CRM (Prac) – IRMSA Certified Director (IODSA)	14 February 2022	31 October 2025	8	Yes	No	1	1
Mr. V. Magan	CA(SA), CIA, MBL	SAICA, IIA, IODSA, CIGFARO	14 February 2022	31 October 2025	6	Yes	No	6	1
Mr. M. Ramukumba	CA(SA)	SAICA	14 February 2022	31 October 2025	8	Yes	No	3	2
*Mr. L. Ally (co-opted for specific meeting)	CA(SA)	SAICA	14 February 2022	31 October 2025	1	Yes	No	1	3

10. REPORT OF THE PROVINCIAL AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2025

Part 1: Audit Committee Reflections

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) (ii) of the Public Finance Management Act, 1999 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 its responsibilities as contained therein. The Audit Committee has functioned without hindrance or limitations throughout the reporting period.

Part 2: Audit Committee Composition and Meeting Attendance

The Cluster Audit Committee consists of four external members. The committee is properly constituted, and independent and has a diverse and appropriate mix of qualifications, skills, and experience.

The Audit Committee meet at least four times per annum as the Central Audit Committee and also four times per annum as the Cluster Audit Committee as per its approved terms of reference. During the current year four (4) scheduled and two (2) special meetings were held by the Central Audit Committee and four (4) scheduled and four (4) special meetings were held by the Cluster Audit Committee.

The table above discloses relevant information on the audit committee members and meeting attendance.

Part 3: Audit Committee Focus Areas

The following was reviewed during the year under review:

Effectiveness of the internal control systems

In line with the Public Finance Management Act, 1999, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by evaluating internal controls to determine their adequacy and efficiency, and by developing recommendations for enhancement or improvement. The Accounting Officer retains responsibility for implementing such recommendations as per Treasury Regulation 3.1.12. The reports of Internal Audit and AGSA indicated that the system of internal control in areas pertaining to financial reporting, performance reporting and compliance with laws and regulations require improvement.

Effectiveness of risk management

Management is responsible for the establishment and maintenance of an effective system of governance, risk management, the prevention and detection of fraud and implementation of effective internal controls. Based on the quarterly audit committee reviews and the assessment by the AGSA, the departmental risk and fraud management system is adequate and effective. The Audit Committee remains concerned that not all ICT risks are being addressed or mitigated.

In-Year Management and Quarterly Reporting

The quality of the in-year financial and performance reporting including interim financial statements are a concern to the Audit Committee. The Audit Committee has recommended that the department prepare interim financial statements that comply with the financial reporting framework (Modified Cash Standard (MCS)). This will assist in performing reconciliations timeously and in eliminating year-end adjustments. The Audit Committee has engaged with management to remedy shortcomings relating to reports on performance against predetermined objectives.

Combined Assurance

The responsibility to oversee combined assurance was delegated to the Audit Committee in terms of the Charter. Combined assurance is in its implementation phase. The Committee continues to commit to working with management to further improve this area towards a fully integrated and streamlined assurance provision across all lines of assurance.

Evaluation of the Financial Statements

The Audit Committee evaluated the Annual Financial Statements (AFS) and the Annual Performance Report (APR) for the year ended 31 March 2025 and duly recommended them for the Accounting Officer's approval prior to being submitted to the AGSA for audit. The Audit Committee has discussed the external audit outcomes to be included in the annual report with the AGSA and the Accounting Officer. The Audit Committee also considered the material findings on the AFS and APR.

Compliance with legal and regulatory provisions

The Audit Committee is concerned with the status of compliance with laws and regulations as there were numerous areas of noncompliance that were raised by both internal audit and AGSA. The department needs to implement an adequate and effective compliance framework and system to prevent noncompliance.

Internal Audit

The accounting officer is obliged, in terms of the Public Finance Management Act, 1999, to ensure that the department has a system of internal audit under the control and direction of the Audit Committee. The Audit Committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The Audit Committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity and that as determined during the external quality assessment review concluded in December 2024, that a “generally conforms rating” for conformance with the mandatory elements of the IPPF and “generally effective rating” (core measurement from 2025 which will affect overall rating from that year as per the Global Internal Audit Standards (GIAS)) can be applied to the internal audit work.

Internal Audit has adopted the GIAS effective 9 January 2025 and the implementation thereof is in progress.

Auditor General South Africa

We have reviewed the department’s implementation plan for audit issues raised in the previous year and based on our interaction with the department, AGSA and the internal audit reports, the committee is satisfied that substantial progress has been made in addressing AGSA findings. The Audit Committee concurs and accepts the conclusions of the AGSA on the annual financial statements, annual performance report and compliance with legislation and is of the opinion that the audited annual financial statements and audited annual performance report should be accepted and read together with the report of the AGSA.

General

We would like to express our appreciation to the Executive Authority, the Accounting Officer for his leadership and support, the AGSA and to Internal Audit and management for their commitment.

Signed on behalf of the Cluster Audit Committee by:

SP Mzizi CA(SA)

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Chairperson of the Cluster Audit Committee

Miss P Mzizi CA (SA)

August 2025

11. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The report for the period under review is as follows:

Table 11.1 B-BBEE compliance performance information

REPORT ON APPLICATION OF ANY RELEVANT CODE OF CONDUCT PRACTICE (B-BBEE CERTIFICATE LEVEL 1 – 8)		
Criteria	**Yes/No**	**Discussion**
Determining qualification criteria for the issuing of licenses, concessions or other authorizations in respect of economic activity in terms of the law	No	N/A
Developing and implementing a preferential procurement policy.	Yes	Approved Supply Chain Management Policy.
Determining qualification criteria for the sale of state-owned enterprises.	Yes	Approved Supply Chain Management Policy.
Developing criteria for entering into partnerships with the private sector.	Yes	Draft policy in place.
Determining criteria for the awarding of incentives, grants and investment schemes in support of broad-based black economic empowerment.	No	N/A

PART D: HUMAN RESOURCE OVERSIGHT REPORT

12. HUMAN RESOURCE OVERSIGHT STATISTICS

The Department has a revised organizational structure in place that has been signed off by the Head of Department and the Executing Authority. The process of securing concurrence from the Minister of Public Service and Administration is unfolding.

The Department's overall vacancy rate is 20%, and the vacancy rate for senior management is 34%.

For the year under review, the Department prioritised 220 advertised positions to fill. Only fifty (50) vacant posts were filled during the period under review. The filling of vacant posts was impacted adversely by the implementation of austerity measures aimed at ensuring fiscal sustainability. The DPSA issued the directive on control measures through Circulars 49 of 2023 and 49 of 2024, which were aimed at assisting Executing Authorities in managing fiscal sustainability during the process of creating and filling of vacant posts in Departments. In terms of these measures, Departments were required to request concurrence from the Office of the Premier to fill these vacancies and a verification and confirmation of availability of adequate budgetary resources were required. The procedure impacted on the turnaround time in the filling of vacant posts.

The Department has a challenge in relation to capacity in the technical disciplines. One of the interventions is the Candidacy Development Programme, the objective of which is to create a group of persons who are professionally registered in technical disciplines in the infrastructure sector from which to recruit for scarce skills positions. This is also consistent with the key imperatives of the Government's National Framework towards the Professionalization of the Public Sector issued in October 2022, aimed at building state capacity.

The attraction of suitably qualified female applicants at SMS level remains a challenge with the under-representation being at 17%. One of the attributing reasons is the under-representation of women in the infrastructure sector. he Department is pursuing interventions to address these challenges that include the following:

- expanding participation in the Executive Development Programme initiative to build internal capacity with preference given to females at middle management level.
- introduction of a declaratory statement in all advertisements in support of representation.
- strict application of the prescripts of the departmental Employment Equity Plan during recruitment and selection processes.

The Department is encouraging employees and raising awareness on mental health issues and chronic diseases and implements appropriate wellness interventions. Risks in relation to compliance with the Occupational Health and Safety Act were identified during the period under review and interventions will be implemented in the 2025/26 financial year.

12.1 PERSONNEL-RELATED EXPENDITURE

Table 12.1.1 Personnel expenditure by Programme, 1 April 2024 - 31 March 2025

Programme	Total expenditure	Personnel expenditure (excl Goods & Services)	Training expenditure	Professional and special services expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee R'000
Prog 1: Administration	R354 416.00	R144 331.00	R2 952 945.42	R19 793.00	40.7%	R564,00
Prog 2: Public Works Infrastructure	R925 444.00	R401 093.00	R37 928.00	R58 498.62	43.3%	R 398.00
Prog 3: Transport Infrastructure	R2 344 555.00	R350 324.00	R18 932.00	R18 032.00	14.9%	R 354.00
Prog 4: Community-Based Programme	R352 400.00	R7 739.00	0	0	2.2%	R 1.00
TOTAL	R3 976 815.00	R903 488.00	R3 009 805.42	R96 323.62	22.7%	R1 317.00

Table 12.1.2 Personnel costs by salary bands, 1 April 2024 - 31 March 2025

Salary bands	Personnel expenditure	% of total personnel cost	No. of employees	Average personnel cost per employee
Lower skilled (Levels 1 - 2)	R61 265 140.82	5%	242	R253 162.00
Skilled (Levels 3 - 5)	R382 341 135.44	34%	1301	R292 533.00
Highly skilled production (Levels 6 - 8)	R245 796 889.22	22%	486	R504 716.00
Highly skilled supervision (Levels 9 - 12)	R177 513 174.12	16%	214	R829 501.00
Senior and Top Management (Level 13 - 16)	R34 603 875.71	3%	22	R1 572 903.00
Non-Permanent Worker	R33 000.00	0	99	R33 333.00
TOTAL	R901 553 215.31	79%	2265	R3 452 815.00

Table 12.1.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by Programme, 1 April 2024 – 31 March 2025

Programme	Salaries		Overtime		Home owners allowance		Medical aid	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical aid as a % of personnel cost
Prog 1: Administration	R100 349 717.00	16%	R1 322 491.00	10%	R3 181 157.14	05%	R8 033 864.00	0.09%
Prog 2: Public Works Infrastructure	R266 188 201.00	44%	R7 122 021.44	52%	R17 602 519.89	31%	R38 966 092.69	46%
Prog 3: Transport Infrastructure	R232 993 518.90	38%	R5 250 601.11	38%	R17 730 383.94	33%	R36 866 276.76	43%
Prog 4: Community- Based Programme	R5 248 141.21	2%	0	0	R84 540.36	31%	R305 479.00	2%
TOTAL	R604 779 578.10	100%	R13 695 116.10	100%	R38 598 601.33	100%	R84 171 712.44	91.09%

Table 12.1.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 1 April 2024 – 31 March 2025

Salary bands	Salaries		Overtime		Home owners' allowance		Medical aid	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical aid as a % of personnel cost
Lower skilled (levels 1 - 2)	R35 433 898.22	58%	R2 423 877.38	4%	R5 011 466.92	8%	R10 428 268.25	17%
Skilled (levels 3 - 5)	R243 014 710.65	64%	R7 328 945.63	2%	R26 018 340.85	7%	R49 489 128.25	13%
Highly skilled production (levels 6 - 8)	R175 194 332.39	71%	R2 932 401.05	1%	R9 628 216.90	4%	R18 084 616.44	7%
Highly skilled supervision (levels 9 - 12)	R128 175 038.33	72%	R1 009 890.04	1%	R4 077 659.92	2%	R5 872 763.50	3%
Senior management (levels 13 - 16)	R22 662 224.90	66%	0	0	R546 154.00	2%	R296 936.00	1%
Non-permanent	0	0	0	0	0	0	0	0
TOTAL	**R 604,480,204.49**	**67%**	**R13 695 114.10**	**2%**	**R45 281 838.59**	**5%**	**R84 171 712.44**	**9%**

12.2 EMPLOYMENT AND VACANCIES

Table 12.2.1 Employment and vacancies by Programme, 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	% Vacancy rate	Number of employees additional to the establishment
Prog 1: Administration	263	251	4%	39
Prog 2: Public Works Infrastructure	1407	1016	27%	20
Prog 3: Transport Infrastructure	1156	991	14%	4
Prog 4: Community-Based Programme	7	7	0	0
TOTAL	**2833**	**2265**	**20%**	**63**

Table 12.2.2 Employment and vacancies by salary bands, 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	% Vacancy rate	Number of employees additional to the establishment
Lower skilled (levels 1 - 2)	426	374	12%	0
Skilled (levels 3 - 5)	1536	1250	19%	39
Highly skilled production (levels 6 - 8)	567	428	25%	12
Highly skilled supervision (levels 9 - 12)	269	190	29%	10
Senior Management (levels 13 - 16)	35	23	34%	2
TOTAL	**2833**	**2265**	**20%**	**63**

Table 12.2.3 Employment and vacancies by critical occupation, 31 March 2025				
Critical occupations	Number of posts on approved establishment	Number of posts filled	% Vacancy rate	Number of employees additional to the establishment
Administration clerks	37	21	43%	14
Administrative related	144	116	19%	0
Air conditioning and refrigeration mechanic	5	3	40%	0
All artisans in the building metal machinery etc.	148	94	37%	0
Architects, town and traffic planners	4	4	0	2
Artisan project and related superintendents	10	8	20%	0
Auxiliary and related workers	37	30	19%	0
Boiler and related operators	1	1	0	0
Builder	4	1	75%	0
Building and other property caretakers	19	18	5%	0
Bus and heavy vehicle drivers	7	6	14	0
Caretaker/ cleaner	3	2	33	0
Cartographers and surveyors	6	6	0	2
Cartographic surveying and related technicians	1	1	0	1
Chemical and physical science technicians	9	6	33%	1
Chemistry technician	1	0	100%	0
Chief financial officer	1	0	100%	0
Civil engineer	1	0	100%	0
Cleaners in offices workshops hospitals etc.	276	225	19%	0
Clerical supplementary workers not elsewhere classified	1	0	100%	0
Client inform clerks (switchb recept/inform clerks)	9	9	0	0
Communication and marketing manager	1	0	100%	0
Computer system designers and analysts.	2	2	0	0
Concreter	4	3	25%	0
Construction project manager	7	2	71%	0
Drainage & sewerage and storm water worker	4	2	50%	0
Earthmoving plant operator (general)	13	12	8%	0
Electrical and electronics engineering technicians	1	1	0	1
Elementary workers not elsewhere classified	6	2	67%	0
Enforcement and compliance manager	2	2	0	1
Engineering manager	3	2	33%	0
Engineering sciences related	24	15	38%	5
Engineers and related professionals	8	5	38%	2
Farm hands and labourers	37	34	8%	0

Table 12.2.3 Employment and vacancies by critical occupation, 31 March 2025

Critical occupations	Number of posts on approved establishment	Number of posts filled	% Vacancy rate	Number of employees additional to the establishment
Financial accountant	8	3	63%	0
Financial and related professionals	38	27	29%	0
Financial clerks and credit controllers	14	13	7%	0
General legal administration & rel. Professionals	6	2	67	0
Human resource clerk	4	3	25%	0
Human resource practitioner	1	0	100%	0
Human resources & organizational dev & relate professionals	9	7	22%	0
Human resources clerks	46	37	2%	0
Industrial/ labour relations officer	1	1	0	1
Inspectors of apprentices, works and vehicles	104	86	17%	0
Internal auditor	1	0	100%	0
Language practitioners, interpreters & other communicators	2	2	0	0
Legal administration officer	3	1	67%	0
Librarians and related professionals	1	1	0	0
Library mail and related clerks	24	20	17%	0
Light vehicle driver	3	3	0	0
Light vehicle drivers	113	87	23%	0
Logistical support personnel	1	1	0	0
Managers not elsewhere classified	2	1	50%	1
Material-recording and transport clerks	7	7	0	0
Messengers, porters and deliverers	8	8	0	0
Middle manager: human resource & organizational dev related	4	0	100%	0
Middle manager: administrative related	9	5	44%	3
Middle manager: finance and economics related	1	1	0	0
Middle manager: information technology related	1	0	100%	0
Middle manager: legal related	2	2	0	2
Middle manager: communication & information related	2	1	50%	0
Motor vehicle drivers	99	77	22%	0
Motorized farm and forestry plant operators	5	5	0	0
Network analyst	1	0	100%	0
Office cleaner	6	2	67%	1
Other admin & related clerks and organizers	279	231	17%	8
Other administrative policy and related officers	93	69	26%	0
Other information technology personnel.	2	2	0	0
Other middle manager	2	1	50%	1

Table 12.2.3 Employment and vacancies by critical occupation, 31 March 2025

Critical occupations	Number of posts on approved establishment	Number of posts filled	% Vacancy rate	Number of employees additional to the establishment
Other occupations	1	0	100%	0
Personal assistant	2	0	100%	0
Plumber	3	0	100%	0
Printing and related machine operators	18	16	11%	0
Production advisers: factories	120	102	15%	0
Programme or project manager	3	0	100%	0
Receptionist (general)	2	1	50%	0
Registry and mailing clerk	2	1	50%	0
Risk officer	3	1	67%	0
Road superintendents	22	18	18%	0
Road trade workers.	41	32	22%	0
Road workers	454	406	11%	0
Safety health and quality inspectors	19	18	5%	0
Secretaries & other keyboard operating clerks	17	15	12%	0
Secretary (general)	11	8	27%	7
Security officers	1	1	0	0
Senior managers	24	19	21%	0
Small offset lithography operator	2	0	100%	0
Social work and related professionals	3	3	0	0
Supply chain clerk	12	11	8%	10
Trade labourers	326	273	16%	0
Training and development professional	1	0	100%	0
Welder	8	1	88%	0
Total	**2833**	**2265**	**20%**	**63**

12.3 FILLING OF SMS POSTS

Table 12.3.1 SMS post information as on 31 March 2025

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General / Head of Department	0	0	0	0	0
Salary level 15	1	1	100%	0	0
Salary level 14	7	6	23%	1	25%
Salary level 13	21	18	72%	3	75%
TOTAL	29	25	86%	4	14%

Table 12.3.2 SMS post information as on 30 September 2024

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General / Head of Department	0	0	0	0	0
Salary level 15	1	1	100%	0	0
Salary level 14	7	6	26%	1	17%
Salary level 13	21	16	70%	5	83%
TOTAL	29	23	79%	6	34%

Table 12.3.3 Advertising and filling of SMS posts, 1 April 2024 - 31 March 2025

SMS level	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General / Head of Department	0	0	0
Salary level 15	0	0	0
Salary level 14	1	0	0
Salary level 13	1	4	0
TOTAL	2	4	0

Table 12.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant, 1 April 2024 - 31 March 2025

Reasons for vacancies not advertised within six months
Delay due to the turnaround time to secure concurrence from Provincial Treasury & the Office of the Premier in complying with the austerity measures.
Reasons for vacancies not advertised within twelve months
Delay due to the turnaround time to secure concurrence from Provincial Treasury & the Office of the Premier in complying with the austerity measures.

Table 12.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months, 1 April 2024 to 31 March 2025
Reasons for vacancies not advertised within six months
Not applicable.
Reasons for vacancies not advertised within twelve months
Not applicable.

12.4 JOB EVALUATION

Table 12.4.1 Job evaluation by salary band, 1 April 2024 - 31 March 2025

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1 - 2)	536	0	0	0	0	0	0
Skilled (levels 3 - 5)	1548	0	0	0	0	0	0
Highly skilled production (levels 6 - 8)	484	0	0	0	0	0	0
Highly skilled supervision (levels 9 -12)	234	0	0	0	0	0	0
Senior Management Service Band A	22	0	0	0	0	0	0
Senior Management Service Band B	7	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	0	0	0	0
Senior Management Service Band D	0	0	0	0	0	0	0
MEC	1	0	0	0	0	0	0
TOTAL	**2833**	**0**	**0**	**0**	**0**	**0**	**0**

Table 12.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2024 - 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
TOTAL	0	0	0	0	0
Employees with a disability	0	0	0	0	0

Table 12.4.3 Employees with salary levels higher than those determined by job evaluation by occupation, 1 April 2024 - 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	0	0	0	0
Cleaners	0	0	0	0
Communication and information related	0	0	0	0
Engineering and related professionals	0	0	0	0
Financial and related professionals	0	0	0	0
Artisan and related professionals	0	0	0	0
Total number of employees whose salaries exceeded the level determined by job evaluation				**0**
Percentage of total employed				**0%**

Table 12.4.4 Profile of employees who have salary levels higher than those determined by job evaluation, 1 April 2024 - 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	**0**
Male	0	0	0	0	**0**
TOTAL	**0**	**0**	**0**	**0**	**0**
Employees with a disability	0	0	0	0	0
Total number of employees whose salaries exceeded the grades determined by job evaluation					**0**

12.5 EMPLOYMENT CHANGES

Table 12.5.1 Annual turnover rates by salary band, 1 April 2024 – 31 March 2025

Salary band	Number of employees at 1 April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (levels 1 - 2)	386	2	5	1
Skilled (levels 3 - 5)	1259	22	72	6
Highly skilled production (levels 6 - 8)	434	10	44	10
Highly skilled supervision (levels 9 - 12)	184	9	20	11
Senior Management Service Band A (level 13)	17	3	4	24
Senior Management Service B (level 14)	6	0	2	33
Senior Management Service Band C (level 15)	0	0	0	0
MEC & Senior Management Service Band D (level 16)	1	1	1	100
Contracts	116	59	104	90
TOTAL	**2403**	**106**	**252**	**11**

Table 12.5.2 Annual turnover rates by critical occupation, 1 April 2024 – 31 March 2025				
Critical occupation	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Account clerk (public relations/communication)	0	0	1	0
Administration clerks	0	24	14	0
Administration officer	0	0	5	0
Administrative related	130	0	2	2
Air conditioning and refrigeration mechanic	0	1	1	0
All artisans in the building metal machinery etc.	104	0	0	0
Architects, town and traffic planners	4	0	0	0
Artisan project and related superintendents	10	0	1	10
Auxiliary and related workers	31	0	0	0
Backhoe operator	0	0	3	0
Boiler or engineer operator	0	0	1	0
Boiler and related operators	1	0	0	0
Builder	0	1	14	0
Building and other property caretakers	18	0	1	6
Bus and heavy vehicle drivers	6	0	1	17
Call or contact centre clerk	0	1	2	0
Caretaker/ cleaner	0	2	2	0
Carpenter	0	0	7	0
Cartographers and surveyors	6	0	0	0
Cartographic surveying and related technicians	1	0	0	0
Chemical and physical science technicians	6	0	0	0
Civil engineer	0	2	3	0
Cleaners in offices workshops hospitals etc.	235	0	1	0
Clerical supplementary workers not elsewhere classified	0	0	1	0
Client inform clerks (switchb recept inform clerks)	9	0	0	0
Computer system designers and analysts.	2	0	0	0
Concreter	0	1	0	0
Construction project manager	0	2	1	0
Drainage & sewerage and storm water worker	0	1	3	0
Earthmoving plant operator (general)	0	13	0	0
Electrical and electronics engineering technicians	2	0	1	50
Electrical or telecommunications trades assistant	0	0	1	0
Electrician	0	0	1	0
Elementary workers not elsewhere classified	1	3	3	300

Table 12.5.2 Annual turnover rates by critical occupation, 1 April 2024 – 31 March 2025

Critical occupation	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Enforcement and compliance manager	0	1	0	0
Engineering manager	0	3	1	0
Engineering sciences related	16	0	0	0
Engineers and related professionals	5	0	0	0
Facilities manager	0	0	1	0
Farm hands and labourers	35	0	0	0
Filing and registry clerk	0	0	2	0
Finance and economics related	0	1	0	0
Finance clerk	0	0	4	0
Finance manager	0	0	1	0
Financial accountant	0	3	5	0
Financial and related professionals	33	0	0	0
Financial clerks and credit controllers	13	0	0	0
General legal administration & rel. Professionals	2	0	0	0
Human resource clerk	0	2	3	0
Human resources & organizational dev & related professions	8	0	0	0
Human resources clerks	39	0	0	0
Industrial/ labour relations officer	0	1	0	0
Inspectors of apprentices, works and vehicles	92	0	3	3
Internal auditor	0	0	1	0
Language practitioners, interpreters & other communicators	2	0	0	0
Legal administration officer	0	1	0	0
Librarians and related professionals	1	0	0	0
Library mail and related clerks	21	0	0	0
Light vehicle drivers	94	4	6	6
Logistical support personnel	1	0	0	0
Managers not elsewhere classified	0	1	1	0
Material-recording and transport clerks	7	0	0	0
Mechanical engineer	0	2	1	0
Messengers	0	0	1	0
Messengers, porters and deliverers	8	0	0	0
Middle manager: HR & organizational dev. related	0	0	1	0
Middle manager: administrative related	0	4	4	0
Middle manager: finance and economics related	0	1	1	0

Table 12.5.2 Annual turnover rates by critical occupation, 1 April 2024 – 31 March 2025

Critical occupation	Number of employees at beginning of period - 1 April 2024	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Middle manager: legal related	0	2	0	0
Motor vehicle drivers	88	0	0	0
Motorized farm and forestry plant operators	5	0	0	0
Office cleaner	0	3	18	0
Other admin & related clerks and organizers	331	0	76	23
Other administrative policy and related officers	72	0	0	0
Other information technology personnel.	2	0	0	0
Other middle manager	0	2	2	0
Other occupations	1	0	1	100
Painter	0	0	1	0
Plant & machine operators & assemblers	0	0	3	0
Plumber	0	0	4	0
Policy and planning managers	0	0	1	0
Printing and related machine operators	17	0	0	0
Production advisers: factories	110	0	0	0
Quantity surveyors & related professionals not classed elsewhere	1	0	0	0
Receptionist (general)	1	1	0	0
Registry and mailing clerk	0	2	2	0
Road construction plant operator	0	0	5	0
Road superintendents	18	0	0	0
Road trade workers.	33	0	1	3
Road workers	431	0	11	3
Safety health and quality inspectors	19	0	0	0
Secretaries & other keyboard operating clerks	16	0	0	0
Secretary (general)	0	8	1	0
Security officers	1	0	0	0
Senior managers	26	0	2	8
Social auxiliary worker	0	0	1	0
Social work and related professionals	3	0	0	0
Supply chain clerk	0	11	10	0
Systems administrator	0	0	1	0
Trade labourers	285	0	0	0
Welder	0	2	6	0
Total	**2403**	**106**	**252**	**11**

Table 12.5.3 Reasons why staff left the Department, 1 April 2024 - 31 March 2025

Termination Type	Number	% of total resignations
Death	18	7%
Resignation	37	15%
Expiry of contract	105	42%
Dismissal – operational changes	0	0
Dismissal – misconduct	4	2%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	4	2%
Retirement	77	31%
Transfer to other Public Service Departments	7	3%
Other	0	0
TOTAL	**252**	**100%**
Total number of employees who left as a % of total employment		**11%**

Table 12.5.4 Promotions by critical occupation, 1 April 2024 - 31 March 2025

Occupation	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Account clerk (public relations/communication)	0	0	0	12	0
Administration clerks	0	2	0	142	0
Administration officer	0	0	0	28	0
Administrative related	130	0	0	0	0
Air conditioning and refrigeration mechanic	0	2	0	20	0
All artisans in the building metal machinery etc.	104	0	0	1	1%
Architects, town and traffic planners	4	0	0	0	0
Artisan project and related superintendents	10	0	0	0	0
Auxiliary and related workers	31	0	0	0	0
Backhoe operator	0	0	0	57	0
Boiler and related operators	1	0	0	0	0
Boiler maker	0	0	0	1	0
Boiler or engineer operator	0	0	0	33	0
Builder	0	0	0	224	0
Builder's worker	0	0	0	3	0
Building and other property caretakers	18	0	0	0	0
Bus and heavy vehicle drivers	6	0	0	1	17%
Business development officer	0	0	0	1	0
Caretaker/ cleaner	0	0	0	58	0
Carpenter	0	0	0	28	0

Table 12.5.4 Promotions by critical occupation, 1 April 2024 - 31 March 2025

Occupation	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Cartographers and surveyors	6	0	0	0	0
Cartographic surveying and related technicians	1	0	0	0	0
Chemical and physical science technicians	6	0	0	0	0
Chemical engineering technician	0	0	0	1	0
Child care worker	0	0	0	1	0
Civil engineer	0	0	0	1	0
Civil engineering constructor	0	0	0	1	0
Civil engineering technician	0	0	0	13	0
Cleaners in offices workshops hospitals etc.	235	0	0	0	0
Client inform clerks (switchb recept inform clerks)	9	0	0	0	0
Computer system designers and analysts.	2	0	0	0	0
Concreter	0	2	0	3	0
Construction project manager	0	0	0	2	0
Craft & related workers not elsewhere classified	0	0	0	3	0
Diesel mechanic	0	0	0	7	0
Dispatching and receiving clerk	0	0	0	1	0
Drainage & sewerage and storm water worker	0	1	0	63	0
Earthmoving plant operator (general)	0	0	0	11	0
Electrical and electronics engineering technicians	2	0	0	0	0
Electrical engineering technician	0	0	0	1	0
Electrical equipment mechanic	0	0	0	1	0
Electrical or telecommunications trades assistant	0	0	0	3	0
Electrician	0	0	0	30	0
Elementary workers not elsewhere classified	1	0	0	20	2000%
Energy engineer	0	0	0	1	0
Engineering sciences related	16	0	0	0	0
Engineers and related professionals	5	0	0	0	0
Environmental engineering technician	0	0	0	1	0
Farm hands and labourers	35	0	0	0	0
Filing and registry clerk	0	0	0	6	0
Finance clerk	0	0	0	19	0
Financial accountant	0	0	0	24	0
Financial and related professionals	33	0	0	0	0
Financial clerks and credit controllers	13	0	0	0	0

Table 12.5.4 Promotions by critical occupation, 1 April 2024 - 31 March 2025					
Occupation	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Fitter welder	0	0	0	2	0
Garden worker	0	0	0	65	0
General legal administration & rel. Professionals	2	0	0	0	0
Graphic designer	0	0	0	1	0
Human resource clerk	0	0	0	25	0
Human resource practitioner	0	0	0	17	0
Human resources & organizational dev & related professionals	8	0	0	0	0
Human resources clerks	39	0	0	0	0
Industrial/ labour relations officer	0	0	0	4	0
Inspectors of apprentices, works and vehicles	92	0	0	0	0
Internal auditor	0	0	0	2	0
Language practitioners, interpreters & other communicators	2	0	0	0	0
Legal administration officer	0	0	0	1	0
Librarian	0	0	0	2	0
Librarians and related professionals	1	0	0	0	0
Library assistant	0	0	0	1	0
Library mail and related clerks	21	0	0	0	0
Light vehicle drivers	94	0	0	32	34%
Livestock product analyst	0	0	0	1	0
Logging plant operator	0	0	0	1	0
Logistical support personnel	1	0	0	0	0
Managers not elsewhere classified	0	0	0	1	0
Material-recording and transport clerks	7	0	0	0	0
Mechanical engineer	0	0	0	1	0
Messengers	0	0	0	7	0
Messengers, porters and deliverers	8	0	0	0	0
Middle manager: HR & organizational dev related	0	0	0	2	0
Middle manager: administrative related	0	1	0	14	0
Middle manager: finance and economics related	0	0	0	5	0
Middle manager: information technology related	0	0	0	2	0
Middle manager: communication & information related	0	0	0	1	0
Motor cycle driver	0	0	0	4	0

Table 12.5.4 Promotions by critical occupation, 1 April 2024 - 31 March 2025

Occupation	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Motor vehicle drivers	88	0	0	0	0
Motorized farm and forestry plant operators	5	0	0	0	0
Network analyst	0	0	0	3	0
Office cleaner	0	0	0	159	0
Organizational development practitioner	0	0	0	1	0
Other admin & related clerks and organizers	331	0	0	0	0
Other administrative policy and related officers	72	0	0	0	0
Other clerical support workers	0	0	0	1	0
Other information technology personnel.	2	0	0	0	0
Other middle manager	0	0	0	15	0
Other occupations	1	0	0	1	100%
Painter	0	0	0	12	0
Paving and surfacing worker	0	0	0	4	0
Personal assistant	0	0	0	1	0
Plant & machine operators& assemblers not classified	0	0	0	9	0
Plumber	0	0	0	48	0
Plumber's assistant	0	0	0	3	0
Printing and related machine operators	17	0	0	0	0
Production advisers: factories	110	0	0	0	0
Quantity surveyors & related professionals not classed elsewhere	1	0	0	0	0
Receptionist (general)	1	0	0	0	0
Risk officer	0	1	0	1	0
Road construction plant operator	0	0	0	68	0
Road superintendents	18	0	0	0	0
Road trade workers.	33	0	0	0	0
Road workers	431	0	0	1	0
Safety health and quality inspectors	19	0	0	0	0
Secretaries & other keyboard operating clerks	16	0	0	0	0
Secretary (general)	0	0	0	11	0
Security officers	1	0	0	1	100%
Senior managers	26	0	0	0	0
Skills development facilitator/ practitioner	0	0	0	1	0
Social auxiliary worker	0	0	0	1	0

Table 12.5.4 Promotions by critical occupation, 1 April 2024 - 31 March 2025

Occupation	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Social work and related professionals	3	0	0	0	0
Social worker	0	0	0	2	0
Supply chain clerk	0	0	0	26	0
Supply chain practitioner	0	0	0	1	0
Surveying or cartographic technician	0	0	0	1	0
Surveyor	0	0	0	1	0
Switchboard operator	0	0	0	8	0
Systems administrator	0	0	0	1	0
Trade labourers	285	0	0	1	0
Training and development professional	0	0	0	1	0
Truck driver (general)	0	0	0	2	0
Wall and floor tiler	0	0	0	2	0
Welder	0	0	0	199	0
Word processing operator	0	0	0	1	0
Total	**2403**	**9**	**0**	**1600**	**67%**

Table 12.5.5 Promotions by salary band, 1 April 2024 - 31 March 2025

Salary band	Employees as at 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Lower skilled (levels 1 - 2)	391	0	0	148	38%
Skilled (levels 3 - 5)	1346	2	0	1018	76%
Highly skilled production (levels 6 - 8)	445	5	1%	297	67%
Highly skilled supervision (levels 9 -12)	194	2	1%	137	71%
Senior management (levels 13 - 16)	27	0	0	0	0
TOTAL	**2403**	**9**	**0%**	**1600**	**67%**

12.6 EMPLOYMENT EQUITY

Table 12.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2025									
Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Elementary occupations	4	0	0	0	4	0	0	0	8
Clerical support workers	14	0	0	0	31	0	0	0	45
Managers	10	0	0	0	7	0	0	0	17
Professionals	6	0	0	0	0	0	0	0	6
Plant, machine operators and assemblers	15	0	0	0	0	0	0	0	15
Protective and rescue service workers, social and health sciences, supplementary and support personnel	0	0	0	0	0	0	0	0	0
Skilled agricultural, forestry and fisheries, craft and related trades workers	8	0	0	0	0	0	0	0	8
Technicians and associated technical occupations	0	0	0	0	0	0	0	0	0
Security and custodial personnel	0	0	0	0	0	0	0	0	0
Unknown - post occupational classification not updated with new codes – codes are awaited from National Treasury	1310	13	3	15	789	16	1	19	2166
TOTAL	1367	13	3	15	831	16	1	19	2265
Employees with disabilities	25	1	0	1	4	0	0	1	32

Table 12.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025									
Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	13	0	0	0	5	1	0	2	21
Professionally qualified and experienced specialists and mid-management	54	0	1	0	34	1	1	2	93
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	291	5	1	7	208	4	0	9	525
Semi-skilled and discretionary decision making	830	7	1	7	384	8	0	6	1243
Unskilled and defined decision making	178	1	0	1	192	2	0	0	374
Developmental Programmes (interns & learners)	0		0	0	7	0	0	0	7
Total	1367	13	3	15	831	16	1	19	2265
Employees with disabilities	25	1	0	1	4	0	0	1	32

Table 12.6.3 Recruitment, 1 April 2024 - 31 March 2025									
Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	1	0	0	0	1
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	3	0	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6	0	0	0	5	0	0	0	11
Semi-skilled and discretionary decision-making	14	0	0	0	5	0	0	0	19
Unskilled and defined decision making	33	0	0	0	28	0	0	0	61
Developmental programmes (interns & learners)	1	0	0	0	3	0	0	0	4
TOTAL	2	0	0	0	1	0	0	0	3
Transfers to the Department	**59**	**0**	**0**	**0**	**43**	**0**	**0**	**0**	**102**
Total including transfers to Department	2	0	0	0	2	0	0	0	**4**
Employees with disabilities	**61**	**0**	**0**	**0**	**45**	**0**	**0**	**0**	**106**

Table 12.6.4 Promotions, 1 April 2024 - 31 March 2025									
Occupational bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0		0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	0	0	0	1	0	0	0	6
Semi-skilled and discretionary decision making	2	0	0	0	0	0	0	0	2
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
TOTAL	8	0	0	0	1	0	0	0	9
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 12.6.5 Terminations, 1 April 2024 - 31 March 2025									
Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Exception - Political Office Bearers	1	0	0	0	0	0	0	0	1
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	4	0	0	0	2	0	0	0	6
Professionally qualified and experienced specialists and mid-management	13	0	0	1	6	0	0	1	21
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	34	0	0	2	12	0	0	2	50
Semi-skilled and discretionary decision making	59	0	0	1	19	0	0	0	79
Unskilled and defined decision making	4	0	0	0	4	0	0	0	8
Developmental Programmes (interns & learners)	23	1	0	0	56	0	0	0	80
Total	**138**	**1**	**0**	**4**	**99**	**0**	**0**	**3**	**245**
Transfers out of the Department	4	0	0	0	3	0	0	0	7
Total including transfers out of the Department	**142**	**1**	**0**	**4**	**102**	**0**	**0**	**3**	**252**
Employees with Disabilities	3	0	0	1	0	0	0	0	**4**

Table 12.6.6 Disciplinary action, 1 April 2024 - March 2025									
Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	40	0	0	0	10	0	0	0	50
TOTAL	40	0	0	0	10	0	0	0	50

Table 12.6.7 Skills development, 1 April 2024 - 31 March 2025									
Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	7	0	0	0	2	0	0	0	9
Professionals	27	0	0	0	24	0	0	0	51
Technicians and associate professionals	20	0	0	0	4	0	0	0	24
Clerks	32	0	0	0	51	0	0	0	83
Service and sales workers	2	0	0	0	0	0	0	0	2
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	26	0	0	0	1	0	0	0	27
Plant and machine operators and assemblers	67	0	0	0	4	0	0	0	71
Elementary occupations	132	0	0	0	75	0	0	0	207
Total	**313**	**0**	**0**	**0**	**161**	**0**	**0**	**0**	**474**
Employees with disabilities	0	0	0	0	0	0	0	0	**0**

12.7 PERFORMANCE AGREEMENTS – SMS

Table 12.7.1 Signing of performance agreements by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts on 30 April 2024	Total number of SMS members on 30 April 2024	Total number of signed performance agreements	Signed performance agreements as a % of total number of SMS members
Director-General/ Head of Department	0	0	0	0
Salary Level 15	1	1	1	100%
Salary Level 14	6	6	6	100%
Salary Level 13	23	19	17	89.50%
Total	**30**	**26**	**24**	**92.3%**

Table 12.7.2 Reasons for not having concluded performance agreements for all SMS members as on 31 May 2024
One (1) SMS member did not sign due to being on precautionary suspension. One (1) SMS member did not submit a performance agreement.

Table 12.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 May 2024
Under investigation.

12.8 PERFORMANCE REWARDS

Table 12.8.1 Performance rewards by race, gender and disability, 1 April 2024 - 31 March 2025

Race	Gender	Beneficiary Profile			Cost	
		Number of beneficiaries	Number of employees	% of total within group	Cost	Average cost per employee
African	Female	0	831	0	R0.00	R0.00
	Male	0	1367	0	R0.00	R0.00
Coloured	Female	0	16	0	R0.00	R0.00
	Male	0	13	0	R0.00	R0.00
Indian	Female	0	1	0	R0.00	R0.00
	Male	0	3	0	R0.00	R0.00
White	Female	0	19	0	R0.00	R0.00
	Male	0	15	0	R0.00	R0.00
TOTAL		**0**	**2265**	**0**	**R0.00**	**R 0.00**

Table 12.8.2 Performance rewards by salary bands for personnel below Senior Management Service, 1 April 2024 - 31 March 2025

Salary bands	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees as at 31 March 2025	% of total within salary bands	Total Cost	Average cost per employee	
Lower Skilled (level 1 - 2)	0	374	0	R0.00	R0.00	0
Skilled (level 3 - 5)	0	1250	0	R0.00	R0.00	0
Highly skilled production (level 6 - 8)	0	428	0	R0.00	R0.00	0
Highly skilled supervision (level 9 - 12)	0	190	0	R0.00	R0.00	0
Total	0	2242	0	R0.00	R0.00	0

Table 12.8.3 Performance Rewards by critical occupations, 1 April 2024 to 31 March 2025

Occupation	Beneficiary profile			Cost	
	No of beneficiaries	Number of employees as at 31 March 2025	% of total within occupation	Total cost	Average cost per employee
Administration clerks	0	21	0	R0.00	R0.00
Administrative related	0	116	0	R0.00	R0.00
Air conditioning and refrigeration mechanic	0	3	0	R0.00	R0.00
All artisans in the building metal machinery etc.	0	94	0	R0.00	R0.00
Architects, town and traffic planners	0	4	0	R0.00	R0.00
Artisan project and related superintendents	0	8	0	R0.00	R0.00
Auxiliary and related workers	0	30	0	R0.00	R0.00
Boiler and related operators	0	1	0	R0.00	R0.00
Builder	0	1	0	R0.00	R0.00
Building and other property caretakers	0	18	0	R0.00	R0.00
Bus and heavy vehicle drivers	0	6	0	R0.00	R0.00
Caretaker/ cleaner	0	2	0	R0.00	R0.00
Cartographers and surveyors	0	6	0	R0.00	R0.00
Cartographic surveying and related technicians	0	1	0	R0.00	R0.00
Chemical and physical science technicians	0	6	0	R0.00	R0.00
Cleaners in offices workshops hospitals etc.	0	225	0	R0.00	R0.00
Client inform clerks (switchb recept inform clerks)	0	9	0	R0.00	R0.00
Computer system designers and analysts.	0	2	0	R0.00	R0.00
Concreter	0	3	0	R0.00	R0.00
Construction project manager	0	2	0	R0.00	R0.00
Drainage & sewerage and storm water worker	0	2	0	R0.00	R0.00
Earthmoving plant operator (general)	0	12	0	R0.00	R0.00
Electrical and electronics engineering technicians	0	1	0	R0.00	R0.00

Table 12.8.3 Performance Rewards by critical occupations, 1 April 2024 to 31 March 2025					
Occupation	Beneficiary profile			Cost	
	No of beneficiaries	Number of employees as at 31 March 2025	% of total within occupation	Total cost	Average cost per employee
Elementary workers not elsewhere classified	0	2	0	R0.00	R0.00
Enforcement and compliance manager	0	2	0	R0.00	R0.00
Engineering manager	0	2	0	R0.00	R0.00
Engineering sciences related	0	15	0	R0.00	R0.00
Engineers and related professionals	0	5	0	R0.00	R0.00
Farm hands and labourers	0	34	0	R0.00	R0.00
Financial accountant	0	3	0	R0.00	R0.00
Financial and related professionals	0	27	0	R0.00	R0.00
Financial clerks and credit controllers	0	13	0	R0.00	R0.00
General legal administration & rel. Professionals	0	2	0	R0.00	R0.00
Human resource clerk	0	3	0	R0.00	R0.00
Human resources & organizational dev & related professionals	0	7	0	R0.00	R0.00
Human resources clerks	0	37	0	R0.00	R0.00
Industrial/ labour relations officer	0	1	0	R0.00	R0.00
Inspectors of apprentices, works and vehicles	0	86	0	R0.00	R0.00
Language practitioners, interpreters & other communicators	0	2	0	R0.00	R0.00
Legal administration officer	0	1	0	R0.00	R0.00
Librarians and related professionals	0	1	0	R0.00	R0.00
Library mail and related clerks	0	20	0	R0.00	R0.00
Light vehicle driver	0	3	0	R0.00	R0.00
Light vehicle drivers	0	87	0	R0.00	R0.00
Logistical support personnel	0	1	0	R0.00	R0.00
Managers not elsewhere classified	0	1	0	R0.00	R0.00
Material-recording and transport clerks	0	7	0	R0.00	R0.00
Messengers, porters and deliverers	0	8	0	R0.00	R0.00
Middle manager: administrative related	0	5	0	R0.00	R0.00
Middle manager: finance and economics related	0	1	0	R0.00	R0.00
Middle manager: legal related	0	2	0	R0.00	R0.00
Middle manager: communication & information related	0	1	0	R0.00	R0.00
Motor vehicle drivers	0	77	0	R0.00	R0.00
Motorized farm and forestry plant operators	0	5	0	R0.00	R0.00
Office cleaner	0	2	0	R0.00	R0.00
Other admin & related clerks and organizers	0	231	0	R0.00	R0.00

Table 12.8.3 Performance Rewards by critical occupations, 1 April 2024 to 31 March 2025

Occupation	Beneficiary profile			Cost	
	No of beneficiaries	Number of employees as at 31 March 2025	% of total within occupation	Total cost	Average cost per employee
Other administrative policy and related officers	0	69	0	R0.00	R0.00
Other information technology personnel.	0	2	0	R0.00	R0.00
Other middle manager	0	1	0	R0.00	R0.00
Printing and related machine operators	0	16	0	R0.00	R0.00
Production advisers: factories	0	102	0	R0.00	R0.00
Receptionist (general)	0	1	0	R0.00	R0.00
Registry and mailing clerk	0	1	0	R0.00	R0.00
Risk officer	0	1	0	R0.00	R0.00
Road superintendents	0	18	0	R0.00	R0.00
Road trade workers.	0	32	0	R0.00	R0.00
Road workers	0	406	0	R0.00	R0.00
Safety health and quality inspectors	0	18	0	R0.00	R0.00
Secretaries & other keyboard operating clerks	0	15	0	R0.00	R0.00
Secretary (general)	0	8	0	R0.00	R0.00
Security officers	0	1	0	R0.00	R0.00
Senior managers	0	19	0	R0.00	R0.00
Social work and related professionals	0	3	0	R0.00	R0.00
Supply chain clerk	0	11	0	R0.00	R0.00
Trade labourers	0	273	0	R0.00	R0.00
Welder	0	1	0	R0.00	R0.00
Total	**0**	**2265**	**0**	**R0.00**	**R0.00**

Table 12.8.4 Performance related rewards (cash bonus) by salary bands for Senior Management Service, 1 April 2024 - 31 March 2025

Salary bands	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees as at 31 March 2025	% of total within salary bands	Total cost	Average cost per employee	
Senior Management Service Band A (level 13)	0	17	0	R0.00	R0.00	0
Senior Management Service Band B (level 14)	0	4	0	R0.00	R0.00	0
Senior Management Service Band C (level 15)	0	1	0	R0.00	R0.00	0
Senior Management Service Band D (level 16)	0	1	0	R0.00	R0.00	0
TOTAL	**0**	**23**	**0**	**R0.00**	**R0.00**	**0**

12.9 FOREIGN WORKERS

Table 12.9.1 Foreign workers by salary band, 1 April 2024 - 31 March 2025						
Salary bands	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% of total
Lower skilled (levels 1 - 2)	0	0	0	0	0	0
Skilled (levels 3 - 5)	0	0	0	0	0	0
Highly skilled production (levels 6 - 8)	0	0	0	0	0	0
Highly skilled supervision (levels 9 -12)	2	100%	2	100%	0	0
Senior Management (levels 13 -16)	0	0	0	0	0	0
Contract (levels 1 - 2)	0	0	0	0	0	0
Contract (levels 3 - 5)	0	0	0	0	0	0
Contract (levels 6 - 8)	0	0	0	0	0	0
Contract (levels 9 - 12)	0	0	0	0	0	0
Contract (levels 13 - 16)	0	0	0	0	0	0
TOTAL	2	100%	2	100%	0	0

Table 12.9.2 Foreign workers by major occupation, 1 April 2024 - 31 March 2025						
Occupation	1 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% of total
Architects, town and traffic planners	1	50%	1	50%	0	0
Senior managers	1	50%	0	0	-1	0
Surveying or cartographic technician	0	0	1	50%	1	0
TOTAL	2	100%	2	100%	0	0

12.10 LEAVE UTILIZATION

Table 12.10.1 Sick leave, 1 January 2024 - 31 December 2024						
Salary bands	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost
Lower skilled (levels 1 - 2)	1626	89%	189	11%	9	R1 200 718.35
Skilled (levels 3 - 5)	7553	87%	921	55%	8	R7 273 458.52
Highly skilled production (levels 6 - 8)	2961	79%	403	24%	7	R5 162 356.31
Highly skilled supervision (levels 9 - 12)	1089	82%	151	9%	7	R3 303 520.21
Senior management (levels 13 - 16)	100	89%	13	1%	8	R502 791.79
TOTAL	13329	85%	1677	100%	8	R17 442 845.18

Table 12.10.2 Disability leave (temporary and permanent), 1 January 2024 - 31 December 2024

Salary bands	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using sick leave	Average days per employee	Estimated cost
Lower skilled (levels 1 - 2)	274	100%	16	11%	17	R202 470.26
Skilled (levels 3 - 5)	3050	100%	97	64%	31	R2 940 147.22
Highly skilled production (levels 6 - 8)	830	100%	27	18%	31	R1 323 038.25
Highly skilled supervision (levels 9 -12)	309	100%	9	6%	34	R940 496.53
Senior management (levels 13 - 16)	176	100%	2	1%	88	R848 844.77
TOTAL	4639	100%	151	100%	31	R6 254 997.03

Table 12.10.3 Annual leave, 1 January 2024 - 31 December 2024

Salary bands	Total days	Number of employees using annual leave	Average days per employee
Lower skilled (levels 1 - 2)	5892.92	259	23
Skilled (levels 3 - 5)	33352.67	1379	24
Highly skilled production (levels 6 - 8)	14478.25	575	25
Highly skilled supervision (levels 9 -12)	5609	229	24
Senior management (levels 13 - 16)	501	26	19
TOTAL	59833.84	2468	24

Table 12.10.4 Capped leave, 1 January 2024 - 31 December 2024

Salary bands	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2023
Lower skilled (levels 1 - 2)	0	0	0	0
Skilled (levels 3 - 5)	36	14	3	11
Highly skilled production (levels 6 - 8)	54	7	8	22
Highly skilled supervision (levels 9 - 12)	14	2	7	27
Senior management (levels 13 - 16)	0	0	0	11
TOTAL	104	23	5	14

Table 12.10.5 Leave payouts, 1 April 2024 - 31 March 2025

Reason	Total amount	Number of employees	Average payment per employee
Leave payout for 2023/24 due to non-utilization of leave for the previous cycle	R0.00	0	R0.00
Capped leave payouts on termination of service for 2023/24	R0.00	0	R0.00
Current leave payout on termination of service for 2023/24	R10 231 204.20	141	R72 562.00
TOTAL	R10 231 204.20	141	R72 562.00

12.11 HIV / AIDS AND HEALTH PROMOTION PROGRAMMES

Table 12.11.1 Steps taken to reduce the risk of occupational exposure, 1 April 2024 - 31 March 2025

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (If any)	Key steps taken to reduce the risk
Employees working at road camps	✓ Conducted HIV / AIDS campaigns. ✓ Distributed HIV / AIDS pamphlets. ✓ Distributed condoms.

Table 12.11.2 Details of Health Promotion and HIV/AIDS Programmes, 1 April 2023 - 31 March 2024

Question	Yes	No	Details, if yes
1. Does the Department have a 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		Director: Human Resource Management Ms V Matlapeng
2. Does the Department have a dedicated unit, or has it designated staff members to promote the health and wellbeing 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		Sub-directorate: Integrated Employee Health and Wellness (IEHW) Deputy Director IEHW: Mr M Seitsang Assistant Director Wellness: Vacant Assistant Director SHERQ: Ms K Mosiemang Assistant Director HIV/AIDS and Tuberculosis: Vacant 3 Personnel Practitioners 1 Gym Instructor 2 Admin Clerks Budget: 0.5% of personnel costs
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for its employees? If so, indicate the key elements/services of this Programme.	Yes		HCT programmes conducted Condom distribution Health screenings HIV counseling and testing services Regular inspections and risk assessments at offices and workstations Prevention programmes. Psychosocial counseling for employees Bereavement counseling for employees Awareness campaigns conducted Gymnasium facility at Head Office Employees participate in sports and recreation activities
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		Occupational Health and Safety Committee Sport and Recreation Committee
5. Has the Department reviewed the employment policies and practices of your Department to ensure that these do not unfairly discriminate against employees	Yes		HIV /AIDS and Tuberculosis Policy SHERQ / Occupational Health and Safety Management Policy

Table 12.11.2 Details of Health Promotion and HIV/AIDS Programmes, 1 April 2023 - 31 March 2024

on the basis of their HIV status? If so, list the employment policies/practices so department 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.			Sport and Recreation Policy Wellness Management Policy Health and Productivity 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		Awareness programmes to prevent stigma and discrimination. HIV / AIDS and Tuberculosis (TB) Policy is in place. Workshops on dissemination of the HIV / AIDS and Tuberculosis Policy. Support programmes for employees and their families who are affected by, and infected with HIV.
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have you achieved.	Yes		HIV counseling and testing were conducted by GEMS medical aid and other service providers. The results were as follows: 43 024 condoms were distributed (36 843 were male condoms and 3 181 were female condoms) during the 2024/25 financial year. 503 employees were tested for HIV, of which 221 were male employees and 282 were female employees. Awareness programmes were conducted on HIV, STIs, TB and PrEp. A total number of 1 113 employees participated during the 2024/25 financial year. Awareness campaigns were conducted on HIV and TB treatment adherence. A total of 1 653 employees were reached during the 2024/25 financial year.
8. Has the Department developed measures / indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures / indicators.	Yes		Statistics are provided by GEMS medical aid and other service providers which gives an indication on how many employees tested / screened for HIV / AIDS, tuberculosis and non-communicable diseases. HIV and tuberculosis-related stigma and discrimination, health education sessions are conducted, and 441 employees were reached during the 2024/25 financial year. Tuberculosis awareness workshops are conducted at departmental road camps. A total of 665 employees were reached during the 2024/25 financial year. 960 were screened for TB. Monthly, quarterly and annual reports were prepared and submitted to departmental management, the Office of the Premier and the Department of Public Service and Administration. Information, educational and communication material on HIV/AIDS and other health promotional materials are distributed regularly in the Department. A total of 1 163 employees were reached during the 2024/25 financial year. Officials who have disclosed their status are receiving continuous counselling, support, care and they are referred to relevant stakeholders for specialized services through this office.

12.12 LABOUR RELATIONS

Table 12.12.1 Collective agreements, 1 April 2024 - 31 March 2025	
Subject matter	Date
None	

Table 12.12.2 Misconduct and disciplinary hearings finalized, 1 April 2024 - 31 March 2025		
Outcome of disciplinary hearing	Number	% of Total
Corrective counselling	0	0
Verbal warning	1	0.02%
Written warning	3	0.08%
Final written warning	7	0.19%
Suspended without pay	11	0.30%
Fine	0	0
Demotion	0	0
Dismissal	05	0.13%
Not guilty	03	0.08%
Case withdrawn	06	0.16%
TOTAL	36	100%

Table 12.12.3 Types of misconduct addressed at disciplinary hearings, 1 April 2024 – 31 March 2025		
Types of misconduct	Number	% of Total
Insubordination	1	2%
Absenteeism	7	14%
Theft	7	14%
Misuse of state property	7	14%
Negligence	3	6%
Intimidation	1	2%
Fraud	5	10%
Insolence behavior	5	10%
Assault	0	0
Dereliction of duty	0	0
Sexual harassment	0	0
Deemed dismissed	1	2%
Under influence of alcohol	3	6%
SCM irregularities	6	12%
Non-disclosure of information	4	8%
TOTAL	50	100%

Table 12.12.4 Grievances lodged, 1 April 2024 - 31 March 2025		
Grievances	Number	% of Total
Number of grievances resolved	45	93.8%
Number of grievance not resolved	3	6.3%
TOTAL	48	100%

Table 12.12.5 Disputes lodged with Councils, 1 April 2024 - 31 March 2025		
Disputes	Number	% of Total
Number of disputes in favour of applicant	05	29%
Number of disputes dismissed	03	17%
Number of disputes in favour of employer	01	5%
Pending disputes	08	47%
TOTAL	17	100%

Table 12.12.6 Strike actions, 1 April 2024 - 31 March 2025	
Total number of person working days lost	9
Total cost (R'000) of working days lost	R5 359.66
Amount (R'000) recovered as a result of no work no pay	R419 373.69

Table 12.12.7 Precautionary suspensions, 1 April 2024 - 31 March 2025	
Number of people suspended	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	26 months
Cost of suspension	R1 387 133.80

Table 12.12.8 Disciplinary action, 1 April 2024 - 31 March 2025									
Disciplinary action	African	Coloured	Indian	White	African	Coloured	Indian	White	Total
	42	0	0	0	5	0	0	0	47

12.13 SKILLS DEVELOPMENT

Table 12.13.1 Training needs identified, 1 April 2024 - 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of Training	Total
Elementary occupations	Female	362	0	64	0	64
	Male	651	0	83	0	83
Clerical support workers	Female	350	0	52	0	52
	Male	159	0	45	0	45
Managers	Female	0	0	160	0	160
	Male	0	0	180	0	180
Professionals	Female	132	0	83	0	83
	Male	110	3	71	0	74
Plant, machine operators and assemblers	Female	21	0	1	0	1
	Male	190	0	86	0	86
Protective and rescue service workers; social and health sciences, supplementary and support personnel	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agricultural, forestry, fishery, craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate technical occupations	Female	9	0	47	0	47
	Male	50	0	76	0	76
Security and custodial personnel	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Craft & related trade workers	Female	51	0	0	0	0
	Male	316	0	5	0	5
Other	Female	0	0	0	0	0
	Male	1	0	0	0	0
Sub total	Female	**925**	**0**	**407**	**0**	**407**
	Male	**1478**	**3**	**546**	**0**	**549**
TOTAL		2403	3	953	0	956

Table 12.13.2 Training provided, 1 April 2024 - 31 March 2025

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of Training	
Elementary occupations	Female	362	0	75	0	75
	Male	651	0	132	0	132
Clerical support workers	Female	350	0	51	0	51
	Male	159	0	32	0	32
Managers	Female	0	0	2	0	2
	Male	0	0	7	0	7
Professionals	Female	132	0	24	0	24
	Male	110	3	24	0	27
Plant, machine operators and assemblers	Female	21	0	4	0	4
	Male	190	0	67	0	67
Protective and rescue service workers; social and health sciences, supplementary and support personnel	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agricultural, forestry, fishery, craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate technical occupations	Female	9	0	4	0	4
	Male	50	0	20	0	20
Security and custodial personnel	Female	0	0	0	0	0
	Male	0	0	0	0	0
Service and sales workers	Female	0	0	0	0	0
	Male	1	0	2	0	2
Craft & related trade workers	Female	51	0	1	0	1
	Male	316	0	26	0	26
Other	Female	0	0	0	0	0
	Male	1	0	0	0	0
Sub Total	**Female**	**925**	**0**	**161**	**0**	**161**
	Male	**1478**	**3**	**310**	**0**	**313**
TOTAL		2403	3	471	0	474

12.14 INJURY ON DUTY

Table 12.14.1 Injury on duty, 1 April 2024 - 31 March 2025		
Nature of injury on duty	**Number**	**% of total**
Required basic medical attention only	4	2%
Temporary total disablement	15	7.5%
Permanent disablement	1	0.5%
Fatal	0	0
TOTAL	**20**	**10%**

12.15 UTILIZATION OF CONSULTANTS

12.15.1 Report on consultants' appointments using appropriated funds, 1 April 2024 - 31 March 2025						
Total No. of Projects .	**Project Description**	**Name of Consultants/ Professional Service Provider**	**Total number of consultants that worked on the project**	**Duration: Work days**	**Financial Year**	**Contract value in R'000**
1	Preparation of the Annual Financial Statements for the year ended 31 March 2025	Manone Consulting	1	12 months	2024/25	R1 457 280
1	Participation – Provision of financial consultancy services	Kreston North West	20	12 months	2024/25	Gazetted rates
1	Provision of project, programme and portfolio management services	GoBeng Consulting and DBG Projects JV	30	12 months	2024/25	Gazetted rates

12.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs), 1 April 2024 – 31 March 2025			
Project Description	**Percentage ownership by HDI groups**	**Percentage management HDI groups**	**Number of consultants from HDI groups that work on the project**
Preparation of the Annual Financial Statements for the year ended 31 March 2025	100%	100%	1
Participation – provision of financial consultancy services	100%	100%	20
Provision of project, programme and portfolio management services1	100%	100%	30

12.15.3 Report on consultant appointments using donor funds, 1 April 2024 – 31 March 2025			
Project Description	**Total number of consultants that worked on the project**	**Duration (work days)**	**Donor and contract value in Rand**
None.			

12.16 SEVERANCE PACKAGES

Table 12.16.1 Granting of employee-initiated severance packages, 1 April 2024 - 31 March 2025

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (levels 1 - 2)	0	0	0	0
Skilled (levels 3 - 5)	0	0	0	0
Highly skilled production (levels 6 - 8)	0	0	0	0
Highly skilled supervision (levels 9 - 12)	0	0	0	0
Senior management (levels 13 - 16)	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

PART E: PFMA COMPLIANCE REPORT

13. DISCLOSURE ON IRREGULAR EXPENDITURE

13.1 RECONCILIATION OF IRREGULAR EXPENDITURE

Table 13.1 Reconciliation of irregular expenditure

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Opening balance	5 888 012	5 707 957
Prior Period Errors	-	15 151
As Restated	5 888 012	5 723 108
Add: Irregular expenditure confirmed	482 872	164 902
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
CLOSING BALANCE	6 370 884	5 888 012

13.2 RECONCILING NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Table 13.2 Reconciling notes to the AFS

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment in 2023/24	-	-
Irregular expenditure that relates to 2023/24 and identified in 2024/25	-	-
Add: Irregular expenditure confirmed	482 872	164 902
TOTAL	482 872	164 902

13.3 DETAILS OF CURRENT AND PREVIOUS YEARS' IRREGULAR EXPENDITURE

13.3.1 Details of current and previous year irregular expenditure (under assessment, determination and investigation)

Table 13.3 Current and previous years' irregular expenditure

DESCRIPTION	2024/2025	20232024
	R'000	R'000
Irregular expenditure under assessment	64 776	-
Irregular expenditure under determination	1 915 756	-
Irregular expenditure under investigation	217 507	408 065
TOTAL	2 198 039	408 065

13.3.2 Irregular expenditure condoned

Table 13.4 Irregular expenditure condoned

DESCRIPTION	2024/2025	20232024
	R'000	R'000
None	-	-
TOTAL	-	-

13.3.3 Details of current and previous year irregular expenditure removed (not condoned)

Table 13.5 Irregular expenditure not condoned

DESCRIPTION	2024/2025 R'000	2023/2024 R'000
Irregular expenditure not condoned and removed	-	-
TOTAL	-	-

13.3.4 Current and previous year irregular expenditure recoverable

Table 13.6 Irregular expenditure recoverable

DESCRIPTION	2024/2025 R'000	2023/2024 R'000
Irregular expenditure written off	-	-
TOTAL	-	-

13.3.5 Current and previous year irregular expenditure not recoverable and written off (irrecoverable)

None.

13.3.6 Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

None.

13.3.7 Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

None.

13.3.8 Details of current and previous years disciplinary or criminal steps taken as a result of irregular expenditure

None.

14. DISCLOSURE ON FRUITLESS AND WASTEFUL EXPENDITURE

14.1 RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

Table 14.1 Reconciling of fruitless and wasteful expenditure

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Opening balance	20 009	18 554
Adjustment to opening balance	-	-
Opening balance as restated	20 009	18 554
Add: Fruitless and wasteful expenditure confirmed	518	1 454
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
CLOSING BALANCE	**20 527**	**20 009**

14.2 FRUITLESS AND WASTEFUL EXPENDITURE UNDER INVESTIGATION

Table 14.2 Fruitless and wasteful expenditure under investigation

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	518	1 454
TOTAL	**518**	**1 454**

14.2.1 Details of current and previous years' fruitless and wasteful expenditure recovered

None.

14.2.2 Details of current and previous years' fruitless and wasteful expenditure not recovered and written off

None.

14.2.3 Details of current and previous years' disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

None.

15. DISCLOSURE ON UNAUTHORIZED EXPENDITURE

15.1 RECONCILIATION OF UNAUTHORIZED EXPENDITURE

Table 15.1 Reconciling of unauthorized expenditure

DESCRIPTION	2024/2025 R'000	2023/2024 R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorized expenditure confirmed	-	-
Less: unauthorized expenditure approved with funding	-	-
Less: unauthorized expenditure approved without funding	-	-
Less: unauthorized expenditure recoverable[6]	-	-
Less: unauthorized not recoverable and written off[7]	-	-
CLOSING BALANCE	-	-

Table 15.2 Reconciling notes to the AFS

DESCRIPTION	2024/2025 R'000	2023/2024 R'000
Unauthorized expenditure that was under assessment	-	-
Unauthorized expenditure that relates to the prior year and identified in the current year	-	-
Unauthorized expenditure for the current year	-	-
TOTAL	-	-

15.1.1 Details of current and previous years' unauthorized expenditure (under assessment, determination, and investigation)

Table 15.3 Unauthorized expenditure under assessment, determination and investigation

DESCRIPTION	2024/2025 R'000	2023/2024 R'000
Unauthorized expenditure under assessment	-	-
Unauthorized expenditure under determination	-	-
Unauthorized expenditure under investigation	-	-
TOTAL	-	-

16. ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 40(3)(b)(i) AND (iii)

Table 16.1 Material losses through misconduct

MATERIAL LOSSES THROUGH MISCONDUCT	2024/2025 R'000	2023/2024 R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
TOTAL	-	-

Table 16.2 Other material losses

DETAILS / NATURE OF OTHER MATERIAL LOSSES	2024/2025 R'000	2023/2024 R'000
None.	-	-

[6] Transfer to receivables
[7] This amount may only be written off against available savings

Table 16.3 Other material losses recovered

OTHER MATERIAL LOSSES RECOVERED	2024/2025	2023/2024
	R'000	R'000
None.	-	-

Table 16.4 Other material losses not recoverable and written off

OTHER MATERIAL LOSSES NOT RECOVERABLE AND WRITTEN OFF	2024/2025	2023/2024
	R'000	R'000
None.	-	-

17. INFORMATION ON NON / LATE PAYMENT OF SUPPLIERS

Table 17: Late or non-payment of suppliers

DESCRIPTION	2024/2025	2023/2024
	R'000	R'000
Valid invoices received	419 606	108 324
Invoices paid within 30 days or agreed period	205 153	66 038
Invoices paid after 30 days or agreed period	4 471	42 287
Invoices older than 30 days or agreed period (unpaid and without dispute)	209 981	212 904
TOTAL	419 606	321 228

18. SUPPLY CHAIN MANAGEMENT

18.1 PROCUREMENT BY OTHER MEANS

None.

18.2 CONTRACT EXPANSIONS AND VARIATIONS

Table 18.1 List of contract expansions and variations

NO.	PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL VALUE OF CONTRACT R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S	VALUE OF CURRENT CONTRACT EXPANSION/S OR VARIATION
1	Re-gravelling of Road D5111 from Magong to Road P50/1 in Lekubung – Variation Order No. 1 and Extension of Time.	MGT Projects Pty Ltd	Variation Order No. 1 and Extension of Time.	PWR 124/20A-FA11	R49 994 946,30 (VAT Incl)	-	R 2 938 414,77 (VAT Incl)
2	Extension of scope of work to include storm water management and the widening of Bridge Number B2539 for Bigen Africa Services for special maintenance on the section of Nelson Mandela Road between Danville and Dada Motors in Mahikeng Town - Extension of Scope of work.	Bigen Africa	Extension of Scope of Work to Include storm Water Management and the widening of Bridge Number B2539 for Bigen Africa Services	PWR 124/20D-FA1	R47 002 948,21 (VAT Incl)	-	Gazetted rates
4	Special Maintenance on critical sections of Road P34/6 from Jan Kempdorp to Christiana (border with Free State) Phase 02 - Claim for Extension of Time with no additional costs	Makgetsi Construction	Extension of Time with no additional Costs	PWR 124/20C-FA1	R52 820 697,61 (VAT incl)	-	R0,00
5	Request for changing flooring specification from vinyl tiles To ceramic floor tiles for the construction Of Dirang Ka Natla Primary School As Per Clause 29.1 Of JBCC Contract.	Hlwella Mining	Request for changing flooring specification from vinyl tiles to ceramic floor tiles	PWR 108/15	R62 442 970,47 (VAT Incl)	-	R117,675,70 (SAVING)
6	Upgrading from gravel to surface standard of Road D201 as well as appurtenant works, from Pampierstad to Mokgareng through Motsweding to Mokasa of approximately 60 km, Phase 1. Ruling on Contractors claim – no. 1 for extension of time with additional costs due to stoppage at borrow pit no. 6 (BP 06)	Mopani Civil JV Imvula Roads And Civils	Contractors claim – no. 1 for extension of time with additional costs due to stoppage at borrow pit no. 6 (BP 06)	PWR 91/13	R148 798 228,85 (VAT Incl)	-	R384 846,73
7	Upgrading from gravel to surface standard of Road D201 as well as appurtenant works, from Pampierstad to Mokgareng through Motsweding to Mokasa of approximately 60km, phase 1 (total length 24.3 km). Ruling on Contractors claim – no. 2 for extension of time with additional costs due to community stoppage in appointing sub-contractors.	Mopani Civil JV Imvula Roads And Civils	Ruling on Contractors claim – no. 2 for extension of time with additional costs due to community stoppage in appointing Sub-Contractors.	PWR 91/13	R148 798 228,85 (VAT Incl)	-	R378 350,20
8	Upgrading from gravel to surface standard of Road D201 as well as appurtenant works, from Pampierstad to Mokgareng through Motsweding to Mokasa of approximately 60km, phase 1 (total length 24.3km). Ruling on Contractors claim – no. 3 for extension of time with no additional costs as a consequence of suspension of the works.	Mopani Civil JV Imvula Roads And Civils	Ruling on Contractors claim – no. 3 for extension of time with additional costs as a consequence of suspension of the works.	PWR 91/13	R148 798 228,85 (VAT Incl)	-	No additional costs
9	Upgrading with paving blocks of Road D39 From Mooifontein to Lombaardslaagte. Relocation of scope Of Civil Engineering Consultant for the planning, design and supervision of the upgrading of the Deelpan flood disaster damaged roads	CV Chabane And Associates Pty Ltd	Relocation of scope of Civil Engineering Consultant for the planning, design and supervision of the upgrading of the Deelpan flood disaster damaged roads	PWR 97/22	Gazetted rates	-	Gazetted rates
10	Dinokana Community Library – Request for approval to increase quotations for services of both Occupational Health & Safety (OHS) and the social facilitator	Kolwana Holdings	Occupational Health & Safety (OHS) and social facilitator appointment	PWR 61/17	R13 990 772,47	-	R 226 949.70

NO.	PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL VALUE OF CONTRACT R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S	VALUE OF CURRENT CONTRACT EXPANSION/S OR VARIATION
11	Dinokana Community Library – Request for approval to revise date of Practical Completion from the 13th of September 2023 to 26th October 2023 with adjustment of contract value by R2 337.09 (Excluding Vat): Claim No. 3, 4, 5 & 6.	Kolwana Holdings	Adjustment of Contract Value By R 2 337.09 (Excluding Vat): Claim No. 3, 4, 5 & 6.	PWR 61/17		-	R2 337.09
12	Special Maintenance of Road Z235 at Lower Majeakgoro for 2.5km and upper Majeakgoro for 2.5km – Variation Order No.1 without additional cost (Request for scope modification)	TP Noko Contratcors Cc	Variation Order No.1 without additional cost (Request for scope modification)	PWR 124/20C-FA21	R37 214 623,97 (VAT Incl)	-	R0,00
13	Request for re-appointment of professional service providers (PSP's) for the construction of Barolong Ba Ga Molefe Traditional Office at Logageng Village.	Wa Nompe Architects Urban Designers Cc, Pule Ramasimong Development And BKK Quantity Surveyors	Re-appointment of professional service providers (PSP's)	PWR 232/14	Gazetted rates	-	Gazetted rates
14	Rehabilitation of Road Z431 from N18 to End of Tar (3.3km), upgrading from gravel to surface standard of Road Z31 from End of Tar to Kgora Entrance (3.7km) and upgrading of Kgora Training Centre Internal Road (2km) as well as appurtenant Works – Variation Order No. 1	Kalesego Maintenance Services Cc	Variation Order No. 1	PWR 32/21	R63 814 464,56 (VAT Incl)	-	R4 485 342,13 (VAT Incl)
15	Rehabilitation of Road Z431 from N18 to End of Tar (3.3km), upgrading from gravel to surface standard of Road Z31 from End of Tar to Kgora Entrance (3.7km) and upgrading of Kgora Training Centre Internal Road (2km) as well as appurtenant works – Variation Order No. 2 And Extension of Time without additional cost	Kalesego Maintenance Services Cc	Variation Order No. 2 And Extension of Time without additional cost	PWR 32/21	R63 814 464,56 (VAT Incl)	-	R0,00
16	Request for confirmation of scope of work (designs) for the upgrading from gravel to surface standard (tar) of Road D406 from Mareetsane (Ratlou / Mafikeng boundary) through the villages of Seberia, Weltevreden to Kopela	T2 Tech Engineers Pty Ltd	Request for confirmation of scope of work (designs)	PWR 114/23	Gazetted rates	-	Gazetted rates
17	Request for extension of scope of work (designs) for the upgrading from gravel to surface standard (tar) of Road D5111 from Lekutung P50/1 through the villages of Magong to Kameelboom (D531)	Maruapula Engineers	Request for confirmation of scope of work (designs)	PWR 111/23	Gazetted rates	-	Gazetted rates
18	Request for extension of scope of work (designs) for the upgrading from gravel to surface standard (tar) of Road D2280 from D408 (Botsalano) through Madutle, Matlhase and Dinokana	Mhiduve Pty Ltd	Request for confirmation of scope of work (designs)	PWR 167/23	Gazetted rates	-	Gazetted rates
19	Re-gravelling of Road D5111 from Magong to Road P50/1 In Lekubung - Variation Order No.2 Extension of Time	MGT Projects Pty Ltd	Variation Order No.2 Extension of Time	PWR 124/20A-FA11	R49 994 946,30 VAT Incl	-	R1 016 474,37 (VAT Incl)
20	Request for extension of scope of work (designs) for the rehabilitation of Road Z604 from D641 to Road D636 In Makanyaneng	Kitso Botlhale Consulting Engineers	Request for confirmation of scope of work (designs)	PWR 105/23	Gazetted rates	-	Gazetted rates
21	Request for extension of scope of work (designs) for the upgrading from gravel to surface standard of Road D634 from Swartdam to Jonathan	Korone Engineers Cc	Request for confirmation of scope of work (designs)	PWR 93/17	Gazetted rates	-	Gazetted rates

NO.	PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL VALUE OF CONTRACT R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S	VALUE OF CURRENT CONTRACT EXPANSION/S OR VARIATION
22	Request for approval of Variation Order No. 1 for Claim No. 1 Of Extension of Time with cost: Reseal of Road D3492 from Morokweng to Bona-Bona as well as appurtenant works	Makali Plant And Construction	Variation Order No. 1 For Claim No. 1 of Extension of Time with cost	PWR 124/20C-FA3	R31 990 955,53	-	R2 971 240,72
23	Upgrading from gravel to surface standard of Road D209, D208, D206 and D222, D997, D220 and Z216 from Molelema to Matsheng (10km) Phase 1 - Variation Order based on Memorandum of Understanding between Department of Public Works and Roads and Botong Construction (Pty) Ltd Jv Nkolele Projects	Botong Construction (Pty) Ltd Jv Nkolele Projects	Variation order based on Memorandum of Understanding	PWR 239/14	R65 048 991,18	-	R14 679 900,25
24	Pothole patching and reseal of Road D604 And Z607 in Makaunyane - Variation Order No.1	Lichendry Construction	Variation Order No.1	PWR 124/20A-FA07	R42 901 111,46 (VAT Incl)	-	R5 621 926,62 (VAT Incl)
25	Request for approval to revise the original contract description from upgrades and additions to construction of new Ganyesa Community Library	Idnil Professional Consultants	Revision of the original contract description	PWR 214/20	Gazetted rates	-	Gazetted rates
26	Rehabilitation of Road D933 and Road D2095 from Lichtenburg (Road R503) To Gelukspan as well as appurtenant works: Phase 1I – approximately 17.4km of Road D933 and 8.4 km of Road D2095 And Special Maintenance of deviation roads - Claim No. 05 & 06: Contractors Claim for Extension of Time with cost for delay due to interruption in SMME sub-contractor appointment Procedure And Employment of temporary workforce for portion 1 Claim No. 07 & 09: Contractors claim for Extension of Time with cost for delay due to interruption in SMME sub-contractor appointment procedure and employment of temporary workforce for portion 2.	Motheo Construction Pty Ltd	Claim No. 05 & 06: Contractors claim for Extension of Time with cost for delay due to interruption In SMME sub-contractor appointment, Procedure and employment of temporary workforce for portion 1 Claim No. 07 & 09	PWR 95/13	R446 213 501,77 (VAT Incl)	-	R3 954 697,34 (VAT Incl)
27	Request for approval of Claim 1, 2 & 3 for Extension of Time with costs: Upgrading from gravel to surface standard of Road D479 from Khunotswa Village towards N4 at Tweefontein Phase 3 (11.440km).	Ndhuna Civil Engineering Services	Claim 1, 2 & 3	PWRT 127/14	R134 437 816,81 (VAT Incl)		R1 291 336,07 (VAT Incl)
28	The upgrading from gravel to surface standard of Road D201 as well as Appurtenant Works from Pampierstad to Mokgareng through Motsweding to Mokasa of Approximately 60km, Phase 1, (total length 24.3 km). Variation Order No.1 – Additional funds For Contract Price Adjustment (CPA).	Mopani Civils Jv	Variation Order No.1 – Additional Funds For Contract Price Adjustment (CPA).	PWR 91/13	R148 798 .85(VAT Incl)		R9 600 715.78
29	PWR 103/18: Request for extension of contract period of Royal Haskoning DHV for road asset management system programme manager (RAMS PM) for a period of seven and half months (16 May 2024 to 31 December 2024)	Royal HaskoningDHV (Nessa Solutions)	Extension of contract period	PWR 103/18	R53 586 604,80 (VAT Excl)		R10 092 188,00 (VAT Excl)
30	PWR 124/20a-FA13: Special Maintenance of Road D625 and D626 in Maubane - Variation order no.2, Extension of Time.	Segwera Transport and Projects	Variation order no.2-extension of time.	PWR 124/20A-FA13	R34 852 559,36 (VAT Incl)		R 951 619,19

NO.	PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE	CONTRACT NUMBER	ORIGINAL VALUE OF CONTRACT R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S	VALUE OF CURRENT CONTRACT EXPANSION/S OR VARIATION
31	Request for approval of claim no.3 for Extension of Time for completion with costs on contract PWR 90/13: Special Maintenance of Road P34/5 (R506) from Schweizer Reneke to Christiana – Phase 2	Lilithalethu Trading 41	Extension of time to completion with costs	PWR 90/13	R190 775 360,82 (VAT Incl)		R265 496,09 (VAT Excl)

PART F: FINANCIAL INFORMATION

Auditing to build public confidence

Report of the auditor-general to the North West Provincial Legislature on vote no. 11: Department of Public Works and Roads

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Public Works and Roads set out on pages 173 to 208, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Public Works and Roads as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024.

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the department at, and for the year ended 31 March 2025.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 209 to 216 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

10. 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 the 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.

11. 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.

Responsibilities of the auditor-general for the audit of the financial statements

12. 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.

13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is provided on page 169, forms part of our auditor's report.

Report on the audit of the annual performance report

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Public works infrastructure	49	To avail land and provide building infrastructure and facilities for provincial government departments that are accessible, safe, fit-for-purpose and environmentally sensitive.
Programme 3: Transport infrastructure	54	To promote accessibility and the safe and affordable movement of people through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive and which supports and facilitates social empowerment and economic growth.
Programme 4: Community - based programme	59	To manage and coordinate the implementation of the Expanded Public Works Programme, both departmentally and provincially.

16. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance, as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

18. I performed the procedures only for the purpose of reporting material findings, and not to express an assurance opinion or conclusion.

19. I did not identify any material findings on the reported performance information for Programme 3: Transport infrastructure.

20. The material findings on the reported performance information for the selected programmes are as follows:

Programme 2: Public works infrastructure

Number of facilities provided

21. An achievement of 225 was reported against a target of 225. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Programme 4: Community- based programme

Number of persons with disabilities employed – Transport Infrastructure Sector

22. An achievement of 43 was reported against a target of 280. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than reported and was not reliable for determining if the target had been achieved.

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements. This information should be considered in the context of the material findings on the reported performance information. The tables that follow provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 49 to 64.

Public Works infrastructure

Targets achieved: 40% *Budget spent: 97%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of new construction projects completed – DPW&R	19	12

Number of new construction projects completed – Client Depts	11	6
Number of planned maintenance projects completed – DPW&R	11	7
Number of planned maintenance projects completed – client depts	21	16
Number of land parcels donated to the department	10	9
Number of condition assessments conducted on state-owned buildings	40	34

Transport infrastructure

Targets achieved: 44% *Budget spent: 99%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of bridges repaired	9	0
Number of km of gravel road upgraded to surfaced roads	53,8	24,2
Number of square metres of surfaced roads resealed	614110	104790,36
Number of km gravel roads re-gravelled	130	90,38
Number of square metres of blacktop patching on municipal roads	19000	14187,95

Community – Based Programme

Targets achieved: 9% *Budget spent: 92%*		
Key service delivery indicator not achieved	**Planned target**	**Reported achievement**
Number of EPWP work opportunities created – Transport infrastructure sector	14000	9176
Number of EPWP work opportunities created – Public works infrastructure sector	1800	624
Number of youth (18-35) employed – Transport infrastructure sector	7700	5325
Number of youth (18-35) employed – Public works infrastructure sector	990	521
Number of women employed (transport infrastructure sector)	8400	6071

Number of women employed – Public Works Infrastructure Sector	1080	329
Number of persons with disabilities employed – Transport infrastructure sector	280	43
Number of persons with disabilities employed – Public works infrastructure sector	36	14
Number of contractors participating in the departmental contractor development programme – Transport infrastructure sector	120	52
Number of contractors participating in the departmental contractor development programme - Public Works Infrastructure Sector.	40	7

Material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of public works infrastructure, transport infrastructure and community-based programme. Management did not correct all the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department’s compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor’s report.

29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

30. 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. Material

misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

31. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 22 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with public roads maintenance grant (PRMG) conditions and procurement prescripts.

32. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

Strategic planning and performance management

33. Specific information systems were established but not properly 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).

Consequence management

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

Utilisation of conditional grants

35. The PRMG was not spent for the purposes stipulated in accordance with the applicable framework, as required by section 16(1) of the Dora.

Other information in the annual report

36. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to 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 on in this auditor's report.

37. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

38. My responsibility is to read this other information and, in doing so, consider whether it 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.

39. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, 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

40. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

41. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

42. The department's post-audit action plan included measures that did not adequately address the root causes of the misstatements and non-compliance. Consequently, the actions were ineffective in preventing the recurrence of similar issues reported in the prior year.

43. The lack of information system to account for performance achievements is at the centre of the material misstatements identified on performance information. The establishment of the system will remedy the capacity challenges to perform manual verification of actual performance by the strategic planning and monitoring unit which will ultimately reduce the risk of human error in the processing of actual performance as the department is processing voluminous data yearly.

Material irregularities

44. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Provincial road infrastructure not maintained

45. The department has failed to properly manage and maintain the provincial road infrastructure to enable safety of commuters and business community in the province. This is evident through the worsened conditions of the provincial network. Of the 19000 km's of road network in the province, 27% represent the network in the category of poor with 45% in the very poor category and less than 1% representing very good. It is against the above background that the NW Department of Public Works and Roads has failed to comply with section 38(1)(d) of the Public Finance Management Act 1 of 1999 (PFMA), read with section 5(1)(d) of the Government Immovable Asset Management Act 19 of 2007 (GIAMA), as well as section 13(1)(d) of GIAMA.

46. The accounting officer was notified of this material irregularity on 06 September 2023 and invited to make written submission on the actions that have been or will be taken to address this matter. The accounting officer committed to prioritize and implement short term maintenance projects to stop the substantial harm however, the accounting officer had not finalised the procurement

process on the identified projects, and I concluded based on the lack of implementation that the accounting officer is not taking appropriate action.

47. I notified the AO on the 31 July 2024 of the following recommendations, which had to be implemented by the 31 January 2025, with progress report by 31 October 2024:

- Appropriate action should be taken to investigate the non-compliance in order to determine the root cause and circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions.
- Reasonable steps should be taken to implement internal controls to ensure that the provincial road infrastructure is properly managed and maintained. The control should at a minimum include:
  - Detailed analysis on the condition of the roads in order to enhance and commence with implementation of the Road Asset Management Plan (RAMP) and Routine Road Maintenance Implementation Plan (RRMIP).
  - Align the procurement plan to the budget for road maintenance needs and clearly identify major maintenance projects.
  - Develop a tracking tool to ensure proper record keeping of regular inspections to assist the department in tracking and monitoring the implementation of the recommendations as included in the RAMP.

48. The accounting officer submitted a progress report on 25 November 2025 on the implementation of recommendations. I duly assessed the report and provided feedback on 12 December 2024 to the accounting officer on the shortcomings that were identified and that had to be addressed in the final response due on 31 January 2025.

49. The accounting officer provided a written submission on the 31 January 2025, and substantiating documents. The assessment of accounting officer response on the implementation of recommendations was shared with the accounting officer on 10 March 2025 which indicated that little progress had been made with the implementation of the recommendations by the accounting officer to address the material irregularity.

50. The accounting officer confirmed receipt of the assessment and indicated that they would require an extension of 14 working days to provide supplementary response with substantiating documents. A final submission was made by the accounting officer on the 04 April 2025, however on the 22 April 2025 the accounting officer requested that the submission be rescinded and that they be given the opportunity to re-submit their response. The accounting officer submitted a supplementary response with substantiating documentation on 16 May 2025.

51. I am still in the process of assessing the actions taken to implement the recommendations.

Other reports

52. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

53. The Special Investigating Unit (SIU) finalised an investigation into procurement irregularities identified at the department as per proclamation R.27 of 2015. The report was submitted to the Office of the Presidency at the date of this report.

54. The SIU is performing an investigation into procurement irregularities identified at the department as per proclamation no. R.2 of 2018 published in government gazette 41387 on 19 January 2018. The investigation was in progress at the date of this report.

55. The SIU is performing an investigation into procurement irregularities identified at the department as per proclamation no. R.31 of 2018 published in government gazette 42562 of 5 July 2019. The investigation was in progress at the date of this report.

56. The SIU is performing an investigation into irregularities identified at the department as per proclamation R210 of 2021. The investigation was in progress at the date of this report.

57. The Public Protector is performing an investigation into alleged maladministration at the department. The investigation was in progress at the date of this report.

Auditor-general

Rustenburg

31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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 selected requirements in key legislation.

Financial statements

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
- conclude on the appropriateness of the 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 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

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act.1 of 1999 (PFMA)	Section 38(1)(a)(iv); 38(1)(b);38(1)(c);38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2); 45(b); Section 50(3); 50(3)(a)
Treasury regulations for departments, trading entities, constitutional institutions and public entities (TRs)	Treasury regulation 4.1.1; 4.1.3 Treasury regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury regulation 7.2.1 Treasury regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury regulation 9.1.1; 9.1.4 Treasury regulation 10.1.1(a); 10.1.2 Treasury regulation 11.4.1; 11.4.2; 11.5.1 Treasury regulation 12.5.1 Treasury regulation 15.10.1.2(c') Treasury regulation 16A 6.1; 16A6.2(a), (b) & (e); 16A 6.3(a);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7; TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A9; 16A9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury regulation 17.1.1 Treasury regulation 18.2 Treasury regulation 19.8.4
Public Service Regulations	Public service regulation 18; 18 (1) and (2); 25(1)(e)(i); 25(1)(e)(iii)
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	CIDB regulation 17
PPPFA	Section 2.1(a); 2.1(b); 2.1(f)
PPRs 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 11.2 Paragraph 12.1 and 12.2
PPRs 2022	Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
National Treasury instruction note 1 of 2015-16	Paragraph 3.1; 4.1; 4.2
National Treasury SCM instruction note 03 2021-22	Paragraph 4.3; 4.4; 4.4 (a);4.4 (c) -(d) Paragraph 7.2; 7.6
National Treasury SCM instruction note 11 2020-21	Paragraph 3.1; 3.4 (b); 3.9s
National Treasury SCM instruction note 2 of 2021-22	Paragraph 3.2.1; 3.2.4(a); 3.3.1

Table of Contents
to Annual Financial Statements
for the year ended 31 March 2025

Appropriation Statement
for the year ended 31 March 2025

Appropriation per programme

Voted funds and Direct charges	2024/25 Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	2023/24 Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1 **ADMINISTRATION**	393,938	-	(21,200)	372,738	351,414	21,324	94.3%	266,084	254,516
2 **PUBLIC WORKS INFRASTRUCTURE**	947,135	-	7,000	954,135	922,399	31,736	96.7%	1,059,484	1,020,794
3 **TRANSPORT INFRASTRUCTURE**	2,408,314	-	(11,018)	2,397,296	2,383,556	13,740	99.4%	2,326,025	2,307,938
4 **COMMUNITY BASED PROGRAMME**	315,231	-	25,218	340,449	317,521	22,928	93.3%	224,054	205,570
TOTAL	**4,064,618**	**-**	**-**	**4,064,618**	**3,974,890**	**89,728**	**97.8%**	**3,875,647**	**3,788,818**
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				-				-	
NRF Receipts				-				-	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total revenue)				**4,064,618**				**3,875,647**	
Add: Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
Actual amounts per Statement of Financial Performance (Total expenditure)					**3,974,890**				**3,788,818**

Appropriation per economic classification

	2024/25 Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	2023/24 Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**2,354,787**	**-**	**-**	**2,354,787**	**2,296,799**	**57,988**	**97.5%**	**2,547,217**	**2,068,746**
Compensation of employees	927,750	(12,000)	(6,800)	908,950	903,787	5,163	99.4%	902,465	891,653
Salaries and wages	763,549	(12,000)	(3,800)	747,749	747,308	441	99.9%	742,249	740,257
Social contributions	164,201	-	(3,000)	161,201	156,479	4,722	97.1%	160,216	151,396
Goods and services	1,427,037	12,000	6,800	1,445,837	1,392,493	53,344	96.3%	1,643,952	1,175,639
Administrative fees	290	(279)	-	11	-	11	-	5,733	37
Advertising	2,860	(1,474)	-	1,386	645	741	46.5%	1,283	1,920
Minor assets	3,544	(1,582)	-	1,962	1,040	922	53.0%	1,206	508
Audit costs: External	18,776	8,886	-	27,662	26,418	1,244	95.5%	14,205	14,181
Bursaries: Employees	1,696	86	-	1,782	1,710	72	96.0%	2,408	2,188
Catering: Departmental activities	5,307	(375)	-	4,932	4,207	725	85.3%	2,830	1,785
Communication (G&S)	7,634	2,442	-	10,076	9,774	302	97.0%	8,924	8,090
Computer services	11,022	(5,808)	-	5,214	4,387	827	84.1%	1,125	811
Consultants: Business and advisory services	76,594	(5,805)	-	70,789	133,972	(63,183)	189.3%	121,459	41,530
Infrastructure and planning services	13,568	9,320	8,848	31,736	-	31,736	-	4,330	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	16,009	3,545	3,000	22,554	22,152	402	98.2%	12,265	12,822
Contractors	615,050	21,752	6,982	643,784	561,964	81,820	87.3%	946,121	560,117
Agency and support / outsourced services	266,671	(51,985)	-	214,686	207,310	7,376	96.6%	200,720	185,900
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	10,958	14,730	-	25,688	33,615	(7,927)	130.9%	8,651	24,092
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	24,700	2,881	-	27,581	21,845	5,736	79.2%	22,962	22,484
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	18,422	7,493	170	26,085	37,686	(11,601)	144.5%	19,900	20,923
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	26	-	26	-	26	-	-	-
Consumable supplies	37,155	5,500	-	42,655	40,707	1,948	95.4%	17,360	16,042
Consumable: Stationery, printing and office supplies	11,016	(5,692)	-	5,324	4,154	1,170	78.0%	9,138	7,771
Operating leases	16,343	(6,245)	-	10,098	9,002	1,096	89.1%	6,352	5,649
Property payments	214,548	19,225	(16,200)	217,573	222,705	(5,132)	102.4%	182,806	195,981
Transport provided: Departmental activity	7,067	21	-	7,088	6,542	546	92.3%	674	594
Travel and subsistence	27,750	2,556	-	30,306	29,177	1,129	96.3%	35,467	33,370
Training and development	5,295	(2,079)	-	3,216	3,010	206	93.6%	7,959	5,778
Operating payments	8,651	(3,947)	4,000	8,704	6,815	1,889	78.3%	4,622	7,909
Venues and facilities	4,517	(920)	-	3,597	2,531	1,066	70.4%	4,392	3,907
Rental and hiring	1,594	(272)	-	1,322	1,125	197	85.1%	1,060	1,250
Interest and rent on land	-	-	-	-	519	(519)	-	800	1,454
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	519	(519)	-	800	1,454
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**486,630**	**-**	**-**	**486,630**	**470,045**	**16,585**	**96.6%**	**416,539**	**527,483**
Provinces and municipalities	290,000	1,975	-	291,975	286,333	5,642	98.1%	398,730	512,808
Provinces	-	1,975	-	1,975	1,920	55	97.2%	-	115,000
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	1,975	-	1,975	1,920	55	97.2%	-	115,000
Municipalities	290,000	-	-	290,000	284,413	5,587	98.1%	398,730	397,808
Municipal bank accounts	290,000	-	-	290,000	284,413	5,587	98.1%	398,680	397,771
Municipal agencies and funds	-	-	-	-	-	-	-	50	37
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Public corporations	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	15,630	(1,975)	-	13,655	10,578	3,077	77.5%	17,809	14,675
Social benefits	15,630	(3,326)	-	12,304	8,318	3,986	67.6%	13,255	10,522
Other transfers to households	-	1,351	-	1,351	2,260	(909)	167.3%	4,555	4,153
Payments for capital assets	**1,223,201**	**-**	**-**	**1,223,201**	**1,208,046**	**15,155**	**98.8%**	**911,891**	**1,192,589**
Buildings and other fixed structures	1,192,986	-	-	1,192,986	1,184,978	8,008	99.3%	884,830	1,172,375
Buildings	52,312	-	-	52,312	40,144	12,168	76.7%	23,569	22,979
Other fixed structures	1,140,674	-	-	1,140,674	1,144,834	(4,160)	100.4%	861,261	1,149,396
Machinery and equipment	30,215	-	-	30,215	23,068	7,147	76.3%	27,061	20,214
Transport equipment	19,000	(347)	-	18,653	18,183	470	97.5%	15,354	15,695
Other machinery and equipment	11,215	347	-	11,562	4,885	6,677	42.3%	11,707	4,519
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**4,064,618**	**-**	**-**	**4,064,618**	**3,974,890**	**89,728**	**97.8%**	**3,875,647**	**3,788,818**

Programme 1: ADMINISTRATION

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **OFFICE OF THE MEC**	12,990	-	-	12,990	12,132	858	93.4%	14,056	13,035
2 **MANAGEMENT OF THE DEPARTMENT**	205,926	-	(21,200)	184,726	169,949	14,777	92.0%	34,121	32,733
3 **CORPORATE SUPPORT**	166,848	-	-	166,848	162,392	4,456	97.3%	208,961	201,105
4 **DEPARTMENTAL STRATEGY**	8,174	-	-	8,174	6,941	1,233	84.9%	8,946	7,643
TOTAL	**393,938**	**-**	**(21,200)**	**372,738**	**351,414**	**21,324**	**94.3%**	**266,084**	**254,516**
Economic classification									
Current payments	**387,124**	**-**	**(21,200)**	**365,924**	**346,226**	**19,698**	**94.6%**	**261,712**	**251,643**
Compensation of employees	149,501	-	(5,000)	144,501	141,868	2,633	98.2%	148,445	142,636
Salaries and wages	132,314	-	(4,000)	128,314	125,979	2,335	98.2%	132,308	126,988
Social contributions	17,187	-	(1,000)	16,187	15,889	298	98.2%	16,137	15,648
Goods and services	237,623	-	(16,200)	221,423	203,844	17,579	92.1%	113,267	108,299
Administrative fees	290	(279)	-	11	-	11	-	288	37
Advertising	1,051	(80)	-	971	636	335	65.5%	416	1,066
Minor assets	1,937	(652)	-	1,285	920	365	71.6%	390	231
Audit costs: External	18,776	5,526	-	24,302	23,140	1,162	95.2%	14,205	14,181
Bursaries: Employees	1,696	80	-	1,776	1,704	72	95.9%	2,408	2,188
Catering: Departmental activities	1,512	(254)	-	1,258	1,078	180	85.7%	1,547	966
Communication (G&S)	2,700	540	-	3,240	3,151	89	97.3%	2,241	1,554
Computer services	522	(200)	-	322	259	63	80.4%	1,070	811
Consultants: Business and advisory services	43,817	504	-	44,321	44,255	66	99.9%	10,747	10,000
Infrastructure and planning services	-	12,000	-	12,000	-	12,000	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	11,864	240	-	12,104	12,063	41	99.7%	6,035	5,942
Contractors	4,234	(3,103)	-	1,131	484	647	42.8%	884	570
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	6,400	-	6,400	6,689	(289)	104.5%	6,765	6,765
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	3,500	(2,430)	-	1,070	(48)	1,118	(4.5%)	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	2	2
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1,192	372	-	1,564	1,247	317	79.7%	1,172	644
Consumable: Stationery, printing and office supplies	5,879	(3,108)	-	2,771	2,216	555	80.0%	4,014	3,664
Operating leases	3,164	(347)	-	2,817	2,786	31	98.9%	2,603	2,310
Property payments	118,078	(17,196)	(16,200)	84,682	84,676	6	100.0%	38,589	38,861
Transport provided: Departmental activity	395	-	-	395	288	107	72.9%	458	453
Travel and subsistence	9,325	3,691	-	13,016	12,693	323	97.5%	12,607	12,126
Training and development	3,516	(300)	-	3,216	3,010	206	93.6%	3,191	2,982
Operating payments	1,099	(450)	-	649	663	(14)	102.2%	472	125
Venues and facilities	2,796	(674)	-	2,122	1,934	188	91.1%	3,103	2,821
Rental and hiring	280	(280)	-	-	-	-	-	60	-
Interest and rent on land	-	-	-	-	514	(514)	-	-	708
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	514	(514)	-	-	708
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**1,012**	**-**	**-**	**1,012**	**655**	**357**	**64.7%**	**1,269**	**1,182**
Provinces and municipalities	-	175	-	175	161	14	92.0%	50	37
Provinces	-	175	-	175	161	14	92.0%	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	175	-	175	161	14	92.0%	-	-
Municipalities	-	-	-	-	-	-	-	50	37
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	50	37
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,012	(175)	-	837	494	343	59.0%	1,219	1,145
Social benefits	1,012	(265)	-	747	398	349	53.3%	1,219	1,145
Other transfers to households	-	90	-	90	96	(6)	106.7%	-	-
Payments for capital assets	**5,802**	**-**	**-**	**5,802**	**4,533**	**1,269**	**78.1%**	**3,103**	**1,691**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5,802	-	-	5,802	4,533	1,269	78.1%	3,103	1,691
Transport equipment	2,559	(147)	-	2,412	2,323	89	96.3%	-	-
Other machinery and equipment	3,243	147	-	3,390	2,210	1,180	65.2%	3,103	1,691
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	**393,938**	**-**	**(21,200)**	**372,738**	**351,414**	**21,324**	**94.3%**	**266,084**	**254,516**

Programme 2: PUBLIC WORKS INFRASTRUCTURE

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 PROGRAMME SUPPORT	9,939	-	-	9,939	7,806	2,133	78.5%	12,641	8,542
2 PLANNING	11,937	-	-	11,937	9,162	2,775	76.8%	14,387	7,009
3 DESIGN	5,189	-	3,000	8,189	3,180	5,009	38.8%	3,966	3,314
4 CONSTRUCTION	74,731	-	-	74,731	61,680	13,051	82.5%	59,605	64,270
5 MAINTENANCE	357,091	-	-	357,091	360,410	(3,319)	100.9%	416,297	373,742
6 IMMOVABLE ASSET MANAGEMENT	25,813	-	4,000	29,813	26,625	3,188	89.3%	15,962	78,698
7 FACILITY OPERATIONS	462,435	-	-	462,435	453,536	8,899	98.1%	536,626	485,219
	947,135	-	7,000	954,135	922,399	31,736	96.7%	1,059,484	1,020,794
Economic classification									
Current payments	**595,291**	**-**	**7,000**	**602,291**	**592,964**	**9,327**	**98.5%**	**623,214**	**590,960**
Compensation of employees	417,858	(12,000)	-	405,858	404,864	994	99.8%	413,345	394,979
Salaries and wages	340,129	(12,000)	-	328,129	330,367	(2,238)	100.7%	333,337	325,389
Social contributions	77,729	-	-	77,729	74,497	3,232	95.8%	80,008	69,590
Goods and services	177,433	12,000	7,000	196,433	188,095	8,338	95.8%	209,869	195,981
Administrative fees	-	-	-	-	-	-	-	5,445	-
Advertising	784	(375)	-	409	9	400	2.2%	505	503
Minor assets	363	-	-	363	62	301	17.1%	502	191
Audit costs: External	-	580	-	580	566	14	97.6%	-	-
Bursaries: Employees	-	6	-	6	6	-	100.0%	-	-
Catering: Departmental activities	785	-	-	785	515	270	65.6%	731	581
Communication (G&S)	2,706	947	-	3,653	3,560	93	97.5%	4,053	4,173
Computer services	10,500	(5,608)	-	4,892	4,128	764	84.4%	55	-
Consultants: Business and advisory services	13,612	(6,309)	-	7,303	5,614	1,689	76.9%	30,250	8,096
Infrastructure and planning services	5,189	(180)	-	5,009	-	5,009	-	1,486	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	1,280	3,000	4,280	4,184	96	97.8%	2,480	2,479
Contractors	-	-	-	-	-	-	-	28	251
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	4,091	4,083
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	9,895	(4,662)	-	5,233	3,393	1,840	64.8%	5,375	5,040
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	26	-	26	-	26	-	-	-
Consumable supplies	9,820	(2,083)	-	7,737	7,809	(72)	100.9%	4,938	4,909
Consumable: Stationery, printing and office supplies	1,087	(219)	-	868	253	615	29.1%	2,115	1,905
Operating leases	12,202	(5,112)	-	7,090	6,099	991	86.0%	2,014	1,683
Property payments	96,470	34,678	-	131,148	136,287	(5,139)	103.9%	130,530	143,354
Transport provided: Departmental activity	72	-	-	72	-	72	-	166	141
Travel and subsistence	11,591	(2,211)	-	9,380	9,208	172	98.2%	14,023	12,780
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	1,833	1,383	4,000	7,216	6,133	1,083	85.0%	692	5,591
Venues and facilities	524	(149)	-	375	261	114	69.6%	390	221
Rental and hiring	-	8	-	8	8	-	100.0%	-	-
Interest and rent on land	-	-	-	-	5	(5)	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	5	(5)	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**296,779**	**-**	**-**	**296,779**	**288,586**	**8,193**	**97.2%**	**407,567**	**405,432**
Provinces and municipalities	290,000	-	-	290,000	284,413	5,587	98.1%	398,680	397,771
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	290,000	-	-	290,000	284,413	5,587	98.1%	398,680	397,771
Municipal bank accounts	290,000	-	-	290,000	284,413	5,587	98.1%	398,680	397,771
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6,779	-	-	6,779	4,173	2,606	61.6%	8,887	7,661
Social benefits	6,779	(65)	-	6,714	4,108	2,606	61.2%	4,885	3,830
Other transfers to households	-	65	-	65	65	-	100.0%	4,003	3,831
Payments for capital assets	**55,065**	**-**	**-**	**55,065**	**40,849**	**14,216**	**74.2%**	**28,703**	**24,402**
Buildings and other fixed structures	52,312	-	-	52,312	40,144	12,168	76.7%	23,569	23,022
Buildings	52,312	-	-	52,312	40,144	12,168	76.7%	23,569	22,979
Other fixed structures	-	-	-	-	-	-	-	-	43
Machinery and equipment	2,753	-	-	2,753	705	2,048	25.6%	5,134	1,380
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2,753	-	-	2,753	705	2,048	25.6%	5,134	1,380
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
	947,135	-	7,000	954,135	922,399	31,736	96.7%	1,059,484	1,020,794

Programme 3: TRANSPORT INFRASTRUCTURE

	2024/25							2023/24	
	Adjusted Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **PROGRAMME SUPPORT INFRASTRUCURE**	67,200	(4,600)	(2,000)	60,600	65,030	(4,430)	107.3%	69,149	61,996
2 **INFRASTRUCTURE PLANNING**	3,339	-	-	3,339	1,794	1,545	53.7%	2,012	940
3 **INFRASTRUCTURE DESIGN**	7,334	-	-	7,334	3,873	3,461	52.8%	2,676	1,207
4 **CONSTRUCTION**	1,924,864	-	(9,018)	1,915,846	1,899,734	16,112	99.2%	1,861,673	1,844,418
5 MAINTENANCE	405,577	4,600	-	410,177	413,125	(2,948)	100.7%	390,515	399,377
	2,408,314	**-**	**(11,018)**	**2,397,296**	**2,383,556**	**13,740**	**99.4%**	**2,326,025**	**2,307,938**
Economic classification									
Current payments	**1,057,808**	**-**	**(11,018)**	**1,046,790**	**1,040,622**	**6,168**	**99.4%**	**1,439,388**	**1,020,932**
Compensation of employees	352,846	-	(2,000)	350,846	349,705	1,141	99.7%	332,701	346,123
Salaries and wages	284,929	-	-	284,929	284,602	327	99.9%	270,044	281,338
Social contributions	67,917	-	(2,000)	65,917	65,103	814	98.8%	62,657	64,785
Goods and services	704,962	-	(9,018)	695,944	690,917	5,027	99.3%	1,105,887	674,063
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	1,025	(1,019)	-	6	-	6	-	362	351
Minor assets	1,087	(930)	-	157	58	99	36.9%	215	80
Audit costs: External	-	2,780	-	2,780	2,712	68	97.6%	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	632	(411)	-	221	204	17	92.3%	526	238
Communication (G&S)	2,202	950	-	3,152	3,049	103	96.7%	2,590	2,339
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	19,165	-	-	19,165	84,103	(64,938)	438.8%	80,462	23,434
Infrastructure and planning services	5,549	(2,500)	-	3,049	-	3,049	-	2,844	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	2,030	-	2,030	1,812	218	89.3%	1,600	2,280
Contractors	610,816	(19,130)	(9,018)	582,668	501,516	81,152	86.1%	945,209	559,296
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	10,958	8,330	-	19,288	26,926	(7,638)	139.6%	1,886	17,327
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	21,200	5,311	-	26,511	21,893	4,618	82.6%	18,871	18,401
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	8,527	10,376	-	18,903	32,346	(13,443)	171.1%	14,523	15,881
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	6,989	(199)	-	6,790	6,199	591	91.3%	6,449	5,956
Consumable: Stationery, printing and office supplies	4,050	(2,365)	-	1,685	1,685	-	100.0%	3,009	2,202
Operating leases	977	(786)	-	191	117	74	61.3%	1,735	1,656
Property payments	-	1,743	-	1,743	1,742	1	99.9%	13,687	13,766
Transport provided: Departmental activity	-	21	-	21	21	-	100.0%	-	-
Travel and subsistence	6,066	676	-	6,742	6,507	235	96.5%	7,431	7,366
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	5,719	(4,880)	-	839	19	820	2.3%	3,458	2,193
Venues and facilities	-	3	-	3	8	(5)	266.7%	30	47
Rental and hiring	-	-	-	-	-	-	-	1,000	1,250
Interest and rent on land	-	-	-	-	-	-	-	800	746
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	800	746
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**188,299**	**-**	**-**	**188,299**	**180,270**	**8,029**	**95.7%**	**7,674**	**120,840**
Provinces and municipalities	-	1,800	-	1,800	1,759	41	97.7%	-	115,000
Provinces	-	1,800	-	1,800	1,759	41	97.7%	-	115,000
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	1,800	-	1,800	1,759	41	97.7%	-	115,000
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Public corporations	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	181,000	-	-	181,000	173,134	7,866	95.7%	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7,299	(1,800)	-	5,499	5,377	122	97.8%	7,674	5,840
Social benefits	7,299	(2,610)	-	4,689	3,659	1,030	78.0%	7,122	5,518
Other transfers to households	-	810	-	810	1,718	(908)	212.1%	552	322
Payments for capital assets	**1,162,207**	**-**	**-**	**1,162,207**	**1,162,664**	**(457)**	**100.0%**	**878,963**	**1,166,166**
Buildings and other fixed structures	1,140,674	-	-	1,140,674	1,144,834	(4,160)	100.4%	861,261	1,149,353
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	1,140,674	-	-	1,140,674	1,144,834	(4,160)	100.4%	861,261	1,149,353
Machinery and equipment	21,533	-	-	21,533	17,830	3,703	82.8%	17,702	16,813
Transport equipment	16,441	(200)	-	16,241	15,860	381	97.7%	15,354	15,695
Other machinery and equipment	5,092	200	-	5,292	1,970	3,322	37.2%	2,348	1,118
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
	2,408,314	**-**	**(11,018)**	**2,397,296**	**2,383,556**	**13,740**	**99.4%**	**2,326,025**	**2,307,938**

Programme 4: COMMUNITY BASED PROGRAMME

	2024/25							2023/24	
	Adjusted Budget	**Shifting of Funds**	**Virement**	**Final Budget**	**Actual Expenditure**	**Variance**	**Expenditure as % of final budget**	**Final Budget**	**Actual Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1 **PROGRAMME SUPPORT COMMUNITY BASED**	9,395	-	200	9,595	8,555	1,040	89.2%	9,072	8,791
2 **COMMUNITY DEVELOPMENT**	300,324	-	16,000	316,324	306,718	9,606	97.0%	178,444	173,942
3 **INNOVATION AND EMPOWERMENT**	4,609	-	9,018	13,627	1,947	11,680	14.3%	4,768	2,796
4 **EPWP CO-ORDINATION AND MONITORING**	903	-	-	903	301	602	33.3%	31,770	20,041
	315,231	**-**	**25,218**	**340,449**	**317,521**	**22,928**	**93.3%**	**224,054**	**205,570**
Economic classification									
Current payments	**314,564**	**-**	**25,218**	**339,782**	**316,987**	**22,795**	**93.3%**	**222,903**	**205,211**
Compensation of employees	7,545	-	200	7,745	7,350	395	94.9%	7,974	7,915
Salaries and wages	6,177	-	200	6,377	6,360	17	99.7%	6,560	6,542
Social contributions	1,368	-	-	1,368	990	378	72.4%	1,414	1,373
Goods and services	307,019	-	25,018	332,037	309,637	22,400	93.3%	214,929	197,296
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	157	-	-	157	-	157	-	99	6
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2,378	290	-	2,668	2,410	258	90.3%	26	-
Communication (G&S)	26	5	-	31	14	17	45.2%	40	24
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning services	2,830	-	8,848	11,678	-	11,678	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	4,145	(5)	-	4,140	4,093	47	98.9%	2,150	2,121
Contractors	-	43,985	16,000	59,985	59,964	21	100.0%	-	-
Agency and support / outsourced services	266,671	(51,985)	-	214,686	207,310	7,376	96.6%	200,720	185,900
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	1,779	170	1,949	1,947	2	99.9%	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	19,154	7,410	-	26,564	25,452	1,112	95.8%	4,801	4,533
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	6,600	-	-	6,600	6,233	367	94.4%	50	-
Travel and subsistence	768	400	-	1,168	769	399	65.8%	1,406	1,098
Training and development	1,779	(1,779)	-	-	-	-	-	4,768	2,796
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	1,197	(100)	-	1,097	328	769	29.9%	869	818
Rental and hiring	1,314	-	-	1,314	1,117	197	85.0%	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	**540**	**-**	**-**	**540**	**534**	**6**	**98.9%**	**29**	**29**
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	540	-	-	540	534	6	98.9%	29	29
Social benefits	540	(386)	-	154	153	1	99.4%	29	29
Other transfers to households	-	386	-	386	381	5	98.7%	-	-
Payments for capital assets	**127**	**-**	**-**	**127**	**-**	**127**	**-**	**1,122**	**330**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	127	-	-	127	-	127	-	1,122	330
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	127	-	-	127	-	127	-	1,122	330
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
	315,231	**-**	**25,218**	**340,449**	**317,521**	**22,928**	**93.3%**	**224,054**	**205,570**

Notes to the Appropriation Statement

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 and Annexure 1 (A-H) to the Annual Financial Statements.

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

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

3 Detail on payments for financial assets

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

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

4.1 Per programme:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION	372,738	351,414	21,324	6%
PUBLIC WORKS INFRASTRUCTURE	954,135	922,399	31,736	3%
TRANSPORT INFRASTRUCTURE	2,397,296	2,383,556	13,740	1%
COMMUNITY BASED PROGRAMME	340,449	317,521	22,928	7%

ADMINISTRATION: Due to the moratorium on filling of vacant posts, the was a delay in obtaining concerence from relevant authorities, hence the under spending.

PUBLIC WORKS INFRASTRUCTURE: Delays in implementation of capital project (R10m) and late finalisation of operating lease agreement for new multi tenant office park (R10m).

COMMUNITY BASED PROGRAMME: The department did not spend 31% of the allocated EPWP grant due to delayed implementation of training for new EPWP benefitiaries.

4.2 Per economic classification:	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	908,950	903,787	5,163	1%
Goods and services	1,445,837	1,392,493	53,344	4%
Interest and rent on land	-	519	(519)	#DIV/0!
Transfers and subsidies				
Provinces and municipalities	291,975	286,333	5,642	2%
Public corporations and private enterprises	181,000	173,134	7,866	4%
Households	13,655	10,578	3,077	23%
Payments for capital assets				
Buildings and other fixed structures	1,192,986	1,184,978	8,008	1%
Machinery and equipment	30,215	23,068	7,147	24%
Payments for financial assets				

Households - Leave gratuity underspent by 33% due to reduced number of retirements. Department incured expenditure in respect of vehicle licenses due to the decentralisation of fleet services management (white fleet). Machinery and equipment - Delays in appointments had a direct bearing on expenditure relating to computer equipment.

4.3 Per conditional grant	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Provincial Roads Maintenance Grant	1,589,853	1,586,585	3,268	0%
Expanded Public Works Programme	20,610	15,329	5,281	26%

The department did not spend 31% of the allocated EPWP grant due to delayed implementation of training for new EPWP benefitiaries.

Statement of Financial Position

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current Assets		**50,194**	**48,308**
Cash and cash equivalents	8	45,924	44,982
Other financial assets		-	-
Prepayments and advances	9	117	117
Receivables	10	4,153	3,209
Non-Current Assets		**46,367**	**46,367**
Receivables	10	46,367	46,367
TOTAL ASSETS		**96,561**	**94,675**
LIABILITIES			
Current Liabilities		**95,611**	**94,009**
Voted funds to be surrendered to the Revenue Fund	11	89,728	86,829
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	12	1,355	5,054
Payables	13	4,528	2,126
Non-Current Liabilities			
Payables		-	-
TOTAL LIABILITIES		**95,611**	**94,009**
NET ASSETS		**950**	**666**
Represented by:			
Capitalisation reserve		-	-
Recoverable revenue		950	666
Retained funds		-	-
Revaluation reserves		-	-
Unauthorised expenditure		-	-
TOTAL		**950**	**666**

Statement of Financial Performance

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	4,064,618	3,875,647
TOTAL REVENUE		**4,064,618**	**3,875,647**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	903,789	891,653
Goods and services	4	1,386,440	1,171,695
Interest and rent on land	5	518	1,454
Total current expenditure		**2,290,747**	**2,064,802**
Transfers and subsidies			
Transfers and subsidies	6	470,062	527,483
Total transfers and subsidies		**470,062**	**527,483**
Expenditure for capital assets			
Tangible assets	7	1,214,081	1,196,533
Total expenditure for capital assets		**1,214,081**	**1,196,533**
Unauthorised expenditure approved without funding		-	-
Payments for financial assets		-	-
TOTAL EXPENDITURE		**3,974,890**	**3,788,818**
SURPLUS/(DEFICIT) FOR THE YEAR		**89,728**	**86,829**
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		89,728	86,829
Annual appropriation		77,666	48,998
Conditional grants		12,062	37,831
			-
Departmental revenue and NRF Receipts	12	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		**89,728**	**86,829**

Cash Flow Statement

	Note	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**4,090,935**	**3,902,328**
Annual appropriated funds received	1.1	4,064,618	3,875,647
Statutory appropriated funds received		-	-
Departmental revenue received	2	26,312	26,677
Interest received	2.2	5	4
NRF Receipts		-	-
Aid assistance received		-	-
Net (increase)/ decrease in working capital		1,458	14,336
Surrendered to Revenue Fund		(124,370)	(322,130)
Surrendered to RDP Fund/Donor		-	-
Current payments		(2,290,229)	(2,063,348)
Interest paid	2.2	(518)	(1,454)
Payments for financial assets		-	-
Transfers and subsidies paid		(470,062)	(527,483)
Net cash flow available from operating activities	14	**1,207,214**	**1,002,249**
CASH FLOWS FROM INVESTING ACTIVITIES			
Distribution/dividend received		-	-
Payments for capital assets	7	(1,214,081)	(1,196,533)
Proceeds from sale of capital assets	2.3	7,525	6,375
(Increase)/ decrease in loans		-	-
(Increase)/ decrease in investments		-	-
(Increase)/ decrease in other financial assets		-	-
(Increase)/decrease in non-current receivables	10		1,695
(Increase)/decrease in non-current prepayments and advances			-
Net cash flows from investing activities		**(1,206,556)**	**(1,188,463)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		284	298
Increase/ (decrease) in non-current payables		-	-
Net cash flows from financing activities		**284**	**298**
Net increase/ (decrease) in cash and cash equivalents		942	(185,916)
Cash and cash equivalents at beginning of period		44,982	230,898
Unrealised gains and losses within cash and cash equivalents			-
Cash and cash equivalents at end of period	8	**45,924**	**44,982**

Statement of Changes in Net Assets

NET ASSETS	Note	2024/25 R'000	2023/24 R'000
Capitalisation Reserves			
Opening balance		-	-
Transfers:			
Movement in Equity			-
Movement in Operational Funds			-
Other movements			-
Closing balance		**-**	**-**
Recoverable revenue			
Opening balance		666	368
Transfers		**284**	**298**
Recoverable revenue written off			-
Debts revised			-
Debts recovered (included in departmental revenue)			-
Debts raised		284	298
Closing balance		**950**	**666**
Retained funds			
Opening balance		-	-
Transferred from voted funds to be surrendered (Parliament/Legislatures ONLY)			-
Utilised during the year			-
Other			-
Closing balance		**-**	**-**
Revaluation Reserves			
Opening balance		-	-
Revaluation adjustment (Housing departments)			-
Transfers			-
Other			-
Closing balance		**-**	**-**
Unauthorised expenditure			
Opening balance		-	-
Unauthorised expenditure - current year		-	-
Relating to overspending of the vote or main division within the vote			-
Incurred not in accordance with the purpose of the vote or main division			-
Less: Amounts approved by Parliament/Legislature with funding			-
Less: Amounts approved by Parliament/Legislature without funding and derecognised		-	-
Current			-
Capital			-
Transfers and subsidies			-
Less: Amounts recoverable			-
Less: Amounts written off			-
Closing balance		**-**	**-**
TOTAL		**950**	**666**

ACCOUNTING POLICIES

Summary of significant accounting policies

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

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

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

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	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	**Comparative information**
6.1	**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.
6.2	**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.

7 **Revenue**

Appropriated funds

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

7.1 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.

Appropriated funds are measured at the amounts receivable.

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.

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.

7.2 Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

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

Accrued departmental revenue

7.3 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.

The accrued revenue is measured at the fair value of the consideration receivable.

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.

8 **Expenditure**

8.1 **Compensation of employees**

8.1.1 **Salaries and wages**

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

8.1.2 **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.

Other expenditure

8.2 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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

Accruals and payables not recognised

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

8.4 **Leases**

Operating leases

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

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

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. Finance lease payments received are recognised as departmental revenue.

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

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:
the fair value of the leased asset; or if lower,
the present value of the minimum lease payments.

Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.

9 **Aid assistance**

Aid assistance received

9.1 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.

CARA Funds are recognised when receivable and measured at the amounts receivable.
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.

Aid assistance paid

9.2 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.

Cash and cash equivalents

10 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.

11 Prepayments and advances
[General Departmental Assets and Liabilities]
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.

Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.

Loans and receivables

12 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.

Investments

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

14 Financial assets

Financial assets (not covered elsewhere)

14.1 A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Impairment of financial assets

14.2 Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

Payables

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

16 Capital assets

Immovable capital assets

16.1 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.

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.

16.2 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.

Biological assets are subsequently carried at fair value.
Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

Intangible capital 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.

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

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

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.

Project costs: Work-in-progress

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

16.4 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.

17 Provisions and contingents

Provisions

17.1 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.

Contingent liabilities

17.2 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.

Contingent assets

17.3 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.

Capital commitments

17.4 Capital commitments are recorded at cost in the notes to the financial statements.

Unauthorised expenditure

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

18 Unauthorised expenditure is recognised in the statement of changes in net assets 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 performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the financial statements comprise of
- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised expenditure incurred in the current year.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

19

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:
- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

20

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:
- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

21 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.

Events after the reporting date

22 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.

Principal-Agent arrangements

23 The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. 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.

Capitalisation reserve

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

Recoverable revenue

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

Related party transactions

26 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 full compensation of key management personnel is recorded in the notes to the financial statements.

27 **Inventories**

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

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

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

The cost of inventories is assigned by using the weighted average cost basis.

28 **Public-Private Partnerships**

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

29 **Employee benefits**

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

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

30 **Transfer of functions**

Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

31 **Mergers**

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

Notes to the Annual Financial Statements

1.1	Annual Appropriation	2024/25			2023/24		
		Final Budget	Actual Funds Received	Funds not requested/ not received	Final Budget	Appropriation Received	Funds not requested/ not received
	Programmes	R'000	R'000	R'000	R'000	R'000	R'000
1)	ADMINISTRATION	372,738	372,738	-	267,084	267,084	-
2)	PUBLIC WORKS INFRASTRUCTURE	954,135	954,135	-	1,056,484	1,056,484	-
3)	TRANSPORT INFRASTRUCTURE	2,397,296	2,397,296	-	2,328,025	2,328,025	-
4)	COMMUNITY BASED PROGRAMME	340,449	340,449	-	224,054	224,054	-
	Total	**4,064,618**	**4,064,618**	**-**	**3,875,647**	**3,875,647**	**-**

The department received all the funds requested.

		Note	2024/25 R'000	2023/24 R'000
1.2	**Conditional grants****			
	Total grants received	20	1,610,463	1,613,057
	Provincial grants included in Total Grants received		-	-

*(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1)*

		Note	2024/25 R'000	2023/24 R'000
2	**Departmental Revenue**			
	Tax revenue		-	-
	Sales of goods and services other than capital assets	2.1	22,737	23,274
	Fines, penalties and forfeits		-	-
	Interest, dividends and rent on land	2.2	5	4
	Sales of capital assets	2.3	7,525	6,375
	Transactions in financial assets and liabilities	2.4	3,575	3,403
	Transfers received		-	-
	Total revenue collected		**33,842**	**33,056**
	Less: Own revenue included in appropriation	12	33,842	33,056
	Departmental revenue collected		**-**	**-**

		Note	2024/25 R'000	2023/24 R'000
2.1	**Sales of goods and services other than capital assets**	2		
	Sales of goods and services produced by the department		22,383	23,177
	Sales by market establishment		5,372	6,660
	Administrative fees		-	-
	Other sales		17,011	16,517
	Sales of scrap, waste and other used current goods		354	97
	Total		**22,737**	**23,274**

		Note	2024/25 R'000	2023/24 R'000
2.2	**Interest, dividends and rent on land**	2		
	Interest		5	4
	Dividends		-	-
	Rent on land		-	-
	Total		**5**	**4**

		Note	2024/25 R'000	2023/24 R'000
2.3	**Sales of capital assets**	2		
	Tangible capital assets		**7,525**	**6,375**
	Buildings and other fixed structures		7,525	6,375
	Total		**7,525**	**6,375**

		Note	2024/25 R'000	2023/24 R'000
2.4	**Transactions in financial assets and liabilities**	2		
	Other Receipts including Recoverable Revenue		3,575	3,403
	Total		**3,575**	**3,403**

		Note	2024/25 R'000	2023/24 R'000
2.5.1	**Gifts, donations and sponsorships received in-kind** ***(not included in the main note or sub note)***			
	(Treasury Regulation 21.2.4)	ANNEXURE 1B		
	Gifts		-	-
	Donations		22,575	-
	Sponsorships		-	-
	Total		**22,575**	**-**

During the year under review, the Minister of Energy and Electricity allocated energy equipment items donated by the People's Republic of China to South Africa to the North West Province. The Department through the assistance from the Department of Education and Health has identified schools, clinics and hospitals to benefit from the donated energy equipment. Donation comprised of Diesel generators (8), Off grid power systems (12).

		Note	2024/25 R'000	2023/24 R'000
3	**Compensation of Employees**			
3.1	**Salaries and wages**			
	Basic salary		607,034	606,544
	Performance award		-	-
	Service Based		749	3,141
	Compensative/circumstantial		19,635	17,059
	Periodic payments		33	-
	Other non-pensionable allowances		119,859	113,513
	Total		**747,310**	**740,257**

		Note	2024/25 R'000	2023/24 R'000
3.2	**Social Contributions**			
	Employer contributions			
	Pension		76,728	75,860
	Medical		78,760	74,285
	UIF		-	-
	Bargaining council		59	283
	Official unions and associations		-	92
	Insurance		932	876
	Total		**156,479**	**151,396**
	Total compensation of employees		**903,789**	**891,653**
	Average number of employees		2,323	2,479

		Note	2024/25 R'000	2023/24 R'000
4	**Goods and services**			
	Administrative fees		-	37
	Advertising		645	1,921
	Minor assets	4.1	1,041	509
	Bursaries (employees)		1,709	2,187
	Catering		4,207	1,785
	Communication		9,774	8,089
	Computer services	4.2	4,387	811
	Consultants: Business and advisory services		133,973	41,531
	Legal services		22,135	13,427
	Contractors		561,964	559,732
	Agency and support / outsourced services		207,310	185,900
	Audit cost – external	4.3	26,418	14,181
	Fleet services		33,614	24,092
	Inventories	4.4	59,532	43,407
	Consumables	4.5	44,861	23,816
	Operating leases		2,967	1,542
	Property payments	4.6	222,706	195,926
	Rental and hiring		1,125	1,249
	Transport provided as part of the departmental activities		6,542	594
	Travel and subsistence	4.7	29,178	33,369
	Venues and facilities		2,526	3,903
	Training and development		3,010	5,779
	Other operating expenditure	4.8	6,816	7,908
	Total		**1,386,440**	**1,171,695**

		Note	2024/25 R'000	2023/24 R'000
4.1	**Minor assets**	4		
	Tangible capital assets		**1,041**	**509**
	Machinery and equipment		1,041	509
	Total		**1,041**	**509**

		Note	2024/25 R'000	2023/24 R'000
4.2	**Computer services**	4		
	SITA computer services		245	235
	External computer service providers		4,142	576
	Total		**4,387**	**811**

Accruals and payables relating to License and software fees payables to external service providers.

		Note	2024/25 R'000	2023/24 R'000
4.3	**Audit cost – external**	4		
	Regularity audits		22,105	14,181
	Performance audits		-	-
	Investigations		4,313	-
	Environmental audits		-	-
	Computer audits		-	-
	Total		**26,418**	**14,181**

Increased audit fees due to increased audit work as a result of significant prior year audit adjustments.

		Note	2024/25 R'000	2023/24 R'000
4.4	**Inventories**	4		
	Fuel, oil and gas		21,846	22,484
	Materials and supplies		37,686	20,923
	Total		**59,532**	**43,407**

		Note	2024/25 R'000	2023/24 R'000
4.5	**Consumables**	4		
	Consumable supplies		40,701	15,585
	Uniform and clothing		35,635	12,002
	Household supplies		4,443	2,829
	Building material and supplies		361	569
	Communication accessories		3	-
	IT consumables		65	121
	Other consumables		194	64
	Stationery, printing and office supplies		4,160	8,231
	Total		**44,861**	**23,816**

Protective clothing acquired for new EPWP benefitiaries.

		Note	2024/25 R'000	2023/24 R'000
4.6	**Property payments**	4		
	Municipal services		75,086	50,078
	Property management fees		-	-
	Property maintenance and repairs		39,279	42,822
	Other		108,341	103,026
	Total		**222,706**	**195,926**

Eskom under billed Sonop for usage of electricity, which corrected in the year under review.

		Note	2024/25 R'000	2023/24 R'000
4.7	**Travel and subsistence**	4		
	Local		29,103	33,369
	Foreign		75	-
	Total		**29,178**	**33,369**

		Note	2024/25 R'000	2023/24 R'000
4.8	**Other operating expenditure**	4		
	Professional bodies, membership and subscription fees		6,523	5,533
	Resettlement costs		140	181
	Other		153	2,194
	Total		**6,816**	**7,908**

		Note	2024/25 R'000	2023/24 R'000
5	**Interest and Rent on Land**			
	Interest paid		518	1,454
	Rent on land		-	-
	Total		**518**	**1,454**

		Note	2024/25 R'000	2023/24 R'000
6	**Transfers and Subsidies**			
	Provinces and municipalities	21,22	457,547	512,771
	Households	ANNEXURE 1A	12,515	14,712
	Total		**470,062**	**527,483**

The department realized some savings on rates and taxes (previously over billed by municipalities and corrected in the (

		Note	2024/25 R'000	2023/24 R'000
7	**Expenditure for capital assets**			
	Tangible capital assets		**1,214,081**	**1,196,533**
	Buildings and other fixed structures		1,184,979	1,172,211
	Machinery and equipment		29,102	24,322
	Total		**1,214,081**	**1,196,533**

7.1 Analysis of funds utilised to acquire capital assets - 2024/25

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible capital assets	**1,214,081**	**-**	**1,214,081**
Buildings and other fixed structures	1,184,979		**1,184,979**
Machinery and equipment	29,102		**29,102**
Total	**1,214,081**	**-**	**1,214,081**

7.2 Analysis of funds utilised to acquire capital assets - 2023/24

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible capital assets	**1,196,533**	**-**	**1,196,533**
Buildings and other fixed structures	1,172,211	-	**1,172,211**
Machinery and equipment	24,322	-	**24,322**
Total	**1,196,533**	**-**	**1,196,533**

		2024/25 R'000	2023/24 R'000
7.3	**Finance lease expenditure included in Expenditure for capital assets**		
	Tangible capital assets	6,036	4,108
	Machinery and equipment	6,036	4,108
			-
	Total	**6,036**	**4,108**

		Note	2024/25 R'000	2023/24 R'000
8	**Cash and Cash Equivalents**			
	Consolidated Paymaster General Account		45,924	44,982
	Cash receipts		-	-
	Disbursements		-	-
	Cash on hand		-	-
	Investments (Domestic)		-	-
	Investments (Foreign)		-	-
	Total		**45,924**	**44,982**

		Note	2024/25 R'000	2023/24 R'000
9	**Prepayments and Advances**			
	Staff advances		-	-
	Travel and subsistence		-	-
	Prepayments (Not expensed)		-	-
	Advances paid (Not expensed)	9.1	117	117
	SOCPEN advances		-	-
	Total		**117**	**117**
	Analysis of Total Prepayments and advances			
	Current Prepayments and advances		117	117
	Non-current Prepayments and advances			-
	Total		**117**	**117**

Include discussion where deemed relevant

9.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2024	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2025
	9	R'000	R'000	R'000	R'000	R'000
National departments		-				-
Provincial departments		-				-
Public entities		117				117
Other institutions		-				-
Total		**117**	**-**	**-**	**-**	**117**

Include discussion where deemed relevant

	Note	Balance as at 1 April 2023	Less: Amount expensed in current year	Add/Less: Other	Add: Current Year advances	Balance as at 31 March 2024
Advances paid (Not	9	R'000	R'000	R'000	R'000	R'000
National departments		-	-	-	-	-
Provincial departments		-	-	-	-	-
Public entities		-	(23,343)	-	23,460	117
Other institutions		-	-	-	-	-
Total		**-**	**(23,343)**	**-**	**23,460**	**117**

			2024/25			2023/24		
10	**Receivables**		Current	Non-current	Total	Current	Non-current	Total
		Note	R'000	R'000	R'000	R'000	R'000	R'000
	Claims recoverable	10.1	439		439	574	-	574
	Trade receivables				-	-	-	-
	Recoverable expenditure	10.2	1		1	3	-	3
	Staff debt				-	-	-	-
	Other receivables	10.3	3,713	46,367	50,080	2,632	46,367	48,999
	Total		**4,153**	**46,367**	**50,520**	**3,209**	**46,367**	**49,576**

		Note	2024/25 R'000	2023/24 R'000
10.1	**Claims recoverable**	10		
	Provincial departments		439	574
	Total		**439**	**574**

		Note	2024/25 R'000	2023/24 R'000
10.2	**Recoverable expenditure**	10		
	(Group major categories, but list material items)			
	Salary Tax Debt		1	3
	Total		**1**	**3**

		Note	2024/25 R'000	2023/24 R'000
10.3	**Other receivables**	10		
	(Group major categories, but list material items)			
	Unauthorised expenditure			-
	Irregular expenditure			-
	Fruitless and wasteful expenditure		46,367	46,367
	Salary Medical Aid			-
	Debt account		3,041	2,455
	Salary reversal			-
	Disallowance Miscellaneous		672	177
	Total		**50,080**	**48,999**

The R46m relates to an ongoin recovery process by the SIU which remains unresolved since 2021/22 financial year. No subsequent assessment has been received from investigating team, to perform impairment test on the balance.

		Note	2024/25 R'000	2023/24 R'000
11	**Voted Funds to be surrendered to the Revenue Fund**			
	Opening balance		86,829	286,715
	Prior period error		-	-
	As restated		86,829	286,715
	Transfer from statement of financial performance (as restated)		89,728	86,829
	Add: Unauthorised expenditure for current year			-
	Voted funds not requested/not received	1.1	-	-
	Transferred to retained revenue to defray excess expenditure		-	-
	Paid during the year		(86,829)	(286,715)
	Closing balance		**89,728**	**86,829**

		Note	2024/25 R'000	2023/24 R'000
11.1	**Reconciliation of unspent conditional grants**			
	Opening balance		37,831	-
	Total conditional grants received	1.2	1,610,463	1,613,057
	Total conditional grants spent		(1,601,914)	(1,575,226)
	Unspent conditional grants to be surrendered		46,380	37,831
	Less: Paid to the Provincial Revenue Fund by Provincial department		(22,420)	
	Approved for rollover		(22,420)	
	Not approved for rollover			
	Closing balance		**23,960**	**37,831**

		Note	2024/25 R'000	2023/24 R'000
12	**Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**			
	Opening balance		5,054	7,413
	Prior period error		-	-
	As restated		5,054	7,413
	Transfer from Statement of Financial Performance (as restated)		-	-
	Own revenue included in appropriation		33,842	33,056
	Transfer from aid assistance			-
	Transfer to voted funds to defray expenditure (Parliament/Legislatures ONLY)			-
	Paid during the year		(37,541)	(35,415)
	Closing balance		**1,355**	**5,054**

		Note	2024/25 R'000	2023/24 R'000
13	**Payables - current**			
	Amounts owing to other entities		3,802	1,617
	Advances received		-	-
	Clearing accounts	13.1	726	509
	Other payables		-	-
	Total		**4,528**	**2,126**

		Note	2024/25 R'000	2023/24 R'000
13.1	**Clearing accounts**	13		
	(Identify major categories, but list material amounts)			
	Salary ACB Recall		23	42
	Salary Bargaining Council		1	-
	Salary income Tax		66	108
	Salary Pension Fund		9	1
	Salary Persal EBT Control			-
	Salary Gehs Refund		627	358
	Total		**726**	**509**

		Note	2024/25 R'000	2023/24 R'000
14	**Net cash flow available from operating activities**			
	Net surplus/(deficit) as per Statement of Financial Performance		89,728	86,829
	Add back non cash/cash movements not deemed operating activities		1,117,486	915,420
	(Increase)/decrease in receivables		(944)	13,403
	(Increase)/decrease in prepayments and advances		-	(117)
	(Increase)/decrease in other current assets			-
	Increase/(decrease) in payables – current		2,402	1,050
	Proceeds from sale of capital assets			-
	Proceeds from sale of investments			-
	(Increase)/decrease in other financial assets		-	-
	Expenditure on capital assets		1,214,081	1,196,533
	Surrenders to Revenue Fund		(124,370)	(322,130)
	Surrenders to RDP Fund/Donor			-
	Voted funds not requested/not received			-
	Statutory Appropriation not requested/not received			-
	Own revenue included in appropriation		26,317	26,681
	Other non-cash items			-
	Net cash flow generated by operating activities		**1,207,214**	**1,002,249**

		Note	2024/25 R'000	2023/24 R'000
15	**Reconciliation of cash and cash equivalents for cash flow purposes**			
	Consolidated Paymaster General account		45,924	44,982
	Fund requisition account		-	-
	Cash receipts		-	-
	Disbursements		-	-
	Cash on hand		-	-
	Cash with commercial banks (Local)		-	-
	Cash with commercial banks (Foreign)		-	-
	Total		**45,924**	**44,982**

			Note	2024/25 R'000	2023/24 R'000
16	**Contingent liabilities and contingent assets**				
16.1	**Contingent liabilities**				
	Liable to	**Nature**			
	Claims against the department		Annex 2	414,219	442,723
	Intergovernmental payables		Annex 4	2,769	726
	Total			**416,988**	**443,449**

Contingent liabilities relate to the legal matters against the department, which at the time of reporting the amount and outcome of the cases was not finalized. The department have litigations wherein the cost of suit and interest were claimed by the plaintiff or claimants however due to the impracticality in measuring these costs, the department did not disclose such costs although the department is liable to pay the costs. The impracticality was as a result of the below
•The Court must determine the scale to be used (Whether only reasonable fee or punitive fees)
•The Claimant must then prepare a bill and serve it on the Department's Attorney and provide them with 20 days to challenge it.
•Then Claimant must then apply for date in court to convince the Registrar/ Clerk of Court that they are entitled to payment
•Complexity in estimating legal fees such as determining the seniority of attorney, time required etc."
•Court must determine the rate of interest or date when interest will start to run

		Note	2024/25 R'000	2023/24 R'000
16.2	**Contingent assets**			
	Nature of contingent asset			
	Overpayment of suppliers still under investigation		5,720	5,720
	Total		**5,720**	**5,720**

		Note	2024/25 R'000	2023/24 R'000
17	**Capital commitments**			
	Buildings and other fixed structures		783,057	1,780,393
	Total		**783,057**	**1,780,393**

18 Accruals and payables not recognised

18.1 Accruals

Listed by economic classification	**30 days**	**30+ days**	**Total** 2024/25 R'000	**Total** 2023/24 R'000
Goods and services	100,496		100,496	297,048
Interest and rent on land	-		-	-
Transfers and subsidies	77		77	21,446
Capital assets	185,155		185,155	126,568
Other	-		-	-
Total	**285,728**	**-**	**285,728**	**445,062**

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
Administration		14,773	49,937
Public Works Infrastructure		15,905	34,675
Transport Infrastruture		255,006	207,989
Community Based Programme		44	152,461
Total		**285,728**	**445,062**

Include reasons for material accruals

18.2 Payables not recognised

Listed by economic classification	**30 days** R'000	**30+ days** R'000	**Total** 2024/25 R'000	**Total** 2023/24 R'000
Goods and services	14,624	37,755	52,379	85,624
Interest and rent on land	-	-	-	-
Transfers and subsidies	148	27,404	27,552	1,742
Capital assets	-	75,606	75,606	242,030
Other			-	7,121
Total	**14,772**	**140,765**	**155,537**	**336,517**

Listed by programme level	Note	2024/25 R'000	2023/24 R'000
Administration		31,268	40,333
Public Works Infrastructure		8,603	14,205
Transport Infrastruture		115,666	267,193
Community Based Programme		-	14,786
Total		**155,537**	**336,517**

Included in the above totals are the following:	Note	2024/25 R'000	2023/24 R'000
Confirmed balances with departments	Annex 4	342	54
Confirmed balances with other government entities			-
Total		**342**	**54**

		Note	2024/25 R'000	2023/24 R'000
19	**Employee benefits**			
	Leave entitlement		43,358	43,144
	Service bonus		25,016	24,724
	Performance awards		-	-
	Capped leave		39,920	44,750
	Other		1,072	708
	Total		**109,366**	**113,326**

The amount of leave entitlement includes negative leave balances amounting to -R 374 031.71
The reason for the negative leave are twofold. Firstly, the timing difference in the cut-off of the leave cycle which runs 01 January to 31 December, whereas the Financial Statements are prepared at 31 March. Secondly, employees receive their annual vacation credits pro-rata in January at the beginning of the cycle. These credits may be utilised immediately when available with no restriction on the number of days taken up to the limit of available credits. It means that an employee may take more than the accrual for Jan to March (AFS), or the period for IFS. The days taken in excess of the accrual are reflected as negative credits.
Had the negative leave balances been disclosed separately, the leave entitlement would have been disclosed at an amount of R 43 732 354.88

20 Lease commitments

20.1 Operating leases

2024/25	**Specialised military assets**	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year			1,256		1,256
Later than 1 year and not later than 5 years			-		-
Later than five years			-		-
Total lease commitments	**-**	**-**	**1,256**	**-**	**1,256**

2023/24	**Specialised military assets**	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year	-	-	-	-	-
Later than 1 year and not later than 5	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**-**	**-**

Operating lease relates to rental of residential buildings to accommodate MPs while residences are being renovated.

20.2 Finance leases **

2024/25	**Specialised military assets**	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year				2,682	2,682
Later than 1 year and not later than 5 years				1,250	1,250
Later than five years					-
Total lease commitments	**-**	**-**	**-**	**3,932**	**3,932**

2023/24	**Specialised military assets**	**Land**	**Buildings and other fixed structures**	**Machinery and equipment**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Not later than 1 year	-	-	-	3,008	3,008
Later than 1 year and not later than 5	-	-	-	1,542	1,542
Later than five years	-	-	-	-	-
Total lease commitments	**-**	**-**	**-**	**4,550**	**4,550**

** This note excludes leases relating to public private partnerships as they are separately disclosed in the note on Public Private Partnerships

Finance leases relates to rental of Photocopiers and cellphone contracts which meet the criteria of being classified as finance lease.

	Note	**2024/25**	**2023/24**
		R'000	**R'000**
21 Accrued departmental revenue			
Sales of goods and services other than capital assets		89,846	83,806
Total		**89,846**	**83,806**

Accrued departmental revenue relates to oustanding rental income, which the department continue striving to collect from tenants and/or occupants.

	Note	2024/25 R'000	2023/24 R'000
21.1 Analysis of accrued departmental revenue			
Opening balance		83,806	84,669
Less: Amounts received		11,508	21,970
Less: Services received in lieu of cash		-	-
Add: Amounts recorded		17,548	21,107
Less: Amounts written-off/reversed as irrecoverable			-
Less: Amounts transferred to receivables for recovery			-
Other (Specify)			-
Closing balance		**89,846**	**83,806**

	Note	2024/25 R'000	2023/24 R'000
22 Unauthorised, Irregular and Fruitless and wasteful expenditure			
Unauthorised expenditure			-
Irregular expenditure		482,872	164,902
Fruitless and wasteful expenditure		518	1,454
Total		**483,390**	**166,356**

Irregular Expenditure: (1) The Department spent R97 m over the prescribed 25% threshhold on allocated PRMG.(2) Contract and quotation related irregularities relating to, not going on open tender for amounts above R1m, three (3) quatations not obtained, spliting of order etc making up the balance of irregular expenditure of R385 m

Fruitless and wasteful expenditure: Mainly made up of interest paid on late payment os services providers such as municipalities and Eskom

	2024/25 R'000	2023/24 R'000
23 Key management personnel		
Political office bearers (provide detail below)	2,260	2,159
Officials:		-
HOD	1,975	1,830
Chief Directors	11,186	14,873
Directors	21,859	22,980
Family members of key management personnel	-	-
Total	**37,280**	**41,842**

	Note	2024/25 R'000	2023/24 R'000
24 Provisions			
Retention money		187,403	154,180
Claims Against the department		550	-
Total		**187,953**	**154,180**

24.1 Reconciliation of movement in provisions - 2024/25

	Roads Retentio R'000	Buildings Retention R'000	laim against sta R'000	Provision 4 R'000	Total provisions R'000
Opening balance	151,994	2,186	-		154,180
Increase in provision	93,866	962	550		95,378
Settlement of provision	(58,996)	(2,609)	-		(61,605)
Unused amount reversed					-
party					-
in estimation of inputs					-
Closing balance	**186,864**	**539**	**550**	**-**	**187,953**

Reconciliation of movement in provisions - 2023/24

	Roads Retentio R'000	Buildings Retention R'000	laim against sta R'000	Provision 4 R'000	Total provisions R'000
Opening balance	91,937	-	-	-	91,937
Increase in provision	93,035	2,186	-	-	95,221
Settlement of provision	(32,978)	-	-	-	(32,978)
Unused amount reversed	-	-	-	-	-
party	-	-	-	-	-
in estimation of inputs	-	-	-	-	-
Closing balance	**151,994**	**2,186**	**-**	**-**	**154,180**

Retention consist of money withheld from project cost. Amounts become due to the service provider in two stages namely practical completion stage and expiry of the 12 month defect liability period.

Claims against the state relates to legal claims which have been finalized by the courts however, the timing and/or amount to be paid is still not known yet to the department. The department have litigations wherein the cost of suit and interest were ruled in favor of the plaintiff or claimants however due to the impracticality in measuring these costs, the department did not disclose such costs although the department is liable to pay the costs. The impracticality was as a result of the below
•The Court must determine the scale to be used (Whether only reasonable fee or punitive fees)
•The Claimant must then prepare a bill and serve it on the Department's Attorney and provide them with 20 days to challenge it.
•Then Claimant must then apply for date in court to convince the Registrar/ Clerk of Court that they are entitled to payment
•Complexity in estimating legal fees such as determining the seniority of attorney, time required etc."
•Court must determine the rate of interest or date when interest will start to run

25 Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	436,625		23,067	19,924	439,767
Transport assets	364,038		18,183	4,232	377,989
Computer equipment	41,435		2,713	6,157	37,991
Furniture and office equipment	12,959		1,895	2,283	12,571
Other machinery and equipment	18,193		275	7,252	11,215
FINANCE LEASE ASSETS	10,556		1,677	1,680	10,553
Finance lease assets	10,556		1,677	1,680	10,553
ASSETS	**447,181**	**-**	**24,744**	**21,604**	**450,320**

Included in disposal for the current financial year of R19 924, is asset that have been under investigation for over 5 years and could not be physically verified amounting to R19 730.

25.1 Movement for 2023/24

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	413,876	(5,379)	31,318	3,190	436,625
Transport assets	339,880	(2,537)	26,695	-	364,038
Computer equipment	39,166	2,584	2,784	3,099	41,435
Furniture and office equipment	11,657	29	1,364	91	12,959
Other machinery and equipment	23,173	(5,455)	475	-	18,193
FINANCE LEASE ASSETS	-	5,521	5,035	-	10,556
Finance lease assets	-	5,521	5,035	-	10,556
CAPITAL ASSETS	**413,876**	**142**	**36,353**	**3,190**	**447,181**

25.1.1 Prior period error

	Note	2023/24
		R'000
Nature of prior period error		
Relating to 202/23 (affecting the opening balance)		**142**
Transport Assets and Computer Equipment		47
Furniture and Office equipment, and other machinery		(5,426)
Other machinery and equipment and finance lease		5,521
Relating to 2023/24		**4,236**
Computer Equipment		43
Furniture and Office equipment, and other machinery		(842)
Other machinery and equipment and finance lease		5,035
Total		**4,378**

25.2 Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	24,652	-	-	24,652
Value adjustments							-
Additions				1,041			1,041
Disposals				3,616			3,616
ASSETS	**-**	**-**	**-**	**22,077**	**-**	**-**	**22,077**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets				8,394			8,394
Number of minor assets at cost				13,506			13,506
ASSETS	**-**	**-**	**-**	**21,900**	**-**	**-**	**21,900**

Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	24,222	-	-	24,222
Prior period error	-	-	-	-	-	-	-
Additions	-	-	-	705	-	-	705
Disposals	-	-	-	275	-	-	275
ASSETS	**-**	**-**	**-**	**24,652**	**-**	**-**	**24,652**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	-	-	-	10,153	-	-	10,153
Number of minor assets at cost	-	-	-	25,023	-	-	25,023
ASSETS	**-**	**-**	**-**	**35,176**	**-**	**-**	**35,176**

25.2.1 Prior period error

	Note	2023/24
		R'000
Nature of prior period error		
Relating to 2022/23 (affecting the opening balance)		**359**
Machinery and equipment		359
Relating to 2023/24		**193**
Machinery and equipment		193
Total		**552**

25.3 Movable capital assets written off

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off				19,924			19,924
WRITTEN OFF	**-**	**-**	**-**	**19,924**	**-**	**-**	**19,924**

MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	Specialis-ed military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	-	-	-	-
WRITTEN OFF	**-**	**-**	**-**	**-**	**-**	**-**	**-**

26 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
STRUCTURES	39,693,402	1,056,559	337,009	40,412,952
Dwellings	370,732	25,572	11,446	384,858
Non-residential buildings	4,290,843	93,562	-	4,384,405
Other fixed structures	35,031,827	937,425	325,563	35,643,689
HERITAGE ASSETS	-	-	-	-
Heritage assets	-			-
LAND AND SUBSOIL ASSETS	115,487	1,534	110	116,911
Land	115,487	1,534	110	116,911
Mineral and similar non-regenerative resources	-			-
FINANCE LEASE ASSETS	-	-	-	-
Finance lease assets	-			-
ASSETS	39,808,889	1,058,093	337,119	40,529,862

Department is aware that certain assets have been or may have been damaged due to various reasons (e.g. fire, vandalism, floods). In terms of MCS all capital assets remain in the asset register at their original cost (or deemed cost). Capital assets are not depreciated nor subject to impairment testing or valuation adjustments for appreciation or devaluation. Cost may only be adjusted to correct an error or on a change of accounting policy.

The department also sold 18 residential properties at an amount of R 7 525 000 to individuals. The properties disposed had a carrying amount of R 11 446 000 at the date of disposal in resulting at loss of R3 921 000.

Immovable Tangible Capital Assets under investigation

	Number	Value
assets that are under investigation:		R'000
Buildings and other fixed structures	1	14,000
Heritage assets		
Land and subsoil assets		

NWPG is the custodian of Farm Kwariekraal, 148,0 (R/E) as it was vested in May 1998. Based on Deeds information the property was transferred to a Communal Property Association in 2017. DPWR is liaising with DALRRD to determine the processes to follow in order to resolve the matter. However currently the matter has not yet been resolved.

Movement for 2023/24

26.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
STRUCTURES	38,264,638	57,048	1,425,666	53,950	39,693,402
Dwellings	328,650	175	53,473	11,566	370,732
Non-residential buildings	4,029,312	1,319	299,812	39,600	4,290,843
Other fixed structures	33,906,676	55,554	1,072,381	2,784	35,031,827
LAND AND SUBSOIL ASSETS	101,146	-	14,341	-	115,487
Land	101,146	-	14,341	-	115,487
Mineral and similar non-regenerative resources	-	-	-	-	-
ASSETS	**38,365,784**	**57,048**	**1,440,007**	**53,950**	**39,808,889**

27.1.1 Prior period error

	Note	2023/24
		R'000
Nature of prior period error		
Relating to 2022/23 (affecting the opening balance)		**57,048**
Dwellings		175
Non-residential buildings		1,319
Other fixed structures		55,554
Relating to 2023/24		**(124)**
Dwellings		1,810
Non-residential buildings		(1,934)
Other fixed structures		
Total		**56,924**

Immovable tangible capital assets: Capital Work-in-progress

26.2 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2025

	Note	Opening Balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2025
	Annexure 5	R'000	R'000	R'000	R'000
Heritage assets		-	-	-	-
Buildings and other fixed structures		1,678,661	1,199,536	1,026,166	1,852,031
Land and subsoil assets		-	-	-	-
TOTAL		**1,678,661**	**1,199,536**	**1,026,166**	**1,852,031**

	2024/25	2023/24
Payables not recognised relating to Capital WIP	R'000	R'000
[Amounts relating to progress certificates	67,100	203,178
Total	**67,100**	**203,178**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2024

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2024
	Annexure 5	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		1,581,287	(24,474)	1,180,862	1,059,014	1,678,661
TOTAL		**1,581,287**	**(24,474)**	**1,180,862**	**1,059,014**	**1,678,661**

Immovable tangible capital assets written off

26.3 IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000
Immovable assets written off	20,465	-	-	-	20,465
WRITTEN OFF	**20,465**	**-**	**-**	**-**	**20,465**

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000
Immovable assets written off	53,950	-	-	-	53,950
WRITTEN OFF	**53,950**	**-**	**-**	**-**	**53,950**

				2024/25	2023/24
26.4	**Immovable capital assets (additional information)**		***Note***		
a	**Unsurveyed land**	**Estimated completion date**	Annexure 6	**Area**	**Area**
					-
b	**Properties deemed vested**		Annexure 6	**Number**	**Number**
	Land parcels			209	238
	Facilities				
	Schools			32	43
	Clinics			2	2
	Hospitals			3	4
	Office buildings			20	22
	Dwellings			42	45
	Storage facilities			-	-
	Other			110	122
c	**Facilities on unsurveyed land**	**Duration of use**	Annexure 6	**Number**	**Number**
	Schools				-
	Clinics				-
	Hospitals				-
	Office buildings				-
	Dwellings				-
	Storage facilities				-
	Other				-
d	**Facilities on right to use land**	**Duration of use**	Annexure 6	**Number**	**Number**
	Schools			1,814	1,814
	Clinics			370	370
	Hospitals			15	15
	Office buildings			28	24
	Dwellings			888	888
	Storage facilities			8	8
	Other			167	224
e	**Agreement of custodianship**		Annexure 6	**Number**	**Number**
	Land parcels				-
	Facilities				-
	Schools				-
	Clinics				-
	Hospitals				-
	Office buildings				-
	Dwellings				-
	Storage facilities				-
	Other				-

27 Principal-agent arrangements

27.1 Department acting as the principal

	2024/25	2023/24
	R'000	**R'000**
Development Bank of South Africa	-	1,663
Total	**-**	**1,663**

DBSA serves as an agent for the department as it facilitates repairs and maintenance services in state owned building (Garona Building). Total amount paid to DBSA during the 2023/24 financial year is R23 million (Inclusive of management fee of R1,6m)

28 Prior period errors

28.1 Correction of prior period errors

	Note	Amount bef error correction (2023/24)	Prior period error (2023/24)	Restated amount (2023/24)
		R'000	**R'000**	**R'000**
Departmental revenue, Aid assistance, etc.)				
None				-
Net effect		**-**	**-**	**-**
Expenditure: (e.g. Compensation of employees, Goods and services, Tangible capital assets, etc.)				
None				-
Net effect		**-**	**-**	**-**
departmental revenue, Movable tangible capital				
Accrued Departmental Revenue	**Note 21**	83,619	187	83,806
Movable Tangible Capital Assets	**Note 25**	442,803	4,378	447,181
Minor Assets	**Note 25.2**	24,100	552	24,652
Immovable Tangible Capital Assets	**Note 26**	39,751,965	56,924	39,808,889
Capital work in progress	**Note 26.2**	1,670,368	8,293	1,678,661
Finance Lease Assets	**Note 25**	6,481	4,075	10,556
Net effect		**41,979,336**	**74,409**	**42,053,745**

***Assets** - (1. Accrued departmental revenue adjusted for client balance which was adjusted during the financial year affecting opening balances. 2. Movables and minor assets incorrectly accounted for in opening balance which had to be adjusted for accuracy of the asset registers. 3. Incorrect classification of buldings between dwelings and non residential building.)*

	Note	Amount bef error correction	Prior period error	Restated amount
to be surrendered, Commitments, Provisions,				
Lease Commitments	**Note 20.2**	3,334	1,216	4,550
Contigent Liabilities	**Note 16.1**	368,918	73,805	442,723
Provisions	**Note 24**	163,627	(9,447)	154,180
Capital Commitments	**Note 17**	1,750,008	30,385	1,780,393
Accruals	**Note 18.1**	274,278	170,784	445,062
Payables (Not recognised)	**Note 18.2**	321,143	15,374	336,517
Net effect		**2,881,308**	**282,117**	**3,163,425**

***Liabilities** - (1. Lease commitment and contingent registers had casting errors which have been adjusted during the year affecting opening balance.)*

	Note	Amount bef error correction	Prior period error	Restated amount
expenditure, fruitless and wasteful expenditure,				
Irregular Expenditure for the year	**Note 22**	310,052	(145,150)	164,902
Net effect		**310,052**	**(145,150)**	**164,902**

***Other** - Irregular expense previous not included in the register had been updated and added.*

20. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2023/24	
	Division of Revenue Act / Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by dept	Division of Revenue Act / Provincial Grants	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provincial Roads Maintenance Grant	1,567,433	22,420	-	-	1,589,853	1,589,853	1,586,585	3,268	99.8%	1,580,673	1,555,531
Expanded Public Works Programme	20,610	-	-	-	20,610	20,610	15,329	5,281	74.4%	32,384	19,695
	1,588,043	22,420	-	-	1,610,463	1,610,463	1,601,914	8,549		1,613,057	1,575,226

Notes to the Annual Financial Statements

21. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2023/24	
	Division of Revenue Act / Provincial grants	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by dept	Division of Revenue Act / Provincial grants	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Summary by province													
Eastern Cape	-	-	-	-	-	-	-	-	-	-		-	-
Free State	-	-	-	-	-	-	-	-	-	-		-	-
Gauteng	-	-	-	-	-	-	-	-	-	-		-	-
KwaZulu-Natal	-	-	-	-	-	-	-	-	-	-		-	-
Limpopo	-	-	-	-	-	-	-	-	-	-		-	-
Mpumalanga	-	-	-	-	-	-	-	-	-	-		-	-
Northern Cape	-	-	-	-	-	-	-	-	-	-		-	-
North West	181,000	-	-	181,000	181,000	-	-	181,000	173,134	7,866	95.7%	-	115,000
Western Cape	-	-	-	-	-	-	-	-	-	-		-	-
TOTAL	**181,000**	**-**	**-**	**181,000**	**181,000**	**-**	**-**	**181,000**	**173,134**	**7,866**		**-**	**115,000**
Summary by grant													
PRMG	181,000	-	-	181,000	181,000	-	-	181,000	173,134	7,866	95.7%	-	115,000
	181,000	**-**	**-**	**181,000**	**181,000**	**-**	**-**	**181,000**	**173,134**	**7,866**		**-**	**115,000**
1. **PRMG**													
Eastern Cape				-									
Free State				-									
Gauteng				-									
KwaZulu-Natal				-									
Limpopo				-									
Mpumalanga				-									
Northern Cape				-									
North West	181,000			181,000	181,000	-	-	181,000	173,134	7,866	95.7%	-	115,000
Western Cape				-									
	181,000	-	-	181,000	181,000	-	-	181,000	173,134	7,866		-	115,000

22. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

	2024/25							2023/24	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
City of Matlosana	21,420			21,420	38,237	(16,817)		36,000	36,641
Ditsobotla Local Municipality	10,564		(10,564)	-	412	(412)		4,500	3,200
Greater Taung Local Municipality	28,569			28,569	13,084	15,485		18,554	17,989
Jb Marks Local Municipality	17,839			17,839		17,839		22,890	25,181
Kgetleng Rivier Local Municipality	18,501		(16,612)	1,889	1,889	-		2,000	1,219
Lekwa - Teemane Local Municipality	6,787			6,787		6,787		2,200	1,824
Madibeng Local Municipality	51,584		(19,192)	32,392	32,392	-		39,000	36,703
Mahikeng Local Municipality	46,451			46,451	81,597	(35,146)		158,260	163,406
Mamusa Local Municipality	8,556		(4,684)	3,872	2,309	1,563		5,100	4,957
Maquassi Hills Local Municipality	14,712			14,712	2,377	12,335		5,444	3,247
Molopo Kagisano Local Municipality	-			-	893	(893)		4,100	1,017
Moretele Local Municipality	40,050		(31,702)	8,348	8,348	-		10,000	8,969
Moses Kotane Local Municipality	61,125		630	61,755	60,495	1,260		35,000	36,155
Naledi Local Municipality	20,179			20,179	21,953	(1,774)		16,332	17,730
Ramotshere Moiloa Local Municipality	6,936		(6,936)	-	2,561	(2,561)		3,300	2,702
Ratlou Local Municipality	20,354		4,945	25,299	15,409	9,890		18,000	19,003
Rustenburg Local Municipality	12,238		(11,750)	488	2,973	(2,485)		3,000	2,614
Tswaing Local Municipality	14,135		(14,135)	-		-		15,000	15,214
Bojanala Platinum				-	4,408				
Unallocated				-	(4,914)				
	400,000	**-**	**(110,000)**	**290,000**	**284,423**	**5,071**	**-**	**398,680**	**397,771**

Annexures to the Annual Financial Statements

ANNEXURE 1A
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2023/24	
	Adjusted Budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave Gratuity	12,304			12,304	8,316	67.6%	-	10,522
Vehicle Licences	1,351			1,351	2,536	187.7%	-	37
Claims against state				-	1,663		-	4,153
Total	**13,655**	**-**	**-**	**13,655**	**12,515**		**-**	**14,712**

ANNEXURE 1B
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2024/25 R'000	2023/24 R'000
Received in cash			
Subtotal - received in cash		-	-
Received in kind			
Donations			
Diesel Generators	150kva x 8 units	1,759	-
Off grid power supply systems	100kw x 7 units	11,816	
Off grid power supply systems	200kw x 5 units	9,000	
Total donations		**22,575**	-
Subtotal - received in kind		**22,575**	-
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		**22,575**	-

ANNEXURE 2

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

NATURE OF LIABILITY	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Magistrate and high court claims	442,723	39,827	70,242	-	**412,308**
DBSA	-	1,911	-	-	**1,911**
Total	**442,723**	**41,738**	**70,242**	**-**	**414,219**

ANNEXURE 3
CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2024/25*	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
					-	-		
					-	-		
Community Safety			109	104	109	104		
Department of Health			1,967		1,967	-		
Departmet of Health North West				911	-	911		
North West Provincial Legislature				173	-	173		
Provincial Treasury			5	8	5	8		
Department of Rural Development				222	-	222		
Department of Social Development	256			1,704	256	1,704		
Department of Cooperative Governance		11	716		716	11		
Office of the Premiers			80	64	80	64		
Department of Education			177		177	-		
Department of Sports Arts & Culture			43	43	43	43		
Department of Human Settlement	9	7			9	7		
Department of Economic Development, Environment, Conservation and Tourism			18	59	18	59		
Department of Rural Development and Agriculture			388		388	-		
Total	**265**	**18**	**3,503**	**3,288**	**3,768**	**3,306**		**-**

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2024/25*	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Office of Premier		-		-	-	-		
Department of Cooperative Governance		-	224	-	224	-		
Health		18	106	36	106	54		
Social Development		-		127	-	127		
Education		-		-	-	-		
Agriculture		5	1,289	-	1,289	5		
Human Settlement	342	0		-	342	0		
Cosatma		-	987	363	987	363		
Dedect		-		-	-	-		
Public Service and Administration		30		-	-	30		
Home Affairs		65		-	-	65		
Cata			163	82	163	82		
TOTAL INTERGOVERNMENTAL PAYABLES	**342**	**118**	**2,769**	**608**	**3,111**	**726**		**-**

ANNEXURE 5
Movement in Capital Work-in-Progress
MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,678,660	1,199,536	1,026,166	1,852,030
Dwellings	-	-	-	-
Non-residential buildings	64,977	54,703	53,242	66,438
Other fixed structures	1,613,683	1,144,833	972,924	1,785,592
TOTAL	**1,678,660**	**1,199,536**	**1,026,166**	**1,852,030**

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	1,581,286	(24,474)	1,180,862	1,059,014	1,678,660
Dwellings					-
Non-residential buildings	39,597	15,929	11,629	2,178	64,977
Other fixed structures	1,541,689	(40,403)	1,169,233	1,056,836	1,613,683
TOTAL	**1,581,286**	**(24,474)**	**1,180,862**	**1,059,014**	**1,678,660**

Annexures to the Annual Financial Statements

ANNEXURE 6
ADDITIONAL INFORMATION ON IMMOVABLE ASSETS

1. Properties deemed vested

Properties deemed to vest in the province in terms of the Constitution, but for which the vesting process has not been

Properties deemed vested	2024/25 Number	2023/24 Number
Land parcels	209	227
Facilities		
Schools	32	43
Clinics and care centres	2	2
Hospitals	3	4
Office buildings	20	20
Dwellings	42	42
Storage facilities	-	-
Other	110	116

2. Facilities on unsurveyed land

Department of Agriculture Land Reform and Rural Development (DALRRD) is responsible to have a record of all un-surveyed state land, including those from the former TBVC States and Self Governing Territories and state land in the former territory of the Republic of South Africa (pre 27 April 1994);

3. Facilities on land where a right to use exists

The following service delivery facilities were constructed on the land parcels of other custodians.

Facilities on right to use land	2024/25 Number	2023/24 Number
Schools	1,814	1,814
Clinics and care centres	370	370
Hospitals (Health Facilities)	15	15
Office buildings	24	27
Dwellings	888	888
Storage facilities	8	8
Other	224	167

4. Agreement of custodianship reached

Where agreement of custodianship has been reached the properties were transferred in accordance with the requirements of

Agreement of custodianship	2024/25 Number	2023/24 Number
Land parcels	-	-
Facilities	-	-
Schools	-	-
Clinics and care centres	-	-
Hospitals	-	-
Office buildings	-	-
Dwellings	-	-
Storage facilities	-	-
Other	-	-

5. Contingent assets

The department is currently researching 13 assets that are allocated to NWPG according to deeds records.

6. Properties registered in the name of North West Provincial Government belonging to other custodians

These land parcels are not disclosed in North West Department of Public Works and Roads' immovable asset register as Human Settlement,

Properties of other custodians	2024/25 Number	2023/24 Number
Human Settlement and North West Housing Corporation	2,002	2,008
Higher Education	8	8

ANNEXURE 7
ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2.1 AND 13.1 TO 13.4)

Name of Entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Contract reference number	Total contract value	Contract commencement date	Contract end date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add / (Less): Other	Balance outstanding as at 31 March 2025	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
					R'000				R'000	R'000	R'000	R'000	R'000	
Prepayments														
Advances														
Development bank of SA		Total facility management services	Public entities						117	-	-	-	117	Finalization of final accounts
TOTAL ADVANCES									**117**	**-**	**-**	**-**	**117**	
TOTAL PREPAYMENTS AND ADVANCES									**117**	**-**	**-**	**-**	**117**	

Vote 11

ANNUAL REPORT

2024/25

“Let’s Grow North West Together”

PR 310/2025

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