



**KWAZULU-NATAL PROVINCE**

**PUBLIC WORKS**  
REPUBLIC OF SOUTH AFRICA

**Final**

# **ANNUAL PERFORMANCE PLAN 2022/2023**

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KwaZulu-Natal Department of Public Works Annual Performance Plan 2022-2023

**ANNUAL PERFORMANCE PLAN 2022/2023**

## EXECUTIVE AUTHORITY STATEMENT

### FOREWORD TO THE 2022 / 2023 ANNUAL PERFORMANCE PLAN

During the 2022/2023 financial year, we will speed up our programme focusing on utilizing our properties and state owned land across the province. We remain concerned that such properties and the land ends up in the hands of criminals.

In various parts of KZN including rural areas there are buildings and the land owned by government. Public Works is the custodian of such assets on behalf of government.

We want to unlock the value of these properties and the land for the use by the ordinary members of society to drive their own development. At the centre of all of this is Radical Economic Development.

Historically, property was always viewed as a right. In South Africa, however, black people were denied access to productive land through the Native Land Act of 1913 and subsequent discriminatory policy and legislation.

Black people could not own property nor could they effectively trade on properties. In many cases land was held by Tribal Trusts, which precluded people living on tribal land from obtaining title deeds. These laws affected the ability of black people to create or accumulate wealth.

Consequently, significant numbers of South Africans have never in the history of their families experienced formal property ownership and its wealth creation benefits.

This has had a fundamental impact on the economic potential of South Africa and black people in particular. Despite legislative and policy interventions to eradicate these inequalities, in practice - skewed patterns of ownership, participation and benefit remain.

Black people continue to be significantly under-represented in ownership of property, whilst administrative, legal and financial constraints restrict the ability of black people to participate in the property market.

Commercially, direct property ownership is dominated by institutional investors, large private owners, collective investment schemes, property loan stocks and listed property entities, with government being the largest commercial player. There is limited participation of black people, particularly women, in ownership and control of these entities.

The commercially driven activities surrounding property, including development, management and sales, rests largely in white-owned hands. The 2022/23 Annual Performance Plan focuses a great deal on the transformation of the property sector.

As Public Works, we will continuously reengineering our approach to assist the province and the country to grow. We will be focusing on vocational training to ensure that the people of this province are appropriately skilled to take up the new opportunities we are creating in the various sectors of the economy through the delivery of infrastructure. We will link up with TVET College and other Training Institutions ensure massive skilling of young people.

We are mandated as the department to speed up the rollout of socio-economic infrastructure. We remain firm behind efforts aimed at eradicating the unnecessary red tape and prolonged construction of government infrastructure which at times lasts between 5 to 6 years.

We take pride in seeing the completion of many projects as XoloXolo Senior Primary School in Harry Gwala District. With a budget of about RR56, 7 million, we have created over 160 jobs from the local community. We are alive to the fact that government has identified government infrastructure as one of the most important sectors in economic recovery and job creation.

We remain determined towards ensuring that Public Works becomes a centre of the delivery of infrastructure on behalf of all government departments. In this regard, we will continue to work with members of the executive council as leaders of their respective line function departments, as our clients, to ensure speed and quality in the execution of projects.

As an executive authority, I am confident that under the stewardship of the Accounting Officer and the Senior Management, the institutional mechanisms and human resources capacity is firmly in place to realise the targets set out herein and accordingly submit for relevant consideration.



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**Honourable N.M. Sibiya, MPL**  
**Executive Authority for Human Settlements and Public Works**  
**Provincial Government of KwaZulu-Natal**

## ACCOUNTING OFFICER STATEMENT

This Annual Performance Plan forms the basis for our programme of action for the 2022/2023 financial year. The policy pronouncements by both the Premier of the Province of KwaZulu-Natal Sihle Zikalala and the Executive Authority of this line function department MEC Jomo Sibiya have been incorporated into key service delivery targets.

The MEC has stated that government identified infrastructure as one of the most important sectors in ensuring economic recovery and job creation. As guided by the MEC we have ensured that the annual plans for the rollout of social infrastructure projects are packaged in such a way that we grow the economy of the province for the benefit of ordinary members of society.

Indeed, as it has been pointed out by the MEC, all categories of staff in the department are now fully aware that the approach this country has adopted is that which is utilized by developmental states that lifted their countries out of deep depression. In these countries, massive investment was poured into infrastructural projects to stimulate development.

By and large, massive investments consequently encourages partnership between the public and the private sectors to maximize investments and grow the economy together.

As directed by the MEC, we are determined to demonstrate an ability to deliver the world-class infrastructure that will stand as a monument of what we can achieve when we are united behind a common programme.

In planning the rollout of the Provincial Government Precinct and many other socio-economic infrastructure projects, we are directed to ensure that ordinary members of society, especially emerging entrepreneurs in the construction and built industry as a whole are benefitting.

Accordingly, according to our annual performance plan, we will sustain interactions with industry role players, chambers, emerging entrepreneurs, and other key stakeholders such as leaders of society.

All categories of staff are aware that the MEC has directed us to ensure that people from previously disadvantaged communities are empowered to enter the construction sector and the built industry as a whole.

Critically, the Government has allocated millions of rands to drive radical economic transformation. As the province, with the highest rate of unemployment and poverty, there is a need to for us to ensure

that the call for radical economic transformation does not only remain a slogan, but that it should find practical expression in our government and private sector programmes.

Having finalized the Registration of Eyesizwe Contractor Development Programme (ECDP) Database to CIDB, the Department is now firmly ensuring the targeting of specific projects to CIDB Grade 1 to 6 only. During the 2022/2023, we will ensure that work allocated to contractors through Eyesizwe Contractor Development Programme include: Fencing; Water and Sanitation; Early Childhood Development Centres; Schools storm damage; Maintenance; Repairs and Renovations; Electrification; Upgrades and Additions.

The department will focus on its core mandate, which is to deliver infrastructure in the province. The department will contribute to eliminating poverty and reducing inequality through creating employment through its EPWP programmes, as well as creating an enabling environment for sustainable employment and economic growth through delivery and maintenance of infrastructure.

The focus is also on restoration of the department to its original purpose and values as the Implementer of Choice by ensuring speedily filling of all vacant posts thus increasing capacity of the Department to be able to delivery as expected.

Whilst the Department has finalised its proposed structure which is fully aligned to the District Development Model (DDM) and the institutionalisation of the IDMS, the approval and implementation has been stalled due to non-availability of funding which is estimated at R290 million.

The Expanded Public Works Programme (EPWP) remains one of the largest public employment programmes in the world. The rollout of Expanded Public Works Programme will be sustained and ensure that young people are appropriately skilled and assisted to acquire experience in various sectors of the economy. The long-term objective is to prepare participants in EPWP for the job market. However, it must be noted that the minimal conditional grant received from National Department and minimal funding for the department's infrastructure projects would not be sufficient to cater for the EPWP targets for this financial year.

The impact of COVID-19 and pre-existing economic situation has impacted negatively especially to low skilled workers. To mitigate this plight, we will continue to streamline all mass employment opportunities, repurpose it to ensure effectiveness. The purpose will be to ensure that more allocation goes to intended beneficiaries and less is spent on management and facilitation. We will continue to provide reports to the Premier's War Room on Jobs creation.

The Constitutional Court Judgement and the National Treasury Communique issued on 25 February 2022 regarding the Preferential Procurement Regulations, 2017 has had its own negative effect on service delivery. This meant that all procurement related service had to be suspended thus affecting the delivery of infrastructure and severe effect on the achievement of the performance targets as well as the utilization of the budget allocation.

In as much it would be ideal for all government departments to be housed in the state owned buildings; hiring of office accommodation cannot be avoided under the current circumstances and it is critical for the Department to create opportunities for all in hiring of office accommodation. In the financial year, the Department will undertake the number of turnaround strategy to achieve transformation objectives in hiring of office accommodation which includes amongst other holding Provincial Property Indaba. An invitation will be extended to all interested stakeholders in the property sector to be part of this engagement. The intention is obtaining views / suggestions of how the Department can further improve so that a better enabling environment is provided to all.

The annual budget allocation for property rates remains insufficient. The trend over the past several years is that there is always a shortfall. Regrettably, this is not an occurrence that can be solved by the best of financial planning as property rates are dependent on individual municipalities effecting increases in line with their Municipal Rates Policies. However, the issue is being resolved through a variety of intergovernmental interventions and the intention is to ensure that the issue is avoided going forward.



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**Mr SP MAJOLA**  
**(Acting) Head of Department: Department of Public Works**  
**Provincial Government of KwaZulu-Natal**



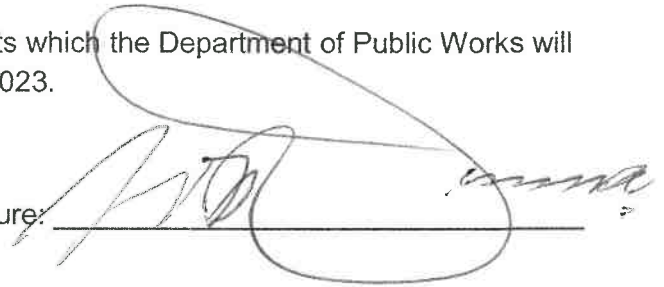
## OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Public Works under the guidance of the Executive Authority, Mr. N.M. Sibiya
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Public Works is responsible.
- Accurately reflects the outcomes and outputs which the Department of Public Works will endeavor to achieve over the period 2022/2023.

Mr. P.W. Duma  
Deputy Director General:  
Corporate Services:  
Programme Manager Programme 1

Signature: \_\_\_\_\_



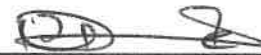
Ms. XCE Ntanzu  
(Acting) Deputy Director General:  
Immovable Assets Management:  
Programme Manager: Programme 2

Signature: \_\_\_\_\_



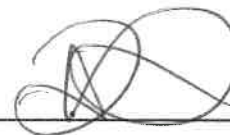
Mrs. Z.U. Pfute  
(Acting) Deputy Director General:  
Infrastructure Maintenance and Technical  
Support:  
Programme Manager: Programme 3

Signature: \_\_\_\_\_



Mrs. Z.D. Dlamini  
(Acting) Chief Financial Officer

Signature: \_\_\_\_\_



Mr. N B. Zondi  
Director: Strategic Planning

Signature: \_\_\_\_\_



Mr. S.P. Majola  
(Acting) Accounting Officer

Signature: \_\_\_\_\_



### APPROVED by

Mr. N.M. Sibiya  
Executive Authority

Signature \_\_\_\_\_



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## ACRONYMS

No.	Acronym	Full Description
1.	<b>APP</b>	Annual Performance Plan
2.	<b>C-AMP</b>	Custodian Asset Management Plan
3.	<b>CIDB</b>	Construction Industry Development Board
4.	<b>COGTA</b>	Department of Corporate Governance and Traditional Affairs
5.	<b>DAC</b>	Department of Arts & Culture
6.	<b>DARD</b>	Department of Agriculture & Rural Development
7.	<b>DoE</b>	Department of Education
8.	<b>DoH</b>	Department of Health
9.	<b>DoPW</b>	Department of Public Works
10.	<b>DoT</b>	Department of Transport
11.	<b>DSD</b>	Department of Social Development
12.	<b>DS&amp;R</b>	Department of Sports & Recreation
13.	<b>EPWP</b>	Expanded Public Works Programme
14.	<b>FTE</b>	Full Time Equivalent
15.	<b>GIAMA</b>	Government Immovable Asset Management Act.
16.	<b>HRPP</b>	Human Resource Provisioning Plan
17.	<b>IAM</b>	Immovable Asset Management
18.	<b>IDMS</b>	Infrastructure Delivery Management System
19.	<b>IMTS</b>	Infrastructure Maintenance and Technical Support
20.	<b>IPMP</b>	Infrastructure Programme Management Plan
21.	<b>KZN</b>	KwaZulu-Natal
22.	<b>MEC</b>	Member of the Executive Council
23.	<b>MPL</b>	Member of the Provincial Legislature
24.	<b>MTEF</b>	Medium Term Expenditure Framework
25.	<b>MTSF</b>	Medium Term Strategic Framework
26.	<b>NDOPW</b>	National Department of Public Works
27.	<b>NDP</b>	National Development Plan
28.	<b>NEET</b>	Not in Employment, Education or Training
29.	<b>OSS</b>	Operation Sukuma Sakhe
30.	<b>OTP</b>	Office of the Premier
31.	<b>PGDP</b>	Provincial Growth and Development Plan
32.	<b>PGDS</b>	Provincial Growth and Development Strategy

No.	Acronym	Full Description
33.	<b>SDIP</b>	Service Delivery Improvement Plan
34.	<b>SITA</b>	State Information Technology Agency
35.	<b>SMS</b>	Senior Management Services
36.	<b>PFMA</b>	Public Finance Management Act
37.	<b>U-AMP</b>	User Asset Management Plan

## Part A: OUR MANDATE

### VISION

“An inclusive economy through sustainable infrastructure development and property management”.

### MISSION

“To improve the lives of the people in KwaZulu-Natal through sustainable infrastructure development and property management”.

### CORE VALUES

In the implementation of the Annual Performance Plan, the KwaZulu-Natal Department of Public Works will be guided by the following values:

	Core Value	Description
a)	<b>Transparency</b>	<ul style="list-style-type: none"><li>- We all share ideas and information freely and promote a culture of openness and transparency in all our work.</li><li>- We will facilitate access to information; always engage the communities and stakeholders in our decision-making.</li><li>- We will respect the views of others and seek to first understand and there is a better way to be monitored.</li><li>- We will respect the views of others, seek to understand their opinion/s and open ourselves to monitoring.</li></ul>
b)	<b>Excellence</b>	<ul style="list-style-type: none"><li>- We are dedicated to providing high quality, appropriate progression and timely responses for all our services</li><li>- We will seek and embrace effective leadership, innovative solutions, creativity and support, orientation to change and progressive thought.</li><li>- We will encourage effectiveness and reward efficiency and ingenuity.</li></ul>
c)	<b>Motivated Workforce</b>	<ul style="list-style-type: none"><li>- We will treat all people with dignity, respect and fairness.</li><li>- Our employees are our most valuable resource and we will invest in their growth.</li><li>- Each employee's contribution is essential to our collective success.</li></ul>
d)	<b>Sustainability</b>	<ul style="list-style-type: none"><li>- We will act with foresight to ensure the long-term health and wellbeing of the community we serve.</li><li>- We will seek a balanced approach to deliver on our mandate, programmes and services in an economically sound, environmentally sustainable and socially responsible way.</li></ul>
e)	<b>Integrity</b>	<ul style="list-style-type: none"><li>- We will seek public trust by being honest, competent and consistent in our actions.</li><li>- We will strive for the highest standards of moral and ethical conduct.</li></ul>
f)	<b>Team Work</b>	<ul style="list-style-type: none"><li>- We will work together to achieve common goals</li><li>- We will share information freely, and collaborate with our stakeholders and actively engage them in our decision-making and initiatives.</li></ul>
g)	<b>Accountability</b>	<ul style="list-style-type: none"><li>- We commit the Department staff and service providers to be accountable to the public and other stakeholders for services rendered and commitments made</li></ul>

## OUTCOMES

<b>OUTCOME 1</b>	Increase access to economic opportunities to broaden the base of targeted groups for economic empowerment through infrastructure and property management
<b>NDP &amp; PGDP ALIGNMENT</b>	NDP – Chapter 3 NDP <sup>1</sup> - Chapter 13 and 14 PGDP Goal 6 – Governance, PGDP Strategic Objective 6.1 Strengthen policy, strategy coordination and Intergovernmental relations PGDP Goal 1, Strategic Objective 1.4 Improve the efficiency, innovation and variety of government – led job creation programmes
<b>MTSF PRIORITY</b>	Priority 2 - Job creation and transformation Priority 1 – A capable, ethical and developmental state
<b>OUTCOME 2</b>	Improved immovable asset management and custodianship of all provincial assets and facilities
<b>ALIGNMENT TO NDP, PGDP</b>	NDP – Chapter 7
<b>MTSF PRIORITY</b>	Priority 7 – a better Africa and World
<b>OUTCOME 3</b>	Provision of sustainable social infrastructure
<b>NDP &amp; PGDP ALIGNMENT</b>	NDP Chapter 7 PGDP Goal 5 – Environmental Sustainability Strategic Objective 5.2 Expand application of green technologies
<b>MTSF PRIORITY</b>	Priority 1 – Job creation and transformation

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<sup>1</sup> NDP – National Development Plan –Vision 2030

## 1. RELEVANT LEGISLATIVE AND POLICY MANDATES

Within the broad statutory mandates of government institutions, the following mandates currently guide the KZN Public Works department's core functions of infrastructure development and property management.

### **Government Immovable Asset Management Act (No. 19 of 2007)**

This act provides for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department. It provides for ensuring the co-ordination of the use of an immovable asset with the service delivery objectives of the national or provincial department and for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department.

### **KZN Land Administration and Immovable Asset Management Act, No. 2 of 2014**

Enables the Provincial Government to:

- administer the management of the Provincial state land, including the process of:
  - acquisition of property;
  - disposal of provincial state land;
  - expropriation of property;
  - management and maintenance of provincial state land,
- establish and maintain a current register for all Provincial State Property
- harmonise provincial land administration and management legislation with GIAMA.

The Act specifically stipulates that the MEC for KZN Public Works is responsible for the aforementioned functions. It also makes provision for user departments to submit user asset management plans to the Department, setting out how it uses or intends to use immovable assets in its possession, which user asset management plans will assist the Department in compiling its Custodian Asset Management Plan, relating to all immovable assets in its custody, thus ensuring alignment with GIAMA.

## **POLICY MANDATES**

- Public Works White Paper : Towards the 21st century (1997)
- Public Works White Paper: Creating an enabling environment for Reconstruction, Growth and Development in the Construction Industry (1999)
- On the 16th April 2014 the Cabinet approved the transfer of the EPWP Provincial Coordination to the Department of Public Works as recorded in **Cabinet Resolution 119 of April 2014**. As from 1 April 2015, the KZN Department of Public Works fully took over the EPWP Provincial Coordination in KZN.



The main objective of the EPWP Provincial Coordination of the sub - programme is the management,reporting and co-ordination of jobs created and expenditure on the Expanded Public Works Programme.

**2. INSTITUTIONAL POLICIES AND STRATEGIES**

None

**3. RELEVANT COURT RULINGS**

None

## Part B: OUR STRATEGIC FOCUS

### 1. SITUATIONAL ANALYSIS

Statistics South Africa (Stats SA) estimated the mid-year population at 60.14 million for 2022. Approximately 51,2% (approximately 31 million) of the population is female. Gauteng comprises the largest share of the South African population, with approximately 12,3 million people (25,8%) living in this province followed by KwaZulu-Natal with an estimated 10,3 million people (19,2%) living in this province. With a population of approximately 1,145 million people (2,2%), Northern Cape remains the province with the smallest share of the South African population. About 28,8% of the population is aged younger than 15 years and approximately 9,0% (5,3 million) is 60 years or older. Of those younger than 15 years of age, the majority reside in Gauteng (21,5%) and KwaZulu-Natal (21,1%).

The National Development Plan 2030 visualises an inclusive society and economy, free from unequal opportunities through capacity building, redress and increased interaction. Given this context there is a need for programmes to develop women and youth if South Africa is to grow into a powerhouse in the global stage.

Gender equality in decision-making positions is vital to ensure that issues affecting women are considered during policy formulation, planning and project implementation. Women empowerment is a critical component of any interventions aimed at gender equality, as they remain marginalized even in the post 1994 era. Ownership and control of assets should therefore remain at the forefront of socio-economic transformation. The department has therefore identified areas of intervention through procurement reforms to ensure empowerment of women, youth, military veterans and black African.

A large portion of the lease portfolio has benefitted mainly Indian and White landlords therefore specific interventions will also be introduced to increase the equity ownership of black landlords. There will also be a streamlined approach towards the development of emerging contractors through increased spend on Eyesizwe Contractor Development Programme as well as capacity building in order to improve sustainability, quality and performance of emerging contractors. The new approach will also see a greater number of contractors benefitting as the department limits the number of awards per contract.

Inroads into Radical Economic Transformation have been introduced and will be intensified in the 2020-2025 period through revised Delegations to Regions and District Offices, Promotion of African Black Entrepreneurs by the utilisation of Section 2 (1)f of the BBBEE Act on leases 900m<sup>2</sup> below, utilisation of Section 2(1)f to promote contract participation goals and locality, advertisement for a

database of Professionals per Discipline to realise efficiency in procurement processes, Limitation of multiple awards - greater spread of contractors and consultants, aggregation of procurement plan to apportion pre-qualification criteria and direct and indirect sub-contracting above R30 million.

The department leads Action Work Group 3 tasked with monitoring implementation of the PGDP strategic objective 1.4 “to improve the efficiency, innovation and variety of government-led job creation programmes. The AWG monitors and evaluates the effectiveness, effect and impact of EPWP in the Province. The role strengthens the department’s role of provincial coordination and ensures an integrated approach to the creation of job opportunities in the province. A challenge remains with inadequate reporting of job opportunities created at municipal level due to limited capacity and inefficiencies in data collection resulting in rejection of reported jobs on validation on data. Innovative thinking is required to implement EPWP as it offers extensive opportunities to combat unemployment.

The client satisfaction survey conducted confirms issues raised during the strategic planning exercise as matters that should be prioritised, namely delays in finalising projects, quality of workmanship by contractors appointed, exorbitant construction costs, excessive use of consultants and cumbersome internal processes affect project timelines

The diagram below outlines further focus areas that will be addressed in the 2020-2025 period.



The worldwide COVID-19 pandemic, the July riots/looting and the resultant National Lockdown has had a huge impact on the overall service delivery provision of the department. The multiplier effect on the departmental financial and non-financial performance is massive and is yet to be felt.

It should give comfort the fact that notwithstanding the effects of the COVID-19 pandemic our Department has been able to deliver on the most critically needed health infrastructure facilities. These range from new hospital wards, new hospital wings, hiring of facilities for health purposes to the temporary field hospital facilities, which had to be availed on time to address the worldwide Covid-19 pandemic.

## **2. EXTERNAL ENVIRONMENTAL ANALYSIS**

In the South African context of high level of poverty, inequality and unemployment (non-inclusive economic growth) coupled with a widely recognized skills shortfall.

The NDP outlines two key objectives for EPWP namely:

- Contribute to reducing unemployment by creating temporary employment by being responsive to the number of unemployed and
- Contribute to social protection for the unemployed by providing them with income support.

The high rate of unemployment in South Africa and KwaZulu-Natal presents an opportunity to introduce meaningful interventions to realise the KwaZulu-Natal's PGDP goal of inclusive economic growth through improving the efficiency, innovation and variety of government-led job creation.

The 2019Q2 CIDB SME Business Conditions Index shows that the South African building and construction industry continues to struggle amid tough economic conditions (CIDB). The poor economic growth has resulted in less investment in infrastructure.

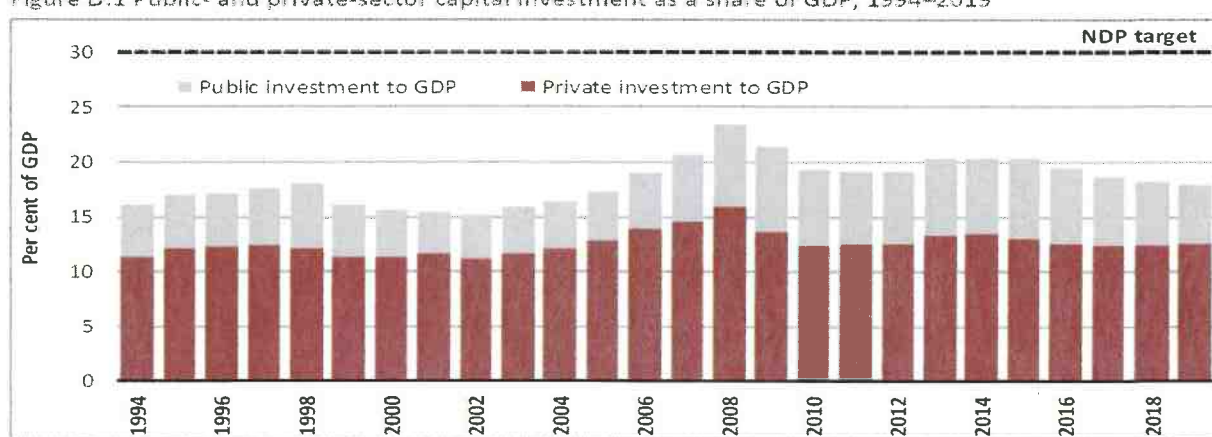
### **Trends in public and private capital investment**

To grow the economy and reduce unemployment and poverty, capital investment by the public and private sectors, which amounted to 17.9 per cent of GDP in 2019, needs to increase. Over the past decade, the public finances have deteriorated, mainly due to low growth and tax revenue and the need for increased support for state-owned companies. Revenue shortfalls and rising spending pressures threaten government's ability to invest in new infrastructure. The National Development Plan targets capital investment of 30 per cent of GDP. To reach that goal, public-sector investment would need to

grow from 5.4 per cent of GDP in 2019 to 10 percent of GDP by 2030, while private-sector investment in infrastructure would need to grow from 12.5 per cent of GDP in 2019 to 20 percent in 2030.

Between 2009 and 2019, public-sector capital investment averaged 6.7 per cent of GDP, while private capital investment averaged 12.8 per cent of GDP (Figure D.1). Not only is total investment well below the National Development Plan target, it has also been continuously declining over the past few years. Between 2007 and 2009, public and private capital investment as a percentage of GDP increased in response to construction for the 2010 FIFA World Cup. Since then, public capital investment has been declining, averaging 6.6 per cent of GDP between 2010 and 2019.

Figure D.1 Public- and private-sector capital investment as a share of GDP, 1994–2019



Source: Reserve Bank

Figure D.1 Public- and private-sector capital investment as a share of GDP, 1994–2019

Source: Reserve Bank

### Public-sector infrastructure spending highlights

Table D.1 summarises government's infrastructure spending plans for the next three years. The data combines infrastructure spending estimates at national, provincial and local government level, including state-owned companies and other public entities. Public-sector infrastructure spending over the medium-term expenditure framework (MTEF) period is estimated at R815 billion. State-owned companies continue to be the largest contributor to capital investment, spending a projected R314 billion over the next three years. Provinces are expected to spend R177 billion on infrastructure over the same period, while municipalities are forecast to spend R196.8 billion.

Public housing built through the human settlements development grant in provinces is expected to total R43.9 billion. Although these assets are transferred to homeowners, this spending is a substantial



government contribution to the built environment. Spending on economic infrastructure, mainly by state-owned companies, accounts for 75.1 per cent of the medium-term estimate. These funds are used to expand power-generation capacity, upgrade and expand the transport network, and improve sanitation and water services. Social services infrastructure accounts for 20.9 per cent of the total, of which health and education account for 4.6 per cent and 7.2 per cent respectively. In 219/20, the public sector is estimated to spend R257 billion on infrastructure, an increase of 19 per cent relative to 2018/19.

It is evident that government does not have sufficient financial resources to meet the growing infrastructure need. To help close this gap, government's economic recovery plan emphasises collaboration with business, labour and civil society. The plan includes immediate measures to boost investor confidence and longer-term reforms to promote sustained economic growth. Higher and more effective infrastructure spending is central to this plan. The Infrastructure Fund will play a pivotal role in enhancing collaboration and attracting private-sector investment for infrastructure projects. (Source: Budget 2022).

Some of the pressures facing Public Works stem from client departments failing to provide adequate project scopes, delays in project readiness from client departments, use of other implementing agents and use of in-house built capacity by client departments, cancellation of projects mid-implementation. It is acknowledged that the department needs to improve its approach to planning and project management to deliver quality infrastructure on time and at reasonable cost. The loss of trust in the department's capabilities poses a serious threat to the department's delivery on its mandate, reputational damage for the department and conflict with contractors.

Increase in leased office space on account of non-availability of suitable state buildings or funding or refurbished buildings to bring the in line needs from user departments. There is a dire need for maintenance of government buildings to house government departments and the use of Public Private Partnerships and development leases is being explored to mitigate against limited maintenance budget.

Some opportunities to be explored include generation of innovative and creative ideas to address changes in socio-economic conditions through partnerships with tertiary institutions, enhanced implementation of green building principles and taking the lead in creation of sustainable infrastructure.

Lack of responsiveness to changing sector, economic and environmental conditions has been cited as a threat to the continued effectiveness of the department, hence the need to revisit the service delivery model.



## **Political environment**

There is stability in the political environment and the Department is on track in addressing key areas prioritised for the 6<sup>th</sup> administration, with specific reference to some that relate directly to the mandate of the department, namely, job creation to reduce the high unemployment rate and contribute to poverty alleviation, training and exposure to skills development interventions for the youth, 30% government's procurement spend should go to small business and cooperatives, replace unsafe school buildings and improve sanitation, release state land housing purposes, identify interventions needed for the NEET group, that is, Youth Not in Employment, Education or Training, remove exclusionary procurement processes

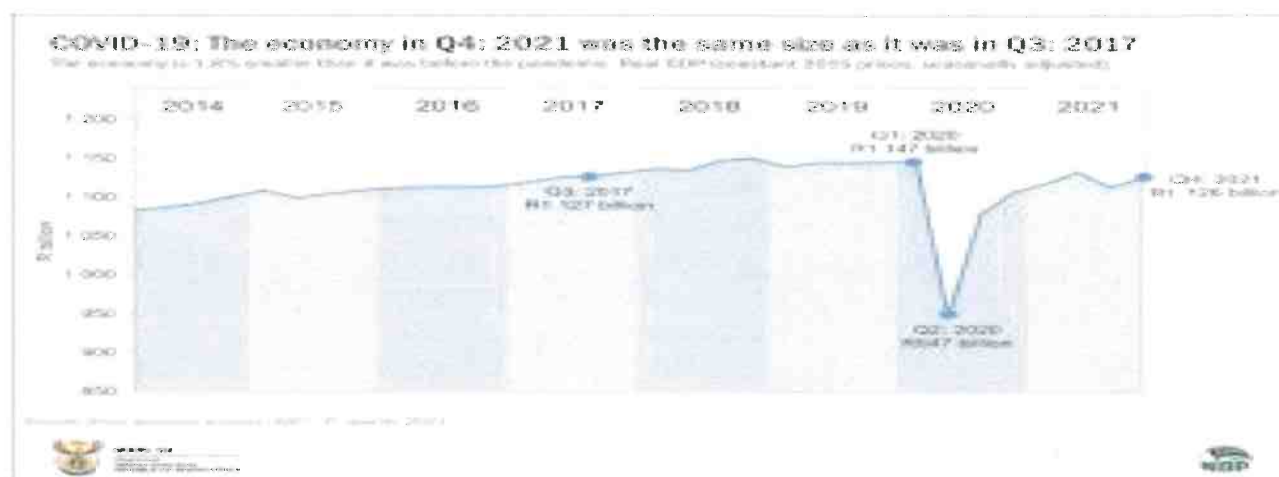
## **Economic environment**

Real gross domestic product (GDP) grew by 1,2%<sup>1</sup> in the fourth quarter (October–December), taking the annual growth rate for 2021 to 4,9%.

The fourth quarter was upbeat, with personal services, trade, manufacturing and agriculture the key drivers of growth. An increase in demand for goods and services drove up the expenditure side of the economy, with exports and household expenditure the most significant contributors to growth.

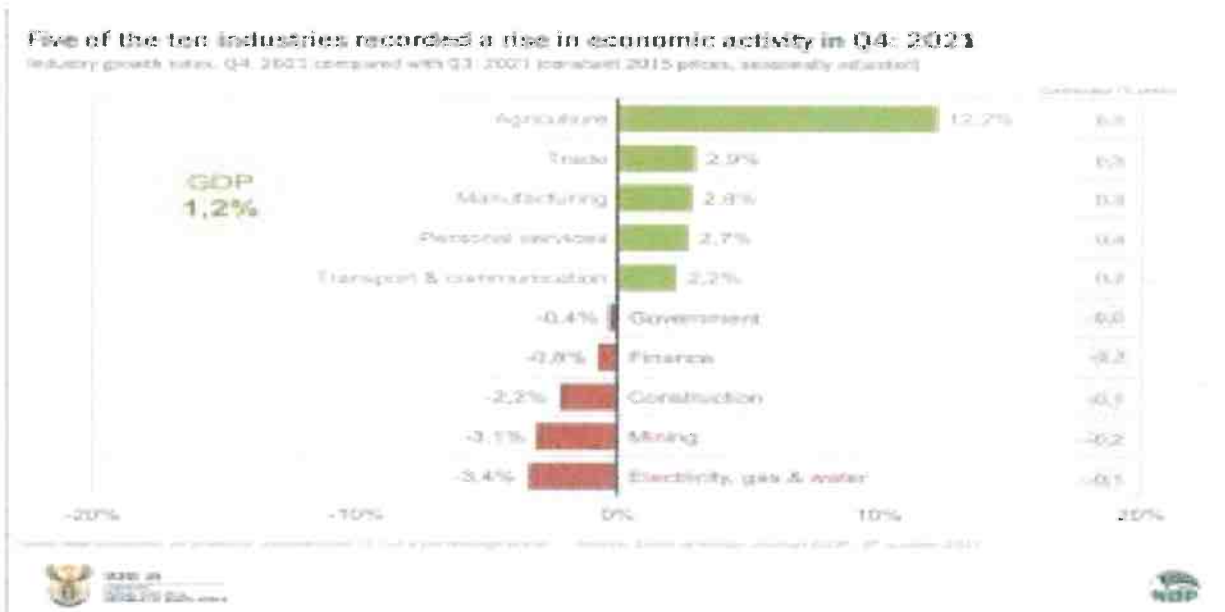
Despite these positive figures, real GDP has yet to recover to the level recorded in the second quarter of 2021, before civil unrest and stricter lockdown restrictions shook the economy in the third quarter.<sup>2</sup>

Real GDP continues to lag pre-pandemic levels too, with economic activity on par with the third quarter of 2017. The economy is 1,8% smaller than it was in the first quarter of 2020.



## **GDP production: personal services, trade, manufacturing and agriculture take the lead**

Personal services, trade, manufacturing and agriculture were the most significant positive contributors to growth in the fourth quarter. Personal services, which includes health-related activities, continued to register increased activity stemming from the national vaccination programme. Various hospitals also recorded a rise in non-COVID-19 related patient admissions in the fourth quarter.



Trade activity increased by 2,9% as lockdown restrictions eased, with positive results from retail; motor trade; tourist accommodation; and restaurants, fast-food and catering. Economic activity in the wholesale sector, however, edged slightly lower.

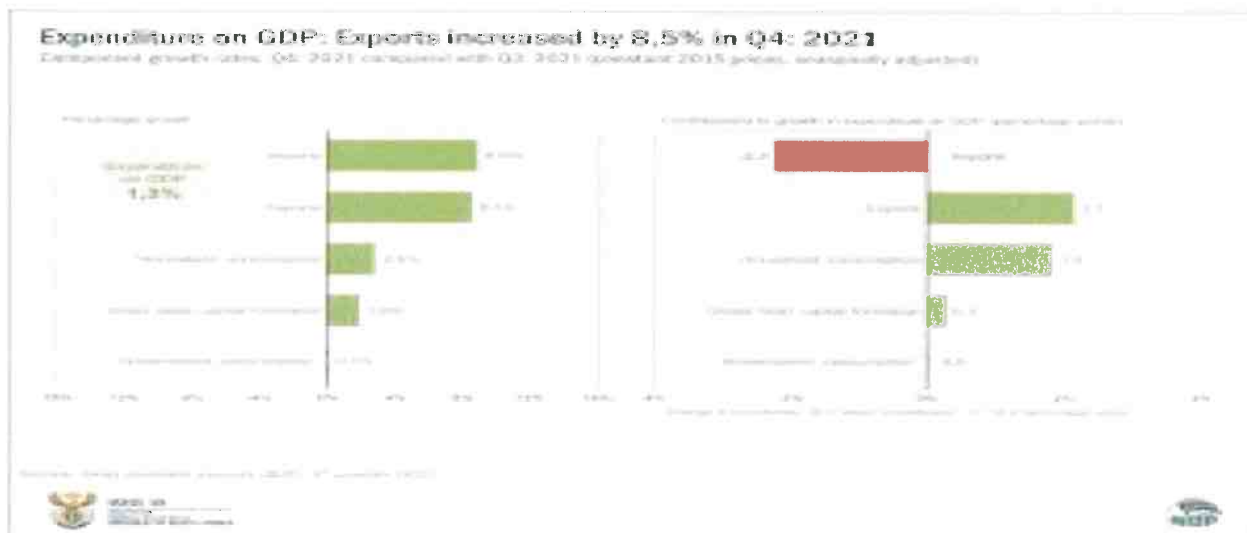
The 2,8% rise in manufacturing output was mainly driven by the production of petroleum, chemical & plastic products and food & beverages. All other manufacturing divisions posted positive results too, with the exception of metals & machinery and furniture & 'other' manufacturing that performed poorly. Good rains during the season helped boost agriculture activity. Together with a rise in animal products – such as cattle, sheep, pigs and poultry – increased wheat production lifted the industry by 12,2%.

The higher than usual rainfall was good for agriculture, but not great for mining. The country produced less iron ore and coal in the fourth quarter, with heavy rains disrupting operations at opencast mines. Miners of gold, manganese ore, diamonds and chromium ore also recorded lower production figures. The finance industry edged lower by 0,8%. Financial intermediation (excluding insurance) and auxiliary activities recorded a decline in economic activity.

The electricity, gas and water supply industry was down 3,4%, with production hampered by load shedding and infrastructure problems that affected both electricity and water distribution.

### Increased demand boosts expenditure on GDP

Exports increased by 8,5% in the fourth quarter, driven mainly by precious metals and stones (gold, platinum and diamonds); base metals; and motor vehicles, parts & accessories. Imports were up too, on the back of increased demand for machinery & equipment; motor vehicles, parts & accessories; and base metals.

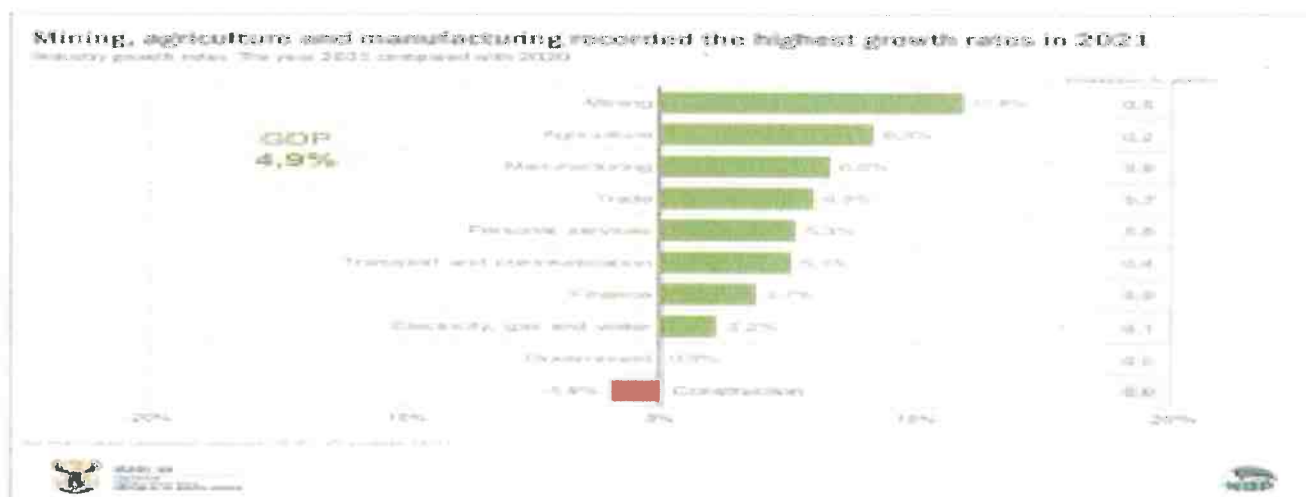


Consumer demand recovered in the fourth quarter, with household expenditure rising by 2,8%. Reflecting the rise in trade activity on the production side of the economy, households increased spending across all product categories. The largest positive contributors to household expenditure were food & non-alcoholic beverages, restaurants & hotels, and furnishings & household equipment. Inventories were a drag on the expenditure side in the fourth quarter. Even though there was an increase in supply, brought about by a rise in production and imports, the trade and manufacturing industries had to dig into their stockpiles to meet demand.

### Mining, agriculture and manufacturing the top performers in 2021

The fourth quarter results allow us to reflect on the calendar year as a whole. After a dismal 2020, which saw the economy contract by 6,4%, economic activity increased by 4,9% in 2021. Mining, agriculture and manufacturing recorded the highest growth rates in 2021, with finance, personal services and manufacturing the largest positive contributors to overall growth.

The construction industry contracted in 2021, falling by 1,9%. This was the fifth consecutive year of decline in construction.



## **Social environment**

The mid-year population is estimated at 60.14 million. The black African population is in the majority (41 million) and constitutes approximately 81% of the total South African population. The white population is estimated at 4.586 million, the coloured population at 4.615 million and the Indian/Asian population at 1,286 million. Just over fifty-one per cent (30 million) of the population is female.

The NDP envisaged an unemployment rate of 14 percent by 2020 and a further reduction to 6 percent by 2030. The level of poverty and the dire conditions that many people face in the country clearly show that this target is not likely to be reached anytime soon unless drastic action is taken by both the private and the public sector. The results of Stats SA's Quarterly Labour Force Survey (QLFS) for the second quarter of 2019. South Africa, indicates that the official unemployment rate increased to 35.3 percentage points compared to the first quarter of 2019. The number of unemployed persons increased by 455 000 to 6.7 million in Q2: 2019 compared to Q1: 2019, resulting in an increase of 476 000 in the labour force. The South African working-age population increased by 150 000 in Q2:2019 compared to Q1:2019.

The percentage of young persons aged 15–24 years who were not in employment, education or training (NEET) decreased by 0,9 of a percentage point to 32,3% (3,3 million) in Q2:2019 compared to Q1:2019. Social mobility and economic growth are often halted by poor and inadequate infrastructure. South Africa remains a divided society with growing tensions between immigrants from other parts of Africa and the local communities. Additionally, unemployment rates are much higher among the young population and the black majority of South Africans, further increasing the inequalities in a country considered one of the most unequal in the world, where a smaller part of the population still lives on one Euro per day.

The official unemployment rate increased in seven of the nine provinces, with the largest increase recorded in North West (up by 6,6 percentage points), Northern Cape (up by 3,4 percentage points), Gauteng (up by 2,2 percentage points) and Limpopo (up by 1,8 percentage points). Eastern Cape and Free State were the only provinces that recorded decreases in the unemployment rate (2,0 percentage points and 0,5 of a percentage point, respectively). Year-on-year, the official unemployment rate increased by 1,8 percentage points.

People in general in South Africa desire better education for their children, rewarding employment opportunities and faster economic growth that offer great opportunities for both local and international organisations. The biggest investment in anti-poverty programmes in South Africa is in the form of comprehensive and non-contributory grants which continue to benefit many needy people and households in the province. With these programmes established and delivering services as required



to target people and households, there is a need for initiatives in the Province that go beyond cushioning people against adverse effects of poverty, to encouraging them to become economically independent. Macro plans for expansion of the provincial economy and programmes for job-creation are a good progress in this direction.

However, government continues to enforce initiatives aimed to tackle the challenge of high unemployment, particularly among the youth population. In the 2018 State of the Province Address (SOPA), the premier of KZN announced the establishment of KZN Youth Fund (KZNYF) as a means to promote youth owned businesses within the province. The fund is aimed at assisting qualifying youth owned businesses with necessary financial support and other capital or equipment required for proper operational structures of their businesses. This initiative emanated from a realization that SMMEs have a potential to generate much needed employment and thus contribute towards GDP growth in the province. Further, it has been noted that most small businesses collapse at an early stage of operation due to lack of financial support, entrepreneurial and business management skills, information regarding entering the export market, and high competition within industries in which they operate, among others. Therefore, the Fund will address these challenges to create a conducive environment for SMMEs to thrive.

The Department is responding to these challenges which require appropriate interventions through a range of initiatives aimed at alleviating unemployment through provision of short-term paid work opportunities coupled with skills training and promote the use as well as the development of artisans. The department's Siyazenzela programme is a poverty alleviation initiative on vacant site clearance aimed at women and youth and targets the poorest of the poor.

The department is keen to improve existing job creation programmes and ensure effective oversight its role of coordinating EPWP in the Province. In realising Radical Socio-Economic Transformation, the Department will grow spend on Eyesizwe Contractor Development Programme (ECDP). The programme aims to increase and promote capacity, equity ownership, skills improvement, maintenance of capital works, sustainability and performance of registered and emerging contractors, with preference given to Youth, Women and People with Disabilities (PWDs) and Military Veterans registered on the National Military Veterans database. Vision 2030 advocates for government to broaden EPWP to cover 2 million fulltime equivalent jobs by 2020. All indications show that this is imminent however financial constraints limit the extent of expansion.

The high rate of unemployment and poverty continue to affect delivery of infrastructure as there are ongoing site disruptions by business groups demanding contracts for built works. The perceived corruption through multiple awards to the same contractors threatens progress and positive

engagements with role-players in the sector.

### **Technological environment**

South Africa is one of the most technologically advanced countries in Africa. It has made an enormous progress in mobile software, security software and electronic banking services (The International Trade Administration, 2017). A number of international tech and social networking companies already operate in South Africa often through subsidiaries. Amazon, IBM, Microsoft, Facebook, LinkedIn, Intel, Dell, Novell, and Apple are some of the companies that can be considered in this regard. Online shopping is on the rise in South Africa. Consequently, there are great opportunities for online retailers. Likewise, due to a number of high profile cyber-attacks and other online vulnerabilities, demand for IT security products and software is high as well.

Technology remains one of the biggest game changers for the construction industry. A Goldman Sachs report from 2016 predicted that the largest use for commercial drones in the immediate future would be in construction; Gauteng has already started using these to monitor projects. Africa has a fast-growing young population, providing the opportunity to build, upskill and retain fresh innovative talent, which can infuse fresh thinking into this sector. The future construction workforce needs to be trained now to fill the jobs created by advanced technology and operate seamlessly in the fourth industrial revolution. The department has started using drone technology to complement project management capacity.

Technology is playing a pivotal role in shaping the industries of today by augmenting processes, streamlining activities, and integrating innovations to propel the functioning of companies and organisations across a multitude of industries and help them achieve new heights. The built environment sector is no exception as it is benefiting rapidly due to the integration of the latest technology. Smart Building Management, Drone-based Surveying and 3D Printing are some of the technological innovations to be explored further.

### **Environmental factors**

South Africa is one of the most popular tourism destinations in the world. Abundant wildlife, scenic beauty, impressive coastlines, brilliant penguin-filled beaches and vivacious coral reefs have all contributed to the development of South Africa as a tourist destination. However, the country faces some environmental challenges such as water pollution, air pollution, land degradation, solid waste pollution, and deforestation. As indicated by the World Bank (2019), the increased frequency in inclement weather events raises the possibility of large swings in food prices, which could further deepen poverty. The effect of these weather patterns has a severe effect on infrastructure and damage to the tune of approximately R1 billion resulted from severe storms in 2018. Social



infrastructure such as hospitals, clinics and schools was affected, reversing gains made by government in improving government facilities. Supply chain reforms will also address measures to effect emergency procurement in such instances.

As the 'Implementing Agent of Choice', it is vital that the Department of Public Works acts as a leader towards positive change in the realm of infrastructure and built environment projects. As a result the department's headquarters at Oliver Tambo building in Pietermaritzburg, generates part of its own electricity via 52 solar panels on the roof. This has resulted in a reduction in electricity consumption in the building by 547500kWh. Active monitoring of water consumption has also seen a reduction in consumption of 11 478 kilolitres.

Built professionals have been exposed to various capacity building forums with green building professionals from all over the country such as the National Green Building Technical Committee to share best practice and report on the progress of green infrastructure projects. The aim was to around the country and the progress on green building implementation targets. There is acknowledgement that there are high initial costs in implementing green projects and developing a business case for these remains a challenge in the face of financial constraints facing government entities which have resulted in the decrease in new construction works, however the long-term benefits have to be strongly motivated to realize sustainable development. The department started working on a programme for monitoring and evaluation of new projects and retro-fitting of some existing buildings in the Department of Public Works Portfolio to comply with the green building policy.

### **Legal environment**

GIAMA and the KZN Land Administration Asset Management Act gives the department sufficient muscle to exercise its powers as custodian of provincial government assets however there are hindrances to the exercise of this mandate since the budget remains with user departments. This is a gap that requires attention and possible review of legislation to enforce commitment of funding towards assets identified in the U-AMP by user departments for inclusion in the C-AMP.

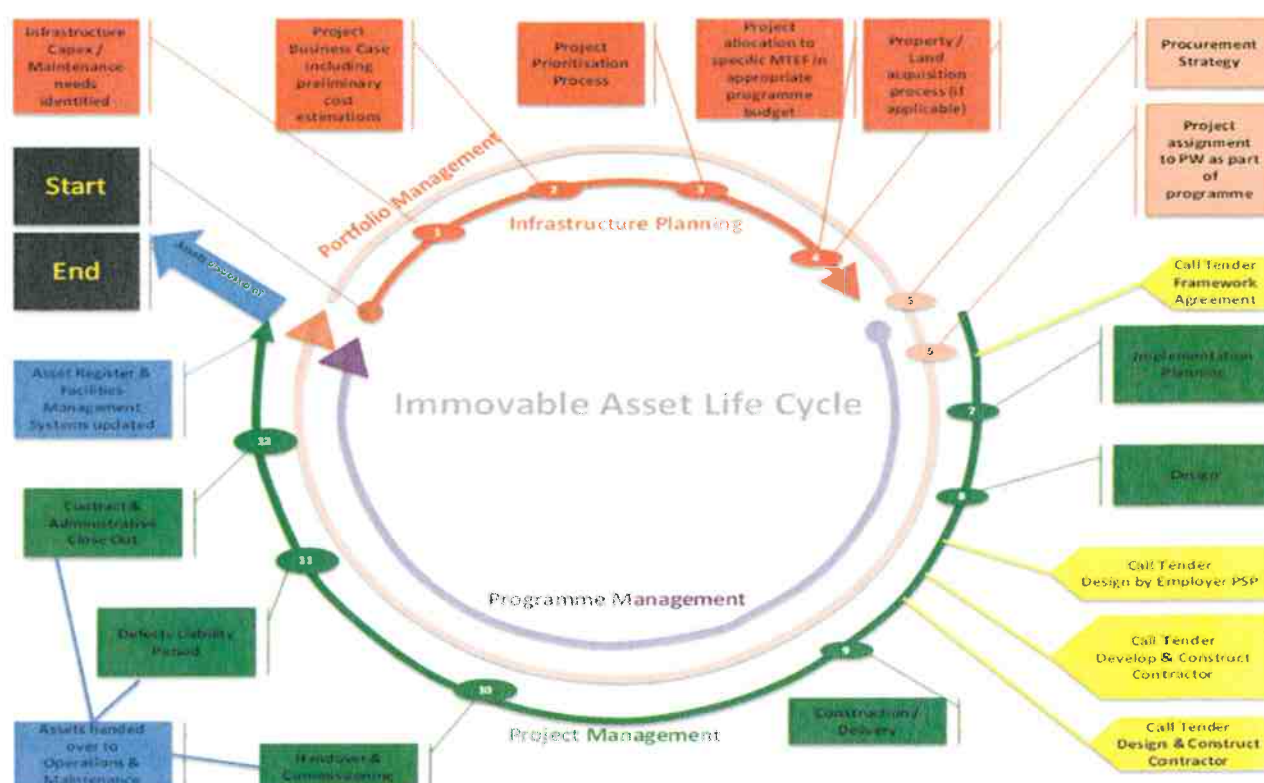
## **3. INTERNAL ENVIRONMENTAL ANALYSIS**

One of the critical success factors to achieve the departmental mandate include full implementation of back-to-basics strategy, which includes good governance; capacity building; putting client needs first, sound financial management and institutionalized long-range human resource planning.

Our geographic spread across all district municipalities in KwaZulu-Natal facilitates ease of access for clients and proximity to facilities being serviced for maintenance and construction works.

The Infrastructure Delivery Management System (IDMS) comprises three core systems, namely, a planning and budgeting, a supply chain management and an asset management system, all of which have forward and backward linkages. All of these have resource implications, both financial and human capacity. The diagram below shows the inter-linkages and processes in the lifecycle of immovable assets which are critical in the delivery of the department's mandate.

## LIFE-CYCLE OF IMMOVABLE ASSETS



## Human Resource Capacity

The review of the organogram to align to IDMS and the new service delivery model remain key to achieve meaningful service delivery to client departments and other stakeholders. These are some of the key focus areas for the period 2020-2025. Delays in finalising the organisational structure to get the right fit between the departmental strategy, service delivery requirements and the shrinking budget have had a negative effect in operations. The slightly above the norm rate of additional to establishment is a direct result of this situation although the increase in the intake of in-service trainees has also contributed positively.

The Department was not absolved from the effects of Covid-19, more that 24 employees have passed on and this has contributed to the already burdened Vacancy rate. This loss has not only affected the department, but their families and colleagues have all been affected. We convey our heartfelt condolences.

## Employment and vacancies by programme

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
1 Administration	773	760	2%	19
2 Real Estate	112	109	3%	4
3 Provide building Structure & Equipment	598	593	1%	80
<b>Total</b>	<b>1483</b>	<b>1462</b>	<b>2%</b>	<b>103</b>

The vacancy rate in the core functions of the department are 3% and 1% respectively at the end of 2020-21 financial year. Major efforts have been made to source required built skills to improve infrastructure delivery and these include partnerships formed with built statutory councils to support recent graduates reach professional status in the shortest time possible. Structured mentorship and coaching have yielded positive results in this area.

The stability and retention of staff at the executive level has ensured capacitation of staff and clarity in the Department's strategic direction. A significant number of SMS progressed within the institution, which has enriched organisational memory and knowledge management practices. Transformation of the workforce through meeting equity targets of 50% women at SMS and 2% of people with disabilities in the workforce remains an area of focus for the Department hence the continued inclusion of these aspects. The NDP expressly states that South Africa's organisations should ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.

The workforce profile shows poor representation of Coloured and White people in the department across all categories and a significant representation of African males in the unskilled personnel.

## Workforce profile

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	1	0	1	0	0	0	0	3
Senior Management	12	0	3	0	11	0	2	1	29
Professionally qualified and experienced specialists and mid-management	120	3	11	12	76	1	17	4	244



Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	247	0	18	6	183	12	26	23	515
Semi-skilled and discretionary decision making	384	1	6	0	242	1	5	4	643
Unskilled and defined decision making	7	0	0	0	13	0	0	0	20
Contract	45	2	5	1	54	0	6	0	113
<b>Total</b>	<b>816</b>	<b>7</b>	<b>43</b>	<b>20</b>	<b>579</b>	<b>14</b>	<b>56</b>	<b>32</b>	<b>1567</b>
<i>Employees with disabilities (included in above categories)</i>	<i>20</i>	<i>0</i>	<i>0</i>	<i>2</i>	<i>8</i>	<i>0</i>	<i>2</i>	<i>1</i>	<i>33</i>

Attraction and retention of built professionals remains a challenge and undermines efforts to increase capacity through the bursary and internship programmes. Capacity in the built sector remains a challenge and competition for skilled personnel remains fierce both within the public sector and with the private sector.

As depicted in the table below, the department has a significant number of interns in the quantity surveying discipline, followed by Architecture and Construction Project Management. Significant efforts have been made to bring in engineering capacity as this was shown as a gap in the human resource plan due to the retirement of engineers.

The department started efforts to employ in-house property valuers a few years ago by funding students in this discipline and this has borne fruit with the appointment of the former bursary holders.

**Table: Built interns**

Professional Discipline	Males	Females	Indian	Black	White	Coloured	Disabled	Total
CPM (Construction Project Management)	4	2	1	5	0	0	0	6
Quantity Surveying	4	7	0	11	0	0	0	11
Architecture	5	9	4	9	0	1	0	14
Mechanical Engineering	1	1	1	1	0	0	0	2
Civil Engineering	4	1	2	3	0	0	0	5
Professional Discipline	Males	Females	Indian	Black	White	Coloured	Disabled	Total
Electrical Engineering	4	0	2	2	0	0	0	4
GIS	1	2	1	2	0	0	0	3
Property Valuation	0	1	0	1	0	0	0	1
<b>TOTALS</b>	<b>23</b>	<b>23</b>	<b>11</b>	<b>34</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>46</b>

A number of areas require improvement to fully realise the goal of being the implementing agent of choice in KwaZulu-Natal. These include improved use of artisans for maintenance work to minimize delays with the procurement of suppliers and service providers. This will also create sustainable work opportunities. Infrastructure planning remains another key area that requires urgent attention as it affects both core functions, namely, immovable asset management and infrastructure delivery.

The department has demonstrated its commitment to job creation through significant initiatives implemented through the EPWP programme. The departmental has repeatedly spent its full allocation for rates payments and has demonstrated sound financial management as evidenced by positive audit outcomes. These also attest to an organisation that has effective governance systems and staff well versed in their disciplines.

The Department in conjunction with the Department of Education has managed to provide assistance to a total of 5448 Covid19 School Screeners whom all were employed via the EPWP Programme, thus creating the highly needed work opportunities.

### **INFORMATION, COMMUNICATION AND TECHNOLOGY**

The existing information, communication and technology environment is supportive of a learning organisation and service continuity is maintained at acceptable levels. This has been evidenced from by the Department to be able to work remotely during the Covid-19 pandemic without seriously affecting the service delivery and ensuring the ICT Service Management and Protection of Information Security. Some successes include existence of approved DPSA GWEA – Government Wide Enterprise Architecture and approved policies for Information Security, Email, Internet, User Access Management.

The National State Lockdown has impacted much on the IT infrastructure resources as most staff had to operate from their homes due to lockdown. The virtual platforms such as Microsoft Teams and Zoom has increasingly and successfully been used as alternatives for hosting meetings and this is planned to extend to holding interviews.

## Part C: MEASURING OUR PERFORMANCE

### 1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

#### 1.1 PROGRAMME 1: ADMINISTRATION

Purpose: to provide support to the Member of the Executive Council, provide strategic leadership and management, financial, and corporate services. There has been no change to the Administration programme structure.

Sub-Programmes:

(i) Minister Support

Purpose: Provides support including administrative, operations, protocol, security, parliamentary liaison and communication to the member of the executive council.

(ii) Management

Purpose: includes financial management services, risk management, supply chain management and corporate services

##### 1.1.1. Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
Improved leadership, governance and accountability	An unqualified audit outcome	100% internal audit recommendations implemented within specified timeframe	internal audit recommendations implemented within specified timeframe	88% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe
		100% external audit recommendations implemented within specified timeframe	83% external audit recommendations implemented within specified timeframe	83% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe



Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
		Number of external students awarded bursaries for Built Environment studies	New indicator	New indicator	New indicator	25 of external students awarded bursaries for Built Environment studies	25 of external students awarded bursaries for Built Environment studies	25 of external students awarded bursaries for Built Environment studies	25 of external students awarded bursaries for Built Environment studies
		% representation of Staff with Disabilities	1.7%	3.9%	1.8%	2% representation of staff with disabilities	2% representation of staff with disabilities	2% representation of staff with disabilities	2% representation of staff with disabilities
		% of Women at SMS level	39%	41%	42%	50% Women representation at SMS	50% Women representation at SMS	50% Women representation at SMS	50% Women representation at SMS
		% representation of Youth in the staff compliment	New indicator	New indicator	New indicator	At least 30% representation of youth in the staff compliment	At least 30% representation of youth in the staff compliment	At least 30% representation of youth in the staff compliment	At least 30% representation of youth in the staff compliment

### 1.1.2. Indicators, Annual and Quarterly targets 2022/2023

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1	% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe	100% internal audit recommendations implemented within specified timeframe
1.2	% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe	100% external audit recommendations implemented within specified timeframe
1.3	Number of external students awarded bursaries for Built Environment studies	25	-	Budget sourcing and confirmation	Advertising for new applicants	25
1.4	% representation of Staff with Disabilities	2% representation of staff with disabilities	-	-	-	2% representation of staff with disabilities

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.5	% of Women at SMS level	50% Women representation at SMS	-	-	-	50% Women representation at SMS
1.6	% representation of Youth in the staff compliment	At least 30% representation of youth in the staff compliment	-	-	-	At least 30% representation of youth in the staff compliment

## 1.2 PROGRAMME 2: PROPERTY MANAGEMENT

Purpose: To provide and facilitate the provision of accommodation and integrated property management services to clients through planned property life cycle (acquisition, management and disposal), optimal utilisation of immovable assets, land valuation, maintenance of fixed asset register, payment of property rates and integrated service delivery.

There have been no changes to the Property Management programme structure.

Sub-Programmes:

(i) Personnel and Admin Related

Purpose: Provides for the management of immovable assets in terms of GIAMA

(ii) Hiring

Purpose: facilitates the provision of hired accommodation for the department.

(iii) Acquisition of Land, Control and Disposal

Purpose: Manages property needs for provincial departments with respect to property acquisition, disposals and lettings.

### 1.2.1 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/19	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
Productive Assets  (Maintenance of Facilities)	Improved maintenance of state owned immovable assets.	Number of condition assessments finalized on state owned buildings	202	150	150	300	150	200	300
	Effective management of immovable assets	% of total budget spent on approved property rate invoices from Municipalities	100%	100%	100%	100%	100%	100%	100%
		No. of Properties Registered into the name of the KZN Provincial Government.	250	207	-	80	70	80	80
<b>Sustainable Infrastructure investment (Addressing Spatial imbalances)</b>	Disposal of redundant state properties for socio-economic purposes	Hectares of land released for socio-economic purposes	New indicator	New indicator	New indicator	10ha	10ha	10ha	10ha

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/19	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
	increased participation of targeted groups within provincial government property sector	Enter into formal agreements with financial institutions to assist targeted landlords, by 31 March 2023	New indicator	New indicator	New indicator	New	2	2	2

### 1.2.2 Indicators, Annual and Quarterly targets 2022/2023

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1	Number of condition assessments finalized on state owned buildings	150	-	Procurement of Service Provider/s to undertake the assessments	Facilities assessments	150 Final assessment reports received.
2.2	% of total budget spent on approved property rate invoices from Municipalities	100%	-	-	-	100%
2.3	No. of Properties Registered into the name of the KZN Provincial Government.	80	Submission to PSLVDC for recommendation to vest	Capture into Land Admin Web (LAW) the recommended submissions	Receipt of item 28 (1) certificates	80
2.4	Hectors of land released for socio-economic purposes	10ha	Research and Valuation	Approval stage (MEC approval, advertising of Section 5 notices and Treasury approval if required)	: Agreement stage Drafting and Vetting of agreements and signing)	10ha Conveyancing Stage and Transfer
2.5	Enter into formal agreements with financial institutions to assist targeted landlords, by 31 March 2023	2	-	1	-	1
2.6	Number of properties acquired	10	-	-	-	10
2.7	Number of leases concluded	80	20	20	20	20
2.8	Approved Custodian Asset Management Plan ( C-AMP)	1	Receipt of User Asset Management Plans (U-AMPs) from User Departments	Analysis and verification of U-AMPs	1	
2.9	Number of state owned facilities audited for utilisation	100	20	32	32	16

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.10	No. of unutilized buildings re-allocated to Department of Social development for GBV-f victims	5			3	2

### 1.3 PROGRAMME 3: PROVISION OF BUILDINGS, STRUCTURES & EQUIPMENT

Purpose: Erection and/or acquisition of buildings, structures and engineering works and the maintenance of buildings to client specifications. The core services are:

- Delivery of infrastructure;
- Creating of jobs through the EPWP initiatives and provincial coordination of EPWP;

There have been no changes to the Provision of Buildings, Structures and Equipment programme structure.

Sub-Programmes:

(i) Personnel and Admin Related

Purpose: Provides for the maintenance of the department's buildings and the maintenance of buildings to client specification.

(ii) Buildings and Structures

Purpose: Construction, upgrading or refurbishment of the department's capital infrastructure.

#### 1.3.1 Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
Optimized job opportunities									
	KZN Public Works EPWP work opportunities created	Number of EPWP work opportunities created by the Provincial Department of Public works	6134	6061	6322	4826	5026	5026	5126
	Empowerment Interventions	Number of Beneficiary Empowerment Interventions	3	3	3	4	4	4	4
	KZN Public Works EPWP work opportunities created	Number of public bodies reporting on EPWP targets within the Province	68	75	66	66	66	66	66
		Number of interventions implemented to	3	4	4	4	4	4	4



Outcomes	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
		support public bodies in the creation of targeted number of work opportunities in the province							
	Projects Awarded to Designated Groups	No. of Projects Awarded to Women owned companies	New	New	New	30	40	50	75
		No. of Projects Awarded to Military Veterans owned companies	New	New	New	10	05	15	30
		No. of Projects Awarded to youth owned companies	New	New	New	50	60	60	75
		No. of Projects Awarded to disabled people owned companies	New	New	New	5	05	15	20
		Number of Projects Awarded to Designated Groups	New	New	New	100	110	150	200
		% of total Infrastructure budget spent on Projects Awarded to Designated Groups	-	-	-	30%	30%	30%	30%
		No. of emerging contractors trained	New	348	130	300	300	350	350
		Sustainable Infrastructure Investment (Construction)	New schools completed	No. of new schools completed	New	New	New	1	2
Schools refurbished	No. of schools refurbished	New	New	New	109	67	100	120	
New clinic completed	No. of new clinics completed	New	New	New	-	-	11	2	



Outcomes	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium-term targets		
			2018/2019	2019/2020	2020/2021		2022/2023	2023/2024	2024/25
	New hospitals completed	No. of new hospitals completed	New	New	New	-	-	1	-
	Clinics refurbished	No. of clinics refurbished	New	New	New	14	17	3	3
	Hospitals refurbished	No. of hospitals refurbished	New	New	New	19	25	20	20
	New buildings/facilities completed	No. of new buildings/facilities completed	New	New	New	1	-	1	-
	Buildings/facilities refurbished	No. of buildings/facilities refurbished	New	New	New	6	22	10	-

### 1.3.3 Indicators, Annual and Quarterly targets 2022/2023

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.1	Number of EPWP work opportunities created by the Provincial Department of Public works	5026	200	1500	2026	1300
3.2	Number of Beneficiary Empowerment Interventions	4	1	1	1	1
3.3	Number of public bodies reporting on EPWP targets within the Province	66	66	66	66	66
3.4	Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province	4	1	1	1	1
3.5	% of total infrastructure budget spent on budget spent on projects awarded to Designed Groups	30 % of total Infrastructure budget spent on Projects Awarded to Designated Groups	-	-	-	30%
3.6	No. of emerging contractors trained	300	-	100	200	-

	Output Indicator	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.7	Establishment of fully functional SIDA by end June 2022	1	1	-	-	-
3.8	No. of new schools completed	2	2	-	-	-
3.9	No. of schools refurbished	82	30	23	11	18
3.10	No. of clinics refurbished	12	1	2	4	5
3.11	No. of hospitals refurbished	9	1	-	5	3
3.12	No. of buildings/ facilities refurbished	20	3	4	3	10

#### 4. EXPLANATION OF PLANNED PERFORMANCE OVER MEDIUM TERM PERIOD

There are key issues that considered as game changers which will be pursued through the identified outcomes and outputs are

- Make Radical Economic Transformation (RET) an operational culture
- Greater access to work opportunities
- Restructure the project cycle and reduce the use of consultants
- Improve efficiency within the administration by reorganizing operations
- Ensure employment equity with a bias to women and disabled applicants
- Improve the audit outcomes

The 2022/2023 financial year will focus on transformation of the property sector and empowerment of beneficiaries of the Expanded Public Works Programme with developing skills that will improve their employment prospects beyond their participation in the programme.

##### Outcome 1: Improved leadership, governance and accountability

The purpose is to strengthen compliance with legislative requirements, policies, frameworks in utilizing allocated financial resources to deliver on the department's mandate.

##### Outcome 2: Productive Assets (Maintenance of Facilities & Productive use of Facilities)

Focus areas: Improved lifecycle management of assets and efficient provision of suitable accommodation for provincial departments

##### Outcome 3: Sustainable Infrastructure Investment (Construction & Addressing Spatial imbalances)

Enhance infrastructure planning and implementation and deliver sustainable infrastructure aligned with the green agenda. The focus will also be in ensuring integrated infrastructure development to facilitate economic growth. Economic transformation initiatives have specific targets set for these groupings and ultimately, it is intended that the demographics in the ownership of the leased

portfolio will be realised through contracting with landlords whose ownership score represents representations of black Africans. Disposal of strategic immovable assets to targeted groups has also been given priority to change ownership patterns in the province.

#### **Outcome 4: Optimized Job Opportunities**

To achieve the outcome of increased access to economic opportunities in order to broaden the base of targeted groups for economic empowerment through infrastructure and property management, the department has prioritised women, youth, military veterans and people with disabilities for identified interventions.

## 5. PROGRAMME RECOURSE CONSIDERATIONS

### 5.1 OVERVIEW OF 2022/23 AND MTEF ESTIMATES

Table 1 : Summary of payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Programme	2018/19	2019/20	2020/21	2021/22			2022/2023	2023/2024	2024/2025
1. Administration	415 347	449 539	416 859	434 109	440 488	440 488	441 092	445 088	464 694
2. Property Management	806 924	1 106 556	908 753	832 095	1 162 251	1 159 945	1 070 324	870 452	909 275
3. Provision of Buildings, Structures and Equipment	453 307	475 547	465 581	429 125	458 590	460 896	430 881	428 487	448 365
	1 675 578	2 031 642	1 791 193	1 695 329	2 061 329	2 061 329	1 942 297	1 744 027	1 822 334

**Programme 1:** Administration reflects steady growth, but shows an increase in 2019/20 mainly due to higher than anticipated costs in respect of advertising tenders, audit costs for the annual audit by the A-G, communication services costs, as well as legal services costs which were unanticipated. The decrease in 2020/21 was mainly due to lower than anticipated spending on items such as advertising tenders, audit costs, legal costs, as well as a decrease in spending on fleet services and travel and subsistence costs due to the Covid-19 pandemic and the national lockdown which impacted on spending. The decrease in spending was also due to the cost-of-living adjustment funds which were returned to National Treasury, as explained above. The slight decrease in the 2021/22 Revised Estimate is mainly attributed to lower than anticipated spending under Compensation of employees, as a result of the non-filling of vacant posts. Reprioritization over the MTEF was effected mainly against Compensation of employees, from programmes 1 and 2 to programme 3 in order to align the allocation to current costing and spending. The department effected further reprioritization within Goods and services from programmes 2 and 3 due to centralization of the advertising budget under programme 1 and from Payments for capital assets transport equipment to cater for fleet services in respect of vehicle tracking devices. The budget over the MTEF shows steady growth despite the budget cuts of R80.520 million and R95.151 million in 2022/23 and 2023/24 respectively. The budget cuts have also impacted negatively on the 2024/25 outer year of the MTEF. The impact of these budget cuts is discussed in Section 9.

**Programme 2:** Property Management shows a substantial increase in 2019/20 which relates to payments of R380.624 million for property rates in respect of outstanding government debt arising from increases in the market value of properties. This explains the slight decrease in 2020/21. However, additional funding of R165 million was allocated to assist with the pressure in the payment of property rates, and this was reduced to some extent by budget cuts to assist in funding the provincial response to the Covid-19 pandemic and the 2020 cost-of-living adjustment funds effected against this programme. The substantial increase in the 2021/22 Adjusted Appropriation relates to additional funding allocated to the department for the shortfall in property rates. However, the decrease in the 2021/22 Revised Estimates is mainly attributed lower spending under Compensation of employees



due to the non-filling of vacant posts, as well as lower than anticipated expenditure under Goods and services in respect of consultants business and advisory services for the Giama conditional assessments and property payments for the Giama Izandla Ziyagezana project not materializing as anticipated. The department effected reprioritization of funds from this programme to programme 3 against Compensation of employees in order to align the allocation to current costing and spending. There was further reprioritisation from the programme into programme 1 due to the centralization of the advertising budget. The high growth in 2022/23 is ascribed to additional once-off funding of R204.866 million allocated for municipal property rates, explaining the decrease in 2023/24. The bulk of the 2022/23 MTEF budget caters for municipal property rates, as well as the implementation of GIAMA projects such as maintenance, clearing of vacant sites, provision of security services to unutilised buildings and property valuations. Budget cuts of R9.908 million and R51.399 million were effected against this programme in 2022/23 and 2023/24 respectively and negatively impacts on the outer year of the MTEF, however, these cuts are discussed in Section 9. There is fluctuating growth over the MTEF due to once-off additional funding in 2022/23. This programme received an additional R6.760 million in 2023/24 to also assist with the pressure in the payment of property rates, as previously mentioned.

**Programme 3:** Provision of Buildings, Structures and Equipment increases in 2019/20 attributed to payments for financial assets in respect of various losses written off. The decrease in 2021/22 is due to SITA computer services costs for the Works Information Management System (WIMS) and fleet services in respect of fuel. This low spending was mainly as a result of the impact of the national lockdown, as well as delays in the receipt of invoices from SITA. Also contributing was lower than anticipated expenditure in respect of consultants' costs for the Strategic Infrastructure Development Agency (SIDA) driver, and the appointment of a specialist in respect of the Infrastructure Programme Management Unit (IPMU). There were delays in finalising these appointments caused by the nationwide lockdown. The slight increase in the 2021/22 Revised Estimates is due to high expenditure under Compensation of employees for the appointment and payment of stipends in respect of the EPWP Siyazenzela Maintenance Programme, as well as higher than anticipated increases in respect of property payments for security and municipal services. This explains the slight decrease over the MTEF. The budget over the MTEF caters mainly for infrastructure projects, as explained in Section 8. The department also effected budget cuts of R109.382 million and R130.179 million in 2022/23 and 2023/24 respectively. These cuts impact negatively on the 2024/25 outer year of the MTEF against this programme. The budget over the MTEF reflects a steady growth, however, this programme receives an allocation of R8 042 million in 2022/23, in respect of the EPWP Integrated Grant for Provinces.

Table 2: Summary of provincial payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/2024	2024/2025
Current Payments	882 188	918 493	912 674	955 161	971 434	963 105	970 353	969 218	1 012 895
Compensation of Employees	617 365	682 416	699 336	716 250	717 785	694 010	722 576	714 534	747 871
Goods and services	264 823	236 077	213 327	238 911	253 649	269 095	247 777	254 684	265 024
Interest and rent on land	–	–	11	–	–	–	–	–	–



R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/2024	2024/2025
<b>Transfer and subsidies to:</b>	<b>744 091</b>	<b>1 042 561</b>	<b>841 756</b>	<b>706 560</b>	<b>1 059 767</b>	<b>1 060 403</b>	<b>946 715</b>	<b>748 935</b>	<b>781 847</b>
Provinces and municipalities	728 957	1 031 102	829 146	696 594	1 046 618	1 046 614	936 306	738 214	770 691
Departmental agencies and accounts	488	515	–	658	634	624	600	613	640
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	14 646	10 944	12 610	9 308	12 515	13 165	9 809	10 108	10 516
<b>Payments for capital assets</b>	<b>47 014</b>	<b>54 453</b>	<b>36 748</b>	<b>33 608</b>	<b>30 128</b>	<b>37 821</b>	<b>25 229</b>	<b>25 874</b>	<b>27 592</b>
Buildings and other fixed structures	25 529	31 582	27 105	22 186	18 706	18 706	14 059	14 678	15 324
Machinery and equipment	17 124	16 498	4 031	5 070	5 070	12 763	5 370	5 196	6 004
Software and other intangible assets	4 361	6 373	5 612	6 352	6 352	6 352	5 800	6 000	6 264
<b>Payments of financial assets</b>	<b>2 285</b>	<b>16 135</b>	<b>15</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>1 675 578</b>	<b>2 031 642</b>	<b>1 791 193</b>	<b>1 695 329</b>	<b>2 061 329</b>	<b>2 061 329</b>	<b>1 942 297</b>	<b>1 744 027</b>	<b>1 822 334</b>

The increasing trend against *Compensation of employees* from 2018/19 to 2020/21 is influenced by the carry-through costs of the above-budget wage adjustments, as well as provision for improving infrastructure support. The department's budget was cut by R102 612 million in 2021/22 due to the wage freeze, however, additional funding of R16 million was allocated to the department relating to the 2021 wage agreement, with the funds allocated by National Treasury to cover the costs relating to the non-pensionable cash allowance. This funding was allocated across all three programmes with Programme 1 receiving R7.584 million, Programme 2 receiving R4.528 million and Programme 3 receiving R6.888 million. The decrease in the 2021/22 Revised Estimate is largely due to delays in the filling of professional posts mainly as a result of the Covid-19 pandemic. The department reprioritised R2.500 million from *Compensation of employees* to *Goods and services* in both 2021/22 and 2022/23, to cater for the salary of a compliance officer providing support to the Head of Department, as the department has signed a three-year contract in this regard ending in 2023/24. The 2022/23 budget includes an allocation of R8 042 million for the EPWP Integrated Grant for Provinces. The department's *Compensation of employees* budget was cut by R147.137 million and R181.465 million in 2022/23 and 2023/24 respectively in respect of the wage freeze and fiscal consolidation cuts. This therefore will impact on the 2024/25 outer year allocation of the MTEF. The 2022/23 growth rate,

excluding the EPWP Integrated Grant for Provinces, is 3.8 per cent and remains constant in 2023/24. The growth rate in the outer year 2024/25 is 4.7 per cent. The department plans to monitor the filling of posts in line with natural attrition and retirements based on the availability of funds. The department has currently budgeted to fill 11 posts in the current financial year but has not budgeted to fill further posts over the MTEF. The budget growth in 2022/23 includes provision for the 1.5 per cent pay progression, and this is catered for in the outer years. As previously mentioned this category receives an allocation of R8 042 million in 2022/23, in respect of the EPWP Integrated Grant for Provinces.

*Goods and services* was high in 2018/19, mainly due to increased costs in property payments relating to electricity and water for shared services in the LA Complex building. The decrease in 2019/20 was due to no spending against GIAMA – Conditional Assessment, the Fixed Asset Register project and under-expenditure against property payments for gardening and security services. The high spending in the 2021/22 Revised Estimate is mainly due to increased costs in property payments relating to electricity and water for shared services in the LA Complex building, as mentioned previously. This explains the decrease over the MTEF, which shows a steady trend and includes R2 million in respect of the district champion of OSS/DDM responsibilities. However, this category was cut by R35.673 million in 2022/23 and R41.958 million in 2023/24 largely against training and development, business and advisory services and agency and outsourced services, contractors' costs, entertainment, fleet services, consumable: stationery, printing and office supplies, travel and subsistence, training and development, operating payments and venues and facilities which will also impact negatively on costs in respect of the 2024/25 outer year of the MTEF. The department will scale down on spending in respect of these items. This will not impact on service delivery but will have an impact on the department's day-to-day operations as Programme 1 will have limited resources to support the department. With regard to the GIAMA – Conditional Assessment, the impact of the cuts will be that fewer facilities will be assessed over the 2022/23 MTEF, and this will result in an increased backlog for facilities to be assessed considering the fact that since 2018/19 no assessments were done by the department in this regard.

*Interest and rent on land* relates largely to audit costs and has not been budgeted for over the MTEF.

*Transfers and subsidies to: Provinces and municipalities* shows a fluctuating trend which relates to the payment of municipal property rates. This category caters mainly for the payment of property rates, as well as motor vehicle licences. The increase in 2018/19 is attributed largely to spending pressures relating to the payment of property rates. These pressures arose due to higher than anticipated increases in municipal rates, as well as the upgrading of various government buildings, which then attract higher property rates. These high municipal rates account for the increases in 2019/20 and 2020/21, because additional funds were allocated to the department to alleviate the pressure. The baseline for this item needs to be revised to be in line with property rates, however, due to the unavailability of funding Provincial Treasury only allocates funds as and when it becomes available. The substantial increase in the 2021/22 Adjusted Appropriation relates to additional funding allocated to the department for the shortfall in property rates, as mentioned previously. This explains the increase in the 2021/22 Revised Estimates. The strong growth in 2022/23 is ascribed to once-off additional funding of R204.866 million to cater for the shortfall relating to property rates. A budget cut of R36.306 million is effected against the property rates budget in 2023/24 and this needs to be reviewed by the department in the next budget process considering the fact that there are continuous spending pressures in this area. The department was also, however, allocated R6.760 million for the shortfall in property rates in programme 2, as previously mentioned.

The increasing trend against *Transfers and subsidies to: Departmental agencies and accounts* is largely driven by skills development levy payments.

*Transfers and subsidies to: Non-profit institutions* relates to donations made to schools and war-rooms in respect of OSS and these are made at the MEC's discretion.

*Transfers and subsidies to: Households* caters for external bursaries and staff exit costs, and shows a fluctuating trend due to the unpredictable nature of these costs. The high spending in 2020/21 is due to unanticipated staff exit costs, as well as costs relating to external bursaries awarded to students in



the professional disciplines, such as engineering. The slight increase in the 2021/22 Adjusted Appropriation and Revised Estimates is mainly due to leave gratuity payments for unanticipated staff exits. The budget increases steadily over the MTEF and largely caters for bursaries to non-employees and staff exit costs.

*Buildings and other fixed structures* fluctuates over the seven years, as it is based on actual capital infrastructure requirements. The decrease in 2018/19 was due to slower than anticipated progress on projects, as well as delays in awarding various projects within the LA Complex building in Ulundi, due to delays encountered while trying to secure consultants for emergency work to be undertaken. In addition, there were delays in the landscaping project at the LA Complex building, as well as the late awarding of electrical and mechanical contracts at this complex. The budget cut in 2021/22 explains the negative growth. The low spending in the 2021/22 Revised Estimate is due to substantially lower than anticipated progress on capital infrastructure projects under new infrastructure assets relating to projects in the eThekweni Region, as well projects under refurbishment and rehabilitation for North Coast Region. The MTEF allocations provide for the completion of the new administration wing in the uMgungundlovu District, construction of the new Auditorium and Conference Centre in the Southern region, the new iLembe District office, the rehabilitation and refurbishment of an existing building into the new KZN Entrepreneurial Centre in the uMgungundlovu District, renovations to the lecture hall in the eThekweni region, emergency structural repairs, water system repairs, as well as repairs to internal roads and parking facilities in the LA Complex. In addition, the MTEF budget caters for the construction of a parking facility in the eThekweni region, the conversion of a carpenter workshop into an office and the upgrading of an existing office, both in the Vryheid-sub district, upgrading of a perimeter fence in the Nongoma sub-district office, electrical and mechanical services to the new wing in the OR Tambo House, which is the department's head office at 191 Prince Alfred Street and the conversion of an old building which is called a castle situated behind the lecture hall in Mayville, into an executive lounge in the eThekweni region. The latter project is in respect of the old building that will be converted into an executive lounge to be used as a reception/waiting area, for dignitaries and other officials prior to entrance into the Mayville Conference Centre. Initially this project was estimated at R14.400 million, however, the scope is to be revised to be within R5 million. It must be mentioned that several of these projects are currently in progress and will continue over the MTEF. This category was cut by R10 million in each year of the MTEF as a result of the fiscal consolidation budget cuts. The department effected the budget cuts by reducing the budget of projects including the uMgungundlovu conference centre, renovations to the lecture hall in the eThekweni region, civil works in respect of repairs to structures, internal roads and parking facilities in the LA Complex and the KZN Entrepreneurial Centre in the uMgungundlovu region. These projects will not be stopped, but will be undertaken over a longer period than initially planned.

*Machinery and equipment* shows high spending in 2018/19 which relates to the procurement of telecommunication equipment in respect of networking and information technology security switches. The negative growth in 2020/21 relates to delays in the delivery of laptops procured by the department. Furthermore, delays were caused by the high demand in the market for laptops due to the nationwide lockdown. The substantial increase in the 2021/22 Revised Estimates relates to the purchase of computer equipment, as well as other equipment in the eThekweni Region, as a result of losses sustained during the unrest in July 2021. There were significant budget cuts of R7 million effected against transport and other equipment in 2022/23 and 2023/24. These cuts have also impacted negatively on the 2024/25 outer year of the MTEF. The impact of this cut is that the department will purchase fewer departmental vehicles to accommodate these budget cuts. The MTEF budget also provides for telephone network equipment and computer hardware.

*Software and other intangible assets* for 2018/19 to 2021/22 and over the MTEF provides for the payment of COGNOS user licences, Microsoft software licences and datalines. There is a fluctuating trend from 2018/19 to 2021/22, and the budget shows an increasing steady trend over the MTEF. This growth is above the inflation rate which is 4.4 per cent, 4.4 per cent and 4.5 per cent over the MTEF and caters for the annual increases in Microsoft software licences and datalines and takes into account that Microsoft licences are based on the Rand/dollar exchange which fluctuates. However,

reprioritisation of funds over the MTEF were effected from this category to cater for computer services in respect of sita information costs under Goods and services.

The department wrote off various losses against *Payments for financial assets* in 2018/19 and 2019/20.

## 5.2 BUDGET - PROGRAMME 1

Table 3: Summary of payments and estimates by sub-programme: 1 Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Programme	2018/19	2020/21	2020/21	2021/22			2022/23	2023/24	2024/25
1. Minister Support	10 596	11 961	11 961	17 208	13 208	12 022	17 916	18 016	18 809
2. Management	404 751	404 898	404 898	416 901	427 280	428 466	423 176	427 072	445 885
	<b>415 347</b>	<b>416 859</b>	<b>416 859</b>	<b>434 109</b>	<b>440 488</b>	<b>440 488</b>	<b>441 092</b>	<b>445 088</b>	<b>464 694</b>

Table 2: Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
<b>Current Payments</b>	<b>383 856</b>	<b>421 309</b>	<b>399 692</b>	<b>414 623</b>	<b>418 813</b>	<b>413 594</b>	<b>422 272</b>	<b>426 205</b>	<b>444 272</b>
Compensation of Employees	303 060	323 554	313 666	339 453	332 450	318 271	340 537	340 537	357 659
Goods and services	80 796	97 755	86 015	75 170	86 363	95 323	81 735	85 668	86 613
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfer and subsidies to:</b>	<b>11 118</b>	<b>7 127</b>	<b>8 214</b>	<b>8 326</b>	<b>10 515</b>	<b>10 515</b>	<b>8 793</b>	<b>9 034</b>	<b>9 420</b>
Provinces and municipalities	381	310	229	286	310	306	317	331	341
Departmental agencies and accounts	488	515	–	597	573	573	600	613	640
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	10 249	6 302	7 985	7 443	9 632	9 636	7 876	8 090	8 439
<b>Payments for capital assets</b>	<b>20 186</b>	<b>21 103</b>	<b>8 938</b>	<b>11 160</b>	<b>11 160</b>	<b>16 379</b>	<b>10 027</b>	<b>9 849</b>	<b>11 002</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	15 825	14 730	3 326	4 808	4 808	10 027	4227	3 849	4 738

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Software and other intangible assets	4 361	6 373	5 612	6 352	6 352	6 352	5 800	6 000	6 264
Payments of financial assets	187	–	15	–	–	–	–	–	–
Total	415 347	449 539	416 859	434 109	440 488	440 488	441 092	445 088	464 694

The sub-programme: Minister Support provides support including administrative, operations, protocol, security, parliamentary liaison and communication to the MEC. The department shares a joint ministry with Vote 8: Human Settlements. The budget over the 2022/23 MTEF provides for operational costs, as well as marketing costs mainly in respect of SABC media, newspaper advertisements costs, printing costs as well as payments in respect of district champion of OSS/DDM responsibilities. This sub-programme reflects steady growth over the MTEF.

The sub-programme: Management includes financial management services, risk management, SCM and corporate services. These units provide support and advice in terms of human resource practices, all legal matters, security and logistics, as well as communication and information management systems. Funds were reprioritised to align Compensation of employees to current costs and spending, to cater for vehicle tracking devices, as well as computer services in respect of SITA information costs under Goods and services from the Payments for capital assets transport equipment and Software and intangible assets respectively. This sub-programme shows some growth over the MTEF.

*Compensation of employees* increases at a rate of 7.0 per cent in 2022/23, remains constant in 2023/24 and has a growth rate of 5.0 per cent in 2024/25. The growth caters for pay progression in each of these years. The department has planned to fill posts in 2021/22 and will not fill posts over the MTEF due to the budget cuts against *Compensation of employees* in the previous MTEF. However, it must be noted that posts which became vacant, will be reprioritised and possibly subsequently filled. The department will monitor the filling of posts in line with natural attrition and retirement and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds.

*Goods and services* caters for the operational costs for this programme, including computer services such as SITA costs in respect of network maintenance, communication, fleet services, cost for fuel and oil, repairs for departmental vehicles and agency and support/outsourced services. In addition, this category includes provision for the appointment of consultants to assist the department in the preparation of their immovable asset register and financial statements, audit costs, training and development as well as payments in respect of district champion of OSS/DDM responsibilities. The MTEF caters for the above activities. This category was cut by R14.665 million in 2022/23 and R15.565 million in 2023/24, mainly in respect of fiscal consolidation effected largely by cutting the budgets of contractors' costs, entertainment, fleet services, consumable: stationery, printing and office supplies, travel and subsistence, training and development, operating payments and venues and facilities. These cuts will also impact negatively on the 2024/25 outer year of the MTEF. The department will scale down on spending in respect of these items. This will not have a



severe/significant impact on service delivery but will have an impact on the department's day-to-day operations as Programme 1 will have fewer resources to support the department.

*Transfers and subsidies to: Provinces and municipalities* caters for motor vehicle licence fees.

*Transfers and subsidies to: Departmental agencies and accounts* caters for the skills development levy.

*Transfers and subsidies to: Non-profit institutions* relates to donations made to schools and war-rooms in respect of OSS and these are made at the MEC's discretion.

*Transfers and subsidies to: Households* provides for staff exit costs and external bursaries.

*Machinery and equipment* provides for telecommunication and computer hardware equipment. This category was cut by R7 million in each year of the MTEF. Of this, R4.500 million for each year over the MTEF was effected against transport equipment and the balance of R2.500 million from telecommunication equipment. The department will purchase fewer departmental vehicles and telecommunication equipment due to these budget cuts and will be replaced less frequently.

*Software and other intangible assets* provides for the purchase of COGNOS user licences, Microsoft software licences and datalines.

### 5.3 BUDGET - PROGRAMME 2

Table 1: Summary of payments and estimates - Programme 2: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Programme	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Personnel and Admin Related	806 799	1 106 414	908 739	831 448	1 161 604	1 159 298	1 069 671	869 770	908 569
2. Hiring	–	56	–	–	86	86	–	–	–
3. Acquisition of land, control and disposal	125	86	14	647	561	561	653	682	706
<b>Total payments and estimates</b>	<b>806 924</b>	<b>1 106 556</b>	<b>908 753</b>	<b>832 095</b>	<b>1 162 251</b>	<b>1 159 945</b>	<b>1 070 324</b>	<b>870 452</b>	<b>909 275</b>

Table 2: Summary of Payments and Estimates by economic classification – Programme 2: Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
<b>Current Payments</b>	<b>77 761</b>	<b>75 240</b>	<b>79 351</b>	<b>135 755</b>	<b>115 545</b>	<b>112 945</b>	<b>134 260</b>	<b>132 536</b>	<b>138 866</b>
Compensation of Employees	54 662	57 166	56 915	68 386	61 548	60 990	65 439	65 439	68 829
Goods and services	23 099	18 074	22 436	67 369	53 997	51 955	68 821	67 097	70 037
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfer and subsidies to:</b>	<b>729 034</b>	<b>1 031 172</b>	<b>829 332</b>	<b>696 340</b>	<b>1 046 706</b>	<b>1 046 918</b>	<b>936 021</b>	<b>737 916</b>	<b>770 383</b>
Provinces and municipalities	728 576	1 030 792	828 917	696 308	1 046 308	1 046 308	935 989	737 883	770 350
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	458	380	415	32	398	610	32	33	33
<b>Payments for capital assets</b>	<b>129</b>	<b>144</b>	<b>70</b>	<b>–</b>	<b>–</b>	<b>82</b>	<b>43</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	129	144	70	–	–	82	43	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments of financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>806 924</b>	<b>1 106 556</b>	<b>908 753</b>	<b>832 095</b>	<b>1 162 251</b>	<b>1 159 945</b>	<b>1 070 324</b>	<b>870 452</b>	<b>909 275</b>

The sub-programme: Personnel and Admin Related provides for the management of immovable assets in terms of GIAMA and management of the payment of property rates. The MTEF allocations cater for property rates, the Fixed Asset Register project, the continued implementation of GIAMA projects including clearing of vacant sites, provision of security services to unutilised buildings, as well

as property valuations. The department received R380.624 million in 2019/20 in respect of property rates to address spending pressures. This explains the slight decrease in 2021/22, however, R165 million additional funding was received in 2021/22 to assist with the pressure in the payment of property rates. This explains the high spending, as well as the fluctuating growth as a result of the additional amount allocated in 2022/23, as mentioned. This sub-programme received an additional R6.760 million in 2023/24 to also assist with the pressure in the payment of property rates. The department effected budget cuts of R9.908 million and R51.399 million in 2022/23 and 2023/24, respectively against this sub-programme. These cuts were effected against *Goods and services* as well as *Transfers and subsidies to: Provinces and municipalities* and will also impact negatively on the 2024/25 outer year of the MTEF.

The sub-programme: Hiring provides for hiring of accommodation for the department. There is no allocation over the MTEF due to the completion of the uMzinyathi District office in 2017/18. Currently, all DOPW's office buildings are state-owned. No budget cuts were effected against this sub-programme.

The sub-programme: Acquisition of Land, Control and Disposal manages property needs for provincial departments with respect to property acquisitions, disposal and lettings. The budget caters for business and advisory service costs incurred when acquiring or disposing of property. No budget cuts were effected against this sub-programme.

*Compensation of employees* shows growth of 7.3 per cent in 2022/23, remains constant in 2023/24 and shows a 5.2 per cent growth in the 2024/25 outer year of the MTEF. The department will not fill posts in 2021/22 as well as over the MTEF under this programme due to the budget cuts against *Compensation of employees*, as well as fiscal consolidation cuts that have resulted in pressures against this programme as a whole. The department will monitor the filling of posts in line with natural attrition and retirement and will then decide in-year whether to put the vacated post on hold or to fill them based on the availability of funds. The department also catered for pay progression over the MTEF.

*Goods and services* includes the budget for the implementation of GIAMA projects such as property valuations, clearing of vacant sites, as well as the provision of security services to unutilised buildings. The department effected budget cuts of R9.908 million in 2022/23 and R15.093 million in 2023/24 against this category. These cuts have impacted negatively on the 2024/25 outer year of the MTEF. The budget cuts were effected largely against business and advisory services relating to GIAMA – Conditional Assessment funding. In this regard, the department will still assess the condition of government facilities such as schools, but fewer properties will be assessed over the 2022/23 MTEF, than previously stipulated and this will result in an increased backlog for facilities to be assessed.

*Transfers and subsidies to: Provinces and municipalities* relates to property rates to be paid to municipalities. A budget cut of R36.306 million was made in 2023/24 in respect of fiscal consolidation against this category. This needs to be revised in the next budget process, considering the fact that there are continuous spending pressures against this category, due to under-funding of this item. The allocations over the MTEF include additional funding of R204.866 million, as well as R6.760 million received in 2022/23 and 2023/24, respectively, which caters for the shortfall in municipal property rates.

*Transfers and subsidies to: Departmental agencies and accounts* caters for the payment of workmen's compensation.

*Transfers and subsidies to: Households* provides for staff exit costs.

*Machinery and equipment* in 2021/22 is linked to actual requirements in respect of computer equipment.

## 5.4 BUDGET - PROGRAMME 3

Table 1: Summary of payments and estimates by sub-programme: Programme 3: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Programme	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Personnel and Admin related	409 711	401 664	418 298	395 391	421 856	417 762	405 261	401 739	420 438
2. Buildings and Structures	43 596	73 883	47 283	33 734	36 734	43 134	25 620	26 748	27 927
<b>Total payments and estimates</b>	<b>453 307</b>	<b>475 547</b>	<b>465 581</b>	<b>429 125</b>	<b>458 590</b>	<b>460 896</b>	<b>430 881</b>	<b>428 487</b>	<b>448 365</b>

Table 2: Summary of Payments and Estimates by economic classification – Programme 3: Provision of Buildings, Structures and Equipment

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
<b>Current Payments</b>	<b>420 571</b>	<b>421 944</b>	<b>433 631</b>	<b>404 783</b>	<b>437 076</b>	<b>436 566</b>	<b>413 821</b>	<b>410 477</b>	<b>429 757</b>
Compensation of Employees	259 643	301 696	328 755	308 411	323 787	314 749	316 600	308 558	321 383
Goods and services	160 928	120 248	104 876	96 372	113 289	121 817	97 221	101 919	108 374
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfer and subsidies to:</b>	<b>3 939</b>	<b>4 262</b>	<b>4 210</b>	<b>1 894</b>	<b>2 546</b>	<b>2 970</b>	<b>1 901</b>	<b>1 985</b>	<b>2 044</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	61	61	51	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–



R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
Economic Classification	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Households	3 939	4 262	4 210	1 833	2 485	2 919	1 901	1 985	2 044
Payments for capital assets	26 699	33 206	27 740	22 448	18 968	21 360	15 159	16 025	16 564
Buildings and other fixed structures	25 529	31 582	27 105	22 186	18 706	18 706	14 059	14 678	15 324
Machinery and equipment	1 170	1 624	635	262	262	2 654	1 100	1 347	1 240
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments of financial assets	2 098	1 613	–	–	–	–	–	–	–
Total	453 307	475 547	465 581	429 125	406 821	460 896	430 881	428 487	448 365

The sub-programme: Personnel and Admin Related provides for the maintenance of the department's buildings and the maintenance of buildings to client specifications. The MTEF allocations show a fluctuating trend and include funds ring-fenced for improving infrastructure support. Also catered for is the EPWP maintenance programme, the Youth Environmental Service programme and provincial co-ordination and monitoring of the EPWP. The budget against this sub-programme was cut by R25.899 million in 2020/21. This explains the low spending in 2020/21, The high spending in the 2021/22 Revised Estimate relates to the appointment of a specialist who will assist in the development of SIDA, the appointment of a specialist in respect of IPMU, as well as increased costs against property payments relating to electricity and water for shared services in respect of the LA Complex in the North Coast region. The budget over the MTEF was also cut against this sub-programme and was substantially reduced by R99.382 million in 2022/23 and R120.179 million in 2023/24. The cuts will also impact negatively on the 2024/25 outer year of the MTEF. These cuts were effected mainly against *Compensation of employees* and will have a negative impact on the filling of critical professional posts including Production Engineers, Professional Engineers and Project Managers. It must also be noted that the department receives funding of R8 042 million, in respect of the EPWP Integrated Grant for Provinces.

The sub-programme: Buildings and Structures deals with the construction, upgrading or refurbishment of the department's capital infrastructure. The increase in the 2021/22 Revised Estimates is due to high expenditure under Compensation of employees for the appointment and payment of stipends in respect of the EPWP Izandla Ziyagezana Maintenance Programme, as well as higher than anticipated increases in respect of property payments for security and municipal services. The budget shows a fluctuating trend over the MTEF, and is based on the department's actual capital infrastructure requirements, including new and carry-through costs of projects such as the construction of the new iLembe District office, the construction of the new administration wing in the uMgungundlovu District office, as well as the construction of the new auditorium and conference centre in the Southern region. It also caters for the refurbishment of an existing building into the KZN Entrepreneurial Centre in the uMgungundlovu District, structural repairs in respect of the LA Complex building in Ulundi, the refurbishment of the lecture hall, upgrading of the carpenter workshop in Vryheid, the upgrading of an existing office building in Vryheid, upgrading of the perimeter fence in the Nongoma sub-district office,



conversion of an old building behind the lecture hall in Mayville into an executive lounge, as well as the construction of parking in the eThekweni region. Budget cuts of R10 million in each year of the MTEF were effected against this sub-programme and as a result, the department is going to delay the completion of some of its projects. These cuts will affect uMgungundlovu conference centre, renovations to the lecture hall and conversion of an existing workshop in the eThekweni region, civil works in respect of boreholes, repairs to structures, internal roads and parking facilities in the LA Complex and the KZN Entrepreneurial Centre in the uMgungundlovu region since these projects have not been completed. Some of these projects will be completed in the 2022/23 MTEF.

The budget for *Compensation of employees* shows a slight decrease of 0.2 per cent in 2022/23 due to budget cuts as mentioned previously, remains constant in 2023/24 and shows an increase of 4.2 per cent in 2024/25. The allocation includes improving infrastructure support funding, where funding over the MTEF remains ring-fenced for this purpose. The department receives R8 042 million, in respect of the EPWP Integrated Grant for Provinces allocation. The department plans to fill only critical vacant posts in 2021/22, including professional posts related to infrastructure support, and it will monitor the filling of posts in line with natural attrition and retirement and will then decide in-year whether to put the vacated posts on hold or to fill them based on the availability of funds. This category was cut by R88.282 million in 2022/23 and R108.879 million in 2023/24. These substantial budget cuts relate to the wage freeze and will also have a negative impact on the 2024/25 outer year of the MTEF. This will subsequently have a negative impact on the filling of critical professional posts.

*Goods and services* includes provision for the maintenance and repairs of the department's infrastructure. The department received R6.023 million for the EPWP Integrated Grant for Provinces in 2018/19 and R4.726 million in 2019/20 and this was allocated to *Compensation of employees* from 2019/20 onwards. Provision is also made for EPWP co-ordination programme, property payments for security services, and water and electricity costs. The *Goods and services* budget was cut by R10 900 million and R11 300 million in 2022/23 and 2023/24 respectively and will have a negative impact on the 2024/25 outer year of the MTEF against this programme. The cuts were mainly against catering: departmental activities, agency and support/outsourced services, fleet services (including government motor transport), consumable: stationery, printing and office supplies, as well as travel and subsistence line items. The department will scale down on spending in respect of these items. This will impact on the department's day-to-day operations to some extent since there will be fewer resources.

*Transfers and subsidies to: Departmental agencies and accounts* relates to workmen's compensation.

*Transfers and subsidies to: Households* is largely ascribed to staff exit costs.

*Buildings and other fixed structures* fluctuates over the MTEF, based on actual infrastructure requirements and provides for the completion of the new administration wing in the uMgungundlovu district, construction of the new Auditorium and Conference Centre in the Southern region, the new iLembe District office, the rehabilitation and refurbishment of an existing building into the new KZN Entrepreneurial Centre in the uMgungundlovu District and renovations to the lecture hall, emergency structural repairs, water system repairs, repairs to internal roads and parking facilities in the LA Complex. Further projects include the construction of a parking facility, the conversion of a carpenter workshop into an office and the upgrading of an existing office both in the Vryheid sub-district, conversion of an old building situated behind the lecture hall in Mayville into an executive lounge in the eThekweni region and electrical and mechanical services to the new wing in the OR Tambo House, as previously mentioned. The department has not completed any of these projects. This category was cut by R10 million in each year of the MTEF as a result of fiscal consolidation budget cuts. The projects will thus continue, but they will be rolled out over a longer period due to the budget cuts.

*Machinery and equipment* fluctuates over the period, and this is based on requirements for both head office and districts. The high growth in 2018/19 and 2019/20 was in line with the filling of posts and

provision of computer equipment for new staff. The budget over the MTEF caters for the replacement of computer equipment.

## 5.5 BUDGET – CONDITIONAL GRANTS

The department received funding for the EPWP Integrated Grant for Provinces, which is used for the EPWP maintenance programme. The department receives R8.042 million in 2022/23 and the budget for this grant is allocated against Compensation of employees in Programme 3 with effect from 2019/20, prior to which it was allocated against Goods and services. The change in category was necessitated by the fact that stipends are paid directly to the beneficiaries and no service provider is appointed by the department.

Table 1: Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
EPWP Integrated Grant for Provinces	6 588	6 023	4 726	4 243	4 243	4 243	5 465	8 042	–
<b>Total payments and estimates</b>	<b>6 588</b>	<b>6 023</b>	<b>4 726</b>	<b>4 243</b>	<b>4 243</b>	<b>4 243</b>	<b>5 465</b>	<b>8 042</b>	<b>–</b>

Table 2: Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
<b>Current Payments</b>	6 588	6 023	4 726	4 243	4 243	4 243	5 465	8 042	–
Compensation of Employees	–	–	4 726	4 243	4 243	4 243	5 465	8 042	–
Goods and services	6 588	6 023	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfer and subsidies to:	–	–	–	–	–	–	–	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Payments of financial assets	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>6 588</b>	<b>6 023</b>	<b>4 726</b>	<b>4 243</b>	<b>4 243</b>	<b>4 243</b>	<b>5 465</b>	<b>8 042</b>	<b>–</b>

## 6. KEY RISKS AND MITIGATION FROM THE STRATEGIC PLAN

Outcome	Key Risk	Risk Mitigation
1.Improved leadership, governance and accountability	1. Inadequate alignment of the current organizational structure to the departmental functions to achieve the strategic objectives	<ul style="list-style-type: none"> <li>• Undertake business reengineering exercise</li> <li>• Fast tracking approval of the revised organizational structure</li> <li>• Advertise &amp; fill key critical posts</li> </ul>
2. Productive Assets (Maintenance of Facilities)	2. Deterioration in the conditions of state facilities	<ul style="list-style-type: none"> <li>• Top slicing of user department's budget for maintenance</li> </ul>
Productive Assets (Productive use of Facilities)		
3.1 Sustainable Infrastructure Investment  (Addressing Spatial imbalances)	3. Shortage of professional and technical skills	<ul style="list-style-type: none"> <li>• Contact relevant institutions to attract &amp; increase applicant pool</li> <li>• Formal skills transfer process established.</li> <li>• Enhancement of existing skills &amp; Attracting skilled staff</li> <li>• The provisions of additional funds to fund vacant professional posts.</li> <li>• Approach SETAs for funding</li> <li>• Revise bursary policy to include EPWP beneficiaries</li> <li>• Implement retention strategy</li> </ul>
3.2 Sustainable Infrastructure Investment (Construction)		
	4. Inadequate Planning at high level	<ul style="list-style-type: none"> <li>• Institutionalise use of U-AMP as basis for development of infrastructure plans</li> </ul>
4. Optimized job opportunities	5. Poor records management	Perform site visits verification to ensure reported performance is supported by sufficient and adequate evidence.

## 7. PUBLIC ENTITIES

The department does not have public entities.

## 8. INFRASTRUCTURE PROJECTS

### DOE Projects 2022/2023 (NEW SCHOOLS COMPLETED)

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							02			
1	3.8 No. of New Schools Completed	69469	Xoloxolo Senior PS	New or Replaced Infrastructure Asset	Southern	Kokstad	1			
2	3.8 No. of New Schools Completed	60938	Dundee Jss	New or Replaced Infrastructure Asset	Midlands	Dundee	1			

### DOE Projects (SCHOOLS REFURBISHED)

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
1	3.9 No. of schools refurbished	63662	NHLANGAKAZI PRIMARY SCHOOL	Upgrades and Addition	Ethekwini	NDWEDWE			1	
2	3.9 No. of schools refurbished	63779	IWETANE P SCHOOL	Upgrades and Addition	EThekweni	MANDINI		1		
3	3.9 No. of schools refurbished	64136	MCATSHANGELWA P SCHOOL	Upgrades and Addition	EThekweni	MANDINI			1	
4	3.9 No. of schools refurbished	63946	PHAMBELA P SCHOOL	Upgrades and Addition	EThekweni	TONGAAT			1	
5	3.9 No. of schools refurbished	65113	MVUMASE INTERMEDIATE SCHOOL	Upgrades and Addition	EThekweni	MAPHUMULO		1		
6	3.9 No. of schools refurbished	65134	NGAYIPHI PRIMARY SCHOOL	Upgrades and Addition	EThekweni	NDWEDWE		1		
7	3.9 No. of schools refurbished	63645	NTENDENI PRIMARY SCHOOL	Upgrades and Addition	EThekweni	NDWEDWE			1	



No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
8	3.9 No. of schools refurbished	63518	QHUBAKAHLE PRIMARY SCHOOL	Upgrades and Addition	EThekwin	NDWEDWE				1
9	3.9 No. of schools refurbished	63513	INYANGAYE PRIMARY SCHOOL	Upgrades and Addition	EThekwin	NDWEDWE			1	
10	3.9 No. of schools refurbished	63658	ISIGUDU PRIMARY SCHOOL	Upgrades and Addition	EThekwin	NDWEDWE			1	
11	3.9 No. of schools refurbished	63514	MGIGIMBE PRIMARY SCHOOL	Upgrades and Addition	EThekwin	KWADUKUZA			1	
12	3.9 No. of schools refurbished	63753	INHLOKOZI HIGH SCHOOL	Upgrades and Addition	EThekwin	MAPHUMULO			1	
13	3.9 No. of schools refurbished	63649	SIQONDOKUHLE PRIMARY SCHOOL	Upgrades and Addition	EThekwin	NDWEDWE				1
14	3.9 No. of schools refurbished	63920	SIYACOTHOZA PRIMARY SCHOOL	Upgrades and Addition	EThekwin	MAPHUMULO			1	
15	3.9 No. of schools refurbished	39091	ITHWELENYE PRIMARY SCHOOL	Upgrades and Addition	EThekwin	PINETOWN				1
16	3.9 No. of schools refurbished	63751	TSHUTSHUTSHU SECONDARY SCHOOL	Upgrades and Addition	EThekwin	MAPUMULO		1		
17	3.9 No. of schools refurbished	63972	Ngungunyane P School	Upgrades and Addition	North Coast	Jozini	1			
18	3.9 No. of schools refurbished	60775	Bhanganomo P	Upgrades and Addition	North Coast	Nongoma	1			
19	3.9 No. of schools refurbished	60757	Masokaneni P	Upgrades and Addition	North Coast	Nongoma	1			
20	3.9 No. of schools refurbished	63975	Mdladla H	Upgrades and Addition	North Coast	Jozini	1			

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
21	3.9 No. of schools refurbished	60605	Mhlathuze P	Upgrades and Addition	North Coast	Ulundi	1			
22	3.9 No. of schools refurbished	60622	Ngwabi P	Upgrades and Addition	North Coast	Nongoma	1			
23	3.9 No. of schools refurbished	60671	Siyaphakama H	Upgrades and Addition	North Coast	Nongoma	1			
24	3.9 No. of schools refurbished	60758	Masihlangane	Upgrades and Addition	North Coast	Nongoma	1			
25	3.9 No. of schools refurbished	60682	Senzokuhle Js	Upgrades and Addition	North Coast	Nongoma		1		
26	3.9 No. of schools refurbished	60645	Sibiyangankomo P	Upgrades and Addition	North Coast	UPhongolo		1		
27	3.9 No. of schools refurbished	60639	Vukanimazulu S	Upgrades and Addition	North Coast	UPhongolo		1		
28	3.9 No. of schools refurbished	60655	Ntsonyane P	Upgrades and Addition	North Coast	Nongoma		1		
29	3.9 No. of schools refurbished	60731	Bhekamakhosi P	Upgrades and Addition	North Coast	Ulundi		1		
30	3.9 No. of schools refurbished	60767	Godlumkhonto P	Upgrades and Addition	North Coast	Ulundi		1		
31	3.9 No. of schools refurbished	59253	Iqhawesizwe P	Upgrades and Addition	North Coast	Zululand District Municipality		1		
32	3.9 No. of schools refurbished	59281	Mhlambansila H	Upgrades and Addition	North Coast	Ulundi		1		
33	3.9 No. of schools refurbished	59263	Ngome P	Upgrades and Addition	North Coast	Abaqulusi		1		

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
34	3.9 No. of schools refurbished	60669	Sishongani P	Upgrades and Addition	North Coast	Zululand		1		
35	3.9 No. of schools refurbished	60633	Ubumbano P	Upgrades and Addition	North Coast	Nongoma		1		
36	3.9 No. of schools refurbished	70995	Bhekuzulu	Upgrades and Addition	North Coast	Abaqulusi		1		
37	3.9 No. of schools refurbished	59316	Singana Primary School	Upgrades and Addition	North Coast	Abaqulusi		1		
38	3.9 No. of schools refurbished	59832	Inkosi Mjwayeli Primary School (cluster 3E)	Upgrades and Addition	Midlands	Ladysmith			1	
39	3.9 No. of schools refurbished	65535	ELUNDIMBI P	Upgrades and Addition	Midlands	Estcourt				1
40	3.9 No. of schools refurbished	65538	Florence Booth P	Upgrades and Addition	Midlands	Estcourt				1
41	3.9 No. of schools refurbished	64238	Horseshoe P - Cluster Phase III	Upgrades and Addition	Midlands	Estcourt				1
42	3.9 No. of schools refurbished	64058	Emngwenya P - Cluster Phase III	Upgrades and Addition	Midlands	Nqutu				1
43	3.9 No. of schools refurbished	59597	Thembunyawo Ps - Cluster Phase II	Upgrades and Addition	Midlands	Estcourt				1
44	3.9 No. of schools refurbished	59590	Mathamo Ps	Upgrades and Addition	Midlands	Msinga				1
45	3.9 No. of schools refurbished	59367	Madudula Ps - Cluster Phase II	Upgrades and Addition	Midlands	Nquthu				1
46	3.9 No. of schools refurbished	59378	Kwanyezi Ps - Cluster Phase II	Upgrades and Addition	Midlands	Msinga				1

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
47	3.9 No. of schools refurbished	59418	Gangenyana Ps - Cluster Phase II	Upgrades and Addition	Midlands	Ladysmith				1
48	3.9 No. of schools refurbished	64419	Emaswazini P	Upgrades and Addition	Southern	Msunduzi				1
49	3.9 No. of schools refurbished	64418	Insika Js	Upgrades and Addition	Southern	Msunduzi				1
50	3.9 No. of schools refurbished	64181	Nyanda P	Upgrades and Addition	Southern	Msunduzi				1
51	3.9 No. of schools refurbished	64184	Lugaju Js	Upgrades and Addition	Southern	Impendle				1
52	3.9 No. of schools refurbished	64711	Siyanda S	Upgrades and Addition	Southern	PIETERMARITZBURG				1
53	3.9 No. of schools refurbished	64519	Ikhwezilokusa P	Upgrades and Addition	Southern	Ray Nkonyeni	1			
54	3.9 No. of schools refurbished	64553	Mhlabuhlangene Js	Upgrades and Addition	Southern	Ray Nkonyeni	1			
55	3.9 No. of schools refurbished	64172	Mgamule H	Upgrades and Addition	Southern	Umzumbe	1			
56	3.9 No. of schools refurbished	64552	Mbambuya P	Upgrades and Addition	Southern	UMuziwabantu	1			
57	3.9 No. of schools refurbished	63361	Dinuntuli Primary School	Renovations, Rehabilitation or Refurbishments	Head Office	NKANDLA		1		
58	3.9 No. of schools refurbished	63459	Uyengo High School	Renovations, Rehabilitation or Refurbishments	Head Office	EMPANGENI	1			
59	3.9 No. of schools refurbished	63402	Ekhombela Primary School	Renovations, Rehabilitation or Refurbishments	Head Office	PAULPIETERSBURG		1		



No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
60	3.9 No. of schools refurbished	63747	JONASE HIGH SCHOOL	Upgrades and Addition	EThekweni	KwaDukuza				1
61	3.9 No. of schools refurbished	36948	SIPHUMELELE PRIMARY SCHOOL	Upgrades and Addition	EThekweni	PINETOWN			1	
62	3.9 No. of schools refurbished	59588	Mhubheni Primary School	Upgrades and Addition	Midlands	Estcourt	1			
63	3.9 No. of schools refurbished	59557	Emadolobheni Primary School	Upgrades and Addition	Midlands	Estcourt	1			
64	3.9 No. of schools refurbished	59514	Morning Star Primary School	Upgrades and Addition	Midlands	Estcourt	1			
65	3.9 No. of schools refurbished	60879	Induduzo Primary School	Upgrades and Addition	North Coast	Abaqulusi	1			
66	3.9 No. of schools refurbished	60883	Khawuleza Primary School	Upgrades and Addition	North Coast	Abaqulusi	1			
67	3.9 No. of schools refurbished	60756	Mboloba Primary School	Upgrades and Addition	North Coast	UPhongolo	1			
68	3.9 No. of schools refurbished	60603	Metzefontein C	Upgrades and Addition	North Coast	Abaqulusi	1			
69	3.9 No. of schools refurbished	60657	Muziwengqondo Secondary School	Upgrades and Addition	North Coast	Ulundi	1			
70	3.9 No. of schools refurbished	60635	Ndamkane High School	Upgrades and Addition	North Coast	Jozini	1			
71	3.9 No. of schools refurbished	60691	Umfoloji Primary School	Upgrades and Addition	North Coast	Mtubatuba	1			
72	3.9 No. of schools refurbished	60693	Vezobala Junior Secondary School	Upgrades and Addition	North Coast	Mtubatuba	1			

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							30	23	11	18
73	3.9 No. of schools refurbished	60643	Zamangothando S	Upgrades and Addition	North Coast	Abaqulusi	1			
74	3.9 No. of schools refurbished	59193	Dlemudlemu Secondary School	Upgrades and Addition	North Coast	Mfolozi	1			
75	3.9 No. of schools refurbished	60623	Mtshakela High School	Upgrades and Addition	North Coast	Jozini	1			
76	3.9 No. of schools refurbished	60678	Nodineka Junior Secondary School	Upgrades and Addition	North Coast	Umhlabuyalingana	1			
77	3.9 No. of schools refurbished	60740	Bhekabantu Primary School	Upgrades and Addition	North Coast	Umhlabuyalingana	1			
78	3.9 No. of schools refurbished	59318	Esusweni Primary School	Upgrades and Addition	North Coast	Nongoma	1			
79	3.9 No. of schools refurbished	063773	Thekelimfundo Primary School	Upgrades and Addition	EThekweni Region	Mandeni		1		
80	3.9 No. of schools refurbished	063508	Petezi Primary School	Upgrades and Addition	EThekweni Region	Maphumulo		1		
81	3.9 No. of schools refurbished	063641	Sontshenge Primary School	Upgrades and Addition	EThekweni Region	Ndwedwe		1		
82	3.9 No. of schools refurbished	063776	Wangu Primary School	Upgrades and Addition	EThekweni Region	Mandeni		1		

### DOH PROJECTS (CLINICS)

No.	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							1	1	4	6
1	3.10 No. of clinics refurbished	076100	Thokozani Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Empangeni			1	

No.	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							1	1	4	6
2	3.10 No. of clinics refurbished	076093	Khandisa Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Empangeni			1	
3	3.10 No. of clinics refurbished	065805	Jozini Malaria Health Complex	Rehabilitation, Renovations & Refurbishment	North Coast	Jozini			1	
4	3.10 No. of clinics refurbished	076095	Ntumeni Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe				1
5	3.10 No. of clinics refurbished	076227	King Dinizulu Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe				1
6	3.10 No. of clinics refurbished	076096	Mfongozi Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla				1
7	3.10 No. of clinics refurbished	076097	Manyane Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla				1
8	3.10 No. of clinics refurbished	076099	Vumanhlamvu Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla				1
9	3.10 No. of clinics refurbished	063140	Newtown A CHC:	Rehabilitation, Renovations & Refurbishment	EThekweni	EThekweni	1			
10	3.10 No. of clinics refurbished	072914	Ndwedwe CHC	Rehabilitation, Renovations & Refurbishment	EThekweni	EThekweni		1		
11	3.10 No. of clinics refurbished	076094	Dondotha Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Empangeni			1	
12	3.10 No. of clinics refurbished	076094	Mthungenwi Clinic	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla				1

### DOH PROJECTS (HOSPITALS)

No.	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							1	0	5	3
1	3.11 No. of hospitals refurbished	074444	Ngwelezane Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Empangeni			1	



No.	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1	Q2	Q3	Q4
							1	0	5	3
2	3.11 No. of hospitals refurbished	065793	Ekhombe Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla	1			
3	3.11 No. of hospitals refurbished	069541	Eshowe Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe			1	
4	3.11 No. of hospitals refurbished	068692	Mbongolwan e Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe			1	
5	3.11 No. of hospitals refurbished	072773	Nkandla Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla			1	
6	3.11 No. of hospitals refurbished	074443	Catherine Booth Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe				1
7	3.11 No. of hospitals refurbished	074447	Ekhombe Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Nkandla				1
8	3.11 No. of hospitals refurbished	074445	Eshowe Hospital	Rehabilitation, Renovations & Refurbishment	North Coast	Eshowe				1
9	3.11 No. of hospitals refurbished	075607	Charles Johnson Memorial Hospital	Rehabilitation, Renovations & Refurbishment	Midlands Region	Nquthu			1	

## BUILDINGS/FACILITIES REFURBISHED

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1 3	Q2 4	Q3 3	Q4 10
1	3.12. No. of buildings/facilities refurbished	058180	Department Of Transport - Rti Training College - 240 Burger Street	Upgrades & Additions	Southern	Umgungundlovu				1
2	3.12. No. of buildings/facilities refurbished	073204	Office Of The Premier: Parkside Residence	Upgrades & Additions	Southern	Umgungundlovu		1		
3	3.12. No. of buildings/facilities refurbished	072208	Parking For State Vehicles	Upgrades & Additions	eThekweni Region	eThekweni			1	



No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1 3	Q2 4	Q3 3	Q4 10
4	3.12. No. of buildings/facilities refurbished	076188	Mzimela Traditional Court	Rehabilitation And Renovations	North Coast Region	Eshowe				1
5	3.12. No. of buildings/facilities refurbished	075915	Inkosi Traditional Court	Rehabilitation And Renovations	North Coast Region	Paulietersburg				1
6	3.12. No. of buildings/facilities refurbished	076187	Mbila Traditional Court	Rehabilitation And Renovations	North Coast Region	Mbazwana				1
7	3.12. No. of buildings/facilities refurbished	076189	Mondi Traditional Court	Rehabilitation And Renovations	North Coast Region	Eshowe				1
8	3.12. No. of buildings/facilities refurbished	076186	Nobamba Traditional Court	Rehabilitation And Renovations	North Coast Region	Vryheid				1
9	3.12. No. of buildings/facilities refurbished	076601	Madlebe Traditional Court	Rehabilitation And Renovations	North Coast Region	Empangeni				1
10	3.12. No. of buildings/facilities refurbished	076600	Mpungose Traditional Court	Rehabilitation And Renovations	North Coast Region	Eshowe				1
11	3.12. No. of buildings/facilities refurbished	076743	Ondini Palace	Rehabilitation And Renovations	North Coast Region	Ulundi	1			
12	3.12. No. of buildings/facilities refurbished	076746	Osuthu Palace	Rehabilitation And Renovations	North Coast Region	Nongoma	1			
13	3.12. No. of buildings/facilities refurbished	076741	Lindizulu Palace	Rehabilitation And Renovations	North Coast Region	Nongoma	1			
14	3.12. No. of buildings/facilities refurbished	075804	172 Burger Street DOT head office Back-Up Generator	Rehabilitation And Renovations	Southern	Pietermaritzburg		1		
15	3.12. No. of buildings/facilities refurbished	036806	230 Prince Alfred Street, Old Greys Hospital	Rehabilitation And Renovations	Head Office	Umngeni			1	
16	3.12. No. of buildings/facilities refurbished	049886	Hennie Du Plessis	Upgrades and Additions	EThekweni Region	Pinetown				1
17	3.12. No. of buildings/facilities refurbished	076068	MLB Percy Osbourne	Rehabilitation And Renovations	EThekweni Region	eThekweni				1

No	Indicator	WIMS No	Project Name	Nature Of Investment	Region	Town	Quarterly Target As Per App			
							Q1 3	Q2 4	Q3 3	Q4 10
18	3.12. No. of buildings/facilities refurbished	075956	Meerebank Cost Centre	Rehabilitation And Renovations	EThekweni Region	eThekweni		1		
19	3.12. No. of buildings/facilities refurbished	055041	Dundee Regional Laundry	Upgrade & Addition	Professional Services	Dundee			1	
20	3.12. No. of buildings/facilities refurbished	060697	Umzimkhulu District Office	Upgrade & Addition	Southern	UMzimkhulu		1		

## 9. PUBLIC PRIVATE PARTNERSHIPS

None

## Part D: TECHNICAL INDICATOR DESCRIPTIONS (TID)

### PROGRAMME 1: ADMINISTRATION

Indicator Title	% of internal audit recommendations implemented within specified time frame
<b>Definition</b>	<p>Internal Audit audits financial and non-financial information against predetermined norms and standards and produces a report of findings with recommendations.</p> <p>The indicator measures the number of internal audits recommendations implemented against total number of recommendations due in that period as specified in the internal audit log.</p>
<b>Source of data</b>	Internal audit log
<b>Method of Calculation or Assessment</b>	Number of internal audit recommendations implemented against total number of recommendations due in that period as specified in the internal audit action plan *100
<b>Means of verification</b>	Internal audit log
<b>Assumptions</b>	The department has the mechanisms and systems to facilitate implementation and finalization of all recommendations within the specified timeframe.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% implementation of internal audit recommendations against Internal Audit action plans as per audit log
<b>Indicator Responsibility</b>	Chief Financial Officer

Indicator Title	% of external audit recommendations implemented within specified time frame
<b>Definition</b>	<p>External Auditors audit financial and non-financial information against predetermined norms and standards and produces a report of findings with recommendations.</p> <p>The indicator measures the number of external audit recommendations implemented against the total number of recommendations due in that period as specified in the Auditor General's action plan in the Audit Log.</p>
<b>Source of data</b>	External audit (Auditor General's) log
<b>Method of Calculation / Assessment</b>	Number of Auditor General's recommendations implemented against total number of recommendations due in that period as specified in the Auditor General's action plan *100
<b>Means of verification</b>	External audit (AG) log
<b>Assumptions</b>	The department has the mechanisms and systems to facilitate implementation and finalization of all recommendations with the specified timeframe
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% implementation of external audit (AG) recommendations against Auditor General action plans as per audit log
<b>Indicator Responsibility</b>	Chief Financial Officer

Indicator Title	Number of new external students awarded bursaries for Built Environment studies
<b>Definition</b>	Relates to empowerment of youth in built disciplines through award of bursaries to improve human capacity in the department and the sector
<b>Source of data</b>	Persal
<b>Method of Calculation / Assessment</b>	Simple count of students awarded bursaries
<b>Means of verification</b>	Letter of award of bursary and signed contract
<b>Assumptions</b>	Availability of qualifying people from the identified priority group and budget
<b>Disaggregation of Beneficiaries (where applicable)</b>	Target are Youth with excellent Grade 12 results in Maths and Science
<b>Spatial Transformation</b>	Rural areas prioritized over urban.



<b>Indicator Title</b>	<b>Number of new external students awarded bursaries for Built Environment studies</b>
<b>(where applicable)</b>	
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achievement of target
<b>Indicator Responsibility</b>	Deputy Director General –Corporate Services

<b>Indicator Title</b>	<b>% Percentage representation of staff with disabilities</b>
<b>Definition</b>	The workforce profile should comprise the set percentage of persons with disabilities
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• EE Plan</li> <li>• Personnel Provisioning Plan</li> <li>• Persal</li> </ul>
<b>Method of Calculation / Assessment</b>	Total number of posts filled divided by PWD x 100 Total number of workforce
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Approved HR Provisioning Plan.</li> <li>• Approved organisational structure.</li> <li>• Application forms, Shortlisting and Interview minutes.</li> <li>• Appointment submission.</li> </ul>
<b>Assumptions</b>	Availability of qualifying priority group
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Achievement of target
<b>Indicator Responsibility</b>	Deputy Director General –Corporate Services

Indicator Title	% Percentage of Women at SMS Level
<b>Definition</b>	Of the filled priority posts identified in the HRPP, a certain percentage should reflect employment of women at the Senior Management Service level to achieve equity targets
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• EE Plan</li> <li>• Personnel Provisioning Plan</li> <li>• Persal</li> </ul>
<b>Method of Calculation / Assessment</b>	Counting of number of women at SMS level against total number of SMS posts multiplied by 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Approved HR Provisioning Plan.</li> <li>• Approved organisational structure.</li> <li>• Application forms, Shortlisting and Interview minutes.</li> <li>• Appointment submission.</li> </ul>
<b>Assumptions</b>	Availability of qualifying priority group
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Achievement of target
<b>Indicator Responsibility</b>	Deputy Director General –Corporate Services

Indicator Title	% Percentage representation of Youth in the staff compliment
<b>Definition</b>	Of the filled priority posts identified in the HRPP, a certain percentage should reflect employment of Youth at all levels to achieve equity targets
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• EE Plan</li> <li>• Personnel Provisioning Plan</li> <li>• Persal</li> </ul>
<b>Method of Calculation / Assessment</b>	Counting of number of Youth posts filled against total number of vacant posts multiplied by 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Approved HR Provisioning Plan.</li> <li>• Approved organisational structure.</li> <li>• Application forms, Shortlisting and Interview minutes.</li> <li>• Appointment submission.</li> </ul>
<b>Assumptions</b>	Availability of qualifying priority group
<b>Disaggregation of</b>	n/a

<b>Beneficiaries (where applicable)</b>	
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Achievement of target
<b>Indicator Responsibility</b>	Deputy Director General –Corporate Services

## **PROGRAMME 2: PROPERTY MANAGEMENT (IMMOVABLE ASSET MANAGEMENT- IAM)**

<b>Indicator Title</b>	<b>Number of condition assessments finalized on state owned buildings</b>
<b>Definition</b>	To determine physical and functional condition of state-owned buildings. Further the condition of the building will be expressed in various ratings/categories range from C1 = very poor; C2 = Poor; C3 = Fair; C4 = Good to C5 = Excellent.
<b>Source of data</b>	User Asset Management Plans/ Immoveable Asset Register/ Physical Condition Assessments/ functional performance assessment (Any of these documents should serve as source of information) / Plan informing conditional assessment on specified/buildings
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	Completed condition assessments reports
<b>Assumptions</b>	Existence derelict state owned buildings that can be optimally used to meet service delivery objectives
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Achievement of set target
<b>Indicator Responsibility</b>	DDG – Immoveable Asset Management

<b>Indicator Title</b>	<b>% of total budget spent on approved property rates invoices from municipalities</b>
<b>Definition</b>	<p>Relates to payment for rates and taxes in respect of all rateable immovable assets owned and used by the provincial government.</p> <ul style="list-style-type: none"> <li>• To process all valid invoices received from the municipalities</li> <li>• To verify the rateable properties from the valuation rolls</li> <li>• To use municipal policies in respect of tariffs</li> <li>• To conduct verification process in respect of newly rateable properties</li> </ul>
<b>Source of data</b>	<p>Valid Invoices, Municipal valuation rolls</p> <ul style="list-style-type: none"> <li>• Vesting data, Deeds data, PREMIS data</li> <li>• National Public Works record of Devolved properties</li> <li>• EMIS data for schools</li> </ul>



Indicator Title	% of total budget spent on approved property rates invoices from municipalities
Method of Calculation / Assessment	$\frac{\text{actual expenditure on approved valid invoices}}{\text{budget allocation}} \times 100$
Means of verification	<ul style="list-style-type: none"> <li>BAS report,</li> <li>Payment sturb</li> <li>Expenditure report</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>Late submissions of invoices by municipalities</li> <li>Incomplete or inaccurate data</li> <li>Invoices with opening balances</li> <li>Misalignment of financial years between MPRA &amp; PFMA</li> <li>Availability of adequate budget</li> </ul>
Disaggregation of Beneficiaries (where applicable)	All municipalities submitting valid invoices
Spatial Transformation (where applicable)	Province wide
Calculation Type	Cumulative
Reporting Cycle	Annual
Desired performance	100% spend of Allocated budget
Indicator Responsibility	DDG – Immovable Asset Management

Indicator title	No. of properties registered into the name of the Government of the Province of KwaZulu-Natal
Definition	<ul style="list-style-type: none"> <li>To submit original Item 28(1) certificate and title deeds to the Deeds Office for endorsement and the Deeds Registries Act, 1937</li> <li>The registration of R293 state properties in terms of KZN Proclamation 84 of 1996 and the Deeds Registries Act, 1937</li> <li>The rectification transfer of former model c schools properties in terms Section 55(1) of SA Schools Act, 1996 as well as section 31(v) of the Deeds Registries Act, 1937</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Deeds office data/ Immoveable Asset Register / Surveyor General diagrams/ Valuation rolls/ GIS/ U-AMPS/ Physical Desktop verification reports and vesting data</li> </ul>
Method of calculation / assessment	<ul style="list-style-type: none"> <li>Simple count</li> </ul>
Means of verification	<ul style="list-style-type: none"> <li>Asset register update forms, C4 schedule, Windeed Printout, Immoveable Asset Register data, signed item 28(1) certificate/ title deeds</li> </ul>

Indicator title	No. of properties registered into the name of the Government of the Province of KwaZulu-Natal
Assumptions	<ul style="list-style-type: none"> <li>Unsurveyed &amp; unregistered land</li> <li>Incomplete or inaccurate data</li> <li>Issuing of Item 28(1) certificates is outside of the Department's control.</li> </ul>
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>None</li> </ul>
Spatial transformation (where applicable)	<ul style="list-style-type: none"> <li>None</li> </ul>
Calculation type	<ul style="list-style-type: none"> <li>non-cumulative</li> </ul>
Reporting cycle	<ul style="list-style-type: none"> <li>Annual</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>Actual performance should be equal or more than the set target.</li> </ul>
Indicator responsibility	<ul style="list-style-type: none"> <li>DDG – Immovable Asset Management</li> </ul>

Indicator Title	Hectare of land released for socio-economic purposes
Definition	This definition refers to redundant provincial properties disposed of through sale, donation, exchange as identified in the Transformation Policy
Source of data	Immovable Asset Register
Method of Calculation / Assessment	Simple count
Means of verification	Proof of allocation/ disposal (determined by nature of disposal) Deeds registry printout
Assumptions	Targeted groups secure required funding to acquire properties identified for disposal Targeted groups are interested in investing in the identified areas
Disaggregation of Beneficiaries (where applicable)	51% black as per policy, with at least 20% for women and youth and target for people with disabilities: 2%
Spatial Transformation (where applicable)	EThekweni Metro
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	100% achievement of set targets
Indicator Responsibility	DDG – Immovable Asset Management

<b>Indicator Title</b>	<b>Enter into formal agreements with financial institutions to assist new entrants into property sector, by 31 March 2023.</b>
<b>Definition</b>	This indicator relates to the formal agreements entered into with financial institutions to assist new entrants into the property sector.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Skewed ownership of landlord's facilities currently leased by the Department ( not reflective of the demographics of the Province)</li> <li>• Funding from client</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>• Simple count</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Signed formal agreements entered into between financial institution and the Department of Public works.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Lack of co-operation by financial institutions</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	accumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve target
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

<b>Indicator Title</b>	<b>Number of properties acquired</b>
<b>Definition</b>	This indicator relates to the acquisition process where the Province is acquiring through purchase, donation, exchange and ensuring that it is registered in the name of the Province in terms of the Deeds Register Act.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Instruction from client</li> <li>• Funding from client</li> </ul>
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	Title deed in the name of KZN Provincial Government.

<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Un-surveyed &amp; unregistered land</li> <li>• Legislative delays</li> <li>• Conveyancing</li> <li>• Withdrawal of instruction from client</li> <li>• Rates clearance certificates</li> <li>• Incomplete or inaccurate</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	Non –accumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	Achieve target
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

<b>Indicator Title</b>	<b>Number of lease agreements concluded</b>
<b>Definition</b>	This definition refers to properties hired where state –owned properties are insufficient.
<b>Source of data</b>	Lease register
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	Signed Lease Agreements or approval by delegated authority.
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Lease not signed by both parties</li> <li>• Poor performing landlords</li> <li>• Indecisiveness of clients</li> <li>• Bid process</li> <li>• Lack of suitable facilities</li> <li>• Funding by the client</li> <li>• Delayed approval</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A



<b>Calculation Type</b>	acumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve target
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

<b>Indicator Title</b>	<b>C- AMP submitted to the relevant Treasury in accordance with GIAMA</b>
<b>Definition</b>	The indicator requires the custodian to compile an annual Custodian Asset Management Plan (CAMP) in accordance with the prescripts of GIAMA and submit to the relevant Treasury.
<b>Source of data</b>	User Asset Management Plans/ Immovable Asset Register/ Condition Assessments functional performance assessment (Any of these documents should serve as source of information)
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	Proof of submission of C-AMP or CAMP covering letter to relevant Treasury and acknowledgement letter from relevant Treasury. The actual C-AMP.
<b>Assumptions</b>	User Department not submitting UAMPs, lack of data, condition assessments affecting the timely submission and quality of the CAMP.
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	Non –accumulative
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	The actual performance should be the same as the desired performance
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

Indicator Title	Number of state owned facilities audited for utilization
<b>Definition</b>	The indicator relates to the Custodian ensuring that state owned facilities allocated to Users are fully utilized and or fit for human habitation.
<b>Source of data</b>	User Asset Management Plans/ Immovable Asset Register/ Condition Assessments functional performance assessment (Any of these documents should serve as source of information)
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	Space audit utilization form duly completed and signed by both the User and Custodian representatives.
<b>Assumptions</b>	User Department allowing the Custodian Representative access to the facility. Non-availability of suitable official from the User.
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	accumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve the target
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

Indicator Title	Number of unutilized buildings re-allocated to Department of Social Development for GBV-f victim
<b>Definition</b>	The indicator seeks to contribute to addressing scourge of Gender Based Violence against females, children, and elderly.
<b>Source of data</b>	User Asset Management Plans/ Immovable Asset Register/ Condition Assessments functional performance assessment (Any of these documents should serve as source of information)
<b>Method of Calculation / Assessment</b>	Simple count
<b>Means of verification</b>	User/ Occupation agreement
<b>Assumptions</b>	Availability of suitable vacant / unutilized buildings.
<b>Disaggregation of</b>	N/A

<b>Beneficiaries (where applicable)</b>	
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	Accumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve the target
<b>Indicator Responsibility</b>	Deputy Director General: Immovable Asset Management

**PROGRAMME 3: PROVISION OF BUILDING, STRUCTURES & EQUIPMENT**  
**(INFRASTRUCTURE MAINTENANCE & TECHNICAL SUPPORT)**

<b>Indicator Title</b>	<b>Number of EPWP work opportunities created by the Provincial Department of Public works</b>
<b>Definition</b>	1 Work opportunity = paid work created for an individual on an EPWP project for any period of time. The same individual can be employed by one project after another and each period of employment will be counted as a work opportunity.
<b>Source of data</b>	EPWP Annexure reports or EPWP reporting system
<b>Method of Calculation / Assessment</b>	Simple count of work opportunities validated.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>- EPWP Report (PB01)</li> <li>- Attendance Registers</li> <li>- Paysheets/ Proof of Payment of Employees' Salaries (payslips or a signed acknowledgment of receipt of payment)</li> <li>- Employment contracts</li> </ul>
<b>Assumptions</b>	There is budget to implement the programme
<b>Disaggregation of Beneficiaries (where applicable)</b>	Women: 60 Youth: 55% People with Disabilities: 2%
<b>Spatial Transformation (where applicable)</b>	EPWP is implemented across 10 Districts and 1 Metro of the KwaZulu-Natal Province
<b>Calculation Type</b>	Cumulative (Year-to-Date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve 100% of the target

<b>Indicator Responsibility</b>	Chief Director: EPWP
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<b>Indicator Title</b>	<b>Number of Beneficiary Empowerment Interventions</b>
<b>Definition</b>	The number of interventions planned and implemented for the empowerment of the beneficiaries
<b>Source of data</b>	EPWP business plan
<b>Method of Calculation / Assessment</b>	Simple count of empowerment interventions
<b>Means of verification</b>	Attendance registers and/or certificates of attendance
<b>Assumptions</b>	There is budget to implement the programme
<b>Disaggregation of Beneficiaries (where applicable)</b>	Women: 60% = (2896 number of Work Opportunities to be created) Youth: 55% = (2654 number of Work Opportunities to be created) People with Disabilities: 2% = (97 number of Work Opportunities to be created)
<b>Spatial Transformation (where applicable)</b>	EPWP is implemented across 10 Districts and 1 Metro of the KwaZulu-Natal Province
<b>Calculation Type</b>	Cumulative (Year- End)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve 100% of the set target
<b>Indicator Responsibility</b>	Chief Director: EPWP



<b>Indicator Title</b>	<b>Number of public bodies reporting on EPWP targets within the Province</b>
<b>Definition</b>	Identifies the number of public bodies reporting EPWP work opportunities created within the Province.
<b>Source of data</b>	Public Bodies Reports (Extract from EPWP Reporting System indicating public bodies that reported within the Province)
<b>Method of Calculation / Assessment</b>	Simple count of public bodies reporting on EPWP targets from source documentation.
<b>Means of verification</b>	EPWP Final Annexure reports issued by National Department of Public Works
<b>Assumptions</b>	N/A
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	The EPWP programme is implemented across the KwaZulu-Natal Province by 66 Public Bodies (10 Districts, 43 Local Municipalities, 1 Metro and 12 Provincial Departments)
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve 100% of the set target
<b>Indicator Responsibility</b>	Chief Director: EPWP

<b>Indicator Title</b>	<b>Number of interventions implemented to support public bodies in the creation of targeted number of work opportunities in the province</b>
<b>Definition</b>	Identifies the number of interventions implemented to support public bodies reporting on EPWP.
<b>Source of data</b>	Quarterly Performance Report
<b>Method of Calculation / Assessment</b>	Simple count of number of interventions implemented to support public bodies reporting on EPWP targets from source documentation.
<b>Means of verification</b>	Attendance Registers, Programme / Agenda and Invitations
<b>Assumptions</b>	N/A
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	The EPWP programme is implemented across the KwaZulu-Natal Province by 66 Public Bodies (10 Districts, 43 Local Municipalities, 1 Metro and 12 Provincial Departments)
<b>Calculation Type</b>	Cumulative year-end
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Achieve 100% of the set target
<b>Indicator Responsibility</b>	Chief Director: EPWP

Indicator Title	% of total Infrastructure budget spent on Projects Awarded to Designated Groups
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the % of budget spent on Upgrades and additions, Renovations, Rehabilitation or Refurbishments and maintenance that are awarded to Designated groups i.e. Women, Youth, People with Disabilities and Military Veterans.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files</li> <li>WIMS</li> <li>BAS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Addition of the award amounts on Upgrades and additions, Renovations, Rehabilitation or Refurbishments and maintenance awarded to designated groups divided by the total infrastructure budget then multiplied by 100.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Award Letters</li> <li>Acceptance of Award Letters</li> <li>WIMS Report detailing designated group</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>NO delays in reporting performance information on Upgrades and additions, Renovations, Rehabilitation or Refurbishments and maintenance awarded to designated groups.</li> <li>Accurate information on the basis of incorrect understanding of the performance indicator</li> <li>Appropriate portfolio of evidence to substantiate reported performance</li> <li>No withdrawal of infrastructure budgets post planning</li> <li>Available data on award to determine designation.</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Awards to designated groups (Youth, Women, People with disabilities and military veterans) at least 51%. The Department will consider 50% equity share holding for people with disabilities and military veterans.</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>All districts</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more expenditure on Upgrades and additions, Renovations, Rehabilitation or Refurbishments and maintenance being realized from awards to designated groups.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

<b>Indicator Title</b>	<b>No. of emerging contractors trained</b>
<b>Definition</b>	Number of Emerging Contractors trained to ensure development and sustainability
<b>Source of data</b>	Attendance Registers
<b>Method of Calculation / Assessment</b>	Simple count of emerging contractors trained
<b>Means of verification</b>	Number of firms in attendance Registers signed at the training session
<b>Assumptions</b>	There is budget to implement the programme and availability of service provider
<b>Disaggregation of Beneficiaries (where applicable)</b>	<p>Target for Women: 60% as per EPWP Phase IV demographics shows (180 Women Contractors to be trained)</p> <p>Target for Youth: 55% (165 Youth Contractors to be trained)</p> <p>Target for People with Disabilities: 2% (6 contractors owned by people with Disabilities) to be trained.</p>
<b>Spatial Transformation (where applicable)</b>	Across KwaZulu-Natal Province
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	Achieve 100% of the set target.
<b>Indicator Responsibility</b>	Chief Director: EPWP



<b>Indicator Title</b>	<b>No. of new schools completed</b>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the number of new school projects which have been implemented and completed.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files and WIMS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count of the number of new schools completed.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Practical Completion certificate</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in reporting performance information on new school projects completed</li> <li>Inaccurate information on the basis of incorrect understanding of the performance indicator</li> <li>Inappropriate portfolio of evidence to substantiate reported performance</li> <li>Delays within the contract period, labour disputes and inclement weather conditions. vis major</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>All contractors</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>All Districts</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more new schools being implemented and completed.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

<b>Indicator Title</b>	<b>No. of schools refurbished</b>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the number of school projects where Upgrades and additions, Renovations, Rehabilitation or Refurbishments have been implemented and completed</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files and WIMS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count of the number of Upgrades and additions, Renovations, Rehabilitation or Refurbishments implemented and completed.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Practical Completion certificate</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in reporting performance information on Upgrades and additions, Renovations, Rehabilitation or Refurbishments completed for schools</li> <li>Inaccurate information on the basis of incorrect understanding of the performance indicator</li> <li>Inappropriate portfolio of evidence to substantiate reported performance</li> <li>Delays within the contract period, labour disputes and inclement weather conditions. vis major</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Target for Women:</li> <li>Target for Youth:</li> <li>Target for People with Disabilities:</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Across all KZN district</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more schools upgraded, renovated, Rehabilitated or Refurbished.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

<b>Indicator Title</b>	<b>No. of clinics refurbished</b>
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the number of clinics where Upgrades and additions, Renovations, Rehabilitation or Refurbishments have been implemented and completed</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files and WIMS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count of the number of Upgrades and additions, Renovations, Rehabilitation or Refurbishments implemented and completed.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Practical Completion certificate</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in reporting performance information on Upgrades and additions, Renovations, Rehabilitation or Refurbishments completed for clinics</li> <li>Inaccurate information on the basis of incorrect understanding of the performance indicator</li> <li>Inappropriate portfolio of evidence to substantiate reported performance</li> <li>Delays within the contract period, labour disputes and inclement weather conditions. vis major</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Target for Women:</li> <li>Target for Youth:</li> <li>Target for People with Disabilities:</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>All districts</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more clinics upgraded, renovated, rehabilitated or refurbished.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

Indicator Title	No. of hospitals refurbished
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the number of hospitals where Upgrades and additions, Renovations, Rehabilitation or Refurbishments have been implemented and completed</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files and WIMS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count of the number of Upgrades and additions, Renovations, Rehabilitation or Refurbishments implemented and completed.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Practical Completion certificate</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in reporting performance information on Upgrades and additions, Renovations, Rehabilitation or Refurbishments completed for hospitals</li> <li>Inaccurate information on the basis of incorrect understanding of the performance indicator</li> <li>Inappropriate portfolio of evidence to substantiate reported performance</li> <li>Delays within the contract period, labour disputes and inclement weather conditions. vis major</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Target for Women:</li> <li>Target for Youth:</li> <li>Target for People with Disabilities:</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>All districts</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more hospitals upgraded, renovated, rehabilitated or refurbished.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

Indicator Title	No. of building/facilities refurbished
<b>Definition</b>	<ul style="list-style-type: none"> <li>Identifies the number of building/facilities where Upgrades and additions, Renovations, Rehabilitation or Refurbishments have been implemented and completed</li> </ul>



<b>Source of data</b>	<ul style="list-style-type: none"> <li>Project files and WIMS</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count of the number of Upgrades and additions, Renovations, Rehabilitation or Refurbishments implemented and completed.</li> </ul>
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Practical Completion certificate</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in reporting performance information on Upgrades and additions, Renovations, Rehabilitation or Refurbishments completed for hospitals</li> <li>Inaccurate information on the basis of incorrect understanding of the performance indicator</li> <li>Inappropriate portfolio of evidence to substantiate reported performance</li> <li>Delays within the contract period, labour disputes and inclement weather conditions. vis major</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Target for Women:</li> <li>Target for Youth:</li> <li>Target for People with Disabilities:</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>All districts</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Year- End)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Higher performance – more hospitals upgraded, renovated, rehabilitated or refurbished.</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

<b>Indicator Title</b>	<b>Establishment of fully functional SIDA by end June 2022</b>
<b>Definition</b>	<ul style="list-style-type: none"> <li>This indicator relates to the state being able to undertake its projects efficiently.</li> </ul>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>the KZN PEC Lekgotla of 15-17 February 2017</li> </ul>
<b>Method of Calculation / Assessment</b>	<ul style="list-style-type: none"> <li>Simple count</li> </ul>

<b>Means of verification</b>	<ul style="list-style-type: none"> <li>Approved SIDA business plan</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Delays in presentation to KZN PEC</li> <li>Lack of funding</li> <li>Readiness of SIDA offices</li> <li>Capacity within SIDA</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
<b>Calculation Type</b>	<ul style="list-style-type: none"> <li>Cumulative (Mid – Year)</li> </ul>
<b>Reporting Cycle</b>	<ul style="list-style-type: none"> <li>Annual</li> </ul>
<b>Desired performance</b>	<ul style="list-style-type: none"> <li>Achieve target</li> </ul>
<b>Indicator Responsibility</b>	<ul style="list-style-type: none"> <li>DDG: Infrastructure Maintenance and Technical Support</li> </ul>

## **ANNEXURES TO THE ANNUAL PERFORMANCE PLAN**

### **ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN**

None

### **ANNEXURE B: CONDITIONAL GRANTS**

<b>Name of grant</b>	<b>Purpose</b>	<b>Outputs</b>	<b>Current Annual Budget (R thousand)</b>	<b>Period of grant</b>
EPWP Integrated Grant for Provinces	Implementation of the EPWP	EPWP work opportunities	5 465	2021/2022

### ANNEXURE C: CONSOLIDATED INDICATORS

Institution	Output Indicator	Annual Target	Data Source
none			

### ANNEXURE D: DISTRICT DEVELOPMENT MODEL

AREAS OF INTERVENTION	Medium Term (3 years – MTEF)					
	Project Description	Budget Allocation	District Municipality	Location: GPS coordinates	Project leader	Social Partners
client departments to reflect in their own departmental APP						